

30 September 2025

Secure Property Development & Investment PLC ('SPDI')

2025 Interim Results

Secure Property Development & Investment PLC, the AIM quoted Southern Eastern European focused property company, is pleased to announce its unaudited interim results for the period ended 30 June 2025.

Overview

- Further progress towards completion of asset sale process with Arcona Property Fund N.V., finalising the transaction originally announced in 2018. The Company now holds 1,152,381 Arcona shares and 115,543 warrants
- Established a new joint vehicle in Cyprus with Myrian New Limited to house the €2.5 million of loan exposure converted into equity.
- Disposal of Kiyanovskiy land plot in Ukraine in February 2025 for €1.08 million plus 68,782 new ordinary shares in Arcona
- Operating result after finance and taxes at -€0.2m, compared to -€0.01m in H1, primarily due to lower interest income following loan conversation to equity in the Romanian logistics venture.

Micheal Beys, Chairman of the Board, said: *"We were delighted to report the progress of the transaction with Arcona Property Fund during the first half of 2025, a strategic process that began in 2018. This has delivered SPDI a significant shareholding in Arcona, now valued at around €12.4 million.*

"I would like to thank my fellow directors, management and our shareholders for their continued support."

****ENDS****

Copies of the Interim Report and Accounts are available on the Company's website at www.secure-property.eu.

****ENDS****

This announcement contains inside information for the purpose of Article 7 of EU Regulation 596/2014

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1. Management Report

1.1 Corporate Overview & Financial Performance

SPDI's core property asset portfolio previously consisted of South Eastern European prime commercial and industrial real estate, the majority of which was let to blue chip tenants on long leases. During H1 2025, management in line with the Company's strategy to maximise value for shareholders, achieved the closing of the sale of a Ukrainian land asset included in Stage 2 of the transaction with Arcona Property Fund N.V (Arcona) as part of the conditional implementation agreement for the sale, as first announced in 2018, of Company's property portfolio, excluding its Greek logistics property (which has now also separately been sold), in an all-share transaction to Arcona, an Amsterdam and Prague listed company that invests in commercial property in Central Europe. Arcona originally held high yielding real estate investments in Czech Republic, Poland and Slovakia, and the combination of two complementary asset portfolios is expected to create a significant European property company, benefiting both the Company's and Arcona's respective shareholders.

Following the completion of Stage 1 of the transaction in 2019, which involved the sale of two land plots in Ukraine and residential and land assets in Bulgaria, and the Romanian part of Stage 2 of the transaction in 2022 with the transfer of the EOS and Delenco assets in Bucharest, during 2024, the Company sold also to Arcona the Kiyanovskiy land plot in Ukraine for a consideration of approximately \$1,08 million plus 68.782 new ordinary shares in Arcona, a transaction that closed during February 2025 and consideration shares effectively received. On top of that, the Company also received 10.689 new ordinary shares in Arcona as deferred payment for the transactions of the Romanian assets in 2022.

Since Arcona did not proceed to the acquisition of Rozny, the other land plot in Ukraine, the transaction for Kiyanovskiy marked the completion of the overall transaction with Arcona, from

which the Company ended, over and above any cash consideration, with 1.152.381 Arcona shares and 259.627 warrants over Arcona shares, from which 115.543 are still exercisable upon meeting certain terms. Based on the last reported NAV per share of Arcona, Company's share portfolio in Arcona is valued at €12,4 million.

Moreover, during H1 2025 and as part of the joint venture agreement with Myrian Nes Limited for converting €2,5 million of a loan into equity for developing logistics properties in Romania, the parties have established a joint vehicle in Cyprus and commenced the process for effectively contributing into it three assets for materializing the joint venture plan. Such assets are two different newly developed properties in two regional cities with the same main tenant, and also the Company's asset Innovations Terminal in Bucharest. A further announcement in respect of this process, confirming completion, is expected shortly.

Net operating income increased by 5,5% at €0,43m during H1 2025, as a result of the increase in rental income during the period.

The administration expenses, adjusted by the one-off costs associated with non-recurring tasks, increased to €0,46m from €0,39m, mainly due to recognition of director fees in respect of not only the current but also previous periods. As a result recurring EBITDA turned negative to -€0,04m from profit €0,01m in the comparative period. Net finance cost reached -€0,15m at the end of the period, from -€0,02m in H1 2024, due to the fact that a €2,5m portion of the loan provided by the Company to Myrian Nes Limited has been transformed into investment in logistics assets in Romania and therefore has stopped accruing interest income. The operating result after finance and taxes stands at -€0,2m as compared to - €0,01m in the comparative period.

Table 1

EUR	H1 2025			H1 2024		
	Continued Operations	Discontinued Operations	Total	Continued Operations	Discontinued Operations	Total
Rental, Utilities, Asset Management fees	712,439	79,852	792,291	614,429	76,665	691,094
Income from Operations	712,439	79,852	792,291	614,429	76,665	691,094
Asset operating expenses	-	(366,181)	(366,181)	-	(286,446)	(286,446)
Net Operating Income	712,439	(286,329)	426,110	614,429	(209,781)	404,648
Share of profits from associates	-	-	-	-	-	-
Net Operating Income from Investments	712,439	(286,329)	426,110	614,429	(209,781)	404,648
Administration expenses	(452,096)	(13,425)	(465,521)	(363,925)	(30,463)	(394,388)
Operating Result (EBITDA)	260,343	(299,754)	(39,411)	250,504	(240,244)	10,260

Finance Income/(Cost), net	(17,317)	(131,936)	(149,253)	116,682	(138,603)	(21,921)
Income tax expense	(3,896)	(4,424)	(8,320)	-		-
Operating Result after Finance and Tax Expenses	239,130	(436,114)	(196,984)	367,186	(378,847)	(11,661)
Other income / (expenses), net	125,528	50,399	175,927	(314)	7,760	7,446
One-off costs associated with non-recurring tasks (BH case, disposals)	-	-	-	(19,644)	-	(19,644)
One-off costs associated with Arcona transaction	(15,369)	-	(15,369)	(12,442)	-	(12,442)
Fair value adjustments from Investment Properties		138,244	138,244	-	127,550	127,550
Management incentives	(327,000)	-	(327,000)	(185,000)	-	(185,000)
Fair value (loss)/ gain on financial investments	41,855	-	41,855	146,509	-	146,509
Foreign exchange differences, net	(41,022)	(112,120)	(153,142)	23,041	(45,001)	(21,960)
Result for the year	23,122	(359,591)	(336,469)	319,336	(288,538)	30,798

Exchange difference on translation due to presentation currency	-	(147,314)	(147,314)	-	85,474	85,474
Total Comprehensive Income for the year	23,122	(506,905)	(483,783)	319,336	(203,064)	116,272

2. Regional Economic Developments¹

Following a marginal growth in 2024 of 0,8%, real GDP in Romania was expected to pick up pace during 2025 on the back of agricultural and construction activities, as well as increased volumes of exports. However, the uncertainty generated by the imposition of US tariffs, as well as the domestic political and fiscal volatility have moderated expectations, with the GDP growth expected to reach 1,4%.

Inflation is expected to continue its downward trend, but remain at high levels. Current expectations set the inflation rate in 2025 at 5,1% and further down to 3,9% in 2026. Unemployment projected to decline marginally at 5,3% in 2025 from 5,4% in 2024, and 5,2% in 2026.

The general government deficit increased substantially in 2024 to 9,3% of GDP due to the increases in public wages and pensions. A moderate decline is projected for the deficit in 2025, when it is expected to reach 8,6% of GDP, and a further decline to 8,4% in 2026.

The Ukrainian economy is expected to grow by 2-3% in 2025 on the back of the continued conflict in the region which has brought a decline in exports and an increase in energy prices. The economy continues to be supported by domestic demand, loose fiscal policies and interventions by the country's National Bank.

The Consumer Price Index reached 12% in 2024 and is expected to decrease below 10% in 2025, remaining though at high levels. The budget is expected to remain in deficit in 2025, with the increased defense costs to be financed by domestic borrowing and higher revenues. Finally, a slight recovery in employment is expected, mainly due to potential growth in domestic services.

3. Real Estate Market Developments

3.1 Romania

Despite the political uncertainty and domestic turbulence, during the first half of 2025, real estate investment volume in Romania showed resilience and reached ~€390 million, approximately 8% below the relevant period in 2024. Such performance, confirms that local market positioning as an attractive destination of regional real estate investments.

Retail assets accounted for 42% of total investment volume, followed by office properties (23%) and mixed use assets (22%). On the other hand, industrial properties secured a 7% share, and hotels a 2% one.

¹ Sources: World Bank Group, Eurostat, EBRD, National Institute of Statistics- Romania, National Institute of Statistics – Ukraine, IMF, European Commission.

In terms of prime yields, during the first half of 2025 a slight decompression is observed both in retail properties to 7,75%, and in industrial ones to 7,50%.

By the end of H1 2025, modern industrial stock exceeded 8 million sq m, with nearly half (47%) developed in Bucharest. The vacancy rate for Romania's industrial/ logistics prime stock increased marginally to 5,1%, while headline rent remained at the same level, at 4,75 EUR sq m/month.

3.2 Ukraine

The real estate market in Ukraine has not functioned normally since the invasion of the country by Russia in February 2022. Given the ongoing conflict, relevant activities during the period have been substantially decreased, the country is operating under martial law, and there are no available statistics and/or publications.

4. Property Assets

4.1 Innovations Logistics Park, Romania

The park incorporates approximately 8.470 sqm of multipurpose warehousing space, 6.395 sqm of cold storage and 1.705 sqm of office space. It is located in the area of Clinceni, south west of Bucharest center, 200m from the city's ring road and 6km from Bucharest-Pitesti (A1) highway. Its construction was completed in 2008 and was tenant specific. It comprises four separate warehouses, two of which offer cold storage.



As at the end of current period the terminal was 83% leased. Anchor tenant with 43% is Carrefour Romania, followed by Baustoff+Metall (21%), Terra Invest (15%) and Favorit Business (4%). Per the above, it is intended that this property will be contributed into the joint venture with Myrian Nes Limited.

During 2023 all units of the complex were sold.

4.2 Land Assets

Tsymlyanskiy Residence – Kiev, Ukraine

The 0,36 Ha plot is located in the historic and rapidly developing Podil District in Kiev. The Company owns 55% of the SPV which leases the plot, with a local co-investor owning the remaining 45%.

The extension of the lease, originally expected during 2021, was delayed and currently is on hold due to the invasion of Russia in Ukraine. The asset is planned to be sold upon effective extension of its lease.

Rozny Lane – Kiev Oblast, Kiev Ukraine

The 42 Ha land plot located in Kiev Oblast is destined to be developed as a residential complex. Following a protracted legal battle, it has been registered in the Company's name pursuant to a legal decision in July 2015.

The asset was part of Stage 2 of the Arcona transaction and relevant SPA for its disposal was signed in June 2021 while closing had been postponed due to the invasion of Russia in Ukraine. During the closing process of the Arcona transaction for the Ukrainian properties, Arcona declined to proceed with the asset, and as a result the Company is currently looking for alternative buyers in the market.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June 2025

	Note	30 June 2025	30 June 2024
Continued Operations		€	€
Income	10	712.439	614.429
Net Operating Income		712.439	614.429
Administration expenses	12	(794.465)	(581.011)
Other operating income/(expenses), net	14	125.528	(314)
Fair value gains/(losses) on financial assets at FV through P&L	23	41.855	146.509

Finance income	15	17.780	145.839
Finance costs	15	(35.097)	(29.157)
Foreign exchange gains/(losses), net	16	(41.022)	23.041
		27.018	319.336
Income tax expense	17	(3.896)	-
Profit/ (Loss) for the period from continuing operations		23.122	319.336
Profit/(Loss) from discontinued operations	9b	(359.591)	(288.538)
Profit / (Loss) for the period		<u>(336.469)</u>	<u>30.798</u>
Other comprehensive income			
Exchange difference on translation of foreign operations	27	(147.314)	85.474
Profit/ (Loss) for the period from continued operations attributable to:			
Owners of the parent		23.122	319.336
Non-controlling interests		-	-
		23.122	319.336
Profit/(Loss) for the period from discontinued operations attributable to:			
Owners of the parent		(354.979)	(277.774)
Non-controlling interests		(4.612)	(10.764)
		(359.591)	(288.538)
Profit/(Loss) for the period attributable to:			
Owners of the parent		(331.857)	41.562
Non-controlling interests		(4.612)	(10.764)
		(336.469)	30.798

Total comprehensive income attributable to:

Owners of the parent	(484.212)	126.590
Non-controlling interests	429	(10.318)
	483.783	116.272

Earnings/(losses) per share (Euro per share):

36 b,c

Basic earnings/(losses) for the period attributable to ordinary equity owners of the parent

0,000 0,002

Diluted earnings/(losses) for the period attributable to ordinary equity owners of the parent

0,000 0,002

Basic earnings/(losses) for the period from discontinued operations attributable to ordinary equity owners of the parent

(0,002) (0,002)

Diluted earnings/(losses) for the period from discontinued operations attributable to ordinary equity owners of the parent

(0,002) (0,002)

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**For the six months ended 30 June 2025**

	Note	30 June 2025	31 December 2024
		€	€
ASSETS			
Non-current assets			
Tangible and intangible assets	20	-	13
Financial Assets at FV through P&L	23	12.715.105	12.553.640
Other Investments	24	2.500.001	-
Long-term receivables and prepayments	21	-	818
		15.215.106	12.554.471
Current assets			

Prepayments and other current assets	22	2.307.694	4.154.664
Cash and cash equivalents	25	217.435	1.047.918
		2.525.129	5.202.582

Assets classified as held for sale	9d	10.278.761	10.361.341
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EQUITY AND LIABILITIES

Issued share capital	26	1.291.281	1.291.281
Share premium		59.551.817	60.401.817
Foreign currency translation reserve	27	7.466.708	7.614.448
Exchange difference on I/C loans to foreign holdings	38.3	(211.199)	(211.199)
Accumulated losses		(63.595.595)	(62.816.718)

Non-controlling interests	28	1.951.863	9.029
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Total equity		6.454.875	6.288.658
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Current liabilities

Borrowings	29	145.267	517.240
Bonds issued	30	256.013	911.602
Trade and other payables	31	2.661.367	2.252.319
Payable due to shareholders	35	12.555.448	11.705.448
Tax payable and provisions	33	42.550	79.589
		15.660.645	15.466.198

Liabilities directly associated with assets classified as	9d	5.903.476	6.363.538
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Total liabilities		21.564.121	21.829.736
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Total equity and liabilities		28.018.996	28.118.394
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Net Asset Value (NAV) € per share:	36 d		
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Basic NAV attributable to equity holders of the parent		0,03	0,05
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Diluted NAV attributable to equity holders of the parent		0,03	0,05
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CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June 2025

	Attributable to owners of the Company				
	Share capital	Share premium, Net ¹	Accumulated losses, net of non-controlling interest ²	Exchange difference on I/C loans to foreign holdings ³	Foreign currency translation reserve ⁴
	€	€	€	€	€
Balance 1 January 2024					
Loss for the year	-	-	41.562	-	-
Foreign currency translation reserve	-	-	-	-	85.028
Balance 30 June 2024	1.291.281	72.107.265	(62.042.154)	(211.199)	7.639.129
Profit for the year	-	-	(879.631)	-	-
Disposals of subsidiaries 2023- correction					
Minority Interest	-	-	105.067	-	-
Foreign currency translation reserve	-	-	-	-	(24.681)
Share premium reduction	-	(11.705.448)	-	-	-
Balance 31 December 2024	1.291.281	60.401.817	(62.816.718)	(211.199)	7.614.448
Loss for the year	-	-	(335.880)	-	-
Share premium reduction	-	(850.000)	-	-	-
Disposal of 50% of subsidiary	-	-	(442.997)	-	-
Foreign currency translation reserve	-	-	-	-	(147.740)

¹ Share premium is not available for distribution.

² Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

³ Exchange differences on intercompany loans to foreign holdings arose as a result of devaluation of the Ukrainian Hryvnia during previous years. The Group

treats the mentioned loans as a part of the net investment in foreign operations (Note 38.3).

⁴ Exchange differences related to the translation from the functional currency of the Group's subsidiaries are accounted for directly to the foreign currency translation reserve. The foreign currency translation reserve represents unrealised profits or losses related to the appreciation or depreciation of the local currencies against the euro in the countries where the Group's subsidiaries own property assets.

CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

For the six months ended 30 June 2025

	Note	30 June 2025	30 June 2024
		€	€
CASH FLOWS FROM OPERATING ACTIVITIES			
Loss before tax and non-controlling interests-continued operations		27.018	319.336
Profit/(Loss)before tax and non-controlling interests-discontinued operations	9b	(355.167)	(288.538)
Profi/(Loss) before tax and non-controlling interests		(328.149)	30.798
Adjustments for:			
(Gains)/losses on revaluation of investment property	13	(138.244)	(127.550)
Depreciation/ Amortization charge	12	13	115
Other income	14	(119.610)	-
Accounts payable written off	14	(80.151)	-
Bad debts write off	14	18.077	-
Finance income	15	(17.801)	(145.867)
Interest expense	15	158.828	165.810
Fair value change on financial investment	23	(41.855)	(146.509)
Effect of foreign exchange differences	16	153.142	21.960
Cash flows from/(used in) operations before working capital changes		(395.750)	(201.243)
Change in prepayments and other current assets	22	1.884.320	(227.566)
Change in trade and other payables and borrowings	31	447.962	544.345
Change in VAT and other taxes receivable	22	6.114	(12.547)
Change in other taxes payables	33	59.445	5.115
Cash generated from operations		2.002.091	108.128
Income tax paid		(45.206)	(12)
CASH FLOWS FROM INVESTING ACTIVITIES			
Repayment of principle amount of loans receivable	22	-	55.490
Acquisition of other investment	24	(2.500.000)	
Interest received	22	-	94.510
(Increase)/Decrease in long term receivable	21	818	-

CASH FLOWS FROM FINANCING ACTIVITIES

Interest and financial charges paid		(139.559)	(170.515)
Repayment of financial lease principal	34	(139.645)	(187.779)

Net increase/(decrease) in cash at banks **(821.501) (100.178)**

Cash:

At beginning of the period **1.166.703** 497.389

At end of the period 25 **345.202 397.211**

Notes to the Condensed Consolidated Interim Financial Statements
For the six months ended 30 June 2025

1. General Information

Country of incorporation

SECURE PROPERTY DEVELOPMENT & INVESTMENT PLC (the "Company") was incorporated in Cyprus on 23 June 2005 and is a public limited liability company, listed on the London Stock Exchange (AIM): ISIN CY0102102213. Its registered office is at Kyriakou Matsi 16, Eagle House, 10th floor, Agioi Omologites, 1082 Nicosia, Cyprus while its principal place of business is in Cyprus while its principal place of business is in Cyprus at 6 Nikiforou Foka Street, 1060 Nicosia, Cyprus.

Principal activities

The principal activities of the Group are to invest directly or indirectly in and/or manage real estate properties, as well as real estate development projects in South East Europe (the "Region"). These include the acquisition, development, commercializing, operating and selling of property assets in the Region.

The Group maintains offices in Nicosia, Cyprus, and Kiev, Ukraine.

As at the reporting date, the companies of the Group employed and/or used the services of 2 full time equivalent people, (2024: 2 full time equivalent people).

2. Basis of preparation

The consolidated financial statements have been prepared in accordance with International

Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap.113. The consolidated financial statements have been prepared under the historical cost as modified by the revaluation of investment property and investment property under construction, of financial assets at fair value through other comprehensive income and of financial assets at fair value through profit and loss.

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

Following certain conditional agreement signed in December 2018 with Arcona Property Fund N.V for the sale of Company's non-Greek portfolio of assets, the Company classifies its assets since 2018 as discontinued operations (Note 4.3).

3. Adoption of new and revised Standards and Interpretations

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

4. Significant accounting policies

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

Local statutory accounting principles and procedures differ from those generally accepted under IFRS. Accordingly, the consolidated financial information, which has been prepared from the local statutory accounting records for the entities of the Group domiciled in Cyprus, Romania, and Ukraine, reflects adjustments necessary for such consolidated financial information to be presented in accordance with IFRS.

4.1 Basis of consolidation

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability

resulting from a contingent consideration arrangement. Identifiable assets acquired, liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. The Group recognises any non-controlling interest in the acquiree on an acquisition-by-acquisition basis, either at fair value or at the non-controlling interest's proportionate share of the recognised amounts of acquiree's identifiable net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurement are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with IAS 39, either in profit or loss or as a change to other comprehensive income. Contingent consideration that is classified as equity is not re-measured and its subsequent settlement is accounted for within equity.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period (see above), or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date.

Business combinations that took place prior to 1 January 2010 were accounted for in accordance with the previous version of IFRS 3.

Inter-company transactions, balances and unrealized gains on transactions between group companies are eliminated. Unrealised losses are also eliminated. When necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Changes in ownership interests in subsidiaries without change of control and Disposal of Subsidiaries

Transactions with non-controlling interests that do not result in loss of control are accounted for as equity transactions - that is, as transactions with the owners in their capacity as owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals of non-controlling interests are also recorded in equity.

When the Group ceases to have control, any retained interest in the entity is re-measured to its

fair value at the date when control is lost, with the change in carrying amount 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 associate, 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.

4.2 Functional and presentation currency

Items included in the Group's financial statements are measured applying the currency of the primary economic environment in which the entities operate ("the functional currency"). The national currency of Ukraine, the Ukrainian Hryvnia, is the functional currency for all the Group's entities located in Ukraine, the Romanian leu is the functional currency for all Group's entities located in Romania, and the Euro is the functional currency for all the Cypriot subsidiaries.

The consolidated financial statements are presented in Euro, which is the Group's presentation currency.

As Management records the consolidated financial information of the entities domiciled in Cyprus, Romania, Ukraine in their functional currencies, in translating financial information of the entities domiciled in these countries into Euro for inclusion in the consolidated financial statements, the Group follows a translation policy in accordance with IAS 21, "The Effects of Changes in Foreign Exchange Rates", and the following procedures are performed:

- All assets and liabilities are translated at closing rate;
- Equity of the Group has been translated using the historical rates;
- Income and expense items are translated using exchange rates at the dates of the transactions, or where this is not practicable the average rate has been used;
- All resulting exchange differences are recognised as a separate component of equity;
- When a foreign operation is disposed of through sale, liquidation, repayment of share capital or abandonment of all, or part of that entity, the exchange differences deferred in equity are reclassified to the consolidated statement of comprehensive income as part of the gain or loss on sale;
- Monetary items receivable from foreign operations for which settlement is neither planned nor likely to occur in the foreseeable future and in substance are part of the Group's net investment in those foreign operation are recognised initially in other comprehensive income and reclassified from equity to profit or loss on disposal of the foreign operation.

The relevant exchange rates of the European and local central banks used in translating the financial information of the entities from the functional currencies into Euro are as follows:

Currency	Average for the period			Closing as at		
	1 Jan 2025	1 Jan 2024	1 Jan 2024	30 June	31	30 June
	- 30 June	- 31 Dec	- 30 June	2025	December	2024
	2025	2024	2024		2024	
USD	1,0927	1,0824	1,0814	1,1720	1,0389	1,0705
UAH	45,4553	43,4504	42,1824	48,7823	43,6855	43,3547
RON	5,0034	4,9748	4,9743	5,0777	4,9741	4,9771

4.3 Discontinued operations

A discontinued operation is a component of the Group's business, the operations and cash flows of which can be clearly distinguished from the rest of the Group and which:

- represents a separate major line of business or geographic area of operations;
- is part of a single coordinated plan to dispose of a separate major line of business or geographic area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Classification as a discontinued operation occurs at the earlier of disposal or when the operation meets the criteria to be classified as held-for-sale.

When an operation is classified as a discontinued operation, the comparative statement of profit or loss and OCI is re-presented as if the operation had been discontinued from the start of the comparative year.

4.4 Investment Property at fair value

Investment property, comprising freehold and leasehold land, investment properties held for future development, warehouse and office properties, as well as the residential property units, is held for long term rental yields and/or for capital appreciation and is not occupied by the Group. Investment property and investment property under construction are carried at fair value, representing open market value as determined annually by external valuers and reviewed by Management who finally decides on reported values. Changes in fair values are recorded in the statement of comprehensive income and are included in other operating income.

A number of the land leases (all in Ukraine) are held for relatively short terms and place an obligation upon the lessee to complete development by a prescribed date. It is important to note that the rights to complete a development may be lost or at least delayed if the lessee fails to complete a permitted development within the timescale set out by the ground lease.

In addition, in the event that a development has not commenced upon the expiry of a lease then the City Authorities are entitled to decline the granting of a new lease on the basis that the land is not used in accordance with the designation. Furthermore, where all necessary permissions and consents for the development are not in place, this may provide the City Authorities with grounds for rescinding or non-renewal of the ground lease. However Management believes that the possibility of such action is remote and was made only under limited circumstances in the past.

Management believes that rescinding or non-renewal of the ground lease is remote if a project is on the final stage of development or on the operating cycle. In undertaking the valuations reported herein, the valuer of Ukrainian properties CBRE has made the assumption that no such circumstances will arise to permit the City Authorities to rescind the land lease or not to grant a renewal.

Land held under operating lease is classified and accounted for as investment property when the rest of the definition is met.

Investment property under development or construction initially is measured at cost, including related transaction costs.

The property is classified in accordance with the intention of the management for its future use. Intention to use is determined by the Board of Directors after reviewing market conditions, profitability of the projects, ability to finance the project and obtaining required construction permits.

The time point, when the intention of the management is finalized is the date of start of construction. At the moment of start of construction, freehold land, leasehold land and investment properties held for a future redevelopment are reclassified into investment property under development or inventory in accordance to the final decision of management.

Initial measurement and recognition

Investment property is measured initially at cost, including related transaction costs. Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognised in the consolidated statement of comprehensive income in the period of retirement or disposal.

Transfers are made to investment property when, and only when, there is a change in use, evidenced by the end of owner occupation, or the commencement of an operating lease to third party. Transfers are made from investment property when, and only when, there is a change in

use, evidenced by commencement of owner occupation or commencement of development with a view to sale.

If an investment property becomes owner occupied, it is reclassified as property, plant and equipment, and its fair value at the date of reclassification becomes its cost for accounting purposes. Property that is being constructed or developed for future use as investment property is classified as investment property under construction until construction or development is complete. At that time, it is reclassified and subsequently accounted for as investment property.

Subsequent measurement

Subsequent to initial recognition, investment property is stated at fair value. Gains or losses arising from changes in the fair value of investment property are included in the statement of comprehensive income in the period in which they arise.

If a valuation obtained for an investment property held under a lease is net of all payments expected to be made, any related liabilities/assets recognised separately in the statement of financial position are added back/reduced to arrive at the carrying value of the investment property for accounting purposes.

Subsequent expenditure is charged to the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of comprehensive income during the financial period in which they are incurred.

Basis of valuation

The fair values reflect market conditions at the financial position date. These valuations are prepared once a year by chartered surveyors (hereafter "appraisers"). The Group appointed valuers in 2014, which remain the same the period ending 30 June 2025:

- CBRE Ukraine, for all its Ukrainian properties,
- NAI Real Act for all its Romanian properties.

The valuations have been carried out by the appraisers on the basis of Market Value in accordance with the appropriate sections of the current Practice Statements contained within the Royal Institution of Chartered Surveyors ("RICS") Valuation – Global Standards (2018) (the "Red Book") and is also compliant with the International Valuation Standards (IVS).

"Market Value" is defined as: "The estimated amount for which a property should be exchanged on the date of valuation between a willing buyer and a willing seller in an arm's-length transaction after proper marketing wherein the parties had each acted knowledgeably, prudently and without compulsion".

In expressing opinions on Market Value, in certain cases the appraisers have estimated net annual rentals/income from the sale. These are assessed on the assumption that they are the best rent/sale prices at which a new letting/sale of an interest in property would have been completed at the date of valuation assuming: a willing landlord/buyer; that prior to the date of valuation there had been a reasonable period (having regard to the nature of the property and the state of the market) for the proper marketing of the interest, for the agreement of the price and terms and for the completion of the letting/sale; that the state of the market, levels of value and other circumstances were, on any earlier assumed date of entering into an agreement for lease/sale, the same as on the valuation date; that no account is taken of any additional bid by a prospective tenant/buyer with a special interest; that the principal deal conditions assumed to apply are the same as in the market at the time of valuation; that both parties to the transaction had acted knowledgeably, prudently and without compulsion.

A number of properties are held by way of ground leasehold interests granted by the City Authorities. The ground rental payments of such interests may be reviewed on an annual basis, in either an upwards or downwards direction, by reference to an established formula. Within the terms of the lease, there is a right to extend the term of the lease upon expiry in line with the existing terms and conditions thereof. In arriving at opinions of Market Value, the appraisers assumed that the respective ground leases are capable of extension in accordance with the terms of each lease. In addition, given that such interests are not assignable, it was assumed that each leasehold interest is held by way of a special purpose vehicle ("SPV"), and that the shares in the respective SPVs are transferable.

With regard to each of the properties considered, in those instances where project documentation has been agreed with the respective local authorities, opinions of the appraisers of value have been based on such agreements.

In those instances where the properties are held in part ownership, the valuations assume that these interests are saleable in the open market without any restriction from the co-owner and that there are no encumbrances within the share agreements which would impact the sale ability of the properties concerned.

The valuation is exclusive of VAT and no allowances have been made for any expenses of realisation or for taxation which might arise in the event of a disposal of any property.

In some instances the appraisers constructed a Discounted Cash Flow (DCF) model. DCF analysis is a financial modeling technique based on explicit assumptions regarding the prospective income and expenses of a property or business. The analysis is a forecast of receipts and disbursements during the period concerned. The forecast is based on the assessment of market prices for comparable premises, build rates, cost levels etc. from the point of view of a probable developer.

To these projected cash flows, an appropriate, market-derived discount rate is applied to establish an indication of the present value of the income stream associated with the property. In this case, it is a development property and thus estimates of capital outlays, development costs, and anticipated sales income are used to produce net cash flows that are then discounted over the projected development and marketing periods. The Net Present Value (NPV) of such cash flows could represent what someone might be willing to pay for the site and is therefore an indicator of market value. All the payments are projected in nominal US Dollar/Euro amounts and thus incorporate relevant inflation measures.

Valuation Approach

In addition to the above general valuation methodology, the appraisers have taken into account in arriving at Market Value the following:

Pre Development

In those instances where the nature of the 'Project' has been defined, it was assumed that the subject property will be developed in accordance with this blueprint. The final outcome of the development of the property is determined by the Board of Directors decision, which is based on existing market conditions, profitability of the project, ability to finance the project and obtaining required construction permits.

Development

In terms of construction costs, the budgeted costs have been taken into account in considering opinions of value. However, the appraisers have also had regard to current construction rates prevailing in the market which a prospective purchaser may deem appropriate to adopt in constructing each individual scheme. Although in some instances the appraisers have adopted the budgeted costs provided, in some cases the appraisers' own opinions of costs were used.

Post Development

Rental values have been assessed as at the date of valuation but having regard to the existing occupational markets taking into account the likely supply and demand dynamics during the anticipated development period. The standard letting fees were assumed within the valuations. In arriving at their estimates of gross development value ("GDV"), the appraisers have capitalised their opinion of net operating income, having deducted any anticipated non-recoverable expenses, such as land payments, and permanent void allowance, which has then been capitalised into perpetuity.

The capitalisation rates adopted in arriving at the opinions of GDV reflect the appraisers' opinions of the rates at which the properties could be sold as at the date of valuation.

In terms of residential developments, the sales prices per sq. m. again reflect current market conditions and represent those levels the appraisers consider to be achievable at present. It was

assumed that there are no irrecoverable operating expenses and that all costs will be recovered from the occupiers/owners by way of a service charge.

The valuations take into account the requirement to pay ground rental payments and these are assumed not to be recoverable from the occupiers. In terms of ground rent payments, the appraisers have assessed these on the basis of information available, and if not available they have calculated these payments based on current legislation defining the basis of these assessments.

4.5 Goodwill

Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any.

For the purposes of impairment testing, goodwill is allocated to each of the Group's cash-generating units (or Groups of cash-generating units) that is expected to benefit from the synergies of the combination.

A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised directly in profit or loss in the consolidated statement of comprehensive income. An impairment loss recognised for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

4.6 Property, Plant and equipment and intangible assets

Property, plant and equipment and intangible non-current assets are stated at historical cost less accumulated depreciation and amortisation and any accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, or for purposes not yet determined and intangibles not inputted into exploitation, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalized in accordance with the Group's accounting policy. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

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

Type	%
Leasehold	20
IT hardware	33
Motor vehicles	25
Furniture, fixtures and office equipment	20
Machinery and equipment	15
Software and Licenses	33

No depreciation is charged on land.

Assets held under leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

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

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

Expenditure for repairs and maintenance of tangible and intangible assets is charged to the statement of comprehensive income of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

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

4.7 Cash and Cash equivalents

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

4.8 Assets held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for-sale if it is highly probable that they will be recovered primarily through sale rather than through

continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. Any impairment loss on a disposal group is allocated first to goodwill, and then to the remaining assets and liabilities on a pro rata basis, except that no loss is allocated to inventories, financial assets or investment property, which continue to be measured in accordance with the Group's other accounting policies. Impairment losses on initial classification as held-for-sale or held-for-distribution and subsequent gains and losses on remeasurement are recognised in profit or loss.

4.9 Financial Instruments

4.9.1 Recognition and initial measurement

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument.

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

4.9.2 Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at: amortised cost; FVOCI – debt investment; FVOCI – equity investment; or FVTPL.

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

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

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

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

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

Financial assets – Business model assessment:

The Group makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Group's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
- how managers of the business are compensated – e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity.

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Group's continuing recognition of the assets.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets – Assessment whether contractual cash flows are solely payments of principal and interest:

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time

and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets – Subsequent measurement and gains and losses:

These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However for derivatives designated as hedging instruments.

Financial assets at amortised cost

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

Debt investments at FVOCI

These assets are subsequently measured at fair value. Interest income calculated using the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.

Equity investments at FVOCI

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

4.9.3 Derecognition

Financial assets

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Group enters into transactions whereby it transfers assets recognised in its statement of financial position but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire. The Group also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

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

4.9.4 Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the statement of financial position when, and only when, the Group currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

4.9.5 Derivative financial instruments and hedge accounting

Derivative financial instruments and hedge accounting –

The Group holds derivative financial instruments to hedge its foreign currency and interest rate risk exposures, embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in profit or loss.

The Group designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates and interest rates and certain derivatives and non-derivative financial liabilities as hedges of foreign exchange risk on a net investment in a foreign operation.

At inception of designated hedging relationships, the Group documents the risk management objective and strategy for undertaking the hedge. The Group also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in the hedging reserve. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The Group designates only the change in fair value of the spot element of forward exchange contracts as the hedging instrument in cash flow hedging relationships. The change in fair value of the forward element of forward exchange contracts ('forward points') is separately accounted for as a cost of hedging and recognised in a costs of hedging reserve within equity.

When the hedged forecast transaction subsequently results in the recognition of a non-financial item such as inventory, the amount accumulated in the hedging reserve and the cost of hedging reserve is included directly in the initial cost of the non-financial item when it is recognised.

For all other hedged forecast transactions, the amount accumulated in the hedging reserve and the cost of hedging reserve is reclassified to profit or loss in the same period or periods during which the hedged expected future cash flows affect profit or loss.

If the hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in the hedging reserve remains in equity until, for a hedge of a transaction resulting in the recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit or loss in the same period or periods as the hedged expected future cash flows affect profit or loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in the hedging reserve and the cost of hedging reserve are immediately reclassified to profit or loss.

Net investment hedges

When a derivative instrument or a non-derivative financial liability is designated as the hedging instrument in a hedge of a net investment in a foreign operation, the effective portion of, for a derivative, changes in the fair value of the hedging instrument or, for a non-derivative, foreign exchange gains and losses is recognised in OCI and presented in the translation reserve within equity. Any ineffective portion of the changes in the fair value of the derivative or foreign exchange gains and losses on the non-derivative is recognised immediately in profit or loss. The amount recognised in OCI is reclassified to profit or loss as a reclassification adjustment on disposal of the foreign operation.

4.10 Leases

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

- the contract involves the use of an identified asset this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision making rights that are most relevant to changing how and for what

purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:

- the Company has the right to operate the asset; or
- the Company designed the asset in a way that predetermines how and for what purpose it will be used.

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

The Company as lessor

When the Company acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease.

To classify each lease, the Company makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Company considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sub lease separately. It assesses the lease classification of a sub lease with reference to the right of use asset arising from the head lease, not with reference to the underlying asset. If a head lease is a short term lease to which the Company applies the exemption described above, then it classifies the sub lease as an operating lease.

If an arrangement contains lease and non lease components, the Company applies IFRS 15 to allocate the consideration in the contract. The Company recognises lease payments received under operating leases as income on a straight line basis over the lease term as part of 'other income'.

The accounting policies applicable to the Company as a lessor in the comparative period were not different from IFRS 16. However, when the Company was an intermediate lessor the sub leases were classified with reference to the underlying asset.

The Company as lessee

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

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

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

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

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

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

The Company presents its right of use assets that do not meet the definition of investment property in 'Property, plant and equipment' in the statement of financial position.

The lease liabilities are presented in 'loans and borrowings' in the statement of financial position.

4.11 Borrowings

Borrowings are recognised initially at fair value, net of transaction costs incurred. Borrowings are subsequently stated 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, unless they are directly attributable to the acquisition, construction or production of a qualifying asset, in which case they are capitalised as part of the cost of that asset.

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 and amortised over the period of the facility to which it relates.

Borrowing costs are interest and other costs that the Group incurs in connection with the borrowing of funds, including interest on borrowings, amortisation of discounts or premium relating to borrowings, amortization of ancillary costs incurred in connection with the arrangement of borrowings, finance lease charges and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs.

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset, being an asset that necessarily takes a substantial period of time to get ready for its intended use or sale, are capitalised as part of the cost of that asset, when it is probable that they will result in future economic benefits to the Group and the costs can be measured reliably.

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the reporting date.

4.12 Tenant security deposits

Tenant security deposits represent financial advances made by lessees as guarantees during the lease and are repayable by the Group upon termination of the contracts. Tenant security deposits are recognised at nominal value.

4.13 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and

intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment loss annually, and whenever there is an indication that the asset may be impaired.

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

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

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

4.14 Share Capital

Ordinary shares are classified as equity.

4.15 Share premium

The difference between the fair value of the consideration received by the shareholders and the nominal value of the share capital being issued is taken to the share premium account.

4.16 Share-based compensation

The Group had in the past and intends in the future to operate a number of equity-settled, share-based compensation plans, under which the Group receives services from Directors and/or employees as consideration for equity instruments (options) of the Group. The fair value of the Director and employee cost related to services received in exchange for the grant of the options is recognised as an expense. The total amount to be expensed is determined by reference to the fair value of the options granted, excluding the impact of any non-market service and performance vesting conditions. The total amount expensed is recognised over the vesting period, which is the period over which all of the specified vesting conditions are to be satisfied. At each financial position date, the Group revises its estimates on the number of options that are expected to vest based on the non-marketing vesting conditions. It recognises the impact of the revision to original estimates, if any, in the statement of comprehensive income, with a corresponding adjustment to equity. The proceeds received net of any directly attributable transaction costs are credited to share capital and share premium when the options are exercised.

4.17 Provisions

Provisions are recognised when the Group has a present obligation (legal, tax or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. As at the reporting date the Group has settled all its construction liabilities.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

4.18 Non-current liabilities

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

4.19 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer returns, rebates and other similar allowances. It is recognised to the extent that it is probable that the economic benefits associated with the transaction will flow to the Group and the revenue can be measured reliably. Revenue earned by the Group is recognised on the following bases:

4.19.1 Income from investing activities

Income from investing activities includes profit received from disposal of investments in the Company's subsidiaries and associates and income accrued on advances for investments outstanding as at the year end.

4.19.2 Dividend income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

4.19.3 Interest income

Interest income is recognised on a time-proportion (accrual) basis, using the effective interest rate method.

4.19.4 Rental income

Rental income arising from operating leases on investment property is recognized on an accrual basis in accordance with the substance of the relevant agreements.

4.20 Service charges and expenses recoverable from tenants

Income arising from expenses recharged to tenants is recognised on an accrual basis.

4.21 Other property expenses

Irrecoverable running costs directly attributable to specific properties within the Group's portfolio are charged to the statement of comprehensive income. Costs incurred in the improvement of the assets which, in the opinion of the directors, are not of a capital nature are written off to the statement of comprehensive income as incurred.

4.22 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in the statement of comprehensive income in the period in which they are incurred as interest costs which are calculated using the effective interest rate method, net result from transactions with securities, foreign exchange gains and losses, and bank charges and commission.

4.23 Asset Acquisition Related Transaction Expenses

Expenses incurred by the Group for acquiring a subsidiary or associate company as part of an Investment Property and are directly attributable to such acquisition are recognized within the cost of the Investment Property and are subsequently accounted as per the Group's accounting Policy for Investment Property subsequent measurement.

4.24 Taxation

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

4.24.1 Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the consolidated statement of comprehensive income because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

4.24.2 Deferred tax

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Currently enacted tax rates are used in the determination of deferred tax.

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

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same fiscal authority.

4.24.3 Current and deferred tax for the year

Current and deferred tax are recognised in the statement of comprehensive income, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively. Where current tax or deferred tax arises from the initial accounting for a business combination, the tax effect is included in the accounting for the business combination.

The operational subsidiaries of the Group are incorporated in Ukraine and Romania, while the Parent and some holding companies are incorporated in Cyprus. The Group's management and control is exercised in Cyprus.

The Group's Management does not intend to dispose of any asset, unless a significant opportunity arises. In the event that a decision is taken in the future to dispose of any asset it is the Group's intention to dispose of shares in subsidiaries rather than assets. The corporate income tax exposure on disposal of subsidiaries is mitigated by the fact that the sale would represent a disposal of the securities by a non resident shareholder and therefore would be exempt from tax. The Group is therefore in a position to control the reversal of any temporary differences and as such, no deferred tax liability has been provided for in the financial statements.

4.24.4 Withholding Tax

The Group follows the applicable legislation as defined in all double taxation treaties (DTA) between Cyprus and any of the countries of Operations (Romania, Ukraine,). In the case of Romania, as the latter is part of the European Union, through the relevant directives the withholding tax is reduced to NIL subject to various conditions.

4.24.5 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

4.25 Value added tax

VAT levied at various jurisdictions where the Group is active, was at the following rates, as at the

end of the reporting period:

- 20% on Ukrainian domestic sales and imports of goods, works and services and 0% on export of goods and provision of works or services to be used outside Ukraine.
- 19% on Cyprus domestic sales and imports of goods, works and services and 0% on export of goods and provision of works or services to be used outside Cyprus.
- 19% on Romanian domestic sales and imports of goods, works and services (decreased from 20% from 1 January 2017) and 0% on export of goods and provision of works or services to be used outside Romania.

4.26 Operating segments analysis

Segment reporting is presented on the basis of Management's perspective and relates to the parts of the Group that are defined as operating segments. Operating segments are identified on the basis of their economic nature and through internal reports provided to the Group's Management who oversee operations and make decisions on allocating resources serve. These internal reports are prepared to a great extent on the same basis as these consolidated financial statements.

For the reporting period the Group has identified the following material reportable segments, where the Group is active in acquiring, holding, managing and disposing:

Commercial-Industrial

- Warehouse segment

Land Assets

- Land assets – the Group owns a number of land assets which are either available for sale or for potential development

The Group also monitors investment property assets on a Geographical Segmentation, namely the country where its property is located.

4.27 Earnings and Net Assets value per share

The Group presents basic and diluted earnings per share (EPS) and net asset value per share (NAV) for its ordinary shares.

Basic EPS amounts are calculated by dividing net profit/loss for the year, attributable to ordinary equity holders of the Company by the weighted average number of ordinary shares outstanding during the year. Basic NAV amounts are calculated by dividing net asset value as at year end, attributable to ordinary equity holders of the Company by the number of ordinary shares outstanding at the end of the year.

Diluted EPS is calculated by dividing net profit/loss for the year, attributable to ordinary equity holders of the parent, by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the potentially dilutive ordinary shares into ordinary shares.

Diluted NAV is calculated by dividing net asset value as at year end, attributable to ordinary equity holders of the parent with the number of ordinary shares outstanding at year end plus the number of ordinary shares that would be issued on conversion of all the potentially dilutive ordinary shares into ordinary shares.

4.28 Comparative Period

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

5. New accounting pronouncement

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

6. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Group's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. These estimates are based on Management's best knowledge of current events and actions and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results though may ultimately differ from those estimates.

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

Provision for impairment of receivables

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

evidence includes the counter party's payment record, and overall financial position, as well as the state's ability to pay its dues (VAT receivable). If indications of non-recoverability exist, the recoverable amount is estimated and a respective provision for impairment of receivables is made. The amount of the provision is charged through profit or loss. The review of credit risk is continuous and the methodology and assumptions used for estimating the provision are reviewed regularly and adjusted accordingly. As at the reporting date Management did not consider necessary to make a provision for impairment of receivables.

Fair value of financial assets

The fair value of financial instruments that are not traded in an active market is determined by using valuation techniques. The Company uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each reporting date. The fair value of the financial assets at fair value through other comprehensive income has been estimated based on the fair value of these individual assets.

Fair value of investment property

The fair value of investment property is determined by using various valuation techniques. The Group selects accredited professional valuers with local presence to perform such valuations. Such valuers use their judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at each financial reporting date. For the current period, the Group has used the same fair values as those determined for 31 December 2024. (Note 18.2).

Income taxes

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

Impairment of tangible assets

Assets that are subject to depreciation 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 an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units).

Provision for deferred taxes

Deferred tax is not provided in respect of the revaluation of the investment property and investment property under development as the Group is able to control the timing of the reversal of this temporary difference and the Management has intention not to reverse the temporary difference in the foreseeable future. The properties are held by subsidiary companies in Ukraine, Greece and Romania. Management estimates that the assets will be realised through a share deal rather than through an asset deal. Should any subsidiary be disposed of, the gains generated from the disposal will be exempt from any tax.

Application of IFRS 10

The Group has considered the application of IFRS 10 and concluded that the Company is not an Investment Entity as defined by IFRS 10 and it should continue to consolidate all of its investments, as in 2016. The reasons for such conclusion are among others that the Company continues:

- a) not to be an Investment Management Service provider to Investors,
- b) to actively manages its own portfolio (leasing, development, allocation of capital expenditure for its properties, marketing etc.) in order to provide benefits other than capital appreciation and/or investment income,
- c) to have investments that are not bound by time in relation to the exit strategy nor to the way that are being exploited,
- d) to provide asset management services to its subsidiaries, as well as loans and guarantees (directly or indirectly),
- e) even though is using Fair Value metrics in evaluating its investments, this is being done primarily for presentation purposes rather than evaluating income generating capability and making investment decisions. The latter is being based on metrics like IRR, ROE and others.

7. Risk Management

7.1 Financial risk factors

The Group is exposed to operating country risk, real estate property holding and development associated risks, property market price risk, interest rate risk, credit risk, liquidity risk, currency risk, other market price risk, operational risk, compliance risk, litigation risk, reputation risk, capital risk and other risks, arising from the financial instruments it holds. The risk management policies employed by the Group to manage these risks are discussed below.

7.1.1 Operating Country Risks

The Group is exposed to risks stemming from the political and economic environment of countries in which it operates. Notably:

7.1.1.1 Ukraine

The Ukrainian economy is expected to slow down and grow by ~2% in 2025 on the back of the continued conflict in the region which has affected harvest production, and has led to high gas and electricity prices due to infrastructure strikes. The economy continues to be supported by domestic demand, loose fiscal policies and interventions by country's National Bank.

The Consumer Price Index reached 12% in 2024 and is expected to decrease to single digit level by the end of 2025, remaining though in high levels. The budget is expected to remain in high deficit in 2025, with the increased defense costs to be financed by domestic borrowing and higher revenues. Finally, a slight recovery in employment is expected to 11,5%, mainly due to potential growth in domestic services.

7.1.1.2 Romania

Following a marginal growth in 2024 of 0,8%, real GDP in Romania was expected to pick up pace during 2025 on the back of agricultural and construction activities, as well as increased volumes of exports. However, the uncertainty generated by the imposition of US tariffs, as well as the domestic political and fiscal volatility have moderated expectations, with the GDP growth expected to reach 1,4%.

Inflation is expected to continue its downward trend but remain at high levels. Current expectations set the inflation rate in 2025 at 5,1% and further down to 3,9% in 2026. Unemployment in 2025 is projected to decline marginally at 5,3% from 5,4% in 2024, and 5,2% in 2026.

The general government deficit increased substantially in 2024 to 9,3% of GDP due to the increases in public wages and pensions. A moderate decline is projected for the deficit in 2025, when is expected to reach 8,6% of GDP, and a further decline to 8,4% in 2026.

7.1.2 Risks associated with property holding and development associated risks

Several factors may affect the economic performance and value of the Group's properties, including:

- risks associated with construction activity at the properties, including delays, the imposition of liens and defects in workmanship;
- the ability to collect rent from tenants on a timely basis or at all, taking also into account currency rapid devaluation risk;
- the amount of rent and the terms on which lease renewals and new leases are agreed

being less favorable than current leases;

- cyclical fluctuations in the property market generally;
- local conditions such as an oversupply of similar properties or a reduction in demand for the properties;
- the attractiveness of the property to tenants or residential purchasers;
- decreases in capital valuations of property;
- changes in availability and costs of financing, which may affect the sale or refinancing of properties;
- covenants, conditions, restrictions and easements relating to the properties;
- changes in governmental legislation and regulations, including but not limited to designated use, allocation, environmental usage, taxation and insurance;
- the risk of bad or unmarketable title due to failure to register or perfect our interests or the existence of prior claims, encumbrances or charges of which we may be unaware at the time of purchase;
- the possibility of occupants in the properties, whether squatters or those with legitimate claims to take possession;
- the ability to pay for adequate maintenance, insurance and other operating costs, including taxes, which could increase over time; and
- political uncertainty, acts of terrorism and acts of nature, such as earthquakes and floods that may damage the properties.

7.1.3 Property Market price risk

Market price risk is the risk that the value of the Group's portfolio investments will fluctuate as a result of changes in market prices. The Group's assets are susceptible to market price risk arising from uncertainties about future prices of the investments. The Group's market price risk is managed through diversification of the investment portfolio, continuous elaboration of the market conditions and active asset management. To quantify the value of its assets and/or indicate the possibility of impairment losses, the Group commissioned internationally acclaimed valuers.

7.1.4 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates.

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest bearing assets apart from its cash balances that are mainly kept for liquidity purposes.

The Group is exposed to interest rate risk in relation to its borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk. All of the Group's borrowings are issued at a variable interest rate. Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

7.1.5 Credit risk

Credit risk arises when a failure by counter parties to discharge their obligations could reduce the amount of future cash inflows from financial assets at hand at the end of the reporting period. Cash balances are held with high credit quality financial institutions and the Group has policies to limit the amount of credit exposure to any financial institution.

7.1.6 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's functional currency. Excluding the transactions in Ukraine all of the Group's transactions, including the rental proceeds are denominated or pegged to EUR. In Ukraine, even though there is no recurring income stream, the fluctuations of UAH against EUR entails significant FX risk for the Group in terms of its local assets valuation. Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly, although there are no available financial tools for hedging the exposure on UAH. It should be noted though that the current political uncertainty in Ukraine, and any probable currency devaluation may affect the Group's financial position.

7.1.7 Capital risk management

The Group manages its capital to ensure that it will be able to continue as a going concern while maximizing the return to shareholders through the optimisation of the debt and equity balance. The Group's core strategy is described in Note 41.1 of the consolidated financial statements.

7.1.8 Compliance risk

Compliance risk is the risk of financial loss, including fines and other penalties, which arises from non compliance with laws and regulations of each country the Group is present, as well as from the stock exchange where the Company is listed. Although the Group is trying to limit such risk, the uncertain environment in which it operates in various countries increases the complexities handled by Management.

7.1.9 Litigation risk

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

7.1.10 Insolvency risk

Insolvency arises from situations where a company may not meet its financial obligations towards a lender as debts become due. Addressing and resolving any insolvency issues is usually a slow moving process in the Region. Management is closely involved in discussions with creditors when/if such cases arise in any subsidiary of the Group aiming to effect alternate repayment plans including debt repayment so as to minimise the effects of such situations on the Group's asset base.

7.2. Operational risk

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

7.3. Fair value estimation

The fair values of the Group's financial assets and liabilities approximate their carrying amounts at the end of the reporting period.

8. Investment in subsidiaries

The Company has direct and indirect holdings in other companies, collectively called the Group, that were included in the consolidated financial statements, and are detailed below

Name	Country	Related Asset	Holding %		
			as at 30 June 2025	as at 31 Dec 2024	as at 30 June 2024
SC Secure Capital Limited	Cyprus		100	100	100
LLC Aisi Ukraine	Ukraine	Kiyanovski	-	-	100
LLC Trade Center	Ukraine	Residence	-	-	100
LLC Almaz-Pres-Ukraine	Ukraine	Tsymlyanskiy	55	55	55

		Residence*			
LLC Retail Development Balabino**	Ukraine		100	100	100
LLC Interterminal**	Ukraine		100	100	100
LLC Aisi Ilvo**	Ukraine		100	100	100
Myrnes Innovations Park Limited	Cyprus	Innovations Logistics Park	100	100	100
Best Day Real Estate Srl	Romania		50	100	100
Yamano Holdings Limited**	Cyprus		100	100	100
Bluehouse Accession Project IX Limited	Cyprus		100	100	100
BlueBigBox 3 Srl ***	Romania		-	-	-
SEC South East Continent Unique Real Estate Investments II Limited	Cyprus		100	100	100
Ketiza Holdings Limited	Cyprus		90	90	90
Frizomo Holdings Limited**	Cyprus		100	100	100
SecMon Real Estate Sr	Romania		100	100	100
Ketiza Real Estate Srl	Romania		90	90	90
Jenby Ventures Limited**	Cyprus		44,30	44,30	44,30
Ebenem Limited**	Cyprus		44,30	44,30	44,30
SPDI Management Srl	Romania		100	100	100

* As of November 2021, the Group had submitted properly the official request to the City of Kiev to extend the lease of Tsymlyanskiy Residence property for another 5 years, since the Group has first extension rights over any other interested party. The first step in the process whereby the presiding committee of the municipality convenes, before the final approval by the City Council, delayed, and following the Russian insurgence of Ukraine, everything has been put on hold. The Management remains confident that the Company will be awarded the lease extension once the war status permits.

** The Company has initiated the process of striking off subsidiaries in Cyprus, and Ukraine which became idle following the disposals of local asset owning companies and properties. Some of these companies are still expecting relevant official clearance from local Trade Registry and Tax Authorities.

*** During 2023 BlueBigBox 3 Srl, the SPV which used to hold Praktiker Craiova property that was sold back in 2018, was entered into an insolvency process initiated by a vendor. The case is associated with the Bluehouse litigation case . Following the settlement made with BLUEHOUSE ACCESSION PROPERTY HOLDING III S.A.R.L. pursuant to a consensual order issued by the District Court of Nicosia in action no. 3362/2018, relevant legal motions against Bluebigbox3 Srl have been withdrawn. Although SPDI has re-gained control of the subsidiary, it has been decided the insolvency process to be continued, since the company is idle following the disposal of its relevant asset.

9. Discontinued operations

9.(a) Description

The Company announced on 18 December 2018 that it has entered into a conditional implementation agreement for the sale of its property portfolio, excluding its Greek logistics properties ('the Non-Greek Portfolio'), in an all-share transaction to Arcona Property Fund N.V. The transaction is subject to, among other things, asset and tax due diligence (including third party asset valuations) and regulatory approvals (including the approval of a prospectus required in connection with the issuance and admission to listing of the new Arcona Property Fund N.V. shares), as well as successful negotiating and signature of transaction documents. During 2019 and as part of the Arcona transaction the Company sold the Boyana Residence asset in Bulgaria, as well as the Bela and Balabino land plots in Ukraine, while in March and June 2021 has signed SPAs related to Stage 2 of the transaction, namely for the EOS and Delenco assets in Romania, as well as the Kiyanovskiy and Rozhny assets in Ukraine. In March and June 2022, the Company sold effectively to Arcona the Delenco and EOS assets, and in December 2024 the Kiyanovskiy asset in Ukraine was sold. Regarding Rozhny asset, Arcona stepped back from its acquisition and therefore the Company is seeking alternative ways for its effective disposal.

The companies that are classified under discontinued operations are the followings:

- Cyprus: Ketiza Holdings Limited
- Romania: Best Day Real Estate Srl, Ketiza Real Estate Srl and Secmon SRL
- Ukraine: LLC Almaz-Pres-Ukraine, LLC Retail Development Balabino

As a result, the Company has reclassified all assets and liabilities related to these properties as held for sale according to IFRS 5 (Note 4.3 & 4.8).

9.(b) Results of discontinued operations

For the period ended 30 June 2024

	Note	30 June 2025	30 June 2024
		€	€
Income	10	79.852	76.665
Asset operating expenses	11	(366.181)	(286.446)
Net Operating Income		(286.329)	(209.781)

Administration expenses	12	(13.425)	(30.463)
Valuation gains from Investment Property	13	138.244	127.550
Other operating income/(expenses), net	14	50.399	7.760
Finance income	15	21	28
Finance costs	15	(131.957)	(138.631)
Foreign exchange (loss), net	16	(112.120)	(45.001)
Income tax expense	17	(4.424)	-
Profit/ (Loss) for the year		(359.591)	(288.538)
Profit/(Loss) attributable to:			
Owners of the parent		(354.979)	(277.774)
Non-controlling interests		(4.612)	(10.764)
		(359.591)	(288.538)

9.(c) Cash flows from(used in) discontinued operations

	30 June 2025	30 June 2024
	€	€
Net cash flows provided in operating activities	(545.801)	(250.083)
Net cash flows from / (used in) financing activities	21	28
Net cash flows from / (used in) investing activities	(270.978)	(356.886)
Net increase/(decrease) from discontinued operations	(816.758)	(606.941)

9.(d) Assets and liabilities of disposal group classified as held for sale

The following assets and liabilities were reclassified as held for sale in relation to the discontinued operation as at 30 June 2025:

Note	30 June 2025	31 Dec 2024
	€	€

Assets classified as held for sale

Investment properties	18.4	9.375.428	9.423.526
Tangible and intangible assets	20	-	-
Long-term receivables and prepayments	21	315.000	315.000
Prepayments and other current assets	22	460.566	504.030
Cash and cash equivalents	24	127.767	118.785
Total assets of group held for sale		10.278.761	10.361.341

Liabilities directly related with assets classified as held for sale

Borrowings	28	155	132
Finance lease liabilities	33	5.501.609	5.641.613
Trade and other payables	30	169.015	548.694
Taxation	32	209.695	150.097
Deposits from tenants	31	23.002	23.002
Total liabilities of group held for sale		5.903.476	6.363.538

10. Income

Income from continued operations for the period ended 30 June 2025 represents:

a) rental income, as well as service charges and utilities income collected from tenants as a result of the rental agreements concluded with tenants of Innovations Logistics Park in Romania. It is noted that part of the rental and service charges/ utilities income related to Innovations Logistics Park is currently invoiced by the Company as part of a relevant lease agreement with the Innovations SPV and the lender, however the asset, through the SPV, is planned to be transferred as part of the overall strategy of the Company. Upon a final agreement for such transfer, the Company will negotiate with the lender its release from the aforementioned lease agreement, and if succeeds, upon completion such income will be also transferred.

The increase in service charges and utility income during the period is transient, stemming from the fact that the electricity provider in Innovations Terminal changed relevant invoicing process. Since such invoices are re-invoiced to the tenants, the relevant income has increased accordingly

Continued operations	30 June 2025	30 June 2024
	€	€

Rental income	414.164	414.437
Service charges and utilities income	298.275	199.992

Income from discontinued operations for the period ended 30 June 2025 represents rental income, as well as service charges and utilities income collected from tenants as a result of the rental agreements concluded with tenants of Innovations Logistics Park (Romania).

Discontinued operations (Note 9)	30 June 2025	30 June 2024
	€	€
Rental income	71.086	67.918
Service charges and utilities income	8.766	8.747

Occupancy rates in the various income producing assets of the Group as at 30 June 2025 were as follows:

Income producing assets		30 June 2025	30 June 2024
%			
Innovations Logistics Park	Romania	82	82

11. Asset operating expenses

The Group incurs expenses related to the proper operation and maintenance of all properties in Kiev and Bucharest. Part of these expenses is recovered from the tenants through the service charges and utilities recharge process (Note 10).

Under **continued operations** there are no such expenses related to operation of the assets.

Under **discontinued operations** are all the expenses related to Innovations Logistics Park (Romania) and remaining Ukrainian properties.

Discontinued operations (Note 9)	30 June 2025	30 June 2024
	€	€
Property related taxes	(38.625)	(41.153)
Repairs and technical maintenance	(12.009)	(27.163)
Utilities	(279.159)	(190.587)
Property security	(34.726)	(21.589)

Property insurance	(1.662)	(5.184)
Leasing expenses	-	(770)

Property related taxes reflect local taxes of land and building properties (in the form of land taxes, building taxes, garbage fees, etc.).

Repairs and technical maintenance reflect the relevant works performed on properties during the period for facilitating their proper use, and/ or successful sale.

Utilities increase resulted from a change in invoicing process of the electricity provider in Innovations Terminal in Bucharest, matched effectively with the increased service charges and utilities income, as these were invoiced by the Company and included in continued operations.

12. Administration Expenses

Continued operations	30 June 2025 €	30 June 2024 €
Salaries and Wages	(6.212)	(8.640)
Incentives pursuant to RemCo proposal	(327.000)	(185.000)
Directors Remuneration	(142.500)	-
Advisory and broker fees	(86.659)	(153.229)
Public group expenses	(80.250)	(79.389)
Corporate registration and maintenance fees	(16.210)	(21.599)
VAT Expensed	(1.563)	(1.822)
Audit and accounting fees	(30.056)	(37.283)
Legal fees	(32.944)	(23.047)
Depreciation/Amortisation charge	(13)	(76)
Corporate operating expenses	(71.058)	(70.926)
Discontinued operations (Note 9)	30 June 2025 €	30 June 2024 €
Salaries and Wages	(2.676)	(12.108)
Advisory fees and broker fees	-	(2.149)
Corporate registration and maintenance fees	(2.244)	(5.899)
VAT Expensed	(576)	(1.021)
Audit and accounting fees	(5.358)	(5.939)
Depreciation/Amortisation charge	-	(39)

Corporate operating expenses	(2.571)	(3.308)
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Salaries and wages include the remuneration of the CEO (H12025: €0, H12024: €0), and the administrators in Ukraine. The minimisation of these costs came as a result of the externalization of all HR costs after April 2023, except those in Ukraine, as part of the cost reduction plan adopted by the board.

Incentives provided in H1 2024 to personnel for the successful implementation of Group's plan pursuant to relevant Remuneration Committee proposal dated 7 May 2021 as approved by the BoD on 1 June 2021.

Following relevant confirmation by the board, the Company registered in H1 2025 the remuneration of the board associated with 2024 and 2025.

Advisory fees are mainly related to advisors, brokers, valuers and other professionals engaged in relevant transactions, as well as outsourced human resources support on the basis of relevant contracts.

Accounting and related fees include fees from external accounting services.

Public group expenses include among others fees paid to the AIM:LSE stock exchange, Cyprus Stock Exchange as custodian, and the Nominated Adviser of the Company, as well as other expenses related to the listing of the Company, such as public relations and registry expenses.

Corporate registration and maintenance fees represent fees charged for the annual maintenance of the Company and its subsidiaries, as well as fees and expenses related to the normal operation of the companies including charges by the relevant local authorities.

Legal fees represent legal expenses incurred by the Group in relation to asset operations (rentals, sales, etc.), ongoing legal cases in Ukraine, Cyprus and Romania, compliance with AIM listing, as well as one-off fees associated with legal services and advise in relation to due diligence processes and transactions.

Corporate operating expenses include office expenses, travel expenses, (tele)communication expenses, D&O insurance and all other general expenses for Cypriot, Romanian and Ukrainian operations.

13. Valuation gains / (losses) from investment properties

Valuation gains /(losses) from investment property for the reporting period, excluding foreign

exchange translation differences which are incorporated in the table of Note 18.2, are presented in the tables below.

Discontinued operations (Note 9)

Property Name (€)	Valuation gains/(losses)	
	30 June	30 June
	2025	2024
	€	€
Kiyanovskiy Residence	-	109.254
Rozny Lane	(48.098)	13.416
Innovations Logistics Park	186.342	4.880
Total	138.244	127.550

* As of November 2021, the Group had submitted properly the official request to the City of Kiev to extend the lease of Tsymlyanskiy Residence property for another 5 years, since the Group has first extension rights over any other interested party. The first step in the process whereby the presiding committee of the municipality convenes, before the final approval by the City Council, delayed, and following the Russian insurgence of Ukraine, everything has been put on hold. The Management remains confident that the Company will be awarded the lease extension once the war status permits.

In relation to Rozhny asset, and in view of the ongoing conflict in the country, the Management, although receives updated third-party valuation report to monitor effectively the underlying value, decided since H1 2022 accounts to impair the value of the asset at 50% of its value and continues the same in every period since then.

Valuation gains and losses result not only from the differences in the values of the properties as reported by valuers at the different points in time, but also from the fluctuation of the FX rate between the denominated currency of the valuation report itself and the functional currency of the company which posts valuation amount in its accounting books. For example, valuations of Ukrainian assets are denominated in USD and translated to UAH for entering effectively in the accounting books of the local entities. Similarly, valuations of Romanian assets are denominated in EUR and translated to RON for accounting purposes.

14. Other operating income/(expenses), net

Continued operations	30 June	30 June
	2025	2024
	€	€
Other income	120.409	-
Accounts Payable written off	24.839	-

Other income	145.248	-
Penalties	-	(280)
Write off of Receivables	(18.077)	
Other expenses	(1.643)	(34)
Other expenses	(19.720)	(314)
Other operating income/(expenses), net	125.528	(314)
Discontinued operations (Note 9)	30 June	30 June
	2025	2024
Other income	-	7.764
Accounts Payable written off	55.312	-
Other income	55.312	7.764
Penalties	(45)	-
Other expenses	(4.868)	(4)
Other expenses	(4.913)	(4)
Other operating income/(expenses), net	50.399	7.760

14. Other operating income/(expenses), net (continued)

Continued operations

Other income in H1 2025 represents income from services to associate company.

Amounts written off represent account settlements as part of the transaction with Arcona for the disposal of Aisi Ukraine and Trade Center LLC.

Discontinued operations

Other income in H1 2024 represents income regarding land tax recalculation In Ukrainian properties.

15. Finance costs and income

Continued operations

Finance income	30 June	30 June
	2025	2024
	€	€
Interest received from non-bank loans	17.780	145.839
Total finance income	17.780	145.839

Finance costs	30 June 2025	30 June 2024
	€	€
Interest expenses (non-bank) (Note 38.1)	(6.916)	(4.044)
Finance charges and commissions	(7.594)	(1.332)
Bonds interest	(20.587)	(23.781)
Total finance costs	(35.097)	(29.157)
Net finance result	(17.317)	116.682

Discontinued operations (Note 9)

Finance income	30 June 2025	30 June 2024
	€	€
Interest received from bank deposits	21	28
Total finance income	21	28

Finance costs	30 June 2025	30 June 2024
	€	€
Finance leasing interest expenses	(131.325)	(137.985)
Finance charges and commissions	(632)	(646)
Total finance costs	(131.957)	(138.631)
Net finance result	(131.936)	(138.603)

Continued operations

Interest income from non-bank loans, reflects interest on Loan receivables from 3rd parties provided as an advance payment for acquiring a participation in an investment property portfolio (Olympians portfolio) in Romania. The funds provided initially with a convertibility option which was not exercised, and is currently treated as a loan. Based on relevant agreement, part of the principal equal to €2,5 million was contributed to a joint venture between the Company and the borrower for the development of logistics assets in Romania. As a result, relevant interest income has been substantially decreased. The remaining principal plus the interest is repaid in installments, expected to be fully repaid by the end of 2025. The loan is bearing a fixed interest rate of 10%.

Interest expenses represent interest charged on non-Bank borrowings (Note 29).

Finance charges and commissions include regular banking commissions and various fees

imposed by the Banks. The increase in the period came as a result of the fees associated with the institution with which an account was opened for hosting the dematerialized shares of Arcona Property Fund N.V.

Bonds interest represents interest calculated for the bonds issued by the Company during 2018 (Note 30).

Discontinued operations

Finance leasing interest expenses relate to the sale and lease back agreements of the Group (Note 34).

Finance charges and commissions include regular banking commissions and various fees imposed by the Banks.

16. Foreign exchange profit / (losses)

Non realised foreign exchange loss

Foreign exchange losses (non-realised) resulted from the loans and/or payables/receivables denominated in non EUR currencies when translated in EUR. The exchange loss for the period ended 30 June 2025 from continued operations amounted to €41.022 (30 June 2024: profit €23.041).

The exchange loss from discontinued operations for the period ended 30 June 2024 amounted to €112.120 (30 June 2024: loss €45.001) (Note 9).

17. Tax Expense

Continued operations	30 June 2025	30 June 2024
	€	€
Income and defence tax expense	(3.896)	-
Taxes	(3.896)	-
Discontinued operations (Note 9)	30 June 2025	30 June 2024
	€	€
Income and defence tax expense	(4.424)	-
Taxes	(4.424)	-

For the period ended 30 June 2025 the corporate income tax rate for the Group's subsidiaries are as follows: in Ukraine 18%, and in Romania 16%. The corporate tax that is applied to the qualifying income of the Company and its Cypriot subsidiaries is 12,5%.

18. Investment Property

18.1 Investment Property Presentation

Investment Property consists of the following assets:

Income Producing Assets

- **Innovations Logistics Park** is a 16.570 sqm gross leasable area logistics park located in Clinceni in Bucharest, which benefits from being on the Bucharest ring road. Its construction was tenant specific, was completed in 2008 and is separated in four warehouses, two of which offer cold storage (freezing temperature), the total area of which is 6.395 sqm. Innovations Logistics Park was acquired by the Group in May 2014 and at the end of the reporting period is 82% leased.

Land Assets

- **Kiyanovskiy Residence** consists of four adjacent plots of land, totaling 0,55 Ha earmarked for a residential development, overlooking the scenic Dnipro River, St. Michael's Spires and historic Podil neighborhood. The Company recently secured for the leasehold part of the property a 10-year extension. The asset sold during 2024 as part of Stage 2 of the transaction with Arcona Property Fund N.V.
- **Tsymlyanskiy Residence** is a 0,36 Ha plot of land located in the historic Podil District of Kiev and is destined for the development of a residential complex. As of November 2021, the Group had submitted properly the official request to the City of Kiev to extend the lease of Tsymlyanskiy Residence property for another 5 years, since the Group has first extension rights over any other interested party. The first step in the process whereby the presiding committee of the municipality convenes, before the final approval by the City Council, delayed and following the Russian insurgence of Ukraine all decisions have been put on hold. We remain confident that we will be awarded the lease extension once the war status permits.
- **Rozhny Lane** is a 42 Ha land plot located in Kiev Oblast, destined for the development of a residential complex. It has been registered under the Group pursuant to a legal decision in 2015.

18.2 Investment Property Movement during the reporting period

The table below presents a reconciliation of the Fair Value movements of the investment property during the reporting period broken down by property and by local currency vs. reporting currency.

Discontinued Operations

<u>30 June 2025 (€)</u>		<u>Fair Value movements</u>				<u>Asset Value at the Beginning of the period or at Acquisition/Transfer date</u>	
<u>Asset Name</u>	<u>Type</u>	<u>Carrying amount as at 30/06/2025</u>	<u>Foreign exchange translation difference</u>	<u>Fair value gain/(loss) based on local currency valuations</u>	<u>Disposals H1 2025</u>	<u>Additions H1 2025</u>	<u>Carrying amount as at 31/12/2024</u>
Tsymlyanskiy Residence	Land	1	-	-	-	-	1
Rozny Lane	Land	375.427	-	(48.098)	-	-	423.525
Total Ukraine		375.428	-	(48.098)	-	-	423.526
Innovations Logistics Park	Warehouse	9.000.000	(186.342)	186.342	-	-	9.000.000
Total Romania		9.000.000	(186.342)	186.342	-	-	9.000.000
Total		9.375.428	(186.342)	138.244	-	-	9.423.526

Discontinued Operations

2024 (€)

Asset Name	Type	Fair Value movements			Disposals 2024	Asset Value at the Beginning of the period or at Acquisition/Transfer date		
		Carrying	Foreign	Fair value		Transfer	Additions	Carrying
		amount as	exchange	gain/(loss)		to Assets	2024	amount as
		at 31/12/2024	translatio n difference (a)	based on local currency valuations (b)		held for sale		at 31/12/20 23
Kiyanovskiy Residence	Land	-	-	-	(1.131.222)	-	-	1.131.222
Tsymlyanskiy Residence	Land	1	-	-	-	-	-	1
Rozny Lane	Land	423.525	-	7.235	-	-	-	416.290
Total Ukraine		423.526	-	7.235	(1.131.222)	-	-	1.547.513
Innovations Logistics Park	Warehouse	9.000.000	876	(710.876)		-	-	9.710.000
Total Romania		9.000.000	876	(710.876)	-	-	-	9.710.000
TOTAL		9.423.526	876	(703.641)	(1.131.222)	-	-	11.257.513

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18.3 Investment Property Carrying Amount per asset as at the reporting date

The table below presents the values of the individual assets as appraised by the appointed valuer as at the reporting date.

Asset Name	Location	Principal Operation	Related Companies	Carrying amount as at			
				30 June 2025		31 Dec 2024	
				Continued operations	Discontinued operations	Continued operations	Discontinued operations
				€	€	€	€
Tsymlyanskiy	Podil,	Land for residential	LLC		1		

Residence	Kiev City Center	Development	Almaz-Pres-Ukraine	-	-	1
Rozhny Lane	Brovary district, Kiev	Land for residential Development	SC Secure Capital Limited	-	-	423.525
				375.427		
Total Ukraine				-	375.428	- 423.526
Innovations	Climeni, Bucharest	Warehouse	Best Day Real Estate Srl	-	9.000.000	- 9.000.000
Logistics Park				-	9.000.000	- 9.000.000
Total Romania				-	9.000.000	- 9.000.000
TOTAL				-	9.375.428	- 9.423.526

18.4 Investment Property analysis

a. Investment Properties

The following assets are presented under Investment Property: Innovations Logistics park in Romania and Tsymlyanskiy and Rozhny Lane land assets in Ukraine.

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
At the beginning of the reporting period	-	9.423.526	-	11.257.513
Disposal of Investment Property	-	-	-	(1.131.222)
Revaluation gains/(losses) on investment property	-	138.244	-	(703.641)
Translation difference	-	(186.342)	-	876
As at the end of the reporting period	-	9.375.428	-	9.423.526

19. Investment Property Acquisitions, Goodwill Movement and Disposals

19.1 Acquisition and disposal of subsidiaries and associates

19.1.1 Disposal of Aisi Ukraine

	Aisi Ukraine LLC	Trade Center LLC	Total
ASSETS	€	€	€

Non-current assets

Investments Properties	1.131.222	-	1.131.222
Other Non-current assets	21	-	21

Current assets

Prepayments and other current assets	22.217	1.745	23.962
Cash and cash equivalents	26	-	26
Total Assets	1.153.486	1.745	1.155.231

LIABILITIES

Lease Liabilities	-	39.760	39.760
Other liabilities	440	539	979
Total Liabilities	440	40.299	40.739

NET ASSET	1.153.046	(38.554)	1.114.492
Group % Holding	100%	100%	
Net share of the group	1.153.046	(38.554)	1.114.492

Consideration:

Cash paid		1.039.194	
Receivable shares in Arcona at reporting date		769.600	
Total Consideration		1.808.794	

Profit on Disposal		694.302	
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20. Tangible and intangible assets

As at 30 June 2025 the tangible non-current assets under continued operations were comprised mainly by electronic equipment (mobiles, computers etc.) of a net value of €0 (31 Dec 2024: €13).

As at 30 June 2025 the tangible non-current assets under discontinued operations mainly consisted of the machinery and equipment used for servicing the Group's investment properties in Ukraine and Romania amount to €3.518 (31 Dec 2024 €3.592). Accumulated depreciation as at the reporting date amounts to €23.518 (31 Dec 2024: €3.592).

21. Long Term Receivables and prepayments

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Long Term Receivables	-	315.000	818	315.000
Total	-	315.000	818	315.000

Long term receivables under discontinued operations mainly include the cash collateral existing in favor of Piraeus Leasing in relation to Innovations Terminal.

22. Prepayments and other current assets

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Trade and other receivables	1.498.132	433.351	873.222	505.113
VAT and other tax receivables	286.334	23.389	275.990	39.847
Deferred expenses	27	40.606	31	669
Receivables due from related parties	27.947	6.544	27.947	6.680
Loan receivables from 3 rd parties	495.254	-	477.474	-
Loan receivable intended to be converted into a JV equity	-	-	2.500.000	-
Allowance for impairment of prepayments and other current assets	-	(43.324)	-	(48.279)
Total	2.307.694	460.566	4.154.664	504.030

Continued operations

Trade and other receivables include receivables from tenants and part of the consideration from the sale of 50% of Best Day Srl.

VAT receivable represent VAT which is refundable in Romania, Cyprus and Ukraine.

Deferred expenses include property taxes and insurance costs.

Receivables due from related parties represent all kind of receivables from related parties of the Group.

Loan receivable from 3rd parties represents the remaining principal plus accrued interest from a

loan provided as an advance payment for acquiring a participation in an investment property portfolio (Olympians portfolio) in Romania. The loan provided initially with a convertibility option which was not exercised. The loan is bearing a fixed interest rate of 10%. In August 2022 the Company signed with the borrower a Shareholders Agreement for a joint venture for developing logistics properties in Romania. As part of this agreement the Company converted during the current period €2,5 million of the loan into a 50% equity stake of the joint venture company. The objective of this new company, in which borrower is contributing €2,5 million in equity funds too, is to develop a portfolio of logistics properties in Romania with a view of letting them to third party tenants in a market that has very low vacancy and has shown substantial strength and resilience in recent years. The parties are currently in the development stage of two different properties in two different regional cities in Romania.

Since 2024 the loan amount intended to be converted into equity is recorded in different account with no interest accruing. The JV vehicle was set up in 2025 and the conversion has been implemented through an assignment of the receivable to the JV vehicle against relevant participation in a share capital increase. The remaining part of the Olympians Loan is being repaid in regular intervals and is expected to be fully repaid to the Company by the end of 2025.

Discontinued operations

Trade and other receivables represents payables mainly by the tenants.

VAT receivable represents VAT which is refundable in Romania, Cyprus and Ukraine.

Deferred expenses include legal, advisory, consulting and marketing expenses.

Receivables due from related parties represent all kind of receivables from related parties of the Group.

23. Financial Assets at FV through P&L

The table below presents the analysis of the balance of Financial Assets at FV through P&L in relation to the continued operations of the Company:

	30 June 2025	31 Dec 2024
	€	€
Arcona shares	11.736.630	11.660.249
Transfer from Arcona Receivable shares	752.411	
Addition	119.610	
FV change in Arcona shares	1.290	76.381
Arcona shares at reporting date	12.609.941	11.736.630
Warrants over Arcona shares	64.599	26.349
FV change in warrants	40.565	38.250
Arcona warrants at reporting date	105.164	64.599
Consideration price for the sale of Aisi Ukraine not issued and received yet	752.411	769.600
Transfer to Arcona shares	(752.411)	(17.189)
Arcona Receivable shares at reporting date	-	752.411
Total Financial Assets at FV	12.715.105	12.553.640
FV change in Arcona shares	1.290	76.381
FV change in warrants	40.565	38.250
FV change in Arcona receivable shares	-	(17.189)
Fair Value loss on Financial Assets at FV through P&L	41.855	97.442

The Company received during 2019 and 2020 593.534 Arcona shares as part of the completion of Stage 1 of the transaction with Arcona, for the sale of Bella and Balabino assets in Ukraine, and the Boyana asset in Bulgaria. During 2022 the Company received 479.376 additional shares in Arcona as part of Stage 2 of the transaction with Arcona, for the sale of EOS and Delea Nuova assets in Romania. During 2024 the Company sold Kiyanovskyi asset in Ukraine to Arcona and on top of the cash consideration it was entitled to 68.782 newly issued shares in Arcona, which were received in February 2025 plus 10.689 shares in Arcona as deferred payment related to the sale of Delea Nuova and EOS assets in Romania.

At the end of the reporting period the shares are revalued at their fair value based on the NAV per share of Arcona at the same date, and as a result a relevant fair value gain of €1.290 (2024: gain €76.381) is recognized.

On top of the aforementioned shares, the Company received for the sale of Bella and Balabino assets, 67.063 warrants over shares in Arcona for a consideration of EUR 1, and 77.021 warrants over Arcona shares for the sale of Boyana for a consideration of EUR 1. The warrants are exercisable upon the volume weighted average price of Arcona shares traded on a regulated market at €8,10 or higher and have expired during 2024 having zero value at year end.

Moreover, during 2022, the Company received 28.125 warrants over shares in Arcona for the sale of EOS asset, and 87.418 warrants over shares in Arcona for the sale of Delea Nuova asset for a total consideration of €3. These warrants are exercisable upon the volume weighted average price of Arcona shares traded on a regulated market at €7,2 or higher and expire in 2027.

At period end, these warrants are re-valued to fair value and as a result a relevant gain of €40.565 (2024: gain €38.250) is recognized. The terms and assumptions used for such warrant re-valuation are:

Current stock price (as retrieved from Amsterdam Stock Exchange): EUR 6,99 per share

- Strike price of the warrants: EUR 7,20 per share
- Expiration date: 25 March 2027 and 15 June 2027
- Standard deviation of stock price: 20,02%
- Annualized dividend yield on shares: 0,00%
- 5 year Government Bond rate (weighted average rate of Government Bonds of countries that Arcona is exposed): 5,243%

24. Other Investments

During the period the Company participated with EUR 2,5 million in a share capital increase in the company Sec-Nes Logico Properties Limited, registered in Cyprus, and jointly held with Myrian Nes Limited. The company is used for the implementation of the joint venture plan for developing logistics assets in Romania along with Myrian Nes Limited. The Company's participation in the share capital increase succeeded through the assignment of an equal part of the loan receivable from Myrian Nes Limited, which also participated in the share capital increase with an equal amount. The two parties have agreed to a holding of the joint vehicle of 50% each.

25. Cash and cash equivalents

Cash and cash equivalents represent liquidity held at banks.

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Cash with banks in USD	1.342	-	922.716	-
Cash with banks in EUR	189.240	62	23.119	74
Cash with banks in UAH	478	508	223	288
Cash with banks in RON	26.075	127.197	101.731	118.423
Cash with banks in GBP	300	-	129	-
Total	217.435	127.767	1.047.918	118.785

26. Share capital

Number of Shares

	30 June 2025	31 Dec 2024
Authorised		
Ordinary shares of €0,01	989.869.935	989.869.935
Total ordinary shares	989.869.935	989.869.935
Issued and fully paid		
Ordinary shares of €0,01	129.191.442	129.191.442
Total ordinary shares	129.191.442	129.191.442
Total	129.191.442	129.191.442

Nominal value (€)

€	30 June 2025	31 Dec 2024
Authorised		
Ordinary shares of €0,01	9.898.699	9.898.699
Total ordinary shares	9.898.699	9.898.699
Issued and fully paid		
Ordinary shares of €0,01	1.291.281	1.291.281
Total ordinary shares	1.291.281	1.291.281
Total	1.291.281	1.291.281

26.1 Authorised share capital

The authorised share capital of the Company as at the date of issuance of this report is as follows:
989.869.935 Ordinary Shares of €0,01 nominal value each.

26.2 Issued Share Capital

As at the end of 30 June 2025, the issued share capital of the Company was as follows:
129.191.442 Ordinary Shares of €0,01 nominal value each.

With a relevant decision of the Extraordinary General Meeting in 10 July 2024, the Company proceeded to the reduction in its share capital with the cancellation of 8.618.997 redeemable preference Class B shares of €0,01 each. The shares were issued in the names of BLUEHOUSE ACCESSION PROPERTY HOLDING III S.A.R.L. and the amount reduced was settled against payment that had already been made to BLUEHOUSE pursuant to a consensual order issued by the District Court of Nicosia in action no. 3362/2018.

26.3 Capital Structure as at the end of the reporting period

As at the reporting date the Company's share capital is as follows:

Number of		(as at) 30 June 2025	(as at) 31 December 2024	(as at) 31 December 2023
	Issued and Listed			
Ordinary shares of €0,01	on AIM	129.191.442	129.191.442	129.191.442
Total number of Shares	Non-Dilutive Basis	129.191.442	129.191.442	129.191.442
Total number of Shares	Full Dilutive Basis	129.191.442	129.191.442	129.191.442
Options	-	-	-	-

27. Foreign Currency Translation Reserve

Exchange differences related to the translation from the functional currency to EUR of the Group's subsidiaries are accounted by entries made directly to the foreign currency translation reserve. The foreign exchange translation reserve represents unrealized profits or losses related to the appreciation or depreciation of the local currencies against EUR in the countries where the Company's subsidiaries' functional currencies are not EUR. The Company had foreign exchange loss on translation due to presentation currency of €147.314 in 30 June 2025, compared to €85.474 profit in 30 June 2024.

28. Non-Controlling Interests

Non-controlling interests represent the percentage participations in the respective entities not owned by the Group:

%	Non-controlling interest portion	
	30 June 2025	31 Dec 2024
Group Company		
LLC Almaz-Press-Ukraine	45,00	45,00
Ketiza Holdings Limited	10,00	10,00
Ketiza Real Estate Srl	10,00	10,00
Best Day Real Estate Srl	50,00	-

29. Borrowings

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
<u>Principal of bank Loans</u>				
Loans from other 3 rd parties and related parties (Note 38.4)	125.000	-	497.000	-
Overdrafts	-	155	-	132
Total principal of bank and non-bank Loans	125.000	155	497.000	132
Interests accrued on non-bank loans (Note 38.4)	20.267	-	5 20.240	-
Total	145.267	155	517.240	132

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Current portion	145.267	155	517.240	132
Non-current portion	-	-	-	-
Total	145.267	155	517.240	132

Continued Operations

Loans from other 3rd parties and related parties under continued operations include mainly a loan from one Director of €100k provided as bridge financing for future property acquisitions. The

loan bears annual interest of 8% (Note 38.4).

30. Bonds

The Company in order to acquire up to a 50% interest in a portfolio of fully let logistics properties in Romania, the Olympians Portfolio, issued a financial instrument, 35% of which consists of a convertible bond and 65% of which is made up of a warrant. The convertible loan element of the instrument has been redeemed by 30% and at the end of the reporting period the balance stands at €164.150 (2024: €718.499). The instrument bears a 6,5% coupon, had a 7 year term, maturing in July 2024, and is convertible into ordinary shares of the Company at the option of the holder at 25p. starting from 1 January 2018. As at June 2025, the balance of the bonds with interest amounts to €256.013 (2024: €911.602). The Company is in discussions with the bondholders for the extension of the maturity and will provide a further update shortly. All the bondholders have already provided relevant consent, having agreed that during the discussions for the extension and the preparation of the required documentation, the bond loan should not be considered in default.

31. Trade and other payables

The fair value of trade and other payables due within one year approximate their carrying amounts as presented below.

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Payables to third parties	1.052.715	167.587	417.354	545.838
Payables to related parties (Note 38.2)	1.460.158	-	939.352	-
			-	-
Accruals	70.475	1.428	58.493	2.856
Pre-sale advances (Advances received for sale of properties)	78.019	-	837.120	-
Total	2.661.367	169.015	2.252.319	548.694

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Current portion	2.661.367	169.015	2.252.319	-
Non-current portion	-	-	-	548.694

Total	2.661.367	169.015	2.252.319	548.694
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Continued Operations

Payables to third parties represents a) amounts payable to various service providers including auditors, legal advisors, consultants and third party accountants related to the current operations of the Group, b) advances for asset sales, and c) guarantee amounts collected from tenants.

Payables to related parties under continued operations represent amounts due to directors and accrued management remuneration (Note 38.2).

Accruals mainly include the accrued, administration fees, accounting fees, facility management and other fees payable to third parties.

Pre-sale advances reflect the advance received in relation to Kiyanovskiy Residence pre-sale agreement, which upon non closing of the said sale, part of which will be returned to the prospective buyer.

Discontinued Operations

Payables to third parties represents amounts payable to various service providers including auditors, legal advisors, consultants and third party accountants related to the current operations of the Group.

Accruals mainly include the accrued, administration fees, accounting fees, facility management and other fees payable to third parties.

32. Deposits from Tenants

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Deposits from tenants non-current	-	23.002	-	23.002
Total	-	23.002	-	23.002

Deposits from tenants appearing under non-current liabilities include the amounts received from the tenants in Innovations Logistics Park are to be reimbursed to those at the expiration of the lease agreements.

33. Provisions and Taxes Payables

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Defence tax	18.147	-	34.315	-
Corporate income tax - current	24.379	-	45.097	-
Other taxes including VAT payable - current	24	209.695	177	150.097
Total Provisions and Taxes Payables	42.550	209.695	79.589	150.097

Corporate income tax represents taxes payable in Cyprus and Romania.

Other taxes represent local property taxes and VAT payable in Romania.

34. Finance Lease Liabilities

As at the reporting date the finance lease liabilities consist of the non-current portion of €5.501.609 and the current portion of €0 (31 December 2024: €5.585.320 and €56.293, accordingly).

Discontinued operations

30 June 2025	Note	Minimum lease payments	Interest	Principal
		€	€	€
Less than one year	41.2	5.729.030	227.421	5.501.609
Between two and five years	&	-	-	-
More than five years	41.6	-	-	-
		5.729.030	227.421	5.501.609
Accrued Interest				-
Total Finance Lease Liabilities				5.501.609

31 Dec 2024	Note	Minimum lease payments	Interest	Principal
		€	€	€
Less than one year	41.2 & 41.6	537.313	257.305	280.008
Between two and five years		5.462.007	100.402	5.361.605
More than five years		-	-	-
		5.999.320	357.707	5.641.613

Accrued Interest

-

Total Finance Lease

5.641.613

Liabilities

34.1 Land Plots Financial Leasing

The Group holds land plot in Ukraine under leasehold agreements which in terms of the accounts are classified as finance leases. Lease obligations are denominated in UAH. The Group's obligations under finance leases are secured by the lessor's title to the leased assets. Regarding Tsymlyanskiy, as of November 2021, the Group had submitted properly the official request to the City of Kiev to extend the lease property for another 5 years, since the Group has first extension rights over any other interested party. The first step in the process whereby the presiding committee of the municipality convenes, before the final approval by the City Council, delayed and following the Russian insurgence of Ukraine all decisions have been put on hold. We remain confident that we will be awarded the lease extension once the war status permits, and we continue calculate relevant future lease obligations.

34.2 Sale and Lease Back Agreements

Innovations Logistics Park

In May 2014 the Group concluded the acquisition of Innovations Logistics Park in Bucharest, owned by Best Day Real Estate Srl, through a sale and lease back agreement with Piraeus Leasing Romania SA. As at the end of the reporting period the balance is €5.501.609 (2024: €5.641.613), being repayable in monthly tranches until 2026 with a balloon payment of €5.244.926. At the maturity of the lease agreement and upon payment of the balloon Best Day Real Estate Srl will become owner of the asset.

Under the current finance lease agreement the collaterals for the facility are as follows:

1. Best Day Real Estate Srl pledged its future receivables from its tenants.
2. Best Day Real Estate Srl pledged its shares.
3. Best Day Real Estate Srl pledged all current and reserved accounts opened in Piraeus Leasing, Romania.
4. Best Day Real Estate Srl was obliged to provide cash collateral in the amount of €250.000 in Piraeus Leasing Romania, which had been deposited as follows, half in May 2014 and half in May 2015.

SPDI provided a corporate guarantee in favor of the Leasing company related to the liabilities of Best Day Real Estate Srl arising from the sale and lease back agreement.

35. Share Premium Reduction- payable to shareholders

As per the Extraordinary General Meeting held on 10 July 2024, the shareholders of the Company resolved for the reduction of the balance of the share premium account of the Company by €11.705.448,10 as this amount exceeds the needs of the Company and that the said amount is distributed pro rata to the shareholders of the Company holding ordinary shares of €0,01 each, either by the distribution of shares in Arcona Property Fund N.V. held by the Company or by bank transfer of readily available funds or both as the board of directors may in their discretion decide.

As per the Extraordinary General Meeting held on 23 April 2025, the shareholders of the Company resolved for a new reduction of the balance of the share premium account of the Company by €850.000,00 as this amount exceeds the needs of the Company and that the said amount is distributed pro rata to the shareholders of the Company holding ordinary shares of €0,01 each, either by the distribution of shares in Arcona Property Fund N.V. held by the Company or by bank transfer of readily available funds or both as the board of directors may in their discretion decide.

By the end of the period the Company had not received the required approvals from Authorities in relation to the second share premium reduction, and therefore had not proceeded to the distribution of shares and/ or payment of cash to the shareholders and therefore the amount remained as payable.

36. Earnings and net assets per share attributable to equity holders of the parent

a. Weighted average number of ordinary shares

	30 Jun 2025	31 Dec 2024	30 June 2024
Issued ordinary shares capital	129.191.442	129.191.442	129.191.442
Weighted average number of ordinary shares (Basic)	129.191.442	129.191.442	129.191.442
Diluted weighted average number of ordinary shares	129.191.442	129.191.442	129.191.442

b. Basic diluted and adjusted earnings per share

Earnings per share	30 June 2025	30 June 2024
	€	€
Profit/ (Loss) after tax attributable to owners of the parent	23.122	319.336
Basic	0,00	0,002
Diluted	0,00	0,002

c. Basic diluted and adjusted earnings per share from discontinued operations

Earnings per share	30 June 2025 €	30 June 2024 €
Profit/ (Loss) after tax from discontinued operations attributable to owners of the parent	(359.591)	(288.538)
Basic	(0,002)	(0,002)
Diluted	(0,002)	(0,002)

d. Net assets per share

Net assets per share	30 June 2025 €	31 Dec 2024 €
Net assets attributable to equity holders of the parent	4.503.012	6.279.629
Number of ordinary shares	129.191.442	129.191.442
Diluted number of ordinary shares	129.191.442	129.191.442
Basic	0,03	0,05
Diluted	0,03	0,05

37. Segment information

All commercial and financial information related to the properties held directly or indirectly by the Group is being provided to members of executive management who report to the Board of Directors. Such information relates to rentals, valuations, income, costs and capital expenditures. The individual properties are aggregated into segments based on the economic nature of the property. For the reporting period the Group has identified the following material reportable segments:

Commercial-Industrial

- Warehouse segment –Innovations Logistics Park,

Land Assets

- Land assets

There are no sales between the segments.

Segment assets for the investment properties segments represent investment property (including investment properties under development and prepayments made for the investment properties). Segment liabilities represent interest bearing borrowings, finance lease liabilities and deposits from tenants.

Continued Operations

Profit and Loss for the period ended 30 June 2025

	Warehouse	Residential	Land Plots	Corporate	Total
	€	€	€	€	€
Segment profit					
Rental income (Note 10)	-	-	-	414.164	414.164
Service charges and utilities income (Note 10)	-	-	-	298.275	298.275
Profit/(loss) from discontinued operation (Note 9)	(99.986)	-	(48.098)	-	(148.084)
Fair value gains/(losses) on financial assets	-	-	-	41.855	41.855
Segment profit	(99.986)	-	(48.098)	754.294	606.210
Administration expenses (Note 12)	-	-	-	-	(794.465)
Other (expenses)/income, net (Note 14)	-	-	-	-	125.528
Finance income (Note 15)	-	-	-	-	17.780
Interest expenses (Note 15)	-	-	-	-	(20.586)
Other finance costs (Note 15)	-	-	-	-	(14.511)
Foreign exchange losses, net (Note 16)	-	-	-	-	(41.022)
Income tax expense (Note 17)	-	-	-	-	(3.896)
Profit from discontinued operations (Note 9)	-	-	-	-	(211.507)
Exchange difference on translation foreign holdings (Note 27)	-	-	-	-	(147.314)
Total Comprehensive Income					(483.783)

Continued Operations

Profit and Loss for the period ended 30 June 2024

	Warehouse	Residential	Land Plots	Corporate	Total
	€	€	€	€	€
Segment profit					
Rental income (Note 10)	-	-	-	414.437	414.437
Service charges and utilities income (Note 10)	-	-	-	199.992	199.992
Profit/(loss) from discontinued operation (Note 9)	(11.193)	-	119.548	(190.587)	(82.232)
Fair value gains/(losses) on financial assets	-	-	-	146.509	146.509
Segment profit	(11.193)	-	119.548	570.350	678.706
Administration expenses (Note 12)	-	-	-	-	(581.011)
Other (expenses)/income, net (Note 14)	-	-	-	-	(314)
Finance income (Note 15)	-	-	-	-	145.839
Interest expenses (Note 15)	-	-	-	-	(27.825)
Other finance costs (Note 15)	-	-	-	-	(1.332)
Foreign exchange losses, net (Note 16)	-	-	-	-	23.041
Income tax expense (Note 17)	-	-	-	-	-
Profit from discontinued operations (Note 9)	-	-	-	-	(206.306)

Exchange difference on translation foreign holdings (Note 27)	-	-	-	-	85.474
Total Comprehensive Income					116.272

* It is noted that part of the rental and service charges/ utilities income related to Innovations Logistics Park in Romania is currently invoiced by the Company as part of a relevant lease agreement with the Innovations SPV and the lender. However the asset, which are held through the SPV, are planned to be transferred. Upon a final agreement for such transfer, the Company will negotiate with the lender its release from the aforementioned lease agreement, and if succeeds, upon completion such income will be also transferred.

Discontinued Operations

Profit and Loss for the period ended 30 June 2025

	Warehouse	Residential	Land Plots	Corporate	Total
	€	€	€	€	€
Segment profit					
Rental income (Note 10)	71.086	-	-	-	71.086
Service charges and utilities income (Note 10)	8.766	-	-	-	8.766
Valuation gains/(losses) from investment property (Note 13)	186.342	-	(48.098)	-	138.244
Asset operating expenses (Note 11)	(366.181)	-	-	-	(366.181)
Segment profit	(99.987)	-	(48.098)	-	(148.085)
Administration expenses (Note 12)	-	-	-	-	(13.425)
Other (expenses)/income, net (Note 14)	-	-	-	-	50.399
Finance income (Note 15)	-	-	-	-	21
Interest expenses (Note 15)	-	-	-	-	(131.325)
Other finance costs (Note 15)	-	-	-	-	(632)
Foreign exchange losses, net (Note 16)	-	-	-	-	(112.120)
Income tax expense (Note 17)	-	-	-	-	(4.424)
Total Comprehensive Income	-	-	-	-	(359.591)

Profit and Loss for the period ended 30 June 2024

	Warehouse	Residential	Land Plots	Corporate	Total
	€	€	€	€	€
Segment profit					
Rental income (Note 10)	67.918	-	-	-	67.918
Service charges and utilities income (Note 10)	8.747	-	-	-	8.747
Valuation gains/(losses) from investment property (Note 13)	4.880	-	122.670	-	127.550

13)

Asset operating expenses (Note 11)	(283.324)	-	(3.122)	-	(286.446)
Segment profit	(201.779)	-	119.548	-	(82.231)

Administration expenses (Note 12)	-	-	-	-	(30.463)
Other (expenses)/income, net (Note 14)	-	-	-	-	7.760
Finance income (Note 15)	-	-	-	-	28
Interest expenses (Note 15)	-	-	-	-	(137.985)
Other finance costs (Note 15)	-	-	-	-	(646)
Foreign exchange losses, net (Note 16)	-	-	-	-	(45.001)
Income tax expense (Note 17)	-	-	-	-	-
Total Comprehensive Income	-	-	-	-	(288.538)

Total Operations

Balance Sheet as at 30 June 2025

	Warehouse	Land plots	Corporate	Total
	€	€	€	€
Assets				
Long-term receivables and prepayments	-	-	-	-
Available-for-sale investments	-	-	12.715.105	12.715.105
Other Investments	-	-	2.500.001	2.500.001
Assets held for sale	9.315.000	375.428	588.333	10.278.761
Segment assets	9.315.000	375.428	15.803.439	25.493.867
Prepayments and other current assets	-	-	-	2.307.694
Cash and cash equivalents	-	-	-	217.435
Total assets	-	-	-	28.018.996
Borrowings	-	-	145.267	145.267
Liabilities associated with assets classified as held for disposal	5.524.766	-	378.710	5.903.476
Segment liabilities	5.524.766	-	523.977	6.048.743
Trade and other payables	-	-	-	2.661.367
Payable due to shareholders	-	-	-	12.555.448
Taxes payable and provisions	-	-	-	42.550
Bonds	-	-	-	256.013
Total liabilities	-	-	-	21.564.121

Statement of financial position as at 31 December 2024

Warehouse	Residential	Land plots	Corporate	Total
€	€	€		€

Assets

Long-term receivables and prepayments	818	-	-	-	818
Financial Assets at FV through P&L	-	-	-	12.553.640	12.553.640
Assets held for sale	9.315.000	-	423.526	622.815	10.361.341
Segment assets	9.315.818	-	423.526	13.176.455	22.915.799

Tangible and intangible assets	-	-	-	-	13
Prepayments and other current assets	-	-	-	-	4.154.664
Cash and cash equivalents	-	-	-	-	1.047.918
Total assets	-	-	-	-	28.118.394

Liabilities associated with assets classified as

held for disposal	5.664.746	-	-	698.791	6.363.537
Borrowings	-	-	-	517.239	517.240

Segment liabilities	5.664.746	-	-	1.216.030	6.880.777
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Trade and other payables	-	-	-	-	2.252.319
Taxation	-	-	-	-	79.589

Payable to shareholders form share premium

reduction	-	-	-	-	11.705.448
Bonds	-	-	-	-	911.602

Total liabilities	-	-	-	-	21.829.735
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Discontinued operations**Assets and Liabilities held for sale 30 June 2025**

	Warehouse	Land plots	Corporate	Total
	€	€	€	€
Assets				
Investment properties	9.0000	375.428	-	9.375.428
Long-term receivables and prepayments	315.000	-	-	315.000
Segment assets	9.315.00	375.428	-	9.690.428
Prepayments and other current assets	-	-	-	460.566
Cash and cash equivalents	-	-	-	127.767
Total assets	-	-	-	10.278.761
Borrowings	155	-	-	155
Finance lease liabilities	5.501.609	-	-	5.501.609
Deposits from tenants	23.002	-	-	23.002
Segment liabilities	5.524.766	-	-	5.524.766
Trade and other payables	-	-	-	169.015
Taxation	-	-	-	209.695
Total liabilities	-	-	-	5.903.476

Assets and Liabilities held for sale 2024

	Warehouse	Residential	Land plots	Corporate	Total
	€	€	€	€	€
Assets					
Investment properties	9.000.000	-	423.526	-	9.423.526
Long-term receivables and prepayments	315.000	-	-	-	315.000
Segment assets	9.315.000	-	423.526	-	9.738.526
Prepayments and other current assets	-	-	-	-	504.030
Cash and cash equivalents	-	-	-	-	118.785
Total assets					10.361.34
	-	-	-	-	1
Borrowings	131	-	-	-	131
Finance lease liabilities	5.641.613	-	.	-	5.641.613
Deposits from tenants	23.002	-	-	-	23.002
Segment liabilities	5.664.746	-	-	-	5.664.746
Trade and other payables	-	-	-	-	548.694
Taxation	-	-	-	-	150.097
Total liabilities	-	-	-	-	6.363.538

Geographical information

	30 June 2025		30 June 2024	
Income (Note 10)	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Romania	-	79.852	-	76.665
Cyprus *	712.439	-	614.429	-
Total	712.439	79.852	614.429	76.665

* It is noted that part of the rental and service charges/ utilities income related to Innovations Logistics Park in Romania is currently invoiced by the Company as part of a relevant lease agreement with the Innovations SPV and the lender. However the asset, which are held through the SPV, are planned to be transferred. Upon a final agreement for such transfer, the Company will negotiate with the lender its release from the aforementioned lease agreement, and if succeeds, upon completion such income will be also transferred.

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€

Carrying amount of assets (investment properties)

Ukraine	-	375.428	-	423.526
Romania	-	9.000.000	-	9.000.000
Total	-	9.375.428	-	9.423.526

38. Related Party Transactions

The following transactions were carried out with related parties:

38.1 Income/ Expense

38.1 Expenses

	30 June 2025		30 June 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Incentives pursuant to REMCo proposal (Note 12)	327.000		185.000	
Interest expenses on Director and Management Loans (Note 15)	6.916	-	4.044	-
Total	333.916	-	189.044	-

Incentives provided to personnel for the successful implementation of Group's plan pursuant to relevant Remuneration Committee proposal dated 7 May 2021 as approved by the BoD on 1st June 2021.

38.2 Payables to related parties (Note 31)

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Payable to Directors	487.983	-	365.776	-
Sec South East Continent Unique Real Estate Management Limited	106.908	-	435.588	-
Payable to Management	865.267	-	137.988	-
Total	1.460.158	-	939.352	-

38.2.1 Payable to Directors

The amounts payable represent remuneration and expenses payable to Non-Executive Directors

until the end of the reporting period.

38.2.2 Payable to Management

Management Remuneration represents deferred amounts payable to the CEO and the rest of the Management of the Company.

38.2.3 Sec South East Continent Unique Real Estate Management Limited

The amount payable represent fees to the company which has externalized the HR costs and is associated with the CEO of the company.

38.3 Loans from SC Secure Capital Limited to the Group's subsidiaries

SC Secure Capital Limited, the finance subsidiary of the Group provided capital in the form of loans to the Ukrainian subsidiaries of the Company so as to support the acquisition of assets, development expenses of the projects, as well as various operational costs. The following table presents the amounts of such loans which are eliminated for consolidation purposes, but their related exchange difference affects the equity of the Consolidated Statement of Financial Position.

Borrower	Limit	Principal as at 30 June 2025	Principal as at 31 Dec 2024
	€	€	€
LLC "Almaz-Press-Ukraine"	8.236.554	250.743	282.674
LLC "Aisi Ilvo"	150.537	15.489	17.296
Total	8.387.091	266.232	299.970

A potential Ukrainian Hryvnia weakening/strengthening by 10% against the US dollar with all other variables held constant, would result in an exchange difference on I/C loans to foreign holdings of €26.623, estimated on balances held at 30 June 2025.

38.4 Loans from related parties (Note 29)

	30 June 2025		31 Dec 2024	
	Continued operations	Discontinued operations	Continued operations	Discontinued operations
	€	€	€	€
Loan from Directors and Management	125.000	-	497.000	-

Interest accrued on loans from related parties	20.267	-	20.240	-
Total	145.267	-	517.240	-

Loan from Directors and Management reflect: a) loan from one director of the order of € 100.000 as bridge financing for future property acquisitions, bearing interest 8% annually, b) loans from management of the order of € 25.000 as a result of the transformation of payable incentives into loans, bearing zero interest and maturing in June 2025.

39. Contingent Liabilities

39.1 Tax Litigation

The Group performed during the reporting period part of its operations in the Ukraine, within the jurisdiction of the Ukrainian tax authorities. The Ukrainian tax system can be characterized by numerous taxes and frequently changing legislation, which may be applied retroactively, open to wide and in some cases, conflicting interpretation. Instances of inconsistent opinions between local, regional, and national tax authorities and between the National Bank of Ukraine and the Ministry of Finance are not unusual. Tax declarations are subject to review and investigation by a number of authorities, which are authorised by law to impose severe fines and penalties and interest charges. Any tax year remains open for review by the tax authorities during the three following subsequent calendar years; however, under certain circumstances a tax year may remain open for longer. Overall following the sales of Terminal Brovary, Balabino and Bela, the exposure of the Group in Ukraine has been significantly reduced.

The Group performed during the reporting and comparative periods part of its operations in Romania. In respect of Romanian tax system, many aspects are subject to varying interpretations and frequent changes, which in many cases have retroactive effects. In certain circumstances it is also possible that tax authorities may act arbitrary.

These facts create tax risks which are substantially more significant than those typically found in countries with more advanced tax systems. Management believes that it has adequately provided for tax liabilities, based on its interpretation of tax legislation, official pronouncements and court decisions. However, the interpretations of the relevant authorities could differ and the effect on these consolidated financial statements, if the authorities were successful in enforcing their interpretations, could be significant.

39.2 Construction related litigation

There are no material claims from contractors due to the postponement of projects or delayed delivery other than those disclosed in the financial statements.

39.3 Other Litigation

The Group has a number of other minor legal cases pending. Management does not believe that the result of these will have a substantial overall effect on the Group's financial position. Consequently no such provision is included in the current financial statements.

39.4 Other Contingent Liabilities

The Group had no other contingent liabilities as at 30 June 2025.

40. Commitments

The Group had no other commitments as at 30 June 2025.

41. Financial Risk Management

41.1 Capital Risk Management

The Group manages its capital to ensure adequate liquidity will be available to implement its stated growth strategy in order to maximise the return to stakeholders through the optimization of the debt-equity structure and value enhancing actions in respect of its portfolio of investments. The capital structure of the Group consists of borrowings (Note 29), bonds (Note 30), trade and other payables (Note 31) deposits from tenants (Note 32), financial leases (Note 34), taxes payable (Note 33) and equity attributable to ordinary or preferred shareholders.

Management reviews the capital structure on an on-going basis. As part of the review Management considers the differential capital costs in the debt and equity markets, the timing at which each investment project requires funding and the operating requirements so as to proactively provide for capital either in the form of equity (issuance of shares to the Group's shareholders) or in the form of debt. Management balances the capital structure of the Group with a view of maximising the shareholders' Return on Equity (ROE) while adhering to the operational requirements of the property assets and exercising prudent judgment as to the extent of gearing.

41.2 Categories of Financial Instruments

	Note	30 June 2025		31 Dec 2024	
		Continued	Discontinued	Continued	Discontinued
		operations	operations	operations	operations
		€	€	€	€
Financial Assets					
Cash at Bank	25	217.435	127.767	1.047.918	118.785

Long-term Receivables and prepayments	21	-	315.000	818	315.000
Financial Assets at FV through P&L	23	12.715.105	-	12.553.640	-
Prepayments and other receivables	22	2.307.694	460.566	4.154.664	504.030
Total		15.240.234	903.333	17.757.040	937.815

Financial Liabilities

Borrowings	29	145.267	155	517.240	131
Trade and other payables	31	2.661.367	169.015	2.252.319	548.694
Deposits from tenants	32	-	23.002	-	23.002
Finance lease liabilities	34	-	5.501.609	-	5.641.613
Share premium Reduction- payable to shareholders	35	12.555.448	-	11.705.448	-
Taxes payable and provisions	33	42.550	209.695	79.589	150.097
Bonds	30	256.013	-	911.602	-
Total		15.660.645	5.903.476	15.466.198	6.363.537

41.3 Financial Risk Management Objectives

The Group's Treasury function provides services to its various corporate entities, coordinates access to local and international financial markets, monitors and manages the financial risks relating to the operations of the Group, mainly the investing and development functions. Its primary goal is to secure the Group's liquidity and to minimise the effect of the financial asset price variability on the cash flow of the Group. These risks cover market risks including foreign exchange risks and interest rate risk, as well as credit risk and liquidity risk.

The above mentioned risk exposures may be hedged using derivative instruments whenever appropriate. The use of financial derivatives is governed by the Group's approved policies which indicate that the use of derivatives is for hedging purposes only. The Group does not enter into speculative derivative trading positions. The same policies provide for the investment of excess liquidity. As at the end of the reporting period, the Group had not entered into any derivative contracts.

41.4 Economic Market Risk Management

The Group currently operates in Romania and Ukraine. The Group's activities expose it primarily to financial risks of changes in currency exchange rates and interest rates. The exposures and the management of the associated risks are described below. There has been no change in the way the Group measures and manages risks.

Foreign Exchange Risk

Currency risk arises when commercial transactions and recognised financial assets and liabilities are denominated in a currency that is not the Group's functional currency. Most of the Group's financial assets are denominated in the functional currency. Management is monitoring the net exposures and adopts policies to encounter them so that the net effect of devaluation is minimised.

Interest Rate Risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates as the Group has no significant interest-bearing assets. On 30 June 2025, cash and cash equivalent (including continued and discontinued operations) financial assets amounted to € 345.202 (31 December 2024: € 1.166.703) of which approx. €986 in UAH and €153.272 in RON (Note 25) while the remaining are mainly denominated in either GBP, USD or €.

The Group is exposed to interest rate risk in relation to its borrowings (including continued and discontinued operations) amounting to € 145.422 (31 December 2024: €517.371) as they are issued at variable rates tied to the Libor or Euribor. Management monitors the interest rate fluctuations on a continuous basis and evaluates hedging options to align the Group's strategy with the interest rate view and the defined risk appetite. Although no hedging has been applied for the reporting period, such may take place in the future if deemed necessary in order to protect the cash flow of a property asset through different interest rate cycles.

Management monitors the interest rate fluctuations on a continuous basis and evaluates hedging options to align the Group's strategy with the interest rate view and the defined risk appetite. Although no hedging has been applied for the reporting period, such may take place in the future if deemed necessary in order to protect the cash flow of a property asset through different interest rate cycles.

As at 30 June 2025 the weighted average interest rate for all the interest bearing borrowings of the Group stands at 4,82% (31 December 2024: 5.05%).

The sensitivity analysis for EURIBOR changes applying to the interest calculation on the borrowings principal outstanding as at 30 June 2025 is presented below:

	Actual	+100 bps	+200 bps
	as at 30.06.2025		
Weighted average interest rate	4,82%	5,82%	6,82%
Influence on yearly finance costs		56.470	112.941

The sensitivity analysis changes applying to the interest calculation on the borrowings principal

outstanding as at 31 December 2024 is presented below:

	Actual as at 31.12.2024	+100 bps	+200 bps
Weighted average interest rate	5,05%	6,05%	7,05%
%Influence on yearly finance costs		61.387	122.775

The Group's exposures to financial risk are also discussed in Note 7.

41.5 Credit Risk Management

The Group has no significant credit risk exposure. The credit risk emanating from the liquid funds is limited because the Group's counterparties are banks with high credit-ratings assigned by international credit rating agencies. The Credit risk of receivables is reduced as the majority of the receivables represent VAT to be offset through VAT income in the future. In respect of receivables from tenants these are kept to a minimum of 2 months and are monitored closely.

41.6 Liquidity Risk Management

Ultimate responsibility for liquidity risk management rests with the Board of Directors, which applies a framework for the Group's short, medium and long term funding and liquidity management requirements. The Treasury function of the Group manages liquidity risk by preparing and monitoring forecasted cash flow plans and budgets while maintaining adequate reserves. The following table details the Group's contractual maturity of its financial liabilities. The tables below have been drawn up based on the undiscounted contractual maturities including interest that will be accrued.

Continued Operations

30 June 2025	Carrying amount	Total Contractual Cash Flows	Less than one year	From one to two years	More than two years
	€	€	€	€	€
Financial assets					
Cash at Bank	217.435	217.435	217.435	-	-
Financial Assets at FV through P&L	12.715.105	12.715.105	12.715.105	-	-
Prepayments and other receivables	2.307.694	2.307.694	2.307.694	-	-

Total Financial assets	15.240.234	15.240.234	15.240.234	-	-
Financial liabilities					
Borrowings	145.267	168.510	11.621	156.888	-
Trade and other payables	2.661.367	2.661.367	2.661.367	-	-
Bonds issued	256.013	272.654	272.654	-	-
Share premium Reduction- payable to shareholders	12.555.448	12.555.448	12.555.448		
Taxes payable and provisions	42.550	42.550	42.550	-	-
Total Financial liabilities	15.660.645	15.700.529	15.543.640	156.888	-
Total net (liabilities)/ assets	(420.411)	(460.295)	(303.406)	(156.888)	-

Discontinued Operations

30 June 2025	Carrying amount	Total Contractual Cash Flows	Less than one year	From one to two years	More than two years
	€	€	€	€	€
Financial assets					
Cash at Bank	127.767	127.767	127.767	-	-
Prepayments and other receivables	460.566	460.566	460.566	-	-
Long-term Receivables and prepayments	315.000	315.000	-	-	315.000
Total Financial assets	903.333	903.333	588.333	-	315.000
Financial liabilities					
Borrowings	155	155	155	-	-
Trade and other payables	169.015	169.015	169.015	-	-
Deposits from tenants	23.002	23.002	23.002	-	-
Finance lease liabilities	5.501.609	5.729.030	5.729.030		
Taxes payable and provisions	209.695	209.695	209.695	-	-
Total Financial liabilities	5.903.476	6.130.897	6.130.897	-	-
Total net (liabilities)/ assets	(5.000.143)	(5.227.564)	(5.542.564)	-	315.000

Continued Operations

31 December 2024	Carrying amount	Total Contractual Cash Flows	Less than one year	From one to two years	More than two years
	€	€	€	€	€
Financial assets					
Cash at Bank	1.047.918	1.047.918	1.047.918	-	-
Prepayments and other receivables	4.154.664	4.154.664	4.154.664	-	-
Financial Assets at FV through P&L	12.553.640	12.553.640	12.553.640	-	-
Long-term Receivables and prepayments	818	818	-	-	818
Total Financial assets	17.757.040	17.757.040	17.756.222	-	818
Financial liabilities					
Borrowings	517.240	596.760	60.000	536.760	-
Trade and other payables	2.252.319	2.252.319	2.252.319	-	-
Bonds issued	911.602	911.602	911.602	-	-
Share premium Reduction- payable to shareholders	11.705.448	11.705.448	11.705.448	-	-
Taxes payable and provisions	79.589	79.589	79.589	-	-
Total Financial liabilities	15.466.198	15.545.718	15.008.958	536.760	-
Total net assets/(liabilities)	2.290.842	2.211.322	2.747.264	(536.760)	818

Discontinued Operations

31 December 2024	Carrying amount	Total Contractual Cash Flows	Less than one year	From one to two years	More than two years
	€	€	€	€	€
Financial assets					
Cash at Bank	118.785	118.785	118.785	-	-
Long-term receivables	315.000	315.000	-	-	315.000
Prepayments and other receivables	504.030	504.030	504.030	-	-
Total Financial assets	937.815	937.815	622.815	-	315.000

Financial liabilities

Borrowings	131	131	131	-	-
Trade and other payables	548.694	548.694	548.694	-	-
Deposits from tenants	23.002	23.002	-	-	23.002
Finance lease liabilities	5.641.613	5.999.320	537.313	5.462.007	-
Taxation	150.097	150.097	150.097	-	-
Total Financial liabilities	6.363.537	6.721.244	1.236.235	5.462.007	23.002
Total net					
assets/(liabilities)	(5.425.722)	(5.783.429)	(613.420)	(5.462.007)	291.998

42. Events after the end of the reporting period**a) Approval of share premium reduction**

On 02 July 2025 the Company announced that it has obtained from the Cyprus Registrar of Companies the certificate confirming the reduction of the share premium account as approved by shareholders on 23 April 2025, which enables the distribution of Arcona Property Fund N.V shares it holds and/ or cash to its shareholders pro rata to their shareholding.

b) Cut-off date for the distribution and distribution timetable

On 8 September 2025 the Company confirmed that all shareholders holding Company's shares at 5.00 p.m. BST on Monday 15 September 2025 (the "Cut-off Date"), are entitled to the distribution of Arcona property Fund N.V shares and/ or cash, pursuant to the approvals of the shareholders taken on the last two Extraordinary General Meetings.

In addition, the Company announced on 11 September 2025 the distribution timetable as follows:

- Distribution ex date: 12 September 2025
- Record date: 15 September 2025

c) Sale of subsidiary

As part of clearing the Group from non-active subsidiaries, the Company sold during July 2025 the entire interest in Myrnes Innovation Park Limited, which remained idle since the restructure made recently in Best Day Srl holding, and in particular the transfer of Best Day Srl shares from Myrnes directly to SPDI.

d) Contribution of asset in logistics platform

As part of the implementation process in relation to the joint venture with Myrian Nes Limited for the development of a logistics platform in Romania, during September 2025 the Company effectively contributed the 50% of the share capital of Best Day SRL, the SPV holding the Master

Leasing agreement with Piraeus leasing regarding Innovations Terminal in Bucharest, to Sec-Nes Logico Properties Limited. The latter is an entity jointly owned with Myrian Nes Limited which will host all relevant investments in logistics assets in Romania. At the same time, Myrian Nes Limited contributed its own 50% share of Best Day SRL into Sec-Nes Logico Properties Limited, making the latter the sole shareholder of the project and marking the commencement of the joint venture between the two parties.

e) Agreement for sale of Rozhny asset

Since Arcona Property Fund N.V. declined to acquire in 2024 Rozhny asset in Kiev as per initial plans, the Company during 2025 has indicatively agreed to sell the asset in the market for a consideration of \$255 thousand. Relevant documentation is currently drafted and the transaction is expected to close in the near future.

f) Initiation of strike off process in Romania

During September 2025, the Company has initiated the relevant procedures for winding up two Romanian subsidiaries, SPDI Management Srl and Secmon Srl, which remain idle following the externalization of personnel services and the sale of Secmon assets.