ATRIUM FINANCE PLC

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
Year ended 31 December 2025

ATRIUM FINANCE PLC

REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
Year ended 31 December 2025

CONTENTS

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Shai Feldman (appointed on 12 September 2025) Or Ackerman (resigned on 5 September 2025) Loucas Louca (resigned on 27 February 2025) Lyubov Musova Stamatia Ananiades (appointed on 28 February 2025)
Company Secretary:	Stamatia Ananiades
Independent Auditors:	Ernst & Young House Cyprus Limited Certified Public Accountants and Registered Auditors 27-29 Spyrou Kyprianou Avenue Mesa Yitonia 4003 Limassol, Cyprus
Audit Committee:	Christos Klokkaris (resigned on 11 March 2026) Tatiana Zorina (resigned 7 April 2025) Dmitry Gavlik (appointed on 7 April 2025) Mary Trimithiotou (resigned 11 March 2026) Filopimin Ellinas (appointed 12 March 2026) Christos Malikkidis (appointed 12 March 2026)
Registered office:	MGO Protopapas Building Spyrou Kyprianou 79 3076, Limassol, Cyprus
Bankers:	Citibank N.A. London Eurobank Cyprus Ltd
Registration number:	HE394678

CONSOLIDATED MANAGEMENT REPORT

The Board of Directors of Atrium Finance PLC (the "Company") presents to the members its Management Report and audited report and consolidated financial statements of the Company for the year ended 31 December 2025.

Incorporation
Atrium Finance PLC (the "Company") was incorporated in Cyprus on 19 February 2019 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Subsequently, the Company was converted into a public entity on 10 November 2022. Its registered office is at MGO Protopapas Building, Leoforos Spyrou Kyprianou 79, 3076, Limassol, Cyprus.

Principal activity and nature of operations of the Company
The principal activity of Atrium Finance Plc is the provision of financing to the Atrium Group, (which is G City Europe Limited, formerly known as Atrium European Real Estate Limited - a Jersey, Channel Islands domiciled company, together with its subsidiaries), and external borrowers as well as financial management activities. From 2025 the Group also owns investment property held for rental income.

Review of current position, and performance of the Company's business
The Company's development to date, financial results and position as presented in the report and consolidated financial statements are considered satisfactory.

Principal risks and uncertainties
The principal risks and uncertainties faced by the Company are disclosed in notes 6 and 7 of the report and consolidated financial statements.

Future developments of the Company
The Company's borrowers base is expected to diversify and expand. The parent company, G City Europe Limited, announced as part of its five year strategic plan, to diversify its portfolio by investing in and managing residential for rent real estate, with a focus on major cities in Poland. As at the year end, the Company has provided financing to fellow subsidiaries and third parties, which collectively own 1,121 rental apartments (1,090 rented and 31 under leasing process). The parent company is also expected to expand its retail operations in Warsaw.

Existence of branches
The Company does not maintain any branches. The Company's subsidiaries are disclosed in note 4.

Use of financial instruments by the Company
The Company's activities expose it to a variety of financial risks as disclosed in note 6. The risk management policies employed by the Company are disclosed in note 6.

Results
The Company's results for the year are set out on page 10.

Dividends
The Board of Directors does not recommend the payment of a dividend.

Share capital
There were no changes in the share capital of the Company during the year.

Board of Directors
The members of the Company's Board of Directors as at 31 December 2025 and at the date of this report are presented on page 1. On 27 February 2025 Mr. Loucas Louca resigned and Mrs. Stamatia Ananiades was appointed on 28 February 2025.

On 5 September 2025 Mr Or Ackerman resigned and Mr Shai Feldman was appointed on 12 September 2025.

Pursuant to the regulation 92 of the Articles of Association of the Company the Directors have the power at any time, and from time to time, to appoint any person to be Director, either to fill a casual vacancy or as an addition to the existing Directors. Any Director so appointed shall hold office only until the following Annual General Meeting and shall then be eligible for re-election.

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

Audit Commitee
On 7 April 2025 Mrs Tatiana Zorina resigned and on the same day, Mr Dmitry Gavlik was appointed as a member of the audit committee. These appointments and resignations were approved by an Extraordinary General Meeting on 7 April 2025.

On 11 March 2026 Mrs Mary Trimithiotou and Mr Christos Klokkaris resigned. On 12 March 2026 Mr Ellinas Filopimin and Mr Christos Malikkidis were appointed as members of the audit committee. The said appointments and resignation were approved by an Extraordiary General Meeting on 12 March 2026.

Key Intangible Resources
The Company does not hold significant intangible resources, therefore the business model of the Company does not fundamentally depend on such resources or in a manner that these resources constitute a source of value creation for the Company.

Events after the reporting period
The material post balance sheet events which have a bearing on the understanding of the financial statements are disclosed in note 20 of the report and consolidated financial statements.

Independent Auditors
The Independent Auditors, Ernst & Young Cyprus Limited, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

StamatiaA

Stamatia Ananiades
Secretary

Limassol, 30 June 2026

Shape the future
with confidence

Ernst & Young Cyprus Ltd
Ernst & Young House
27 Spyrou Kyprianou
4001 Mesa Geitonia
P.O. Box 50123
3601 Limassol, Cyprus

Tel: +357 25209999
Fax: +357 25209998
ey.com

Independent Auditor's Report

To the Members of Atrium Finance PLC

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of Atrium Finance PLC (the "Company"), and its subsidiaries (the "Group"), which are presented in pages 10 to 36 and comprise the consolidated statement of financial position as at 31 December 2025, and the consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2025, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We remained independent of the Group throughout the period of our appointment in accordance with the *International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code)* as applicable to audits of consolidated financial statements of public interest entities, together with the ethical requirements that are relevant to audits of the consolidated financial statements of public interest entities in Cyprus. We have also fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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

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

We have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Shape the future
with confidence

Key Audit Matter	How our audit addressed the Key Audit Matter
Management override of controls over the valuation of expected credit losses (ECL) on loans receivable	

As at 31 December 2025, loans receivable amounted to €835.158.000, which includes gross loans receivable of €843.844.000 and accumulated expected credit losses (ECL) of €8.686.000, representing 88% of the Group's total assets.
 	
Refer to Notes 6.2(ii) and 13 of the consolidated financial statements for the relevant disclosures. The relevant accounting policy is presented in Note 4 of the consolidated financial statements.
 	
IFRS 9 requires the Group, at each reporting date, to measure a provision for expected credit losses for its loans receivable based on significant credit risk changes since initial recognition. The Group calculates expected credit losses using input that includes all financial assets, collateral details, and staging decisions.
 	
Management exercises significant judgement, using subjective assumptions, when determining the amount of the expected credit losses for loans receivable.
 	
Key judgements applied and estimates made by Management, in respect of the timing and measurement of expected credit losses, include:
 	
• The criteria used for the staging assessment of credit facilities granted to customers.
• Accounting estimates, modelling assumptions and input data used in the expected credit losses models including the estimation of probability of default (PD), loss given default (LGD) and exposure at default (EAD) parameters.
	We have performed, among others, the following audit procedures:
	
	• We have updated our understanding and performed walkthroughs of the processes relevant to the calculation of ECL to identify key systems, applications and controls within the processes.
	
	• We have tested, for a sample of loans, whether the repayment terms of such loans that occurred during the year were in line with the respective loan agreements.
	
	• With respect to the ECL calculation performed by Management, we have:
	  o tested a sample of loans receivable to verify the appropriateness of the classification into stages, based on the criteria set out in IFRS 9 and in line with the Group's accounting policy.
	  o assessed the scenarios, key assumptions and the PD, LGD and EAD assessment made by Management, which were based on the net asset value of the counterparties of the loans estimated using latest available financial information, including, as applicable, the fair values of the underlying real estate properties securing the loans.
	  o assessed the methodology for incorporating forward-looking information and assessed the reasonableness of macroeconomic information applied.
	  o assessed whether the methodology and model applied by the Group in respect of the ECL calculation were in accordance with the requirements of IFRS Accounting Standards.

Shape the future with confidence

Refer to Note 7 to the consolidated financial statements for the significant judgments and estimates used in the calculation of ECL. We consider this to be a key audit matter due to the fact that a significant level of judgment is exercised by management in estimating the expected credit losses on loans receivable, which raises concerns about potential management override of controls.	• We have assessed the adequacy of the disclosures in the consolidated financial statements in relation to expected credit losses on loans receivable.

Reporting on Other Information

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

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

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

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

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

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

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

Shape the future
with confidence

Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group’s internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the group audit. We remain solely responsible for our audit opinion.

Shape the future
with confidence

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements (continued)

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

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

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

Report on Other Legal and Regulatory Requirements

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

1. Appointment of the Auditor and Period of Engagement

We were first appointed as auditors of the Group on 30 April 2024 by the Company's Board of Directors. Our appointment has been renewed annually by shareholder resolution representing a total period of uninterrupted engagement appointment of three years.

2. Consistency of the Additional Report to the Audit Committee

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

3. Provision of Non-audit Services

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

Other Legal Requirements

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

- In our opinion, based on the work undertaken in the course of our audit, the Consolidated Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap. 113, and the information given is consistent with the consolidated financial statements.
- In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Consolidated Management Report. We have nothing to report in this respect.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditor's report is Andreas Avraam.

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

Ernst & Young Cyprus Limited
Certified Public Accountants and Registered Auditors

Limassol
30 June 2026

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

	Note	**2025** **EUR'000**	2024 EUR'000
Rental income		**6**	-
Interest income	13, 14	**47.394**	69.679
Gain on extinguishment of loan	16	**3.846**	2.166
Total income		**51.246**	**71.845**
Interest expense	16	**(42.735)**	(64.066)
		8.511	**7.779**
Other operating income	8	**23**	31
Net foreign exchange gain		**307**	1.306
Staff costs and other operating expenses	9	**(1.270)**	(1.171)
Reversal of expected credit loss/(expected credit loss)	13, 14	**1.376**	(5.575)
Other expenses	13	**(4.089)**	-
Profit before tax		**4.858**	**2.370**
Income Tax	11	**-**	-
Net profit for the year		**4.858**	**2.370**
Other comprehensive income		**-**	-
Total comprehensive income for the year		**4.858**	**2.370**

ATRIUM FINANCE PLC

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2025

	Note	2025 EUR'000	2024 EUR'000
ASSETS			
Non-current assets			
Investment properties	12	**3.494**	-
Loans receivable from related and third parties	13	**509.492**	851.920
		512.986	**851.920**
Current assets			
Other receivables		**948**	885
Loans receivable from related and third parties	13	**325.666**	183.160
Cash and cash equivalents	14	**107.270**	435.751
		433.884	**619.796**
Total assets		**946.870**	**1.471.716**
EQUITY AND LIABILITIES			
Equity			
Share capital	15	**26**	26
Share premium	15	**123.943**	123.943
Capital reserve		**177**	177
Retained earnings		**42.065**	37.207
Total equity		**166.211**	**161.353**
Non-current liabilities			
Borrowings	16	**746.568**	1.004.187
		746.568	**1.004.187**
Current liabilities			
Other payables		**348**	352
Borrowings	16	**33.743**	305.824
		34.091	**306.176**
Total liabilities		**780.659**	**1.310.363**
Total equity and liabilities		**946.870**	**1.471.716**

On 30 June 2026 the Board of Directors of Atrium Finance PLC authorised the issue of these report and consolidated financial statements.

....	....
Shai Feldman	Stamatia Ananiades
Director	Director

The notes on pages 14 to 36 form an integral part of these report and consolidated financial statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2025

	Share capital EUR'000	Share premium EUR'000	Capital reserve EUR'000	Retained earnings EUR'000	Total EUR'000
Balance at 1 January 2024	**26**	**123.943**	**177**	**34.837**	**158.983**
Comprehensive income					
Net profit for the year	-	-	-	2.370	2.370
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	2.370	2.370
Balance at 31 December 2024/ 1 January 2025	**26**	**123.943**	**177**	**37.207**	**161.353**
Comprehensive income					
Net profit for the year	-	-	-	4.858	4.858
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	4.858	4.858
Balance at 31 December 2025	**26**	**123.943**	**177**	**42.065**	**166.211**

The only reserve which is available for distribution is the retained earnings. The share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

CONSOLIDATED STATEMENT OF CASH FLOWS

Year ended 31 December 2025

	Note	**2025** **EUR'000**	2024 EUR'000
Cash generated from operations			
Cash paid to employees		**(973)**	(742)
Cash paid for expenses		**(571)**	(346)
Payments for loans granted	13	**(120.159)**	(190.039)
Loan repayments received		**510.535**	261.463
Interest received		**52.988**	60.822
Interest paid	16	**(44.092)**	(56.547)
Withholding tax paid		**(120)**	-
Other operating income	8	**23**	31
Commitment fee received		**904**	-
Rental income received		**6**	-
Net cash generated from operating activities		**398.541**	**74.642**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of investment property		**(3.461)**	-
Net cash used in investing activities		**(3.461)**	**-**
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		**(689.574)**	(152.111)
Proceeds from borrowings and advances from related parties		**65.909**	209.341
Repayment of issued bond		**(100.607)**	(13.615)
Net cash (used in)/generated from financing activities		**(724.272)**	**43.615**
Net (decrease)/increase in cash and cash equivalents		**(329.192)**	**118.257**
Cash and cash equivalents at beginning of the year		**436.103**	317.426
Effect of exchange rate fluctuations on cash held		**359**	420
Cash and cash equivalents at end of the year	**14**	**107.270**	**436.103**

The notes on pages 14 to 36 form an integral part of these report and consolidated financial statements.

1. Incorporation and principal activities

Country of incorporation

Atrium Finance Plc (the "Company") was incorporated in Cyprus on 19 February 2019 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Subsequently, the Company was converted into public entity on 10 November 2022. Its registered office is at MGO Protopapas Building, Spyrou Kyprianou 79, 3076, Limassol, Cyprus.

Principal activity

The principal activity of Atrium Finance Plc is the provision of financing to the Atrium Group, (which is G City Europe Limited, formerly known as Atrium European Real Estate Limited - a Jersey, Channel Islands domiciled company, together with its subsidiaries), and external borrowers as well as financial management activities. From 2025 the Group also owns investment property held for rental income.

The subsidiary companies Swingtale Ltd and Platonicon Ltd, which are 100% owned by the Parent Company, had been incorporated during 2025.

During the year, the Company incorporated Coletrade Ltd at a cost of EUR 2.000 and disposed it to a related party for EUR 2.000.

Operating Environment of the Company

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

The Group has no exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

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

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

2. Basis of preparation

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

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates and requires Management to exercise its judgement in the process of applying the Group's accounting policies. These are involving a higher degree of judgement or complexity, and where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 7.

Going concern basis

The financial statements of the Group have been prepared on a going concern basis considering that the Group is profitable and has positive equity.

3. Adoption of new or revised standards and interpretations

During the current year the Group adopted all the new and revised International Financial Reporting Standards (IFRS Accounting Standards) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2025.

The adoption of the following standards did not have a material effect on the accounting policies of the Group:
- IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments).

4. Material accounting policies

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

Basis of consolidation

The Company prepares the consolidated financial statements as required by IFRS 10. The Group's consolidated financial statements comprise the financial statements of the parent Company Atrium Finance Plc and the financial statements of its subsidiary Swingtale Ltd and Platonicon Ltd which were acquired during 2025.

A subsidiary is an entity controlled by the Parent Company. Control exists where the Parent Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. A subsidiary is fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The financial statements of the subsidiary company are prepared using uniform accounting policies. All inter-company transactions and balances between the Parent Company and the subsidiary company have been eliminated during consolidation.

Segmental reporting

The Group has loan portfolio in various countries and investment property in Cyprus held for rental income.

Interest income

Interest income on financial assets at amortised cost calculated using the effective interest method is recognised on the face of the statement of profit or loss and other comprehensive income as 'Interest income'. Interest income is calculated by applying the effective interest rate to the gross carrying amount of a financial asset except for financial assets that subsequently become credit impaired. For credit - impaired financial assets - Stage 3 the effective interest rate is applied to the net carrying amount of the financial asset (after deduction of the loss allowance).

Rental income

The Group earns revenue from acting as a lessor in operating leases which do not transfer substantially all of the risks and rewards incidental to ownership of an investment property. Rental income arising is accounted for on a straight-line basis over the lease term and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Borrowing costs

Borrowing costs consists of loan interest expense and interest on bonds issued by the Group. Interest expense and other borrowing costs is recognised on a time-proportion basis using the effective interest method. Interest expense represents the main cost to the Group and is presented separately in the statement of profit or loss.

4. Material accounting policies (continued)

Foreign currency translation

(1) Functional and presentation currency
Items included in the Company's financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Euro (EUR'000), which is the Company's functional and presentation currency.

(2) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Income Tax

The income tax expense for the period comprises current income tax and is recognised in profit or loss.

The current income tax charge (or tax loss) is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date in the country in which the Group operates and generates taxable income. There is a policy to transfer tax losses, where needed, among companies of the same tax group. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. If applicable tax regulation is subject to interpretation, it establishes provision where appropriate on the basis of amounts expected to be paid to the tax authorities.

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.

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.

Investment properties

Investment property, principally comprising office building, is held for long-term rental yields and/or for capital appreciation and is not occupied by the Group. Investment property is carried at fair value, representing open market value determined annually by external valuers. Changes in fair values are recorded in profit or loss and are included in other operating income.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the continued use of the asset. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is derecognised.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets - Classification

The classification depends on the Group's business model for managing the financial assets contractual cash flow characteristics of the assets. Management determined classification of the financial assets at initial recognition.

4. Material accounting policies (continued)

Financial instruments (continued)

The Group classifies its financial assets at amortised cost. Financial assets at amortised cost are held for collection of contractual cash flows and their cash flows represent solely payments of principal and interest. They are included in current assets, except for maturities greater than twelve months after the balance sheet date. These are classified as non-current assets. The Group's financial assets at amortised cost comprise of loans and other receivables and cash and cash equivalents on the statement of financial position. Cash flows associated with granting of loans are presented under cash generated from operations in the cash flow statement.

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

Financial assets - Recognition and derecognition

Purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

Any gain or loss arising on derecognition is recognised directly in profit or loss and presented in the statement of profit or loss as applicable.

Financial assets - Measurement

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

Financial assets - impairment - credit loss allowance for Expected Credit Loss (ECL)

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

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

Debt instruments measured at amortised cost are presented in the consolidated statement of financial position net of the allowance for ECL.

For financial assets at amortised cost that are subject to impairment under IFRS 9, the Group applies general approach - three stage model for impairment based in changes in credit quality since initial recognition. The Group's definition of this model and credit impaired assets is explained in note 6, Credit risk section.

4. Material accounting policies (continued)

Financial assets - write-off

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

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash at bank and deposits for which withdrawal in full or in part is allowed at any point.

Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

Financial liabilities - measurement categories

Financial liabilities are initially recognised at fair value and classified as subsequently measured at amortised cost.

Borrowings

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

Borrowings are classified as current liabilities, unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the date of the consolidated statement of financial position.

Derecognition - Financial Liabilities

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

Other payables

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

Share capital and share premium

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

Share premium account can only be resorted to for limited purposes, which do not include the distribution of dividends, and is otherwise subject to the provisions of the Cyprus Companies Law on reduction of share capital.

4. Material accounting policies (continued)

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
  Or
- In the absence of a principal market, in the most advantageous market for the asset or liability

All assets, liabilities and equity items for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole.

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

5. New accounting pronouncements

At the date of approval of these report and consolidated financial statements the following accounting standards were issued by the International Accounting Standards Board but were not yet effective:

(i) The standards/amendments that are not yet effective, but have been endorsed by the European Union

- *IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Classification and Measurement of Financial Instruments (Amendments) (issued in May 2024) (effective for annual periods beginning on or after 1 January 2026).*
- *IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Contracts Referencing Nature-dependent Electricity (Amendments) (issued in May 2024) (effective for annual periods beginning on or after 1 January 2026).*
- *Annual Improvements to IFRS Accounting Standards – Volume 11 (issued in July 2024) (effective for annual periods beginning on or after 1 January 2026).*
- *IFRS 18 Presentation and Disclosure in Financial Statements (issued in April 2024) (effective for annual periods beginning on or after 1 January 2026).*

(ii) The standards/amendments that are not yet effective and have not yet been endorsed by the European Union

New standards

- *IFRS 19 Subsidiaries without Public Accountability: Disclosures (including amendments) (issued in May 2024 and August 2025) (effective for annual periods beginning on or after 1 January 2027).*
- *IFRS 20 Regulatory Assets and Regulatory Liabilities (issued on 27 May 2026) (effective for annual periods begining on or after 1 January 2029).*

Amendments

- *IAS 21 The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency (Amendments) (issued in November 2025) (effective for annual periods beginning on or after 1 January 2027).*
- *Amendment in IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.*

5. New accounting pronouncements (continued)

The Board of Directors expects that the adoption of these standards in future periods will not have a material effect on the financial statements of the Company, except IFRS 18 for which the Board will analyse the requirements of the new standard and assess its impact upon becoming effective.

6. Financial risk management

Financial risk factors
The Group is exposed to market risk (mainly interest rate risk and currency risk), credit risk and liquidity risk arising from the financial instruments it holds.

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

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

	2025	2024
	EUR'000	EUR'000
Fixed rate instruments		
Financial assets	**891.284**	1.290.829
Financial liabilities	**(152.569)**	(1.310.011)
Variable rate instruments		
Financial assets	**48.345**	118.034
Financial liabilities	**(627.742)**	-
	159.318	**98.852**

Sensitivity analysis

An increase of 100 basis points in interest rates at 31 December 2025 and 31 December 2024 would have increased/(decreased) Profit or Loss and Equity by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency rates, remain constant. For a decrease of 100 basis points there would be an equal and opposite impact on the Profit or Loss and Equity.

		Equity		**Profit or loss**
	2025	2024	**2025**	2024
	EUR'000	EUR'000	**EUR'000**	EUR'000
Variable rate instruments	**(5.794)**	1.180	**(5.794)**	1.180
	(5.794)	**1.180**	**(5.794)**	**1.180**

6.2 Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation.Credit risk arises from contractual cash flows of debt investments carried at amortised cost and cash and cash equivalents.

(i) Risk management

For banks and financial institutions, the Company has established policies whereby substantially all of the bank balances are held with institutions with external credit ratings.

6. Financial risk management (continued)

6.2 Credit risk (continued)

(i) Risk management (continued)

The deposits and current accounts placed in the group treasury are readily convertible to cash and are available for the purpose of short-term liquidity needs and are subject to an insignificant risk of changes in value.

In addition, the Group is exposed to credit risk from its operating activities. The credit risk exposure is primarily comprised of loan transactions conducted with related parties within the normal course of business. In these occasions, if there is no independent rating, Management assesses the credit quality of each party, taking into account its financial position, past experience and other factors.

(ii) Impairment of financial assets

The Group has financial assets at amortised cost that are subject to the expected credit loss ("ECL") model. These are subject to impairment under IFRS 9 and the Group applies the three-stage model for impairment.

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Group identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). If the Group determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL.

Significant increase in credit risk

For the Group to determine when a significant increase in credit risk occurs, the Group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Especially the following indicators are incorporated:

- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations, including change of the Net asset position of the counterparty to Net liability position.
- actual or expected significant changes in the operating results of the counterparty
- significant increases in credit risk on other financial instruments of the same counterparty
- significant changes in the expected performance and behaviour of the counterparty, including changes in the payment status of counterparty in the Group and changes in the operating results of the counterparty.

The Group also considers that there has been a significant increase in credit risk when contractual payments are more than 30 days past due.

When the above criteria for significant increase in credit risk occur the Group recategorize the loan receivable from stage 1 to stage 2.

Macroeconomic information (such as GDP prospects and inflation) is incorporated as part of the internal rating model. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. No significant changes to estimation techniques or assumptions were made during the reporting period.

Default

A default of a financial asset is when the counterparty fails to make contractual payments within 90 days of when they fall due. However, in certain cases, the Group may also consider a financial asset to be in default when internal or external information indicates that the Group is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Group. When a financial asset is in default and hence credit impaired, the Group recognizes the financial asset into stage 3. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

6. Financial risk management (continued)

6.2 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Loans Receivable

The Group calculates ECL based on a three probability-weighted scenarios to measure the expected cash shortfalls (base, optimistic and pessimistic). A cash shortfall is the difference between the cash flows that are due to the Group in accordance with the contract and the cash flows that the Group expects to receive.

The mechanics of the ECL calculations are outlined below and the key elements are, as follows:

- Probability of Default (PD):
The PD is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period. if the facility has not been previously derecognised and is still in the portfolio. The Company's probability of default over its financial assets ranges from 0,06% to 29,89% based on the credit assessment performed for each counter party.

- Loss Given Default (LGD):
The LGD is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral or credit enhancements that are integral to the loan and not required to be recognised separately. It is usually expressed as a percentage of the EAD. The majority of the Company's financial assets are secured by collateral and therefore, LGD percentages are below 10% with the exception of the cases with no collateral, estimating the LGD percentage to be 100%.

- Exposure at Default (EAD):
The exposure at default (EAD) represents the estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments. The EAD of a financial asset represents its gross carrying amount at the time of default subject to the impairment calculation, addressing both the counterparty’s ability to increase its exposure while approaching default and potential early repayments too.

The majority of the Company's loans receivable are from the fellow subsidiaries and other related parties incorporated in Netherlands, Jersey and Poland, more specifically Atrium Group Services B.V. (14%), G Targowek Limited (8%) and parent companies, G City Europe Limited (14%) and Gazit Midas Limited (43%).

The loss allowance for loans and other receivables at amortised cost as at 31 December reconciles to the opening loss allowance as follows:

	Loans receivable from fellow subsidiaries EUR'000	Loans receivable from parent companies EUR'000	Receivables from third parties EUR'000	**Total EUR'000**
Opening loss allowance as at 1 January 2024	-	-	4.487	**4.487**
Movement of expected credit losses (Note 13)	8.683	202	(3.662)	**5.223**
Closing loss allowance as at 31 December 2024	**8.683**	**202**	**825**	**9.710**
Movement of expected credit losses (Note 13)	(7.883)	4.249	2.610	**(1.024)**
Closing loss allowance as at 31 December 2025	**800**	**4.451**	**3.435**	**8.686**

6. Financial risk management (continued)

6.2 Credit risk (continued)

(ii) Impairment of financial assets (continued)

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

Group internal credit rating	**2025**	2024
	EUR'000	EUR'000
Performing (Stage 1)	**728.410**	997.211
Underperforming (Stage 2)	**113.863**	46.006
Total	**842.273**	**1.043.217**

Under stage 1 there are loans due from third parties, fellow subsidiaries and parent companies.

Under stage 2 there are loans from fellow subsidiaries and parent companies.

The loss allowance for these assets as at 31 December 2024 and 31 December 2025 reconciles to the opening loss allowance as follows:

	Stage 1 Performing EUR'000	Stage 2 Under-performing EUR'000	Stage 3 Non-performing EUR'000	**Total EUR'000**
Opening balances as at 1 January 2024	-	-	(4.487)	**(4.487)**
Movement on expected credit losses	(8.965)	(745)	4.487	**(5.223)**
Loss allowance at 31 December 2024	**(8.965)**	**(745)**	**-**	**(9.710)**
Movement on expected credit losses	639	385	-	**1.024**
Closing loss allowance at 31 December 2025	**(8.326)**	**(360)**	**-**	**(8.686)**

Cash and cash equivalents

The Group assesses, on a group basis, its exposure to credit risk arising from cash at bank. This assessment takes into account, ratings from external credit rating institutions and internal ratings, if external are not available.

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

	External credit rating		**2025**	2024
	2025	**2024**	**EUR'000**	EUR'000
Eurobank Cyprus Ltd	A3	B1	**5**	5
Citibank London N.A	Aa3	Baa1	**9.614**	61.959
Current accounts / Bank deposits with group treasury	B3	B3	**97.651**	374.139
Total			**107.270**	**436.103**

The ECL on bank accounts is considered to be remote.

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

6. Financial risk management (continued)

6.2 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Cash and cash equivalents (continued)

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

All bank balances were performing as at 31 December 2025 and 31 December 2024.

(iii) Net impairment losses on financial assets recognised in profit or loss

During the year, the following gains/(losses) were recognised in profit or loss in relation to ECL on financial assets:

Expected Credit Losses	**2025**	2024
	EUR'000	EUR'000
Movement on expected credit losses on loans receivable	**1.024**	(5.223)
Movement on expected credit losses on cash and cash equivalents	**352**	(352)
Movement on expected credit losses on loans receivable and cash and cash equivalents	**1.376**	**(5.575)**

(iv) Credit related commitments

The primary purpose of these instruments is to ensure that funds are available to a borrower as required. Commitments to extend credit represent unused portions of authorisations to extend credit in the form of loans. With respect to credit risk on commitments to extend credit, the Group is potentially exposed to loss in an amount equal to the total unused commitments, if the unused amounts were to be drawn down.

Based on the general impairment method of IFRS 9, the expected credit losses as at 31 December 2025 for undrawn loan commitments on loans receivable from fellow subsidiaries and other related parties amounted to EUR 238 thousand (2024: 797 thousand), and are part of the total expected credit losses movement for the year as disclosed in Note 6.2(ii).

The Group monitors the term to maturity of credit related commitments, because longer-term commitments generally have a greater degree of credit risk than shorter-term commitments.

6. Financial risk management (continued)

6.2 Credit risk (continued)

(iv) Credit related commitments (continued)

An analysis of credit related commitments by credit quality based on credit risk grades at 31 December 2025 and 31 December 2024 is as follows:

31 December 2025	Stage 1	Stage 2	Stage 3	**Total**
	EUR'000	EUR'000	EUR'000	**EUR'000**
Loan commitments undrawn				
– Performing	248.515	-	-	**248.515**
Unrecognised gross amount	**248.515**	**-**	**-**	**248.515**

31 December 2024	Stage 1	Stage 2	Stage 3	**Total**
	EUR'000	EUR'000	EUR'000	**EUR'000**
Loan commitments undrawn				
– Performing	203.188	-	-	**203.188**
– Underperforming	-	68	-	**68**
Unrecognised gross amount	**203.188**	**68**	**-**	**203.256**

6.3 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. The liquidity requirements arise primarily from the uncalled commitment under credit facility agreements with related parties and the need to service the Group's debt and operating expenses. These can be funded from annual net operational cash flow of the Group as well as from the Group's undrawn borrowing facilities.

The Group's liquidity is managed by appropriate liquidity planning and through an adequate financing structure, which is linked to its capital management objectives.

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up based on the undiscounted cash flows of financial liabilities. The loans payable are presented at the earliest date that they can be recalled but the inter-company loans asset can also be called which allows to manage the liquidity. The table includes both interest and principal cash flows.

31 December 2025	**Carrying amounts EUR'000**	**Contractual cash flows EUR'000**	**1-12 months EUR'000**	**1-2 years EUR'000**	**2-5 years EUR'000**	**More than 5 years EUR'000**
Current accounts payable to fellow subsidiaries	6.415	6.573	6.573	-	-	-
Listed bond	125.973	131.753	3.307	128.446	-	-
Current account payable to parent company	19.493	19.878	19.878	-	-	-
Yearly deposit payable to fellow subsidiary	689	704	704	-	-	-
Loan from parent company	627.742	718.969	30.381	30.381	658.207	-
	780.312	**877.877**	**60.843**	**158.827**	**658.207**	**-**

6. Financial risk management (continued)

6.3 Liquidity risk (continued)

31 December 2024	Carrying amounts EUR'000	Contractual cash flows EUR'000	1-12 months EUR'000	1-2 years EUR'000	2-5 years EUR'000	More than 5 years EUR'000
Deposits payable to fellow subsidiary companies	260.424	267.730	267.730	-	-	-
Current accounts payable to fellow subsidiaries	23.592	23.592	23.592	-	-	-
Listed bond	228.328	247.158	6.269	240.889	-	-
Loan from fellow subsidiary	7.535	7.678	7.678	-	-	-
Loan from parent company	790.133	1.017.569	61.724	955.845	-	-
	1.310.012	**1.563.727**	**366.993**	**1.196.734**	**-**	**-**

6.4 Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. Currency risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the Group's measurement currency. The Group is exposed to foreign exchange risk arising primarily with respect to Polish Zloty.

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

		Liabilities		**Assets**
	2025	2024	**2025**	2024
	EUR'000	EUR'000	**EUR'000**	EUR'000
Czech Koruna	**-**	(101.782)	**-**	88.276
Polish Zloty	**(402.459)**	(423.304)	**330.031**	484.286
	(402.459)	**(525.086)**	**330.031**	**572.562**

Sensitivity analysis

A 10% strengthening of the Euro against the following currencies at 31 December 2025 and 31 December 2024 would have increased/(decreased) Profit or Loss and Equity by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant. For a 10% weakening of the Euro against the relevant currency, there would be an approximately equal and opposite impact on the Profit or Loss and Equity.

		Equity		**Profit or loss**
	2025	2024	**2025**	2024
	EUR'000	EUR'000	**EUR'000**	EUR'000
Czech Koruna	**-**	1.228	**-**	1.228
Polish Zloty	**6.584**	(5.544)	**6.584**	(5.544)
	6.584	**(4.316)**	**6.584**	**(4.316)**

6. Financial risk management (continued)

6.5 Capital risk management

The Group monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the balance sheet plus net debt. The Group's goal is to maintain this gearing ratio at a level customary to its line of business.

The gearing ratios at 31 December were as follows:

	2025	2024
	EUR'000	EUR'000
Total borrowings (Note 16)	**780.311**	1.310.011
Less: Cash and cash equivalents (Note 14)	**(107.270)**	(435.751)
Net debt	**673.041**	874.260
Total equity	**166.211**	161.353
Total capital as defined by management	**839.252**	**1.035.613**
Gearing ratio	**80,20%**	**84,42%**

7. Critical accounting estimates and judgments

The preparation of financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates and requires Management to exercise its judgment in the process of applying the Company's accounting policies. It also requires the use of assumptions that affect the reported amounts of assets and liabilities 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.

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

- **Income taxes**

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

- **Fair value of investment property**

The fair value of the investment property has been estimated based on the valuation carried out by a qualified valuer by applying valuation models recommended by the International Valuation Standards Council. The determination of the fair value of investment property may require the use of estimates such as future cash flows from assets and discount rates applicable to this asset. All these estimates are based on local market conditions existing at the reporting date. In arriving at the estimates of the fair value of investment property, the valuer uses his market knowledge and professional judgement, and does not rely solely on historical transactional comparable, taking into consideration that there is a greater degree of uncertainty than that which exists in a more active market (Note 12).

7. Critical accounting estimates and judgments (continued)

- **Impairment of financial assets**

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

8. Other operating income

	2025 EUR'000	2024 EUR'000
Other income	6	-
Service fee income (Note 17.5)	17	31
	23	31

9. Expenses by nature

	2025 EUR'000	2024 EUR'000
Staff costs (Note 10)	974	790
Auditors' remuneration	55	50
Other expenses	241	331
Total expenses	**1.270**	**1.171**

The total fees charged by the statutory auditor in relation to the provision of statutory audit services totalled EUR 52 thousand (2024: EUR 50 thousand) and tax compliance services of EUR 6.8 thousand (2024: EUR 6.5 thousand), excluding VAT.

10. Staff costs

	2025 EUR'000	2024 EUR'000
Salaries	879	713
Social security costs	95	77
	974	790
Number of employees	12	12

11. Income Tax

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

	2025 EUR'000	2024 EUR'000
Profit before tax	4.858	2.370
Tax calculated at the applicable tax rates	607	296
Tax effect of allowances and income not subject to tax	(607)	(296)
Tax charge	-	-

11. Income Tax (continued)

The corporation tax rate is 12.5%. Brought forward losses of only five years may be utilized. In addition, 75% of the gross rents receivable are subject to defence contribution at the rate of 3%.

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

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

12. Investment properties

	2025	2024
	EUR'000	EUR'000
Balance at 1 January	**-**	-
Additions	**3.494**	-
Balance at 31 December	**3.494**	**-**

The investment property was acquired in 2025.

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuer, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

The fair value measurement for the investment property has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

If on 31 December 2025 investment property was stated on the historical cost basis, the amounts would be: EUR3.494 thousand (2024: EUR - thousand).

13. Loans receivable

	2025	2024
	EUR'000	EUR'000
Balance at 1 January	**1.044.788**	1.101.921
Expected credit losses at 1 January	**(9.710)**	(4.487)
New loans granted	**120.159**	190.039
Repayments	**(510.535)**	(261.463)
Interest charged	**44.286**	62.050
Interest received	**(51.707)**	(53.193)
Foreign exchange difference	**5.565**	5.434
Impairment charge	**(396)**	(5.223)
Unwinding of loan discount	**1.420**	-
New loans granted non-cash (Note 14)	**315.000**	-
Waiver of principal and interest to related party	**(4.089)**	-
Repayments non-cash (Note 14)	**(119.623)**	-
Balance at 31 December	**835.158**	**1.035.080**

13. Loans receivable (continued)

	2025	2024
	EUR'000	EUR'000
Loans to third parties	**54.656**	61.385
Loans to fellow subsidiaries (Note 17.4)	**307.148**	758.767
Loans to parent companies (Note 17.4)	**482.040**	224.638
Expected credit losses on loans to own subsidiaries and parent companies (Note 17.4)	**(5.251)**	(8.885)
Expected credit losses on loans to third parties	**(3.435)**	(825)
	835.158	**1.035.080**
Less current portion	**(325.666)**	(183.160)
Non-current portion	**509.492**	851.920

The loans are repayable as follows:

	2025	2024
	EUR'000	EUR'000
Within one year	**325.666**	183.160
Between one and five years	**469.810**	841.114
After five years	**39.682**	10.806
	835.158	**1.035.080**

The Company's loans receivable are denominated in the following currencies:

	2025	2024
	EUR'000	EUR'000
Polish zloty	**304.594**	443.924
Euro	**530.564**	505.218
Czech Koruna	**-**	85.938
	835.158	**1.035.080**

The exposure of the Group to credit risk in relation to loans receivable is reported in note 6 of the report and consolidated financial statements.

As at 31 December 2025, the fair value of the receivables was estimated to be higher than their carrying amount by EUR 12.048 thousand. The fair value was determined by discounting the expected future cash flows using interest rates published by ECB and the national bank of the country in which the loan currency is denominated, plus a margin of 0,50%. The fair value measurement is classified as a Level 3 valuation under the fair value hierarchy. The average interest rate on fellow subsidiary loans receivable is 8% (2024: 5,2%) and the maturity varies from 31 July 2028 to 31 May 2035. The loans receivable from parent companies bear an average interest rate of 4.5% per annum and maturity varies from 26 January 2026 to 31 December 2028. Other loans receivable from third parties bear interest from 4% to 5% p.a. and are repayable by 31 July 2028. The loan receivable from other related party bears an interest of 6.5% and is repayable by 15 July 2029.

For loans receivable from related parties, the borrower upon request by the Group, shall grant security by way of title of the borrowers' assets. No such requests have been made to date. For the loans receivable from third parties the Company obtained a mortgage as collateral and a pledge over ownership in exchange of the borrower's rights as a security for the performance of the obligations under the loan agreement. The value of collateral is estimated at EUR 108.568 thousand and exceeds the outstanding amount of the loan.

14. Cash and cash equivalents

	2025	2024
	EUR'000	EUR'000
Cash at bank	9.619	61.964
Current accounts with group treasury	52.154	71.001
Bank deposits with group treasury	45.497	303.138
Expected credit losses on cash and cash equivalents	-	(352)
	107.270	435.751

Euro equivalent of 8.352 thousand (2024: 61.937 thousand) and Euro equivalent of 1.267 thousand (2024: EUR 26 thousand) of cash at bank are denominated in Euro and Polish Zloty respectively.

The bank deposits with group treasury are denominated in Euro.

Euro equivalent of 24.743 thousand (2024: 31.792 thousand) and Euro equivalent of zero (2024: EUR 2.270 thousand) of current accounts with group treasury are denominated in Polish Zloty and Czech Koruna respectively.

During 2025, the Group had placed deposits of EUR 45.497 thousand (2024: EUR 303.138 thousand) with G City Europe Limited, which acts as the group treasury function. The interest of the deposit is equal to 2,17% fixed interest rate. The deposit placed in the group treasury function is readily convertible to cash and is available for the purpose of short-term liquidity needs and is subject to an insignificant risk of changes in value, and hence considered a cash equivalent.

As at 31 December 2025, the Group also held current accounts amounting to EUR 52.154 thousand (2024: EUR 71.001 thousand) with G City Europe Limited. Fixed interest is charged at 1,71%, 2,71% and 6,21% on each of the Euro, Polish zloty and Czech koruna current accounts respectively. These current accounts held are readily convertible to cash and are available for the purpose of short-term liquidity needs and are subject to an insignificant risk of changes in value, and hence are considered cash equivalents.

As at 31 December 2025, the expected credit losses amounted to nil (2024: 352 thousand) for bank deposits with group treasury.

As at 31 December 2025, the interest income on cash at bank amounted to EUR 94 thousand (2024: EUR 174 thousand), interest income on bank deposits with group treasury amounted to EUR 1.323 thousand (2024: EUR 6.634 thousand), and interest income on current accounts with group treasury amounted to EUR 1.691 thousand (2024: EUR 821 thousand) and was recognised in the profit or loss for the year.

For the purposes of the statement of cash flows, the cash and cash equivalents include the following:

	2025	2024
	EUR'000	EUR'000
Cash at bank and current accounts	61.773	132.965
Bank deposits with group treasury	45.497	303.138
	107.270	436.103

14. Cash and cash equivalents (continued)

Non-cash transactions

In December 2025, the Group entered into a €315m loan receivable agreement with a related party, Gazit Midas Limited, to facilitate the acquisition of shares in Coletrade Limited by the ultimate shareholders. The first tranche of €120m was settled via a set-off against an existing €120m receivable due to the Group from Coletrade subsidiaries. Consequently, the first tranch of the loan from Gazit Midas Limited and the simultaneous settlement of the loans receivable from Coletrade subsidiaries were accounted for as non-cash transactions. The second tranch of €195m receivable from Gazit Midas Limited was linked to a loan payable agreement with G City Europe Holdings Ltd for the same amount. Both transactions involving the €195m were accounted for as non-cash transactions and increased the respective loan receivable and payable.

In December 2025, the Group waived a loan receivable balance with a related party for the amount of €4,1m.

The exposure of the Group to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 6.

15. Share capital and share premium

	2025 Number of shares	**2025 EUR'000**	2024 Number of shares	2024 EUR'000
Authorised				
Ordinary shares of EUR 1 each	100.000	100	100.000	100

Issued and fully paid	**Number of shares**	**Share capital EUR'000**	**Share premium EUR'000**	**Total EUR'000**
Balance at 1 January 2024	25.640	26	123.943	123.969
Balance at 31 December 2024/ 1 January 2025	**25.640**	**26**	**123.943**	**123.969**
Balance at 31 December 2025	**25.640**	**26**	**123.943**	**123.969**

16. Borrowings

	2025 EUR'000	2024 EUR'000
Balance at 1 January	**1.310.011**	1.256.400
Additions	**261.285**	209.341
Repayment of principal	**(693.012)**	(152.111)
Interest paid	**(44.092)**	(56.547)
Repurchase of bonds	**(102.158)**	(15.780)
Interest charged	**42.735**	64.066
Foreign exchange difference	**5.542**	4.641
Balance at 31 December	**780.311**	**1.310.011**

16. Borrowings (continued)

	2025 EUR'000	2024 EUR'000
Current borrowings		
Current accounts payable to fellow subsidiaries (Note 17.7)	**25.908**	23.591
Listed bond (Green notes)	**6.598**	9.370
Deposits from fellow subsidiary (Note 17.7)	**689**	260.424
Loan from fellow subsidiary (Note 17.7)	**-**	7.535
Loan from parent company (Note 17.7)	**548**	4.904
	33.743	**305.824**
Non-current borrowings		
Listed bond (Green notes)	**119.374**	218.958
Loan from parent company (Note 17.7)	**627.194**	785.229
	746.568	**1.004.187**
Total	**780.311**	**1.310.011**

Maturity of non-current borrowings:

	2025 EUR'000	2024 EUR'000
Between one to two years	**119.374**	-
Between two and five years	**627.194**	1.004.187
	746.568	**1.004.187**

The Company borrowings are denominated in the following currencies:

	2025 EUR'000	2024 EUR'000
Poland Zloty	**402.459**	423.303
Euro	**377.852**	784.926
Czech Koruna	**-**	101.782
	780.311	**1.310.011**

As at 31 December 2025, the Group had available approximately EUR 1.641 million (2024: EUR 1.457 million) of undrawn committed borrowing facilities.

Listed bonds (Green Notes):

In February 2021, the Group issued a EUR 300 million green bond ("Green Notes") under a Euro Medium Term Note ("EMTN") Programme. The Green Notes were issued at a price of 98,167%, where the note bears a fixed 2,625% coupon interest rate and an effective interest rate at 3,1 %. Green notes have a maturity date of 5 September 2027. The Green Notes are guaranteed by the ultimate parent company of the Group, G City Europe Limited. On 1 December 2022, the Company's subsidiary assigned the Note to the Company.

The fair value of the bonds by reference to quoted prices is EUR 113.324 thousand (2024: EUR 199.068 thousand), and the fair value measurement is classified as Level 1 valuation under fair value hierarchy.

During 2025, the Group bought back bonds of nominal value EUR 103.081 thousand (2024: EUR 15.996 thousand) and carrying amount of EUR 102.158 thousand (2024: EUR 15.781 thousand) for a total cost of EUR 98.092 thousand (2024: EUR 13.615 thousand), which resulted in recognition of a gain of EUR 3.846 thousand (2024: EUR 2.166 thousand).

16. Borrowings (continued)

The bond is subject to the following financial covenants: the Group (G City Europe Ltd, which is the intermediary parent holding company) solvency ratio shall not exceed 60%; the Group secured solvency ratio shall not exceed 40%; the Group coverage ratio shall not be less than 1.5. All covenants were met as at 31 December 2025.

Loans payable to parent company:

The average interest rate on loans payable to parent company was 6,02% (2024: 6,30%). The loans are repayable by 31 December 2028.

As at 31 December 2025, the fair value of the loans from parent company amounted to EUR 630.718 thousand (2024: EUR 766.687 thousand). The fair value was determined by discounting the expected future cash flows using interest rates published by ECB and national bank of the country in which the loan currency is denominated, plus a margin of 0,50%. The fair value measurement is classified as a Level 3 valuation under fair value hierarchy.

Loan payable to fellow subsidiary:

The loans payable to fellow subsidiaries were fully repaid in 2025. The average interest rate on loans payable to fellow subsidiaries was 7,15% in 2024.

Deposits from fellow subsidiary:

The average interest rate on deposits from fellow subsidiaries was 2,17% (2024: 2,17%). The deposits are repayable by 31 December 2026. The fair value approximates their carrying amount given their short term nature.

Current accounts payable to fellow subsidiaries and parent companies:

The average interest rate on current accounts was 2,20% (2024: 2,20%). The current accounts payable to fellow subsidiaries and parent companies are repayable by 31 December 2026. The fair value approximates their carrying amount given their short term nature.

17. Related party transactions and balances

The Group's immediate shareholders are G City Europe Holdings Limited, Atrium Retail Limited and G City Europe Resi Limited which own 50%, 25% and 25% of the shares of the Group respectively, all which are wholly owned by G City Europe Limited incorporated in Jersey (all four companies are defined as "parent companies" and each one as "parent company") and to the best of the Directors' knowledge, Norstar Holding Inc. is the ultimate parent company. The ultimate controlling party is Mr. Chaim Katzman, who is the controlling shareholder of Norstar Holding Inc.

The ultimate parent entity which prepares the consolidated financial statements of the largest body of undertakings of which the Company forms part as a subsidiary undertaking, is G City Europe Limited, incorporated in Jersey, Channel Islands, JE12TR. Its registered office is 37 Esplanade, St. Helier, Jersey, Channel Islands and its business address is 79 Spyrou Kyprianou, MGO Protopapas, 3076 Limassol, Cyprus. The Company's tax residency is Cyprus. Its consolidated financial statements are available at the website www.g-cityeu.com.

The balances and transactions with related parties are as follows:

17.1 Directors' remuneration

The remuneration of Directors was as follows:

	2025	2024
	EUR'000	EUR'000
Directors' fees	**-**	-

17. Related party transactions and balances (continued)

17.2 Interest income

	2025	2024
	EUR'000	EUR'000
Interest income from fellow subsidiaries	**26.608**	49.664
Interest income from parent companies	**13.353**	14.557
Interest income from related parties	**4.656**	2.137
	44.617	**66.358**

17.3 Interest expense

	2025	2024
	EUR'000	EUR'000
Interest expense to parent company	**35.749**	49.754
Interest expense to fellow subsidiaries	**1.512**	7.328
	37.261	**57.082**

17.4 Loans receivable from related parties (Note 13)

	2025	2024
	EUR'000	EUR'000
Loans receivable from fellow subsidiaries	**306.352**	750.084
Loans receivable from ultimate parent company	**477.585**	224.436
	783.937	**974.520**

The terms of the loans receivable from related parties are disclosed in Note 13.

As at 31 December 2025, the Company had credit related commitments to parent company of EUR 155.000 thousand (2024: EUR 230 thousand) and to fellow subsidiaries of EUR 93.550 thousand (2024: EUR 202.995 thousand).

17.5 Other Income

	2025	2024
	EUR'000	EUR'000
Service fee income	**17**	31
	17	**31**

The Group entered into an agreement with G City Europe Limited to provide G City Europe Limited with bond administration services ("Services") including bookkeeping, maintaining records of payments and balances, sending payment statements, collecting payments, collecting and paying any taxes and managing any funds, ensuring compliance with the bond terms and remitting any funds pursuant to any loan obligations.

17.6 Receivables from related parties

	2025	2024
	EUR'000	EUR'000
Receivable from fellow subsidiary	**-**	21
Receivable from ultimate parent company	**4**	-
	4	**21**

The above balances are of financing nature, bear no interest, have no agreed repayment terms, and are classified within Other receivables on the Group's statement of financial position.

17. Related party transactions and balances (continued)

17.7 Loans payable to related parties (Note 16)

	2025	2024
	EUR'000	EUR'000
Loans payable to parent company	**627.742**	790.133
Loan payable to fellow subsidiaries	**-**	7.535
Current accounts payable to fellow subsidiaries	**7.104**	284.015
Current accounts payable to parent companies	**19.493**	-
	654.339	**1.081.683**

The terms of the loans payable to related parties are disclosed in Note 16.

As at 31 December 2025, the Group had available approximately EUR 1.221 million (2024: EUR 1.455 million) of undrawn committed borrowing facilities from parent company, and approximately EUR 171.160 million (2024: EUR 8.556 thousand) from fellow subsidiaries.

18. Contingent liabilities

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

19. Commitments

The Group had no capital or other commitments as at 31 December 2025 and 31 December 2024, other than credit related commitments disclosed in Note 6.2(iv).

20. Events after the reporting period

In January 2026, the loan receivable of EUR 315 million with Gazit Midas Limited was settled.

Geopolitical conflict in Middle East

The geopolitical situation in Middle East escalated on 28 February 2026 due to the armed conflict. As of the date of authorisation of the financial statements, the conflict continues to evolve in Middle East as military activity persists. The conflict has caused significant volatility in global energy markets and disruptions to the supply of oil and gas, contributing to increased uncertainty in commodity prices and potential inflationary pressures. Broader consequences have also been observed in financial markets and global supply chains, particularly affecting energy and transportation sectors, as heightened geopolitical tensions around key shipping routes add to market uncertainty. Challenges for companies may include disruptions to supply chains, higher energy and raw material costs and increased uncertainty in operational and financial planning. The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action and reactions to ongoing developments by global financial markets. The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict is evolving and the high level of uncertainties arising from the inability to reliably predict the outcome. The Company has no direct exposure to the Middle East, as such, does not expect any direct impact. These events are considered as a non-adjusting event and thus, are not reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2025.

Tax reform

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