EFA HOLDINGS PLC

Investors Relationship Department

ANNOUNCEMENT

Annual Financial Statements for the period 01/01/2024-31/12/2024

The Management of the Company informs the investment community that the Board of Directors approved the Annual Financial Statements of the Company for the period 01/01/2024-31/12/2024 at both corporate and consolidated form.

The relevant Financial Statements are attached. Copies of the Company's Financial Statements will be available at the registered office of the Company and on the website of the Cyprus Stock Exchange www.cse.com.cy.

Nicosia, May 16, 2025

For the Investors Relationship Dept

Vasilios Margaritis
IR Officer

EFA HOLDINGS PLC

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2024

EFA HOLDINGS PLC

ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS
31 December 2024

CONTENTS

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Stelios Anastasiou Athanasios Potsis (appointed on 7 April 2025) Petros Christou Nicolaos Papatsas (resigned on 7 April 2025)
Company Secretary:	Petros Christou
Independent Auditors:	Grant Thornton (Cyprus) Limited 41 -49, Agiou Nicolaou Street Nimeli Court, Block C 2408 Egkomi Nicosia, Cyprus
Legal Advisers:	L. Papaphilippou & Co LLC
Registered office:	Agiou Antoniou 5 MUSKITA BUILDING 2, 1st Floor, Office 102 Strovolos 2002 Nicosia, Cyprus
Bankers:	Alpha Bank Pireaus Bank National Bank of Greece Aegean Baltic Bank
Registration number:	HE429906

MANAGEMENT REPORT

The Board of Directors presents its report and audited consolidated financial statements of the Company and its subsidiaries (together referred to as the "Group") for the year ended 31 December 2024.

Incorporation
The Company EFA Holdings Plc was incorporated in Cyprus on 13 January 2022 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. During the year 2022 the Company applied for listing in the non-regulated Emerging Capital Market of the Cyprus Stock Exchange. The listing was successfully completed on 7 July 2022.

Principal activities and nature of operations of the Group
The main operations of the Group are related to the aviation sector, aerospace and security. EFA Ventures S.A. is involved in the Offsets / Industrial Cooperation market, in high-tech aerospace and defence industry projects, through the provision of commercial, financial, technical and support services. The Swiss subsidiary Aerospace Ventures AG provides services within the framework of major international contracts in the aviation industry, in particular in the areas of technology transfer, joint developments, support in marketing, distribution and financing. Aether Aeronautics S.A. is involved in the development, manufacturing and trade of unmanned systems, subsystems and services. European Sensor Systems S.A. is involved in the development, manufacturing and trade of MEMS Sensors (Micro Electro Mechanical Systems), IoT (Internet of Things) solutions Electronics design & assembly.

Changes in group structure

During the year, the Group acquired 63.02% of the share capital of European Sensor Systems S.A. for the amount of €1,000,000. On 8 August 2024, the Company acquired a further 22.62% of the share capital of European Sensor Systems S.A. for the amount of €2,500,000.

Additionally, the Group acquired a further 22.5% of the share capital of Ucandrone S.A. for €235,000, increasing its shareholding to 45%.

Review of current position, and performance of the Group's business

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

The Group’s results are summarised as follows:

(amounts in €)	12 months to 31/12/2024	12 months to 31/12/2023	% Increase / (Decrease)
Turnover	50,283,628	66,297,764	-24%
Results:			
Gross margin (€)	13,909,623	16,367,894	-15%
Gross margin (%)	28%	25%	12%
EBITDA	7,372,791	10,781,611	-32%
Non recurring items	1,093,658	453,105	
EBITDA (adjusted)	8,466,449	11,234,716	-25%
EBIT	6,732,638	10,478,828	-36%
Non recurring items	1,093,658	453,105	
EBIT (adjusted)	7,826,296	10,931,933	-28%
Earnings before tax	5,938,001	8,908,247	-33%
Earnings after tax	6,292,049	5,840,557	8%

Review of current position, and performance of the Group's business (continued)

Selected performance, capital structure and liquidity ratios:

in euro				2024			2023		
Return on	=	Net profit after tax / Equity	=	6,292,048 / 17,434,455	=	*0.36*	5,840,558 / 11,047,040	=	*0.53*
Adjusted EBITDA margin	=	Adjusted EBITDA / Turnover	=	8,466,449 / 50,283,628	=	*0.17*	11,234,716 / 66,297,764	=	*0.17*
Adjusted EBIT margin	=	Adjusted EBIT / Turnover	=	7,826,296 / 50,283,628	=	*0.16*	10,913,082 / 66,297,764	=	*0.16*
Debt ratio	=	Debt / Debt + Equity	=	22,666,310 / 40,100,765	=	*0.57*	15,203,898 / 26,250,938	=	*0.58*
Current ratio	=	Current assets / Current liabilities	=	32,124,875 / 26,575,475	=	*1.21*	31,363,305 / 19,794,112	=	*1.58*
ROCE	=	Adjusted EBIT / Invested capital	=	7,826,296 / 26,963,732	=	*0.29*	10,913,082 / 18,613,005	=	*0.59*
Quick ratio	=	Current assets - inventories / Current liabilities	=	30,950,986 / 26,575,475	=	*1.16*	31,064,173 / 19,794,112	=	*1.57*

Principal risks and uncertainties
The principal risks and uncertainties faced by the Group are disclosed in notes 7, 8, 38 and 42 of the consolidated financial statements.

Future developments of the Group
The Board of Directors does not expect any significant changes or developments in the operations, financial position and performance of the Group in the foreseeable future

Existence of branches
The subsidiary European Ventures S.A. maintains a branch in Nicosia. The main activity of the branch is the provision of services in the field of fire safety by leasing aircrafts for aerial firefighting.

The subsidiary Aerospace Ventures AG maintains a branch in Abu Dhabi. The main activity of the branch is the provision of administrative and consultancy services.

Results and Dividends
The Group's results for the year are set out on page 12. The net profit for the year attributable to the shareholders of the Group amounted to €6,292,048 (2023: €5,840,558). On 31 December 2024 the total assets of the Group were €53,772,092 (2023: €38,465,578) and the net assets of the Group were €17,929,576 (2023: €11,364,463).

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

MANAGEMENT REPORT

Board of Directors
The members of the Group's Board of Directors as at 31 December 2024 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2024.

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

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

Operating Environment of the Group
Any significant events that relate to the operating environment of the Group are described in note 38 to the consolidated financial statements.

Events after the reporting period
Any significant events that occurred after the end of the reporting period are described in note 44 to the consolidated financial statements.

Related party transactions
Disclosed in note 39 of the consolidated financial statements

Independent Auditors
The Independent Auditors, Grant Thornton (Cyprus) Limited, were appointed in replacement of the previous auditors PKF abas Limited and have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to approve their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

Petros Christou
Secretary

Nicosia, 15 May 2025

DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

In accordance with Article 9 sections (3c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law 2007 (N 190 (I)/2007) ("the Law") we, the members of the Board of Directors and the Company official responsible for the consolidated financial statements of EFA Holdings Plc (the "Company") for the year ended 31 December 2024, on the basis of our knowledge, declare that:

(a) The annual consolidated financial statements of the Group which are presented on pages 11 to 56:

(i) have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the provisions of Article 9, section (4) of the law, and

(ii) provide a true and fair view of the particulars of assets and liabilities, the financial position and profit or loss of the Group and the entities included in the consolidated financial statements as a whole and

b) The management report provides a fair view of the developments and the performance as well as the financial position of the Group as a whole, together with a description of the main risks and uncertainties they face.

Members of the Board of Directors:

Stelios Anastasiou

Athanasios Potsis

Petros Christou

Responsible for drafting the financial statements

Stelios Anastasiou

Nicosia, 15 May 2025

Independent Auditor's Report to the Members of EFA Holdings PLC

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Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of EFA Holdings PLC (the "Company") and its subsidiaries (the "Group"), which are presented in pages 11 to 56 and comprise the consolidated statement of financial position as at 31 December 2024, 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 of 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 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) 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 are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the consolidated financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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.

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

Key Audit Matters (continued)

Revenue and Contract assets

Refer to Notes 8 and 28 of the consolidated financial statements.

Revenue recognition and Contract assets	How the matter was addressed in our audit
The Group's revenue amounting to €50,283,628 (2023: €66,297,764) relates to contracts with customers. A corresponding contract asset existed amounting to €6,814,778 (2023: €10,576,457). This area was assessed as one of the most significant risks of material misstatement due to the fact that significant judgment is involved in determining, when control is transferred to the customer and whether performance obligations were satisfied.	• Assessed the Group's revenue recognition policies for compliance with IFRS 15. • Selected a sample of revenue transactions and verified accuracy and occurrence of revenue recognised, by obtaining contracts with customers and certificates of completion to confirm that revenue was appropriately recognised in accordance with the satisfaction of performance obligations. • Assessed whether performance obligations were satisfied over time or at a point in time. • Reviewed disclosures for adequacy and transparency. • Contract assets were confirmed through certificates of completion in relation to work performed but not invoiced as at the year end date. • Recoverability was assessed based on invoices issued post year-end as well as payments received. • Reviewed disclosures for adequacy and appropriateness. • Based on our audit work, we concluded that revenue and contract assets were not materially misstated.

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.

Grant Thornton

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

Other information (continued)

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information 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 for the Consolidated Financial Statements

The Board of Directors is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRSs 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.

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

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.

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

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

- 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.

- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

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

We also provide the Board of Directors 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 reasonable be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance
in the audit of the financial statements of the current period and are therefore key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal Requirements

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

- In our opinion, based on the work undertaken in the course of our audit, the 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.

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

Other Matters

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

Comparative figures

The consolidated financial statements of the Group for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those consolidated financial statements on 30April 2024.

Dimitrios Chioureas
Certified Public Accountant and Registered Auditor
for and on behalf of
Grant Thornton (Cyprus) Limited
Certified Public Accountants and Registered Auditors

Nicosia, 15 May 2025

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
31 December 2024

	Note	**2024** €	2023 €
Turnover	9	**50,283,628**	66,297,764
Cost of sales	10	**(33,724,006)**	(49,929,870)
Gross profit		**16,559,622**	16,367,894
Research and development expenses	12	**(501,119)**	-
Other income	11	**140,312**	143,896
Selling and distribution expenses	13	**(1,010,397)**	(601,149)
Administration expenses	14	**(5,644,350)**	(4,393,031)
Net impairment loss on financial assets	29	**-**	(732,610)
Other expenses and losses	15	**(2,811,430)**	(306,174)
Operating profit	**16**	**6,732,638**	10,478,826
Net finance costs	17	**(867,084)**	(1,578,745)
Share of results of equity accounted investees before tax	26	**72,446**	8,164
Profit before tax		**5,938,000**	8,908,245
Tax	18	**354,048**	(3,067,687)
Net profit for the year		**6,292,048**	5,840,558
Other comprehensive income			
Items that will not be classified subsequently to profit or loss:			
Remeasurements of post-employment benefit obligations		**(25,558)**	1,159
Tax on other comprehensive income	18	**5,623**	(255)
		(19,935)	904
Items that may be classified subsequently to profit or loss:			
Exchange difference arising on the translation and consolidation of foreign companies' financial statements		**(30,316)**	337,623
Other comprehensive income for the year		**(50,251)**	338,527
Total comprehensive income for the year		**6,241,797**	6,179,085
Net profit for the year attributable to:			
Equity holders of the parent		**6,438,107**	5,853,647
Non-controlling interests		**(146,059)**	(13,089)
Net profit for the year		**6,292,048**	5,840,558
Total comprehensive income for the year attributable to:			
Equity holders of the parent		**6,387,856**	6,192,174
Non-controlling interests		**(146,059)**	(13,089)
Total comprehensive income for the year		**6,241,797**	6,179,085
Earnings per share	**19**	**48.21**	44.76
Adjusted earnings before interest, tax, depreciation and amortisation (EBITDA)		**8,466,449**	11,432,451

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
31 December 2024

	Note	**2024**	2023
		€	€
ASSETS			
Non-current assets			
Property, plant and equipment	21	**12,855,786**	6,042,053
Right-of-use assets	22	**142,688**	107,704
Investment properties	23	**6,738,805**	-
Intangible assets	24	**1,019,569**	396,893
Investments in associates	26	**525,555**	218,109
Financial assets at fair value through other comprehensive income	27	**250,000**	250,000
Trade and other receivables	29	**36,950**	25,890
Deferred tax assets	34	**77,864**	61,624
		21,647,217	7,102,273
Current assets			
Inventories	28	**1,173,889**	299,132
Trade and other receivables	29	**10,724,758**	4,510,564
Financial assets at fair value through profit or loss		**50,000**	9,350
Contract assets	9	**6,814,778**	10,576,457
Cash and cash equivalents	30	**13,361,450**	15,967,802
		32,124,875	31,363,305
Total assets		**53,772,092**	38,465,578
EQUITY AND LIABILITIES			
Equity			
Share capital	31	**391,500**	391,500
Other reserves		**2,804,384**	2,835,141
Retained earnings		**14,238,571**	7,820,399
		17,434,455	11,047,040
Non-controlling interests		**495,121**	317,423
Total equity		**17,929,576**	11,364,463

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
31 December 2024

	Note	**2024** €	2023 €
Non-current liabilities			
Borrowings	32	**7,528,808**	4,803,485
Lease liabilities	33	**91,524**	71,650
Deferred tax liabilities	34	**1,501,020**	2,324,329
Provisions	35	**145,689**	107,539
		9,267,041	7,307,003
Current liabilities			
Trade and other payables and contract liabilities	36	**11,243,307**	8,575,139
Government grants		**3,163**	3,163
Borrowings	32	**15,137,502**	10,400,413
Lease liabilities	33	**56,177**	38,308
Current tax liabilities	37	**135,326**	777,089
		26,575,475	19,794,112
Total liabilities		**35,842,516**	27,101,115
Total equity and liabilities		**53,772,092**	38,465,578

On 15 May 2025 the Board of Directors of EFA Holdings Plc authorised these consolidated financial statements for issue.

....
Stelios Anastasiou
Director

....
Petros Christou
Director

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
31 December 2024

	Note	Share capital	Reserve prescribed by Memorandum	Untaxed reserves	Merger reserve	Translation reserve	Retained earnings	Total	Non-controlling interests	Total
		€	€	€	€	€	€	€	€	€
Balance at 1 January 2023		**391,500**	**400,613**	**732,174**	**1,363,311**	**1,420**	**1,965,848**	**4,854,866**	**-**	**4,854,866**
Comprehensive income										
Net profit for the year		-	-	-	-	-	5,853,647	5,853,647	(13,089)	5,840,558
Other comprehensive income for the year		-	-	-	-	337,623	904	338,527	-	338,527
Total comprehensive income for the year		-	-	-	-	337,623	5,854,551	6,192,174	(13,089)	6,179,085
Other movements										
Acquisition of subsidiary with NCI	25	-	-	-	-	-	-	-	330,512	330,512
Total other movements		-	-	-	-	-	-	-	330,512	330,512
Balance at 31 December 2023/ 1 January 2024		**391,500**	**400,613**	**732,174**	**1,363,311**	**339,043**	**7,820,399**	**11,047,040**	**317,423**	**11,364,463**
Comprehensive income										
Net profit for the year		-	-	-	-	-	6,438,107	6,438,107	(146,059)	6,292,048
Other comprehensive income for the year		-	-	-	-	(30,316)	(19,935)	(50,251)	-	(50,251)
Total comprehensive income for the year		-	-	-	-	(30,316)	6,418,172	6,387,856	(146,059)	6,241,797
Other movements										
Acquisition of subsidiary with NCI	25	-	(441)	-	-	-	-	(441)	326,093	325,652
NCI buy-out		-	-	-	-	-	-	-	(2,336)	(2,336)
Total other movements		-	(441)	-	-	-	-	(441)	323,757	323,316
Balance at 31 December 2024		**391,500**	**400,172**	**732,174**	**1,363,311**	**308,727**	**14,238,571**	**17,434,455**	**495,121**	**17,929,576**

CONSOLIDATED CASH FLOW STATEMENT
31 December 2024

	Note	2024	2023
		€	€
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before tax		**5,938,000**	8,908,245
Adjustments for:			
Depreciation of property, plant and equipment	21	**513,347**	260,305
Depreciation of right-of-use assets	22	**55,579**	50,212
Exchange differences	17	**(671,377)**	716,388
Amortisation of intangibles	24	**71,228**	36,606
Goodwill	25	**(443,977)**	(104,468)
Share of profit from associates	26	**(72,446)**	(8,164)
Profit from the sale of property, plant and equipment	11,15	**9,584**	-
Fair value losses/(gains) on financial assets at fair value through profit or loss	15	**9,350**	(3,650)
Impairment charge of trade receivables	29	**-**	732,610
Charge to profit or loss for provisions	35	**68,694**	24,449
Dividend income	11	**(4,823)**	-
Interest income	17	**(2,851)**	(1,645)
Interest expense	17	**1,380,318**	818,872
Profit from de recognition of leases		**-**	(296)
		6,850,626	11,429,464
Changes in working capital:			
Inventories		**(198,281)**	131,565
Trade and other receivables and contract assets		**(1,968,104)**	(5,160,671)
Trade and other payables and contract liabilities		**(4,602,840)**	4,236,409
Employment benefits paid	35	**(56,102)**	(16,035)
Change in receivables from related parties	39.5, 39.8	**94,155**	595,991
Change in payables to related parties	39.6	**6,658,136**	(117,345)
Cash generated from operations		**6,777,590**	11,099,378
Tax paid		**(1,121,641)**	(18,935)
Net cash generated from operating activities		**5,655,949**	11,080,443
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of intangible assets		**(39,230)**	(139,461)
Payment for purchase of property, plant and equipment	21	**(7,147,563)**	(3,126,114)
Payment for purchase of investment property	23	**(6,738,805)**	-
Payment for purchase of financial assets at fair value through profit or loss		**(50,000)**	-
Payment for purchase of investments in associated undertakings	26	**(235,000)**	-
Loans repayments received		**-**	71,080
Interest received		**2,851**	1,645
Dividends received		**4,823**	-
Net cash used in investing activities		**(14,202,924)**	(3,192,850)

CONSOLIDATED CASH FLOW STATEMENT
31 December 2024

	Note	**2024**	2023
		€	€
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		**(1,676,461)**	(6,821,405)
Payments of leases liabilities		**(52,820)**	(49,282)
Proceeds from borrowings		**3,515,667**	4,343,298
Interest paid		**(1,199,330)**	(644,665)
Net cash generated from/(used in) financing activities		**587,056**	(3,172,054)
Net (decrease)/increase in cash and cash equivalents		**(7,959,919)**	4,715,539
Cash and cash equivalents at beginning of the year		**5,567,389**	917,710
Effect of exchange rate fluctuations on cash held		**(122,938)**	(65,860)
Cash and cash equivalents at end of the year		**(2,515,468)**	5,567,389

The cash and cash equivalents include the following:

	2024	2023
	€	€
Cash at bank and in hand (Note 30)	**12,622,034**	15,967,802
Bank overdrafts and short term loans (Note 32)	**(15,137,502)**	(10,400,413)
	(2,515,468)	5,567,389

1. Incorporation and principal activities

Country of incorporation

The Company EFA Holdings Plc (the "Company") was incorporated in Cyprus on 13 January 2022 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113 and was converted to a public limited liability company on 7 July 2022. Its registered office is at Agiou Antoniou 5, Muskita Building II, Floor 1, Office 102, Strovolos, 2002, Cyprus.

The company was incorporated with the purpose to acquire the 100% of the issued share capital of EFA Ventures S.A., a company incorporated in Greece.

The acquisition agreements were concluded on 28 January 2022. For the acquisition of the share capital of EFA Ventures S.A., the Company issued on 28 January 2022, 130,500 ordinary shares of €3.00 each in exchange of 130,500 issued and fully paid shares in EFA Holdings Plc.

On 12 July 2022, EFA Ventures S.A. has incorporated a branch in Nicosia with the purpose to serve the contract with Cyprus Ministry of Agriculture, Rural Development and Environment for the provision of two aircrafts for aerial firefighting for the summer of 2022 and 2023.

On 31 October 2022, the Company acquired 22.5% of the issued share capital of the Company Ucandrone A.E, incorporated in Greece.

On 28 November 2022, the Group acquired 100% of the issued share capital of the company Aerospace Ventures AG, incorporated in Switzerland. The purpose of the company is to provide consulting services within the framework of major international contracts in the aviation industry.

On 31 March 2023, the Group established a new subsidiary, Aviation Technologies Services and Solutions S.A., by acquiring 100% of its share capital.

On 17 July 2023 the Group obtained control over the company Aether Aeronautics S.A. by acquiring a further 23% of its share capital, thus increasing its participation percentage to 65%.

On 18 April 2024, the Group acquired 63.02% of the share capital of European Sensor Systems S.A. for the amount of €1,000,000. On 8 August 2024, the Company acquired a further 22.62% of the share capital of European Sensor Systems S.A. for the amount of €2,500,000.

On 17 April 2024, the Group acquired a further 22.5% of the share capital of Ucandrone S.A. for €235,000,increasing its shareholding to 45%.

EFA Holdings PLC together with its subsidiaries and associates form the Group “EFA Group” (“The Group”).

Principal activities

The main operations of the Group are related to the aviation sector, aerospace and security. EFA Ventures S.A. is involved in the Offsets / Industrial Cooperation market, in high-tech aerospace and defence industry projects, through the provision of commercial, financial, technical and support services. The Swiss subsidiary Aerospace Ventures AG provides services within the framework of major international contracts in the aviation industry, in particular in the areas of technology transfer, joint developments, support in marketing, distribution and financing. Aether Aeronautics S.A. is involved in the development, manufacturing and trade of unmanned systems, subsystems and services. European Sensor Systems S.A. is involved in the development, manufacturing and trade of MEMS Sensors (Micro Electro Mechanical Systems), IoT (Internet of Things) solutions Electronics design & assembly.

2. Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the European Union (EU), and the requirements of the Cyprus Companies Law, Cap. 113.

2. Basis of preparation (continued)

As of the date of the authorisation of the financial statements, all International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) that are effective as of 1 January 2024 and relevant to the Company have been adopted by the EU through the endorsement procedure established by the European Commission.

These consolidated financial statements have been prepared under the historical cost convention as modified by the revaluation of and investment property.

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. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 8.

It also requires the use of assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on Management's best knowledge of current events and actions, actual results may ultimately differ from those estimates.

3. Functional and presentation currency

The consolidated financial statements are presented in Euro (€) which is the functional currency of the Group.

4. 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) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Group.

5. Material accounting policy information

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

Management seeks not to reduce the understandability of these consolidated financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

Basis of consolidation

The Company has subsidiary undertakings for which section 142(1)(b) of the Cyprus Companies Law Cap. 113 requires consolidated financial statements to be prepared and laid before the Company at the Annual General Meeting. The Group consolidated financial statements comprise the financial statements of the parent company EFA Holdings Plc and the financial statements of the following subsidiaries:

-EFA Ventures S.A. - Greece (100%)
-Aerospace Ventures AG - Switzerland (100%)
-Aether Aeronautics S.A. (65%) - Greece
-Aviation Technologies Services and Solutions S.A. - Greece (100%)
-European Sensor Systems S.A. - Greece (85.64%)

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

5. Material accounting policy information (continued)

Business combinations

For the purposes of preparing the consolidated financial statements, the method of Business Combinations under Common Control was followed (as regards the consolidation of EFA Ventures S.A.), where the book value method ("book-value accounting" or "Predecessor Value method") is applied. Particularly, the assets and liabilities of EFA Ventures S.A. were recognised based on their current book values instead of fair values. The Management has adopted this method of business combination since the new business structure did not affect the shareholding structure and minority interests. Furthermore, no resources were spent outside the Group as a result of this restructuring. Therefore, the Consolidated Statement of Financial Position and the Consolidated Statement of Comprehensive Income are presented as the sum of the respective financial statements of the parent and its subsidiary EFA Ventures S.A. as if they had been combined during the accounting periods included in these financial statements. The difference between the acquisition price of a company and the book value of the corresponding net assets is presented as "Merger Reserve" in the Statement of Changes in Equity.

The rest of the subsidiaries were consolidated using the acquisition method.

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange for control of the acquiree. Acquisition-related costs are generally recognised in profit or loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value at the acquisition date, except that:

- deferred tax assets or liabilities and liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with IAS 12 Income Taxes and IAS 19 Employee Benefits respectively;
- liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 Share-based Payment at the acquisition date; and
- assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquiree (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. If, after reassessment, the net of the acquisition-date amounts of the identifiable assets acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognised immediately in profit or loss as a bargain purchase gain.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another IFRS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

5. Material accounting policy information (continued)

Business combinations (continued)

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 Provisions, Contingent Liabilities and Contingent Assets, as appropriate, with the corresponding gain or loss being recognised in profit or loss.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is remeasured to fair value at the acquisition date (i.e. the date when the Group obtains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss where such treatment would be appropriate if that interest were disposed of.

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.

Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are initially recognised at cost and are accounted for by the equity method of accounting.

Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net identifiable assets of the acquired undertaking at the date of acquisition. Goodwill on acquisition of subsidiaries is included in ''intangible assets''. Goodwill on acquisitions of associates is included in ''Investments in associates''. Goodwill on acquisitions of investments in joint ventures is included in ''investments in joint ventures''.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an undertaking include the carrying amount of goodwill relating to the undertaking sold. Goodwill is allocated to cash-generating units for the purpose of impairment testing.

Revenue

Recognition and measurement

Revenue represents the amount of consideration to which the Group expects to be entitled in exchange for transferring the promised goods or services to the customer, excluding amounts collected on behalf of third parties (for example, value-added taxes); the transaction price. The Group includes in the transaction price an amount of variable consideration as a result of rebates/discounts only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is subsequently resolved. Estimations for rebates and discounts are based on the Group's experience with similar contracts and forecasted sales to the customer.

The Group recognises revenue when the parties have approved the contract (in writing, orally or in accordance with other customary business practices) and are committed to perform their respective obligations, the Group can identify each party's rights and the payment terms for the goods or services to be transferred, the contract has commercial substance (i.e. the risk, timing or amount of the Group's future cash flows is expected to change as a result of the contract), it is probable that the Group will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer and when specific criteria have been met for each of the Group's contracts with customers.

5. Material accounting policy information (continued)

Revenue (continued)

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

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

Identification of performance obligations

The Group assesses whether contracts that involve the provision of a range of goods and/or services contain one or more performance obligations (that is, distinct promises to provide a service) and allocates the transaction price to each performance obligation identified on the basis of its stand-alone selling price. A good or service that is promised to a customer is distinct if the customer can benefit from the good or service, either on its own or together with other resources that are readily available to the customer (that is the good or service is capable of being distinct) and the Group's promise to transfer the good or service to the customer is separately identifiable from other promises in the contract (that is, the good or service is distinct within the context of the contract).

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

- **Rendering of services**

  Rendering of services - over time:
  Revenue from rendering of services is recognised over time while the Group satisfies its performance obligation by transferring control over the promised service to the customer in the accounting period in which the services are rendered.

  For fixed price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

  The input method is used to measure progress toward completion of the performance obligation as it provides a faithful depiction of the transfer of the control of the services to the customer.

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

Finance income

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

Finance costs

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

Foreign currency translation

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

5. Material accounting policy information (continued)

Foreign currency translation (continued)

(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. Translation differences on non-monetary items such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss.

Tax

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

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

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.

Property, plant and equipment

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

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

Buildings - 4%
Machinery & Equipment - 10%
Transportation equipment (for carrying people) - 16%
Transportation equipment (for carrying goods) - 12%
Other equipment - 10%
Equipment - 20%
Assets of lower value (below EUR 1,500) - 100%

Right-of-use assets are depreciated over the shorter period of lease term and useful life of the underlying asset. If a lease transfers ownership of the underlying asset or the cost of the right-of-use asset reflects that the Group expects to exercise a purchase option, the related right-of-use asset is depreciated over the useful life of the underlying asset. The depreciation starts at the commencement date of the 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 property, plant and equipment is charged to profit or loss of the year in which it is incurred. The cost of major renovations and other subsequent expenditure are included in the carrying amount of the asset when it is probable that future economic benefits in excess of the originally assessed standard of performance of the existing asset will flow to the Group. Major renovations are depreciated over the remaining useful life of the related asset.

5. Material accounting policy information (continued)

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

Deferred income from government grants

Government grants on non-current assets acquisitions are credited to profit or loss in instalments over the estimated useful economic lives of the corresponding assets. This is achieved by deducting grants from the book value of these assets and the recognition of income through the reduced depreciation charge. Grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received. Government grants that relate to expenses are recognised in profit or loss as revenue.

Investment properties

Investment property, principally comprising shops and office buildings, is held for long-term rental yields and/or for capital appreciation and is not occupied by the Group. Investment property is treated as a non-current asset and is stated at historical cost less depreciation. Depreciation is calculated on the straight-line method so as to write off the cost of each asset to its residual value over its estimated useful life.The annual depreciation rates used are 4%.

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.

Intangible assets

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

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

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

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

5. Material accounting policy information (continued)

Property rights and patents

Property rights and patents are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

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

Computer software

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

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

Impairment of non-financial assets

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

Financial assets

Financial assets - Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

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

For investments in equity instruments that are not held for trading, the classification will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

5. Material accounting policy information (continued)

Financial assets (continued)

Financial assets - Classification (continued)

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

Financial assets - Recognition and derecognition

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

Financial assets 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.

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. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Financial assets - impairment - credit loss allowance for ECL

The Group assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The 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 within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

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

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

5. Material accounting policy information (continued)

Financial assets (continued)

Financial assets - impairment - credit loss allowance for ECL (continued)

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

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

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

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"). Refer to note 7, Credit risk section, for a description of how the Group determines when a SICR has occurred. 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. The Group's definition of credit impaired assets and definition of default is explained in note 7, Credit risk section.

Additionally the Group has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 7, Credit risk section for a description of how the Group determines low credit risk financial assets.

Financial assets -Reclassification

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

Financial assets - write-off

Financial assets are written-off, in whole or in part, when the 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.

Financial assets - modification

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

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

5. Material accounting policy information (continued)

Financial assets (continued)

Financial assets - modification (continued)

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

Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, deposits held at call with banks and bank overdrafts. In the consolidated statement of financial position, bank overdrafts are included in borrowings in current liabilities. 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.

Classification as financial assets at amortised cost

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

Classification as trade receivables

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

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

Trade receivables are also subject to the impairment requirements of IFRS 9. The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables. See note 7, Credit risk section.

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

Financial guarantee contracts

Financial guarantee contracts are contracts that require the Group to make specified payments to reimburse the holder of the guarantee for a loss it incurs because a specified debtor fails to make payment when due in accordance with the terms of debt instrument. Such financial guarantees are given to banks, financial institutions and others on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantees are recognised as a financial liability at the time the guarantee is issued.

5. Material accounting policy information (continued)

Financial assets (continued)

Financial guarantee contracts (continued)

Financial guarantees are initially recognised at their fair value, which is normally evidenced by the amount of fees received. In the absence of fees received, the fair value of financial guarantees is determined based on the present value of the difference in cash flows between the contractual payments required under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations.

Financial guarantees are subsequently measured at the higher of (i) the amount determined in accordance with the expected credit loss model under IFRS 9 "Financial Instruments", and (ii) the amount initially recognised less, where appropriate, the cumulative amount of income recognised in accordance with the principles of IFRS 15 "Revenue from Contracts with customers".

Financial liabilities - measurement categories

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

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

Borrowings

Borrowings are recorded initially at the proceeds received, 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.

Trade payables

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

Financial liabilities - Modifications

An exchange between the Group and its original lenders of debt instruments with substantially different terms, as well as substantial modifications of the terms and conditions of existing financial liabilities, are accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The terms are substantially different if the discounted present value of the cash flows under the new terms, including any fees paid net of any fees received and discounted using the original effective interest rate, is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability. (In addition, other qualitative factors, such as the currency that the instrument is denominated in, changes in the type of interest rate, new conversion features attached to the instrument and change in loan covenants are also considered.)

If an exchange of debt instruments or modification of terms is accounted for as an extinguishment, any costs or fees incurred are recognised as part of the gain or loss on the extinguishment. If the exchange or modification is not accounted for as an extinguishment, any costs or fees incurred adjust the carrying amount of the liability and are amortised over the remaining term of the modified liability.

Modifications of liabilities that do not result in extinguishment are accounted for as a change in estimate using a cumulative catch up method, with any gain or loss recognised in profit or loss, unless the economic substance of the difference in carrying values is attributed to a capital transaction with owners and is recognised directly to equity.

5. Material accounting policy information (continued)

Financial assets (continued)

Financial liabilities - Modifications (continued)

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, amortisation 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.

Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the consolidated statement of financial position.

Inventories

Stocks are stated at the lower of cost and net realisable value. The other stock categories are valued based on the weighted average cost method. The net realisable value is based on the estimated selling price less any additional expenses expected to occur by the stock's date of sale. When considered necessary, a general or specific provision is made for defective and obsolete stock or slow-moving stock, which is included in cost of sales.

Prepayments

Prepayments are carried at cost less provision for impairment. A prepayment is classified as non-current when the goods or services relating to the prepayment are expected to be obtained after one year, or when the prepayment relates to an asset which will itself be classified as non-current upon initial recognition. Prepayments to acquire assets are transferred to the carrying amount of the asset once the Group has obtained control of the asset and it is probable that future economic benefits associated with the asset will flow to the Group. Other prepayments are written off to profit or loss when the goods or services relating to the prepayments are received. If there is an indication that the assets, goods or services relating to a prepayment will not be received, the carrying value of the prepayment is written down accordingly and a corresponding impairment loss is recognised in profit or loss.

Share capital

Ordinary shares are classified as equity.

Non-current liabilities

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

Earnings per share

The basic earnings/(losses) per share are calculated by dividing the net profits/(losses) attributable to shareholders by the weighted average number of ordinary shares in circulation during the relevant period, excluding the average number of shares acquired as own shares. Diluted earnings/(losses) per share are calculated by dividing the net profits/(losses) attributable to the parent's shareholders by the weighted average number of ordinary shares outstanding during the year, as adjusted for the impact of potential securities convertible to shares (such as stock options).

5. Material accounting policy information (continued)

Comparatives

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

6. New accounting pronouncements

Standards issued but not yet effective

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

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

- *IAS 21 The Effects of Changes in Foreign Exchange Rates (Amendments): Lack of Exchangeability (effective for annual periods beginning on or after 1 January 2025)*

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

Amendments

- *Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026)*
- *Amendments to IFRS 9 and IFRS 7: Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026)*
- *IFRS 18: Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)*
- *IFRS 19: Subsidiaries without Public Accountability – Disclosures (effective for annual periods beginning on or after 1 January 2027)*
- *Annual Improvements to IFRS Accounting Standards - Volume 11 (effective for annual periods beginning on or after 1 January 2026)*
- *IFRS 10 Consolidated Financial Statements (Amendments) and IAS 28 Investments in Associates and Joint Ventures (Amendments): Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (effective date postponed indefinitely; early adoption continues to be permitted)*

The above are expected to have no significant impact on the Group's consolidated financial statements when they become effective.

7. Financial risk management

Financial risk factors

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

7.1 Market price risk

Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Group's financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss 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.

7. Financial risk management (continued)

7.2 Interest rate risk
Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The 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. The Group is exposed to interest rate risk in relation to its non-current 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. 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:

	2024	2023
	€	€
Fixed rate instruments		
Financial liabilities	**147,701**	1,344,502
Variable rate instruments		
Financial liabilities	**18,573,863**	13,859,396
	18,721,564	15,203,898

7.3 Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents, credit exposures to customers, including outstanding receivables and contract assets. Further, credit risk arises from financial guarantees and credit related commitments.

(i) Risk management

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

If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, Management assesses the credit quality of the customer, taking into account its financial position, past experience and other factors.

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

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

(ii) Impairment of financial assets

The Group has the following types of financial assets that are subject to the expected credit loss model:
- trade receivables
- receivables from related parties
- cash and cash equivalents

The impairment methodology applied by the Group for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:
- For all financial assets that are subject to impairment under IFRS 9, the Group applies general approach - three stage model for impairment. The Group applies a three-stage model for impairment, based on changes in credit quality since initial recognition. A financial asset that is not credit-impaired on initial recognition is classified in Stage 1. Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the 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.

7. Financial risk management (continued)

7.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

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

Significant increase in credit risk

The Group considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Group compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:

- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Group and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) 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. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

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

Low credit risk

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

Default

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

Write-off

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

7. Financial risk management (continued)

7.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

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

Trade receivables

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables (including those with a significant financing component, and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 months before 31 December 2024 or 1 January 2024 respectively and the corresponding historical credit losses experienced within this period. 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. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors.

The average credit period on sales of goods is 60 days. No interest is charged on outstanding trade receivables.

The Group always measures the loss allowance for trade receivables at an amount equal to lifetime ECL.

The loss allowances for trade receivables as at 31 December 2024 reconcile to the opening loss allowances as follows:

	Trade receivables	
	2024	2023
	€	€
Balance at 1 January	**749,598**	16,988
Increase in loss allowance recognised in profit or loss during the year	**-**	732,610
Balance at 31 December	**749,598**	749,598

There were no significant trade receivable and contract asset balances written off during the year that are subject to enforcement activity.

Receivables from related parties

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

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

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

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

7. Financial risk management (continued)

7.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

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.

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

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

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

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

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

Impairment losses	**2024**	2023
	€	€
Impairment charge - trade receivables	-	(732,610)
Net impairment loss on financial and contract assets	**-**	(732,610)

(iv) Financial assets at fair value through profit or loss

7.4 Liquidity risk
Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Group has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

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

31 December 2024	Carrying amounts	Contractual cash flows	up to 12 months	1-2 years	1-5 years	More than 5 years
	€	€	€	€	€	€
Bank loans	6,166,875	6,166,875	-	906,443	1,189,892	4,070,540
Lease liabilities	147,701	147,701	56,177	56,176	35,348	-
Bank overdrafts	12,855,823	12,855,823	12,855,823	-	-	-
Short term loans	2,281,679	2,281,679	2,281,679	-	-	-
Trade and other payables and contract liabilities	3,653,152	3,653,152	3,653,152	-	-	-
Payables to related parties	6,659,825	6,659,825	6,659,825	-	-	-
Loans from other related parties	1,361,933	1,361,933	-	1,361,933	-	-
	33,126,988	**33,126,988**	**25,506,656**	**2,324,552**	**1,225,240**	**4,070,540**

7. Financial risk management (continued)

7.4 Liquidity risk (continued)

31 December 2023	Carrying amounts	Contractual cash flows	up to 12 months	1-5 years	More than 5 years
	€	€	€	€	€
Bank loans	3,458,983	3,458,983	-	739,600	2,719,383
Lease liabilities	109,958	109,958	38,308	71,650	-
Bank overdrafts	9,950,471	9,950,471	9,950,471	-	-
Short term loans	449,942	449,942	449,942	-	-
Trade and other payables and contract liabilities	7,937,296	7,937,296	7,937,296	-	-
Payables to related parties	1,689	1,689	1,689	-	-
Loans from other related parties	1,344,502	1,344,502	-	1,344,502	-
	23,252,841	**23,252,841**	**18,377,706**	**2,155,752**	**2,719,383**

7.5 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 from various currency exposures primarily with respect to the US Dollar and the Euro. The Group's Management monitors the exchange rate fluctuations on a continuous basis and acts accordingly.

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

		Liabilities		**Assets**
	2024	2023	**2024**	2023
	€	€	**€**	€
United States Dollars	**216**	-	**7,360,880**	8,562,698
Euro	**34,456,084**	-	**21,540,803**	-
Swiss francs	**-**	1,996,357	**31,724**	121,836
	34,456,300	1,996,357	**28,933,407**	8,684,534

7.6 Tourist industry risk

7.7 Reputation risk
The risk of loss of reputation arising from the negative publicity relating to The Group's operations (whether true or false) may result in a reduction of its clientele, reduction in revenue and legal cases against the Group. The Group applies procedures to minimize this risk.

7. Financial risk management (continued)

7.8 Capital risk management
Capital includes equity shares and share premium.

The Group's objectives in managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

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. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt.

The Group's capital is analysed as follows:

	2024	2023
	€	€
Total borrowings (Note 32)	**22,666,310**	15,203,898
Less: Cash and cash equivalents	**(13,361,450)**	(15,967,802)
Net debt	**9,304,860**	(763,904)
Total equity	**17,929,576**	11,364,463
Total capital	**27,234,436**	10,600,559
Gearing ratio	**34.17%**	(7.21)%

8. Critical accounting estimates, judgments and assumptions

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

Critical accounting estimates and assumptions

The 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.

- **Amount payable under residual value guarantees**

  The Group initially estimates and recognises amounts expected to be payable under residual value guarantees as part of the lease liability. Typically, the expected residual value at lease commencement is equal to or higher than the guaranteed amount, and so the Group does not expect to pay anything under the guarantees.

  At the end of each reporting period, the expected residual values are reviewed to reflect actual residual values achieved on comparable assets and expectations about future prices.

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

- **Calculation of loss allowance**

  When measuring expected credit losses the Group uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

  Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

  Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

- **Revenue recognition**

  The Group uses the percentage-of-completion method in accounting for its fixed price contract to deliver services since the customer receives and uses the benefits from the services simultaneously. Use of the percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed. Were the proportion of services performed to total services to be performed differs from Management's estimates, the amount of revenue recognised in the year would be different.

Critical judgements in applying the Group's accounting policies

- **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 Group 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.

- **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 7, Credit risk section.

- **Impairment of non-financial assets**

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

- **Useful live of depreciable assets**

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

- **Provisions**

  The amount recognised for provisions is estimated based on Board of Directors' past experience and its future expectations. However, the actual outcome may vary from the amount recognised.

9. Turnover

The Group derives its revenue from contracts with customers for the transfer of goods and services over time and at a point in time in the following major product lines.

Disaggregation of revenue - geographical	2024	2023
	€	€
Domestic	15,411,279	14,414,221
EU	5,779,880	18,925,323
Third countries	29,092,469	32,958,220
	50,283,628	66,297,764

(a) Assets and liabilities related to contracts with customers

The Group has recognised the following assets related to contracts with customers:

	2024	2023
	€	€
Contract assets		
Revenue	6,814,778	10,576,457
Total contract assets	6,814,778	10,576,457

Amounts relating to contract assets are receivables under 6 Framework Agreements with the Hellenic Air Force for the support of the CL-215-415 Aerial Fire Fighting System and partial repair of A/K PW123AF for a duration of 4 years, with a contractual price of €78,826,504. The recognition of the contract asset is in line with a series of performance related milestones. The contract assets include the Group's right to the revenue occuring from the services transferred to customers.

The contract asset is recognised over the period in which the services are performed to represent the Group's right to consideration for the services transferred to date.

	2024	2023
	€	€
Contract liabilities		
Revenue	932,791	4,957,076
Total contract liabilities	932,791	4,957,076

10. Cost of sales

	2024	2023
	€	€
Staff costs	1,316,815	535,399
Subcontracted work	27,447,792	46,780,396
Services received	-	97,106
Sundry expenses	232,597	216,992
Changes in inventories of finished goods	2,875,930	270,078
Taxes-duties	1,100,909	748,081
Aerial management fees	-	960,000
Travelling expenses	488,776	231,510
Amortisation of other intangibles	31,482	-
Depreciation	229,705	90,308
	33,724,006	49,929,870

11. Other income

	2024	2023
	€	€
Dividend income	**4,823**	-
Gain from sale of property, plant and equipment	**666**	-
Fair value gains on financial assets at fair value through profit or loss	**-**	18,850
Government grants	**100,000**	71,713
Rental income	**28,159**	-
Sundry operating income	**6,664**	53,333
	140,312	143,896

12. Research and development

	2024	2023
	€	€
Staff costs	**369,328**	-
Subcontracting fees	**38,020**	-
Taxes – duties	**321**	-
Sundry expenses	**25,750**	-
Amortisation	**8,721**	-
Depreciation	**58,979**	-
	501,119	-

13. Selling and distribution expenses

	2024	2023
	€	€
Staff costs	**78,162**	87,860
Exhibition, transport, travel expenses	**335,762**	374,891
Sundry expenses	**449,074**	-
Taxes - duties	**24,854**	9,171
Third party fees and expenses	**-**	39,703
Subcontracting fees	**104,809**	83,518
Depreciation	**17,736**	6,006
	1,010,397	601,149

Sundry expenses relate to advertising and hospitality expenses.

14. Administration expenses

	2024	2023
	€	€
Staff costs	**1,978,299**	1,793,748
Sundry expenses	**1,040,132**	608,238
Auditors' remuneration	**118,264**	64,634
Travelling	**197,342**	-
Operating allowances	**66,654**	24,449
Taxes - duties	**177,705**	88,058
Subcontracting fees	**1,772,424**	414,050
Third party fees and expenses	**-**	1,162,467
Amortisation of other intangibles	**31,025**	-
Depreciation	**262,505**	237,387
	5,644,350	4,393,031

Sundry expenses include, amongst others, software maintenance, advertising, lighting, conference and reception expenses and insurance premiums.

15. Other expenses

	2024	2023
	€	€
Loss on disposal of property, plant and equipment	**10,250**	-
Foreign exchange differences	**-**	93,750
Write off of prepayment to subcontractors	**2,650,000**	-
Sundry expenses	**141,830**	212,424
Fair value losses on financial assets at fair value through profit or loss	**9,350**	-
	2,811,430	306,174

16. Operating profit

	2024	2023
	€	€
Operating profit is stated after charging the following items:		
Amortisation of intangibles (included in "Administration expenses") (Note 24)	**71,228**	36,606
Depreciation of right-of-use assets (Note 22)	**55,579**	50,212
Depreciation of property, plant and equipment (Note 21)	**513,347**	260,303
Staff costs	**3,373,276**	2,417,007
Auditors' remuneration	**118,264**	64,634
Trade receivables - impairment charge for bad and doubtful debts	**-**	732,610

17. Finance income/(costs)

	2024	2023
	€	€
Finance income		
Bank interest	**2,815**	-
Interest from overseas	**36**	-
Other interest income	**-**	1,645
Foreign exchange gains	**1,002,348**	79,176
	1,005,199	80,821
Finance costs		
Interest expense		
Bank loan interest	**(341,229)**	(664,830)
Interest on obligations under finance leases	**(9,026)**	(4,487)
Bank interest	**(966,422)**	-
Interest on loans from related parties (Note 39.4)	**(35,663)**	(147,787)
Other interest	**(27,978)**	(1,768)
Sundry finance expenses		
Bank charges	**(160,994)**	(138,880)
Net foreign exchange losses		
Foreign exchange losses	**(330,971)**	(701,814)
	(1,872,283)	(1,659,566)
Net finance costs	**(867,084)**	(1,578,745)

18. Tax

18.1 Tax recognised in profit or loss

	2024	2023
	€	€
Corporation tax	**479,878**	752,095
Deferred tax - (credit)/charge (Note 34)	**(833,926)**	2,315,592
(Credit)/charge for the year	**(354,048)**	3,067,687

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

	2024	2023
	€	€
Profit before tax	**5,938,000**	8,908,245
Tax calculated at the applicable tax rates	**742,250**	1,113,531
Tax effect of expenses not deductible for tax purposes	**860,785**	514,528
Tax effect of allowances and income not subject to tax	**(1,270,827)**	(1,037,422)
10% additional charge	**147,670**	161,458
Deferred tax	**(833,926)**	2,315,592
Tax charge	**(354,048)**	3,067,687

18.2 Tax recognised in other comprehensive income

	2024	2023
	€	€
Re-measurement of defined benefit plans	**(5,623)**	255
Total income tax recognised in other comprehensive income	**(5,623)**	255

The corporation tax rate in Cyprus is 12.5%, in Greece is 22% and in Switzerland 8.5%.

Under certain conditions interest income may be subject to defence contribution at the rate of 30%. In such cases this interest will be exempt from corporation tax. In certain cases, dividends received from abroad may be subject to defence contribution at the rate of 17%.

19. Profit per share attributable to equity holders of the parent

	2024	2023
Profit attributable to shareholders (€)	**6,292,048**	5,840,558
Weighted average number of ordinary shares in issue during the year	**130,500**	130,500
Profit per share attributable to equity holders of the parent	**48.21**	44.76

Basic earnings per share are calculated by dividing the net profits corresponding to ordinary shareholders by the average weighted number of ordinary shares in issue over the year.

Consequently, both the basic earnings per share and the diluted earnings per share are the same.

20. Financial instruments by category

The accounting policies for financial instruments have been applied to the line items below:

31 December 2024	Financial assets at fair value through other comprehensive income €	Fair value through profit or loss €	Financial assets at amortised cost €	Total €
Assets as per consolidated statement of financial position:				
Trade and other receivables	-	-	9,503,503	9,503,503
Financial assets	250,000	-	438,798	688,798
Cash and cash equivalents	-	-	12,624,868	12,624,868
Financial assets at fair value through profit or loss	-	50,000	-	50,000
Total	**250,000**	**50,000**	**22,567,169**	**22,867,169**

	Borrowings and other financial liabilities **€**
Liabilities as per consolidated statement of financial position:	
Borrowings	22,666,310
Trade and other payables and contract liabilities	9,816,249
Total	**32,482,559**

31 December 2023	Financial assets at fair value through other comprehensive income €	Fair value through profit or loss €	Financial assets at amortised cost €	Total €
Assets as per consolidated statement of financial position:				
Trade and other receivables	-	-	2,436,422	2,436,422
Financial assets	250,000	-	218,109	468,109
Cash and cash equivalents	-	-	16,050,443	16,050,443
Financial assets at fair value through profit or loss	-	9,350	-	9,350
Total	**250,000**	**9,350**	**18,704,974**	**18,964,324**

	Borrowings and other financial liabilities **€**
Liabilities as per consolidated statement of financial position:	
Borrowings	15,203,898
Trade and other payables and contract liabilities	1,741,702
Total	**16,945,600**

21. Property, plant and equipment

	Immovable property	Property under construction	Machinery & Equipment	Motor vehicles	Other equipment	Total
	€	€	€	€	€	€
Cost						
Balance at 1 January 2023	2,667,631	-	586,625	34,770	988,705	4,277,731
Acquisitions through business combinations	-	-	137,438	-	45,095	182,533
Additions	2,801,571	-	-	-	324,543	3,126,114
Balance at 31 December 2023/ 1 January 2024	**5,469,202**	**-**	**724,063**	**34,770**	**1,358,343**	**7,586,378**
Acquisitions through business combinations	65,783	-	463,651	15,775	133,967	679,176
Additions	4,590,498	1,401,322	480,871	78,058	587,864	7,138,613
Disposals	-	-	-	(10,230)	(300)	(10,530)
Balance at 31 December 2024	**10,125,483**	**1,401,322**	**1,668,585**	**118,373**	**2,079,874**	**15,393,637**
Depreciation						
Balance at 1 January 2023	243,855	-	178,298	24,995	815,667	1,262,815
Acquisitions through business combinations	-	-	13,280	-	7,925	21,205
Charge for the year	68,361	-	72,540	3,130	116,274	260,305
Balance at 31 December 2023	**312,216**	**-**	**264,118**	**28,125**	**939,866**	**1,544,325**
Balance at 31 December 2023/ 1 January 2024	**312,216**	**-**	**264,118**	**28,125**	**939,866**	**1,544,325**
Acquisitions through business combinations	22,582	-	340,849	14,325	112,319	490,075
Charge for the year	74,902	-	179,006	8,687	250,752	513,347
On disposals	-	-	-	(9,896)	-	(9,896)
Balance at 31 December 2024	**409,700**	**-**	**783,973**	**41,241**	**1,302,937**	**2,537,851**
Net book amount						
Balance at 31 December 2024	**9,715,783**	**1,401,322**	**884,612**	**77,132**	**776,937**	**12,855,786**
Balance at 31 December 2023	**5,156,986**	**-**	**459,945**	**6,645**	**418,477**	**6,042,053**

The following liens are filed against on the property owned by EFA Ventures S.A. located at the junction of 7 Stratigi St. and 10 Omirou St., Neo Psychiko:

a) A first priority mortgage prenotation registered in favour of Aegean Baltic Bank pursuant to Piraeus Court of Peace Judgment No. 167/10.04.2023 for €5,160,000 to secure the bank's interest-bearing claim derived from the loan agreement dated 07.04.2023 amounting to €4,300,000.

In the consolidated cash flow statement, proceeds from sale of property, plant and equipment comprise:

	2024	2023
	€	€
Net book amount	**634**	-
Profit from the sale of property, plant and equipment (Notes 11 and 15)	**(9,584)**	-
Proceeds from disposal of property, plant and equipment	**(8,950)**	-

22. Right-of-use assets

	Motor vehicles €
Cost	
Balance at 1 January 2023	225,023
Additions	29,720
Adjustment to right-of-use asset	(93,873)
Balance at 31 December 2023/ 1 January 2024	**160,870**
Additions	90,563
Balance at 31 December 2024	**251,433**
Depreciation	
Balance at 1 January 2023	76,729
Charge for the year	50,212
Adjustment to right-of-use asset	(73,775)
Balance at 31 December 2023/ 1 January 2024	**53,166**
Charge for the year	55,579
Balance at 31 December 2024	**108,745**
Net book amount	
Balance at 31 December 2024	**142,688**
Balance at 31 December 2023	**107,704**

Amounts recognised in profit and loss:

	2024 €	2023 €
Interest expense on lease liabilities	**(9,026)**	(4,487)

23. Investment properties

	2024 €	2023 €
Cost		
Additions	**6,738,805**	-
Balance at 31 December	**6,738,805**	-
Net book amount		
Balance at 31 December	**6,738,805**	-

The Investment Property is carried at cost. The property will begin depreciating in the following year, as it was acquired during the 2nd half of the year, in line with the Group policy.

The fair value of investment properties based on estimates made by the Board of Directors as at 31 December 2024 was: €6,738,805 (2023: € -).

24. Intangible assets

	Goodwill	Software	Patents and trademarks	Internally generated developed costs	Total
	€	€	€	€	€
Cost					
Balance at 1 January 2023	-	828,000	31,693	-	859,693
Acquisitions through business combinations	-	29,840	-	-	29,840
Additions	104,468	137,211	2,250	-	243,929
Balance at 31 December 2023/ 1 January 2024	**104,468**	**995,051**	**33,943**	**-**	**1,133,462**
Acquisitions through business combinations	-	259,052	2,961	266,514	528,527
Additions	443,977	26,593	12,637	-	483,207
Balance at 31 December 2024	**548,445**	**1,280,696**	**49,541**	**266,514**	**2,145,196**
Amortisation					
Balance at 1 January 2023	-	665,549	26,673	-	692,222
Acquisitions through business combinations	-	7,741	-	-	7,741
Amortisation for the year (Note 16)	-	33,743	2,863	-	36,606
Balance at 31 December 2023/ 1 January 2024	**-**	**707,033**	**29,536**	**-**	**736,569**
Acquisitions through business combinations	-	231,242	4,457	82,131	317,830
Amortisation for the year (Note 16)	-	39,179	987	31,062	71,228
Balance at 31 December 2024	**-**	**977,454**	**34,980**	**113,193**	**1,125,627**
Net book amount					
Balance at 31 December 2024	**548,445**	**303,242**	**14,561**	**153,321**	**1,019,569**
Balance at 31 December 2023	**104,468**	**288,018**	**4,407**	**-**	**396,893**

Goodwill represents the premium paid to acquire the business of European Sensors S.A. and is measured at cost less any accumulated impairment losses (Note 25).

Goodwill in the prior year represents the premium paid to acquire the business of Aether Aeronautics S.A. and is measured at cost less any accumulated impairment losses (Note 24).

25. Acquisition of subsidiary

On 18 April 2024, the Group acquired 63.02% of the share capital of European Sensor Systems S.A. for the amount of €1,000,000. On 8 August 2024, the Company acquired a further 22.62% of the share capital of European Sensor Systems S.A. for the amount of €2,500,000.

Name	Acquisition date	Percentage acquired	Previous percentage	Country and principal activity
European Sensor Systems S.A.	18 April 2024	63.02%	-	Greece. Development, manufacturing and trade of MEMS Sensors, IoT solutions Electronics design & assembly

Fair Value of Consideration transferred for each major class of consideration:

	European Sensor Systems S.A. €
Cash paid	1,000,000
Total consideration transferred	1,000,000

Goodwill arising on consolidation:

	European Sensor Systems S.A. €
Consideration transferred	1,000,000
Plus: non-controlling interests on acquisition date	326,093
Less: Fair value of the net assets acquired	(882,116)
Goodwill arising on consolidation: (Note 24)	443,977

Net cash flow on acquisition of subsidiaries	**2024 €**	2023 €
Cash consideration paid	**(1,000,000)**	(720,486)
Net cash outflow on acquisition	**(1,000,000)**	(720,486)

26. Investments in associates

	2024 €	2023 €
Balance at 1 January	**218,109**	327,734
Additions	**235,000**	-
Reclassification due to acquisition of control	**-**	(117,789)
Share of results of equity accounted investees before tax	**72,446**	8,164
Balance at 31 December	**525,555**	218,109

26. Investments in associates (continued)

The details of the investments are as follows:

Name	Country of incorporation	Principal activities	2024 Holding %	2023 Holding %	**2024 €**	2023 €
Ucandrone S.A.	Greece	Research & development and study of non manned systems or aircraft	45	22.5	**525,555**	218,109
					525,555	218,109

The Group has determined that it exercises significant influence over Ucandrone S.A., as it holds 45% of its shares and 25% of the seats on its Board of Directors.

On 17 April 2024, the Group acquired a further 22.5% of the share capital of Ucandrone S.A. for €235,000, increasing its shareholding to 45%.

27. Financial assets at fair value through other comprehensive income

	2024 €	2023 €
Balance at 31 December	**250,000**	250,000

These investments in equity instruments are not held for trading. Instead, they are held for medium to long-term strategic purposes. Accordingly, Management of the Group have elected to designate these investments in equity instruments as at FVTOCI as they believe that recognising short-term fluctuations in these investments' fair value in profit or loss would not be consistent with the Group's strategy of holding these investments for long-term purposes and realising their performance potential in the long run.

The details of the investments are as follows:

Name	**Country of incorporation**	**Principal activities**	**Holding %**	**2024 €**	2023 €
SARISA SUB-CONCESSION S.A.	Greece	Operating the Port of Kavala, Greece	10	**250,000**	250,000
				250,000	250,000

(i) Disposal of equity investments

On disposal of these equity investments, any related balance within the FVOCI reserve is reclassified to retained earnings.

(ii) Disposal of debt investments

On disposal of these debt investments, any related balance within the FVOCI reserve is reclassified to profit or loss.

28. Inventories

	2024	2023
	€	€
Finished products	1,173,889	299,132
	1,173,889	299,132

Inventories are stated at the lower of cost and net realisable value.

29. Trade and other receivables

	2024	2023
	€	€
Trade receivables	3,443,778	1,516,565
Trade receivables from related parties (Note 39.5)	19,276	88,676
Less: credit loss on trade receivables	(749,598)	(749,598)
Trade receivables - net	2,713,456	855,643
Directors' current accounts - debit balances (Note 39.8)	10,276	10,276
Receivables from other related parties (Note 39.5)	45,000	69,755
Deposits and prepayments	810,737	2,088,598
Advances to subcontractors	1,443,481	11,433
Other receivables	5,738,758	1,500,749
	10,761,708	4,536,454
Less non-current receivables	(36,950)	(25,890)
Current portion	10,724,758	4,510,564

Other receivables include an escrow account amounting to €3,016,480 (2023: €604,547), VAT and other taxes receivable amounting to €2,022,037 (2023: €555,360).

The credit loss on trade receivables is a result of the fact that the Department of Forests did not comply with the terms of the public contract, resulting in a breach of the agreed conditions by failing to pay the amounts due and/or the remuneration that the Company was entitled to receive under the Contract.

The Group does not hold any collateral over the trading balances.

Movement in provision for impairment of receivables:

	2024	2023
	€	€
Balance at 1 January	749,598	16,988
Impairment losses recognised on receivables	-	732,610
Balance at 31 December	749,598	749,598

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

The exposure of the Group to credit risk and impairment losses in relation to trade and other receivables is reported in note 7 of the consolidated financial statements.

30. Cash and cash equivalents

	2024	2023
	€	€
Cash in hand	**67,199**	75,352
Notice accounts	**12,554,835**	15,892,450
Restricted cash	**739,416**	-
	13,361,450	15,967,802

Cash and cash equivalents by type:

	2024	2023
	€	€
Sight deposits in EUR	**6,641,287**	6,627,809
Sight deposits in foreign currency	**6,652,964**	9,264,641
Cash in hand	**67,199**	75,352
Total	**13,361,450**	15,967,802

The exposure of the Group to credit risk and impairment losses in relation to cash and cash equivalents is reported in note 7 of the consolidated financial statements.

31. Share capital

	2024 Number of shares	**2024 €**	2023 Number of shares	2023 €
Authorised				
Ordinary shares of €1 each	130,500	391,500	130,500	391,500
Issued and fully paid				
Balance at 1 January	130,500	391,500	130,500	391,500
Balance at 31 December	**130,500**	**391,500**	130,500	391,500

Authorised capital

Under its Memorandum the Company fixed its share capital at 1,000 ordinary shares of nominal value of €3 each.

On 28 January 2022 the authorised share capital of the Company was increased by 129,500 ordinary shares of nominal value of €3 each.

Issued capital

Upon incorporation on 13 January 2022 the Company issued to the subscribers of its Memorandum of Association 1,000 ordinary shares of €3 each at par.

On 28 January 2022 the Extraordinary General Meeting of the Company unanimously resolved to a further issue of 129,500 ordinary shares of nominal value €3,00 each.

32. Borrowings

	2024	2023
	€	€
Balance at 1 January	**15,203,898**	9,528,490
Additions	**30,085,713**	35,129,537
Arising from business combinations	**877,178**	-
Repayments of principal	**(23,655,337)**	(29,975,308)
Repayments of interest	**(1,188,456)**	(640,178)
Interest charged (Note 17)	**1,343,314**	812,617
Foreign exchange differences	**-**	348,740
Balance at 31 December	**22,666,310**	15,203,898

	2024	2023
	€	€
Current borrowings		
Bank overdrafts	**12,855,823**	9,950,471
Short term portion of long term loans	**2,281,679**	449,942
	15,137,502	10,400,413
Non-current borrowings		
Bank loans	**6,166,875**	3,458,983
Loans from other related parties (Note 39.7)	**1,361,933**	1,344,502
	7,528,808	4,803,485
Total	**22,666,310**	15,203,898

Bank loans were granted by Aegean Baltic Bank, Alpha Bank, National Bank of Greece and Piraeus Bank.

The bank loans and overdrafts are secured as follows:

- By mortgage against immovable property of the Group for €7,050,000 (2023: €5,160,000).

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

	2024	2023
	%	%
Bank overdrafts	**2.03**	4.1
Bank loans	**2.6**	Euribor 3m + 3%

33. Lease liabilities

	2024	2023
	€	€
Balance at 1 January	**109,958**	149,914
Additions	**90,564**	29,720
Repayments of principal	**(52,821)**	(49,282)
Repayments of interest	**(9,026)**	(4,487)
Interest (Note 17)	**9,026**	4,487
Derecognition of lease liabilities	**-**	(20,394)
Balance at 31 December	**147,701**	109,958

	2024	2023
	€	€
Maturity analysis:		
Year 1	**56,177**	38,308
Up to year 5	**91,524**	71,650
	147,701	109,958
Analysed as:		
Non-current	**91,524**	71,650
Current	**56,177**	38,308
	147,701	109,958

All lease obligations are denominated in Euro.

The fair values of lease obligations approximate to their carrying amounts as presented above.

The Group's obligations under leases are secured by the lessors' title to the leased assets.

34. Deferred tax

Deferred tax is calculated in full on all temporary differences under the liability method using the applicable tax rates (Note 18). The applicable corporation tax rate in the case of tax losses is 12,5%.

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.

The movement on the deferred taxation account is as follows:

Deferred tax liability

	Temporary tax differences
	€
Charged/(credited) to:	
Statement of profit or loss and other comprehensive income (Note 18)	2,324,329
Balance at 31 December 2023/ 1 January 2024	**2,324,329**
Charged/(credited) to:	
Statement of profit or loss and other comprehensive income (Note 18)	(823,309)
Balance at 31 December 2024	**1,501,020**

34. Deferred tax (continued)

Deferred tax assets

	Temporary tax differences
	€
Balance at 1 January 2023	52,887
Charged/(credited) to:	
Statement of profit or loss and other comprehensive income (Note 18)	8,737
Balance at 31 December 2023/ 1 January 2024	**61,624**
Charged/(credited) to:	
Statement of profit or loss and other comprehensive income (Note 18)	16,240
Balance at 31 December 2024	**77,864**

35. Provisions

	Pension and other post retirement obligations	**Other provisions**	**Total**
	€	**€**	**€**
Balance at 1 January 2023	49,516	49,000	98,516
Charged/(credited) to profit or loss	26,217	-	26,217
Disposals from disposals of subsidiaries	(1,159)	-	(1,159)
Benefits paid	(16,035)	-	(16,035)
Balance at 31 December 2023/ 1 January 2024	**58,539**	**49,000**	**107,539**
Charged/(credited) to profit or loss	68,694	-	68,694
Charged/(credited) to other comprehensive income	25,558	-	25,558
Benefits paid	(56,102)	-	(56,102)
Balance at 31 December 2024	**96,689**	**49,000**	**145,689**

The actuarial estimate of obligations has been prepared in accordance with the relevant legislation as provided in the Laws 2112/1920 and 3026/1954 and amended by Laws 4093/2012, 4336/2015 and 4194/2013.

They are pension benefits specified in the relevant legislation paid once the employee retires. Greek labour law provides for compensation when one retires from work. The amount is based on length of service at EFA Ventures S.A., taking into account the pay on the date of departure.

Compensation for retirement is not funded from special funds.

The Group has not developed a special benefits plan for employees other than those specified in the relevant legislation, which must be paid to all employees who leave the Group.

The present value of the defined benefit obligation, the normal cost of current employee and, where appropriate, the cost of past service are calculated using the projected unit credit method (IAS 19).

On 31 December 2024 the Group employed 98 persons (2023: 60 persons). The actuarial estimate of obligations was estimated only on 46 employees.

36. Trade and other payables and contract liabilities

	2024	2023
	€	€
Trade payables and obligations under contracts	**3,057,983**	7,305,252
Social insurance	**181,509**	111,514
Other taxes and duties	**563,962**	583,810
Accruals	**748,821**	524,640
Other creditors	**31,207**	48,234
Payables to other related parties (Note 39.6)	**6,659,825**	1,689
	11,243,307	8,575,139

During the year 2023, the Group signed 6 Framework Agreements with the Hellenic Air Force for the support of the CL-215-415 Aerial Fire Fighting System and partial repair of A/K PW123AF for a duration of 4 years with a contractual price of €78,826,504. The trade payables and obligations under contracts include a total amount of €932,791 (2023: €4,957,076) which relates to these projects.

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

37. Current tax liabilities

	2024	2023
	€	€
Corporation tax	**135,326**	777,089
	135,326	777,089

38. Operating Environment of the Group

The Group's Management continuously assesses the potential impact of changes in the macroeconomic and financial environment at a global level. This is to ensure that all necessary actions and measures are taken to minimize any adverse effects on the Group's activities. Management believes that the projected increase in defense and security expenditure worldwide will positively impact the Group's financial results throughout 2025. Additionally, the Management team consistently evaluates industry trends within the Group's operational sector and strategically assesses emerging conditions to devise measures aimed at optimizing its financial performance.

The global energy crisis that began in 2021 is characterized by an ongoing energy shortage around the world and a rapid increase in energy prices, affecting countries in Europe and Asia. Greece has faced a significant increase in prices for all forms of energy. However, from 2022 to 2024, the Group was not significantly affected by the energy crisis, and we do not anticipate any significant impact in 2025 either.

The Group's operations do not extend to regions such as Ukraine, Gaza, or Yemen, nor does it possess significant exposure to commodities susceptible to crises in those areas, such as energy or agriculture. Consequently, its financial performance remains unaffected. Nonetheless, Management diligently monitors developments and stands prepared to enact appropriate measures if deemed necessary. Notably, the Group faces minimal supply risks related to the Red Sea crisis in Yemen. It conducts continuous assessments to gauge potential impacts and promptly implements effective measures to mitigate any adverse effects on its business operations.

39. Related party transactions

The Group is controlled by Mr. Christian Hadjiminas, who owns 87% of the Group's shares.

39. Related party transactions (continued)

The following transactions were carried out with related parties:

39.1 Directors' remuneration

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

	2024	2023
	€	€
Directors' and key management personnel salaries	**312,310**	289,351

39.2 Rendering of services

	2024	2023
	€	€
Theon Sensors SA (Under common control)	**5,416,887**	17,930
Interoperability Systems International Hellas SA (Under common control)	**-**	11,520
European Sensor Systems SA (Subsidiary)	**-**	1,200
Skytalis (Under common control)	**12,658**	10,893
Ucandrone S.A. (Associate)	**-**	14,400
	5,429,545	55,943

39.3 Cost of sales

	2024	2023
	€	€
Ucandrone S.A. (Associate)	**-**	134,159
Theon Sensors S.A. (Under common control)	**-**	14,463
Interoperability Systems International Hellas S.A. (Under common control)	**-**	9,415
Scytalys (Under common control)	**6,500,000**	-
	6,500,000	158,037

39.4 Interest income/(expense) (Note 17)

	2024	2023
	€	€
Theon Sensors AG (Under common control)	**-**	(79,045)
European Finance Aerospace Group AG (Under common control)	**(18,680)**	(57,536)
Asseblia Limited (Under common control)	**(7,024)**	(9,098)
European Finance Aerospace Group AG (Under common control)	**-**	1,645
Theon International Plc (Under common control)	**-**	(2,108)
Venetus Ltd (Under common control)	**(9,959)**	-
	(35,663)	(146,142)

39.5 Receivables from related parties (Note 29)

Name	Nature of transactions	2024	2023
		€	€
Theon Sensors SA (Under common control)	Trade	**1,340**	12,313
Interoperability Systems International Hellas SA (Under common control)	Trade	**-**	14,285
European Sensor Systems SA	Trade	**-**	1,243
Scytalis (Under common control)	Trade	**13,113**	-
Ucandrone S.A. (Associate)	Trade	**4,823**	60,835
Antonia Vescou (Key management)	Finance	**45,000**	65,143
Apostolos Vrontoulakis (Key management)	Finance	**-**	4,613
		64,276	158,432

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

39. Related party transactions (continued)

39.6 Payables to related parties (Note 36)

Name	Nature of transactions	**2024** €	2023 €
Theon International Plc (Under common control)	Finance	**159,825**	1,689
Scytalis (Under common control)	Purchase of investment property	**6,500,000**	-
		6,659,825	1,689

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

39.7 Loans from related parties (Note 32)

Name	Terms	**2024** €	2023 €
European Finance Aerospace Group AG (Under common control)	Finance	**-**	1,344,502
Venetus Ltd (Under common control)	Finance	**1,361,933**	-
		1,361,933	1,344,502

The loan from European Finance Aerospace Group AG carried interest of 1.5% per annum and was fully repaid in December 2024.

The loan from Venetus Ltd was granted on 6 December 2024, carries interest 3% per annum and is repayable on 31 December 2026.

39.8 Directors' current accounts - debit balances (Note 29)

	2024 €	2023 €
Nicolaos Papatsas	**10,276**	10,276

The Directors' current accounts are interest free, and have no specified repayment date.

40. Shareholders holding more than 5% of share capital

The persons holding more than 5% of the share capital as at 31 December 2024 and 1 May 2025 (5 days before the date of approval of the financial statements by the Board of Directors) were as follows:

	31 December 2024 %	**1 May 2025** %
Christian Hadjiminas	87	87

41. Significant agreements with management

At the end of the year, no significant agreements existed between the Group and its Management.

42. Contingent liabilities

As at 31 December 2024 the Group had contingent liabilities in respect of guarantees issued for tender procedures. These amounted to €7,296,057 (2023: €3,777,102).

42. Contingent liabilities (continued)

The total amounts of contingent liabilities of the Group are as follows:

	2024	2023
	€	€
Participation guarantee	**3,678,931**	613,826
Performance guarantee	**2,222,404**	2,912,429
Advance payment guarantee	**1,050,000**	-
Warranties	**344,722**	150,847
Payment guarantee	**-**	100,000
	7,296,057	3,777,102

43. Commitments

Capital commitments

Capital expenditure contracted for at the reporting date but not yet incurred is as follows:

	2024	2023
	€	€
Financial assets classified at fair value through profit or loss	**250,000**	-
Property under construction	**1,860,333**	-
	2,110,333	-

The capital commitment relates to the participation in a Fund named CORALLIA VENTURES TT A.K.E.S. (theFund). Upon the establishment of the Fund, the Group subscribed for 12 units representing a unit holding of 1,33%, and made a capital commitment to pay total consideration of €300,000 to the Fund as a consideration for the 12 units. As at 31 December 2024, the Group paid the sum of €50,000, and the payment of the remaining consideration, amounting to €250,000, depends on the Drawdown Notices to be issued by the Fund.

44. Events after the reporting period

On 27 January 2025, the Group acquired a further 13.75% of the share capital of Ucandrone S.A. for a total consideration of €1,500,000, increasing its shareholding to 58.75% and obtaining control of the company.

On 7 April 2025, the Group invested in Wayren OU, a startup company incorporated in Estonia, acquiring 12.39% of its share capital for a total consideration of 1.5 million Euros. Wayren OU is a tech company that develops secure, scalable communication platforms for defense, crisis response, and remote operations.

Except from the matters mentioned above, there were no other material events after the reporting period, which have a bearing on the understanding of the consolidated financial statements.

Independent auditor's report on pages 6 to 10

EFA HOLDINGS PLC

ANNUAL REPORT AND SEPARATE
FINANCIAL STATEMENTS
For the year ended 31 December 2024

EFA HOLDINGS PLC

ANNUAL REPORT AND SEPARATE FINANCIAL STATEMENTS
31 December 2024

CONTENTS

BOARD OF DIRECTORS AND OTHER OFFICERS

Board of Directors:	Stelios Anastasiou Athanasios Potsis (appointed on 7 April 2025) Petros Christou Nicolaos Papatsas (resigned on 7 April 2025)
Company Secretary:	Petros Christou
Independent Auditors:	Grant Thornton (Cyprus) Limited 41-49, Agiou Nicolaou Street Nimeli Court, Block C 2408 Engomi Nicosia, Cyprus
Registered office:	Agiou Antwniou 5 MUSKITA BUILDING 2, 1st Floor, Office 102 Strovolos 2002 Nicosia, Cyprus
Bankers:	Alpha Bank Cyprus Ltd Aegean Baltic Bank
Registration number:	HE429906

MANAGEMENT REPORT

The Board of Directors presents its report and audited separate financial statements of the Company for the year ended 31 December 2024.

Incorporation
The Company EFA Holdings Plc was incorporated in Cyprus on 13th January 2022 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113.

Principal activities and nature of operations of the Company
The principal activities of the Company, which are unchanged from last year, are the holding of investments and the provision of administration services to related parties.

Changes in group structure
On 7 July 2022 the Company was listed on the Emerging Companies Market of the Cyprus Stock Exchange.

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 separate financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Company's losses.

Principal risks and uncertainties
The principal risks and uncertainties faced by the Company are disclosed in notes 6, 7 and 25 of the separate financial statements.

Future developments of the Company
The Board of Directors does not expect any significant changes or developments in the operations, financial position and performance of the Company in the foreseeable future.

Existence of branches
The Company does not maintain any branches.

Market price risk
Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Company's financial assets at fair value through other comprehensive income and financial assets at fair value through profit or loss are susceptible to market price risk arising from uncertainties about future prices of the investments. The Company's market price risk is managed through diversification of the investment portfolio.

Results and Dividends
The Company's results for the year are set out on page 9. The net loss for the year attributable to the shareholders of the Company amounted to €199,302 (2023: €1,875,933 profit). On 31 December 2024 the total assets of the Company were €6,988,728 (2023: €3,574,600) and the net assets of the Company were €1,964,317 (2023: €2,163,619).

Dividends
the Board of Directors does not recommend the payment of a dividend and the net profit for the year is retained.

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

Board of Directors
The members of the Company's Board of Directors as at 31 December 2024 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2024.

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

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

Operating Environment of the Company
Any significant events that relate to the operating environment of the Company are described in note 25 of the separate financial statements.

Events after the reporting period
Any significant events that occurred after the end of the reporting period are described in note 29 of the separate financial statements.

Related party transactions
Disclosed in note 26 of the separate financial statements.

Independent Auditors
The Independent Auditors, Grant Thornton (Cyprus) Limited, were appointed in replacement of the previous auditors PKF abas limited and 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,

Petros Christou
Secretary

15 May 2025

DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS

In accordance with Article 9 sections (3c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law 2007 (N 190 (I)/2007) ("the Law") we, the members of the Board of Directors and the Company official responsible for the separate financial statements of EFA Holdings Plc (the "Company") for the year ended 31 December 2024, on the basis of our knowledge, declare that:

(a) The annual separate financial statements of the Company which are presented on pages 9 to 33:

(i) have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the provisions of Article 9, section (4) of the law, and

(ii) provide a true and fair view of the particulars of assets and liabilities, the financial position and profit or loss of the Company and the entities included in the separate financial statements as a whole and

b) The management report provides a fair view of the developments and the performance as well as the financial position of the Company as a whole, together with α description of the main risks and uncertainties which they face.

Members of the Board of Directors:

Stelios Anastasiou

Athanasios Potsis

Petros Christou

Responsible for drafting the financial statements

Stelios Anastasiou

15 May 2025

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Independent Auditor's Report to the Members of EFA Holdings PLC

Report on the Audit of the Separate Financial Statements

Opinion

We have audited the separate financial statements of parent company EFA Holdings PLC (the "Company"), which are presented in pages 9 to 33 and comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes of the separate financial statements, including material accounting policy information.

In our opinion, the accompanying separate financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113 relating to separate financial statements.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the separate financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matter

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

Investments in subsidiaries and Investments in associates

Refer to Notes 15 and 16 of the separate financial statements.

Grant Thornton

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

Key Audit Matter (continued)

Investments in Subsidiaries and Associates	How the matter was addressed in our audit
The Company has investments in five subsidiaries as at 31 December 2024 of €6,028,833 (2023: €2,528,833) and one investment in associate as at 31 December 2024 of €470,000 (2023: €235,000), recorded at cost less provision for impairment in value. This area was assessed as one of the most significant risks of material misstatement due to the degree of judgment exercised by management in determining whether indicators of impairment exist as per IAS 36.	• Obtained an understanding of management's impairment assessment process, including identification of impairment indicators. • Assessed whether impairment indications exist, through obtaining sufficient and appropriate supporting documentation such as financial statements and/or business forecasts of the investees. • Obtained share interest confirmations of each investee to confirm existence and rights and obligations. • Acquisitions of shares during the year were confirmed through share purchase agreements and other relevant supporting documentation. • Assessed whether appropriate disclosures were made in accordance with IAS 27 and IAS 36. • Based on our audit work, we concluded that investments in subsidiaries and associates were not materially misstated.

Other information

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

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

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

Responsibilities of the Board of Directors for the Separate Financial Statements

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

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

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

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

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

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

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

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

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

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

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

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

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

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

Report on Other Legal Requirements

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

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

Other Matters

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

We have reported separately on the consolidated financial statements of the Company and its subsidiaries for the year ended 31 December 2024.

Independent Auditor's Report to the Members of EFA Holdings PLC (continued)

Comparative figures

The separate financial statements of the Company for the year ended 31 December 2023 were audited by another auditor who expressed an unmodified opinion on those separate financial statements on 30 April 2024.

Dimitrios Chioureas
Certified Public Accountant and Registered Auditor
for and on behalf of
Grant Thornton (Cyprus) Limited
Certified Public Accountants and Registered Auditors

Nicosia, 15 May 2025

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
31 December 2024

	Note	2024 €	2023 €
Revenue	9	**197,287**	272,977
Dividend income		**4,823**	2,000,000
Administration expenses	10	**(330,220)**	(221,563)
Operating (loss)/profit	**11**	**(128,110)**	2,051,414
Finance income		**2,799**	330
Finance costs		**(66,040)**	(155,701)
Net finance costs	13	**(63,241)**	(155,371)
(Loss)/profit before tax		**(191,351)**	1,896,043
Tax	14	**(7,951)**	(20,110)
Net (loss)/profit for the year		**(199,302)**	1,875,933
Other comprehensive income		**-**	-
Total comprehensive income for the year		**(199,302)**	1,875,933

STATEMENT OF FINANCIAL POSITION
31 December 2024

	Note	2024 €	2023 €
ASSETS			
Non-current assets			
Investments in subsidiaries	15	**6,028,833**	2,528,833
Investments in associates	16	**470,000**	235,000
		6,498,833	2,763,833
Current assets			
Trade and other receivables	18	**271,840**	248,439
Loans receivable	17	**-**	62,330
Financial assets at fair value through profit or loss	19	**50,000**	-
Refundable taxes	24	**14,297**	-
Cash at bank	20	**153,758**	499,998
		489,895	810,767
Total assets		**6,988,728**	3,574,600
EQUITY AND LIABILITIES			
Equity			
Share capital	21	**391,500**	391,500
Retained earnings		**1,572,817**	1,772,119
Total equity		**1,964,317**	2,163,619
Non-current liabilities			
Borrowings	22	**4,686,879**	1,344,502
		4,686,879	1,344,502
Current liabilities			
Trade and other payables	23	**337,532**	48,713
Current tax liabilities	24	**-**	17,766
		337,532	66,479
Total liabilities		**5,024,411**	1,410,981
Total equity and liabilities		**6,988,728**	3,574,600

On 15 May 2025 the Board of Directors of EFA Holdings Plc authorised these separate financial statements for issue.

....
Stelios Anastasiou
Director

....
Petros Christou
Director

STATEMENT OF CHANGES IN EQUITY
31 December 2024

	Share capital €	Retained earnings €	Total €
Balance at 1 January 2023	**391,500**	**(103,814)**	**287,686**
Comprehensive income			
Net profit for the year	-	1,875,933	1,875,933
Total comprehensive income for the year	-	1,875,933	1,875,933
Balance at 31 December 2023	**391,500**	**1,772,119**	**2,163,619**
Balance at 1 January 2024	**391,500**	**1,772,119**	**2,163,619**
Comprehensive income			
Net loss for the year	-	(199,302)	(199,302)
Total comprehensive income for the year	-	(199,302)	(199,302)
Balance at 31 December 2024	**391,500**	**1,572,817**	**1,964,317**

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.

CASH FLOW STATEMENT
31 December 2024

	Note	2024 €	2023 €
CASH FLOWS FROM OPERATING ACTIVITIES			
(Loss)/profit before tax		**(191,351)**	1,896,043
Adjustments for:			
Unrealised exchange loss		**8,725**	84,767
Dividend income		**(4,823)**	(2,000,000)
Interest income	13	**(2,799)**	(330)
Interest expense	13	**55,437**	69,072
		(134,811)	49,552
Changes in working capital:			
Increase in trade and other receivables		**(14,938)**	(248,439)
Increase in receivables from related companies		**(8,463)**	-
Increase/(Decrease) in trade and other payables		**44,508**	(24,773)
Decrease in payables to related companies		**(1,689)**	-
Cash used in operations		**(115,393)**	(223,660)
Tax paid		**(29,014)**	(2,344)
Net cash used in operating activities		**(144,407)**	(226,004)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payment for purchase of investments in subsidiaries	15	**(3,500,000)**	(745,486)
Loans granted	17	**(250,000)**	(62,330)
Loans repayments received	17	**315,129**	-
Payment for purchase of financial assets	19	**(50,000)**	-
Interest received	17	**-**	330
Dividends received		**4,823**	2,000,000
Net cash (used in)/generated from investing activities		**(3,480,048)**	1,192,514
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings	22	**(1,348,371)**	(516,216)
Proceeds from borrowings	22	**4,650,000**	100,000
Interest paid	22	**(23,414)**	(56,880)
Net cash generated from/(used in) financing activities		**3,278,215**	(473,096)
Net (decrease)/increase in cash and cash equivalents		**(346,240)**	493,414
Cash and cash equivalents at beginning of the year		**499,998**	6,584
Cash and cash equivalents at end of the year	**20**	**153,758**	499,998

The notes on pages 13 to 33 form an integral part of these separate financial statements.

1. Incorporation and principal activities

Country of incorporation

The Company EFA Holdings Plc (the "Company") was incorporated in Cyprus on 13th January 2022 as a private limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at Agiou Antwniou 5, MUSKITA BUILDING 2, 1st Floor, Office 102, Strovolos 2002, Nicosia, Cyprus.

The primary purpose of the Company's establishment was to acquire 100% of the issued share capital of the company EFA Ventures S.A., which is registered in Greece. The acquisition agreement was signed on January 28, 2022. To acquire the share capital of EFA Ventures S.A., the Company issued 130,500 registered shares at €3.00 each on January 28, 2022, as consideration for the acquisition of 130,500 shares in EFA Ventures S.A.

The Company holds the following investments:
•EFA Ventures S.A., Greece (100%)
•Aerospace Ventures AG, Switzerland (100%)
•Aviation Technologies Services and Solutions S.A., Greece (100%)
•European Sensor Systems S.A., Greece (85.64%)
•Aether Aeronautics S.A., Greece (65%)
•Ucandrone S.A., Greece (45%)

EFA Holdings Plc, together with the above-mentioned companies, forms the "EFA Group" (hereinafter referred to as "the Group").

Principal activities

The principal activities of the Company, which are unchanged from last year, are the holding of investments and the provision of administration services to related parties.

2. Basis of preparation

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

The separate financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The separate financial statements have been prepared under the historical cost convention as modified by the revaluation of, and financial assets and financial liabilities at fair value through profit or loss.

The Company has also prepared consolidated financial statements in accordance with IFRSs for the Company and its subsidiaries (the "Group"). The consolidated financial statements can be obtained from Agiou Antwniou 5, MUSKITA BUILDING 2, 1st Floor, Office 102, Strovolos 2002, Nicosia, Cyprus.

Users of these parent's separate financial statements should read them together with the Group's consolidated financial statements as at and for the year ended 31 December 2024 in order to obtain a proper understanding of the financial position, the financial performance and the cash flows of the Company and the Group.

The preparation of financial statements in conformity with 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.

3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRSs) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Company.

4. Material accounting policy information

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

Management seeks not to reduce the understandability of these separate financial statements by obscuring material information with immaterial information. Hence, only material accounting policy information is disclosed, where relevant, in the related disclosure notes.

Going concern basis

The financial statements of the Company have been prepared on a going concern basis.

Subsidiary companies

Subsidiaries are entities controlled by the Company. Control exists where the Company is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

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

Associates

Associates are all entities over which the Company has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associated undertakings are stated at cost less provision for impairment in value, which is recognised as an expense in the period in which the diminution is identified.

Revenue

Recognition and measurement

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

- **Rendering of services**

  Revenue from rendering of services is recognised over time while the Company satisfies its performance obligation by transferring control over the promised service to the customer in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously. This is determined based on the actual labour hours spent relative to the total expected labour hours.

- **Dividend income**

  Dividend income from investments is recognised when the shareholders' rights to receive payment have been established.

4. Material accounting policy information (continued)

Finance income

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

Finance costs

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

Foreign currency translation

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

(2) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss. Translation differences on non-monetary items such as equities held at fair value through profit or loss are reported as part of the fair value gain or loss.

Tax

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

Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:
- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

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

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

4. Material accounting policy information (continued)

Financial assets - Recognition and derecognition

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

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

Financial assets - Measurement

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

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

<u>Equity instruments</u>

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

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

Financial assets - impairment - credit loss allowance for ECL

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

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

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

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

4. Material accounting policy information (continued)

Financial assets - impairment - credit loss allowance for ECL (continued)

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

Financial assets in Stage 1 have their ECL measured at an amount equal to the portion of lifetime ECL that results from default events possible within the next 12 months or until contractual maturity, if shorter ("12 Months ECL"). If the Company identifies a significant increase in credit risk ("SICR") since initial recognition, the asset is transferred to Stage 2 and its ECL is measured based on ECL on a lifetime basis, that is, up until contractual maturity but considering expected prepayments, if any ("Lifetime ECL"). Refer to note 6, Credit risk section, for a description of how the Company determines when a SICR has occurred. If the Company determines that a financial asset is credit-impaired, the asset is transferred to Stage 3 and its ECL is measured as a Lifetime ECL. The Company's definition of credit impaired assets and definition of default is explained in note 6, Credit risk section.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

Financial assets - Reclassification

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

Financial assets - write-off

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

Classification as trade receivables

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

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

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

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

Share capital

Ordinary shares are classified as equity.

5. New accounting pronouncements

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

6. Financial risk management

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

6.1 Market price risk
Market price risk is the risk that the value of financial instruments will fluctuate as a result of changes in market prices. The Company's financial assets at fair value through profit or loss are susceptible to market price risk arising from uncertainties about future prices of the investments. The Company's market price risk is managed through diversification of the investment portfolio.

Sensitivity analysis

The Company's profit or loss is not anticipated to have any significant impact from reasonably expected changes in the market prices of its financial assets.

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

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

	2024	2023
	€	€
Fixed rate instruments		
Financial assets	**-**	62,330
Financial liabilities	**1,352,441**	1,344,502
Variable rate instruments		
Financial liabilities	**3,334,438**	-
	4,686,879	1,406,832

6.3 Credit risk
Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Credit risk arises from cash and cash equivalents as well as credit exposures to customers, including outstanding receivables and contract assets.

(i) Risk management

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

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

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

6. Financial risk management (continued)

6.3 Credit risk (continued)

(i) Risk management (continued)

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

(ii) Impairment of financial assets

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

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

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

Significant increase in credit risk

The Company considers the probability of default upon initial recognition of the asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the financial asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are incorporated:
- internal credit rating
- external credit rating (as far as available)
- actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's/counterparty's ability to meet its obligations
- actual or expected significant changes in the operating results of the borrower/counterparty
- significant increases in credit risk on other financial instruments of the same borrower/counterparty
- significant changes in the value of the collateral supporting the obligation or in the quality of third-party guarantees or credit enhancements
- significant changes in the expected performance and behaviour of the borrower/counterparty, including changes in the payment status of counterparty in the Company and changes in the operating results of the borrower/counterparty.

Macroeconomic information (such as market interest rates or growth rates) 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. The Company has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. No significant changes to estimation techniques or assumptions were made during the reporting period.

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

6. Financial risk management (continued)

6.3 Credit risk (continued)

(ii) Impairment of financial assets (continued)

Low credit risk

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

Default

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

Write-off

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

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

Receivables from related parties

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

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

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

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

Cash and cash equivalents

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

Bank deposits held with banks with investment grade rating are considered as low credit risk.

The ECL on current accounts is considered to be approximate to 0, unless the bank is subject to capital controls. The ECL on deposits accounts is calculated by considering published PDs for the rating as per Moody's and an LGD of 40-60% as published by ECB.

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

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

6. Financial risk management (continued)

6.3 Credit risk (continued)

(iii) Financial assets at fair value through profit or loss

6.4 Liquidity risk
Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

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

31 December 2024	Carrying amounts	Contractual cash flows	Within 12 months	1-2 years	2-5 years	More than 5 years
	€	€	€	€	€	€
Trade and other payables	28,501	28,501	28,501	-	-	-
Payables to related parties	235,000	235,000	235,000	-	-	-
Loans from own subsidiaries	3,334,438	3,334,438	-	-	3,334,438	-
Loans from other related parties	1,352,441	1,352,441	-	1,352,441	-	-
	4,950,380	**4,950,380**	**263,501**	**1,352,441**	**3,334,438**	**-**

31 December 2023	Carrying amounts	Contractual cash flows	Within 12 months	1-2 years	2-5 years	More than 5 years
	€	€	€	€	€	€
Trade and other payables	21,465	21,465	21,465	-	-	-
Payables to related parties	1,689	1,689	1,689	-	-	-
Loans from other related parties	1,344,502	1,344,502	-	-	1,344,502	-
	1,367,656	**1,367,656**	**23,154**	**-**	**1,344,502**	**-**

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

6.6 Concentration risk
The Company is subject to concentration risk as a substantial portion of its revenue is derived from a limited number of customers. During the reporting period, 100% of total revenue was generated from two customers.

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

7. Critical accounting estimates, judgments and assumptions

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

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

Critical accounting estimates and assumptions

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

- **Income taxes**

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

Critical judgements in applying the Company's accounting policies

- **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.

- **Impairment of investments in subsidiaries/associates**

  The Company periodically evaluates the recoverability of investments in subsidiaries/associates whenever indicators of impairment are present. Indicators of impairment include such items as declines in revenues, earnings or cash flows or material adverse changes in the economic or political stability of a particular country, which may indicate that the carrying amount of an asset is not recoverable. If facts and circumstances indicate that investment in subsidiaries/associates may be impaired, the estimated future discounted cash flows associated with these subsidiaries/associates would be compared to their carrying amounts to determine if a write-down to fair value is necessary.

- **Impairment of financial assets**

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

8. Fair value measurement

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

8. Fair value measurement (continued)

31 December 2024	Level 1	Level 2	Level 3	Total
	€	€	€	€
Assets measured at fair value				
Financial assets at FVTPL	-	-	50,000	50,000
Total	**-**	**-**	**50,000**	**50,000**

Transfers between levels

There have been no transfers between different levels during the year.

Valuation techniques

Listed investments

The fair values of investments traded on active liquid markets are determined with reference to quoted market prices. These investments are included within Level 1 of the hierarchy.

Non-listed investments

The fair values of non-listed securities are determined in accordance with generally accepted pricing models based on discounted cash flow analysis using prices from observable current market transactions and dealer quotes for similar instruments. The Company classifies the fair value of these investments as Level 3.

9. Revenue

	2024	2023
	€	€
Rendering of management and administration services	**197,287**	272,977
	197,287	272,977

10. Administration expenses

	2024	2023
	€	€
Staff costs	**52,387**	41,584
Annual levy	**-**	350
Insurance	**80,372**	32,716
Subscriptions and contributions	**3,473**	2,948
Auditors' remuneration - current year	**34,000**	24,000
Auditors' remuneration for other assurance services	**9,600**	4,800
Auditors' remuneration - prior years	**10,000**	8,810
Accounting fees	**3,800**	1,500
Directors' fees	**8,500**	8,500
Other professional fees	**84,564**	14,979
Fines	**204**	437
Irrecoverable VAT	**12,160**	9,779
Stock Exchange listing and compliance costs	**16,000**	16,000
Consulting fees	**10,000**	50,000
Lisence for use of office space	**5,160**	5,160
	330,220	221,563

11. Operating (loss)/profit

	2024	2023
	€	€
Operating (loss)/profit is stated after charging the following items:		
Directors' fees	8,500	8,500
Staff costs (Note 12)	52,387	41,584
Auditors' remuneration - current year	34,000	24,000
Auditors' remuneration for other assurance services	9,600	4,800
Auditors' remuneration - prior years	10,000	8,810

12. Staff costs

	2024	2023
	€	€
Salaries	45,396	36,191
Social security costs	6,083	4,669
Social cohesion fund	908	724
	52,387	41,584
Average number of employees	5	3

13. Finance income/(costs)

	2024	2023
	€	€
Finance income		
Group interest (Note 17, 26.4)	2,799	330
	2,799	330
Finance costs		
Interest expense		
Group interest (Notes 22, 26.4)	(55,437)	(69,072)
Sundry finance expenses		
Bank charges	(1,878)	(1,862)
Net foreign exchange losses		
Unrealised foreign exchange loss	(8,725)	(84,767)
	(66,040)	(155,701)
Net finance costs	(63,241)	(155,371)

14. Tax

	2024	2023
	€	€
Corporation tax	7,951	20,110
Charge for the year	7,951	20,110

14. Tax (continued)

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

	2024	2023
	€	€
(Loss)/profit before tax	**(191,351)**	1,896,043
Tax calculated at the applicable tax rates	**(23,919)**	237,005
Tax effect of expenses not deductible for tax purposes	**32,473**	31,703
Tax effect of allowances and income not subject to tax	**(603)**	(250,000)
10% additional charge	**-**	1,402
Tax charge	**7,951**	20,110

The corporation tax rate is 12,5%.

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

15. Investments in subsidiaries

	2024	2023
	€	€
Balance at 1 January	**2,528,833**	1,783,347
Additions	**3,500,000**	745,486
Balance at 31 December	**6,028,833**	2,528,833

The details of the subsidiaries are as follows:

Name	Country of incorporation	Principal activities	2024 Holding %	2023 Holding %	**2024 €**	2023 €
EFA Ventures S.A.	Greece	Provision of consulting services in the field of aviation	100	100	**391,500**	391,500
Aerospace Ventures AG	Switzerland	Provision of consulting services in the field of aviation	100	100	**1,391,847**	1,391,847
Aether Aeronautics S.A.	Greece	Development, manufacturing, and trade of unmanned systems, subsystems, and services.	65	65	**720,486**	720,486
Aviation Technologies Services and Solutions Mov. A.E	Greece	Trading in aircraft, helicopters, and flying vehicles.	100	100	**25,000**	25,000
European Sensor Systems S.A.	Greece	development, manufacturing and trade of MEMS Sensors, IoT solutions Electronics design & assembly	85.64	0	**3,500,000**	-
					6,028,833	2,528,833

On 31 March 2023, the Company established Aviation Technologies Services and Solutions Single Member S.A. and acquired 100% of its share capital.

On 30 June 2023, the Company acquired 89,880 shares in the share capital of Aether Aeronautics S.A. for €120,000 which corresponds to 42% of its share capital.

On 17 July 2023, Aether Aeronautics S.A. increased its share capital and the Company acquired a further 140,629 shares for €600,486, increasing its shareholding to 65%.

On 18 April 2024, the Company acquired 63.02% of the share capital of European Sensor Systems S.A. for the amount of €1,000,000. On 8 August 2024, the Company acquired a further 22.62% of the share capital of European Sensor Systems S.A. for the amount of €2,500,000.

16. Investments in associates

	2024	2023
	€	€
Balance at 1 January	**235,000**	235,000
Additions	**235,000**	-
Balance at 31 December	**470,000**	235,000

The details of the investments are as follows:

Name	Country of incorporation	Principal activities	2024 Holding %	2023 Holding %	2024 €	2023 €
Ucandrone S.A.	Greece	Research, development, and study of unmanned systems or aircraft.	45	22.50	**470,000**	235,000
					470,000	235,000

The Company has determined that it exercises significant influence over Ucandrone S.A., as it holds 45% of its shares and 25% of the seats on its Board of Directors.

On 17 April 2024, the Company acquired a further 22.5% of the share capital of Ucandrone S.A. for €235,000, increasing its shareholding to 45%.

17. Loans receivable

	2024	2023
	€	€
Balance at 1 January	**62,330**	-
New loans granted	**250,000**	62,000
Repayments	**(315,129)**	-
Interest charged	**2,799**	330
Balance at 31 December	**-**	62,330

	2024	2023
	€	€
Loans to related parties (Note 26.6)	**-**	62,330
	-	62,330
Less current portion	**-**	(62,330)
Non-current portion	**-**	-

The loans are repayable as follows:

	2024	2023
	€	€
Within one year	**-**	62,330

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

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

18. Trade and other receivables

	2024	2023
	€	€
Trade receivables	-	191,316
Receivables from own subsidiaries (Note 26.5)	3,640	-
Receivables from associates (Note 26.5)	4,823	-
Shareholders' current accounts - debit balances (Note 26.9)	3,888	3,888
Deposits and prepayments	47,750	45,802
Accrued income	197,286	-
Other receivables	4,500	-
Refundable VAT	9,953	7,433
	271,840	248,439

Other receivables relate to qualifying costs attributable to the issue of share capital.

Accrued income relates to revenue from services rendered during the current year, but not invoiced by the reporting date. This revenue comprises services rendered to related parties.

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

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

19. Financial assets at fair value through profit or loss

	2024	2023
	€	€
Additions	50,000	-
Balance at 31 December	50,000	-

The financial asset at fair value through profit or loss represents a participation in a Fund named CORALLIA VENTURES TT A.K.E.S. (the Fund). Upon the establishment of the Fund, the Company subscribed for 12 units representing a unit holding of 1,33%, and made a capital commitment to pay total consideration of €300.000 to the Fund as a consideration for the 12 units. As at 31 December 2024, the Company paid the sum of €50.000, and the payment of the remaining consideration depends on the Drawdown Notices to be issued by the Fund (Note 28).

20. Cash at bank

Cash balances are analysed as follows:

	2024	2023
	€	€
Cash at bank	153,758	499,998
	153,758	499,998

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

21. Share capital

	2024 Number of shares	2024 €	2023 Number of shares	2023 €
Authorised				
Ordinary shares of €3 each	130,500	391,500	130,500	391,500
Issued and fully paid				
Balance at 1 January	130,500	391,500	130,500	391,500
Balance at 31 December	**130,500**	**391,500**	130,500	391,500

22. Borrowings

	2024 €	2023 €
Balance at 1 January	**1,344,502**	1,663,759
Additions	**4,650,000**	100,000
Repayments	**(1,371,785)**	(573,096)
Interest (Note 13)	**55,437**	69,072
Foreign exchange differences	**8,725**	84,767
Balance at 31 December	**4,686,879**	1,344,502

	2024 €	2023 €
Non-current borrowings		
Loans from own subsidiaries (Note 26.8)	**3,334,438**	-
Loans from other related parties (Note 26.8)	**1,352,441**	1,344,502
	4,686,879	1,344,502

Maturity of non-current borrowings:

	2024 €	2023 €
Between two and five years	**4,686,879**	1,344,502

23. Trade and other payables

	2024 €	2023 €
Social insurance and other taxes	**2,032**	1,559
Accruals	**71,999**	24,000
Other creditors	**28,501**	21,465
Payables to other related parties (Note 26.7)	**235,000**	1,689
	337,532	48,713

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

24. (Refundable) taxes/current tax liabilities

	2024	2023
	€	€
Corporation tax	**(14,297)**	17,766
	(14,297)	17,766

25. Operating Environment of the Company

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

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

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, 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 prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

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

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

26. Related party transactions

The Company is controlled by Mr. Christianos Hadjiminas, who owns 87% of the Company's shares.

The following transactions were carried out with related parties:

26.1 Directors' remuneration

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

	2024	2023
	€	€
Directors and key management personnel salaries	**57,426**	50,084

26. Related party transactions (continued)

26.2 Rendering of services (Note 9)

	Nature of transactions	2024 €	2023 €
EFA Ventures S.A.	Management and administration	**109,791**	133,475
Aerospace Ventures AG	Management and administration	**87,496**	139,502
		197,287	272,977

26.3 Dividend income

	2024 €	2023 €
EFA Ventures S.A.	**-**	2,000,000
Ucandrone S.A.	**4,823**	-
	4,823	2,000,000

26.4 Interest income/(expense)

	2024 €	2023 €
Aether Aeronautics S.A.	**1,002**	330
European Sensor Systems S.A.	**1,927**	-
European Finance Aerospace Group AG	**(18,680)**	(57,866)
Theon International Plc	**-**	(2,108)
Asseblia Limited	**-**	(9,098)
Aerospace Ventures AG	**(34,316)**	-
Venetus Ltd	**(2,441)**	-
	(52,508)	(68,742)

26.5 Receivables from related parties (Note 18)

Name	Nature of transactions	2024 €	2023 €
EFA Ventures S.A.	Finance	**3,640**	98,606
Aerospace Ventures AG	Trade	**-**	92,710
Ucandrone S.A.	Dividends	**4,823**	-
		8,463	191,316

26.6 Loans to related parties (Note 17)

Όνομα	2024 €	2023 €
Aether Aeronautics S.A.	**-**	62,330
	-	62,330

The loans to Aether Aeronautics S.A. carried interest of 3% per annum and were fully settled during the year. Additional loans were also provided to Aether Aeronautics S.A. on 30/07/2024 and 29/09/2024 with 3.5% interest which were settled during the year.

The loans provided to European Sensory Systems S.A. carried interest of 3.5% and were granted and settled during the year.

26. Related party transactions (continued)

26.7 Payables to related parties (Note 23)

Name	Nature of transactions	2024 €	2023 €
Theon International Plc	Finance	-	1,689
Asseblia Limited	Purchase of investment	235,000	-
		235,000	1,689

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

26.8 Loans from related parties (Note 22)

Όνομα	Terms	2024 €	2023 €
European Finance Aerospace Group AG	Finance	-	1,344,502
Aerospace Ventures AG	Finance	3,334,438	-
Venetus Ltd	Finance	1,352,441	-
		4,686,879	1,344,502

The loans from Aerospace Ventures AG were granted during the year, carry interest equal to the Swiss Federal Tax Administration rate (2024: 2.50%) and are repayable on 31 December 2028.

The loan from Venetus Ltd was granted on 6 December 2024, carries interest 3% per annum and is repayable on 31 December 2026.

The loan from European Finance Aerospace Group AG carried interest of 1.5% per annum and was fully repaid in December 2024.

26.9 Shareholders' current accounts - debit balances (Note 18)

Όνομα	2024 €	2023 €
Nicolaos Papatsas	3,888	3,888

The directors'/shareholders' current accounts are interest free and have no specified repayment date.

27. Contingent liabilities

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

28. Commitments

Capital commitments

Capital expenditure contracted for at the reporting date but not yet incurred is as follows:

	2024 €	2023 €
Financial assets classified at fair value through profit or loss	250,000	-

The capital commitment relates to the participation in a Fund named CORALLIA VENTURES TT A.K.E.S. (the Fund). Upon the establishment of the Fund, the Company subscribed for 12 units representing a unit holding of 1,33%, and made a capital commitment to pay total consideration of €300.000 to the Fund as a consideration for the 12 units. As at 31 December 2024, the Company paid the sum of €50.000, and the payment of the remaining consideration, amounting to €250.000, depends on the Drawdown Notices to be issued by the Fund.

29. Events after the reporting period

On 27 January 2025, the Company acquired a further 13.75% of the share capital of Ucandrone S.A. for a total consideration of €1.500.000, increasing its shareholding to 58.75% and obtaining control of the company.

On 7 April 2025, the Company invested in Wayren OU, a startup company incorporated in Estonia, acquiring 12.39% of its share capital for a total consideration of 1.5 million Euros. Wayren OU is a tech company that develops secure, scalable communication platforms for defense, crisis response, and remote operations.

Except from the matters mentioned above, there were no other material events after the reporting period, which have a bearing on the understanding of the separate financial statements.

Independent auditor's report on pages 5 to 8