LOGICOM PUBLIC LIMITED

REPORT AND CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Year ended 31 December 2024

LOGICOM PUBLIC LIMITED

REPORT AND CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

Year ended 31 December 2024

CONTENTS

We hereby certify that the report and financial statements of Logicom Public Limited for the year ended 31 December 2024 is a true copy of the report and financial statements laid and deposited at the General Meeting of the Company.

A Papachristoforou
....
Director
Anthoulis Papachristoforou
For Logicom Public Limited

LOGICOM PUBLIC LTD

....
Secretary
Logicom Secretarial Services Limited

LOGICOM SECRETARIAL SERVICES LIMITED

BOARD OF DIRECTORS AND PROFESSIONAL ADVISORS

Christoforos Hadjikyprianou, Chairman (elected on 9 October 2024)
Takis Clerides, Chairman (resigned on 13 June 2024)
Varnavas Irinarchos, Vice Chairman and Managing Director
Anthoulis Papachristoforou, Deputy Managing Director
George Papaioannou, Director
Andreas Constantinides, Director
Neoclis Nikolaou, Director
Charbel El-Fakhoury, Director (appointed on 16 January 2025)
Marianna Pantelidou Neophytou, Director (appointed on 16 January 2025)
Linos Chrysostomou, Director (resigned on 8 February 2025)

GROUP CHIEF FINANCIAL OFFICER
Anthoulis Papachristoforou

SECRETARY
Logicom Secretarial Services Limited
26 Stasinou Street, Ayia Paraskevi
2003 Strovolos, Nicosia

REGISTERED OFFICE
26 Stasinou Street, Ayia Paraskevi
2003 Strovolos, Nicosia

MANAGEMENT OFFICE
26 Stasinou Street, Ayia Paraskevi
2003 Strovolos, Nicosia

INDEPENDENT AUDITORS
KPMG Limited
14 Esperidon street
1087 Nicosia

LEGAL ADVISORS
Scordis, Papapetrou & Co LLC
Zenonos Sozou 3, 1st floor
3105 Limassol

BANKERS
Hellenic Bank Public Company Limited
Bank of Cyprus Public Company Limited
Eurobank EFG
Alpha Bank Cyprus Ltd
AstroBank Limited
Societe Generale Bank - Cyprus Limited
The Cyprus Development Bank Public Company Limited
FIMBank PLC
Ancoria Bank Limited
National Bank of Greece (Cyprus) Ltd

BANKERS
National Bank of Greece S.A.
Alpha Bank S.A.
Piraeus Bank A.E.
Eurobank Ergasias S.A.
Standard Chartered Bank (UAE)
National Bank of Fujairah PSC
Mashreqbank PSC
National Bank of Kuwait SAK
Emirates NBD Bank PJSC
Standard Chartered Bank (Bahrain)
The Commercial Bank of Qatar (Q.S.C.)
Standard Chartered Bank (Qatar)
Bank of Beirut (Oman)
Vista Bank (Romania) SA
Banca Transilvania SA
Alpha Bank Romania SA
Albaraka Turk Katilim Bankasi A.S.
Turkiye Garanti Bankasi A.S.
QNB Finansbank A.S.
Arab Bank PLC Jordan
Credito Valtellinese spa
Credit Agricole
UniCredit Bank AG
Saudi British Bank
Emirates NBD (KSA)
Abu Dhabi Commercial Bank
First Abu Dhabi Bank
Bank Audi S.A.L.
Societe Generale de Banque au Liban
Banque Marocaine Pour Le Commerce et L' Industrie
Emirates NBD (Egypt)
CFG Bank

LOGICOM PUBLIC LIMITED

STATEMENT OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE OFFICIALS OF THE COMPANY RESPONSIBLE FOR THE FINANCIAL STATEMENTS

According to the articles of the Conditions for Transparency (Movable Securities for Trading in Controlled Market) Law of 2007 as amended (‘‘Law"), we the members of the Board of Directors and Anthoulis Papachristoforou, BA (Hons) FCCA, Group Chief Financial Officer responsible for the preparation of the financial statements, of the Group and the Company Logicom Public Limited, for the year ended 31 December 2024, we confirm that to the best of our knowledge:

(a) The annual financial statements that are presented in pages 41 to 159.

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

(ii) give a true and fair view of the assets and liabilities, of the financial position and of the profit or losses of Logicom Public Limited and the businesses that are included in the Consolidated Financial Statements as a whole, and,

(b) The consolidated and separate management report gives a fair review of the developments and the performance of the business as well as the position of Logicom Public Limited and the businesses that are included in the Consolidated Financial Statements as a whole, together with a description of the main risks and uncertainties which are faced.

Members of the Board of Directors:

Christoforos Hadjikyprianou, Chairman

Varnavas Irinarchos, Vice Chairman and Managing Director

Anthoulis Papachristoforou, Deputy Managing Directror

George Papaioannou

Andreas Constantinides

Neoclis Nicolaou

Charbel El-Fakhoury

Marianna Pantelidou Neophytou

Responsible for the preparation of financial statements

Anthoulis Papachristoforou (Group Chief Financial Officer)

Nicosia, 24 April 2025

LOGICOM PUBLIC LIMITED

CONSOLIDATED AND SEPARATE MANAGEMENT REPORT

The Board of Directors of Logicom Public Limited (the "Company") presents to the members its consolidated and separate report together with the audited consolidated financial statements of the Company and its subsidiaries (the "Group") and the separate financial statements of the Company for the year ended 31 December 2024.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION

The activities of the Group and the Company are affected by the developments in the global economy and mainly in Europe and the Middle East where the main pillars of the Group's operations are active. The inflationary trends with the consequent increase in borrowing rates in recent years, which led to a significant increase in borrowing costs, are hindering the financial performance of the Group's companies, despite the recent interest rates reductions. The Management is constantly monitoring the developments and has analysed their impact on the results to the extent that could be determined, and as presented below.

The Group has assessed that in specific transactions involving software licenses, and which are not sold in combination with other equipment, it acts as an agent and not as the principal of the transaction in accordance with the provisions of IFRS 15. Normally, the Group acts as the principal in the contracts with customers. In cases where the transaction concerns software licenses only, the main performance obligation rests with the supplier and not the Group, therefore, only the gross profit is recognised as a sale.

	2024	2023
The Group	€	€
Gross sales	1.294.772.022	1.308.801.403
Sales	1.090.984.988	1.214.634.638
The Company		
Gross sales	108.796.933	103.872.589
Sales	89.286.740	97.975.711

The gross sales represent the total turnover before the adjustment in relation to the classification of IFRS 15. The gross sales of the Group decreased by 1,1% compared to 2023. The gross sales of the Distribution Sector decreased by 1,5% mainly due to the decreased sales in the markets of Saudi Arabia and Italy, compared to 2023. The gross sales of the Software and Integrated Solutions Sector increased by 4,5%, compared to 2023, mainly due to the undertaking of projects in the Cypriot and Greek market.

The Company's gross sales increased by 4,7% in relation to 2023, mainly due to the increase of sales to third parties.

Sales represent income from contracts with customers in which the Group acts as a principal, plus the gross profit arising from transactions where the Group acts as an agent. The Group's sales decreased by 10,2% in relation to 2023.

The Company's sales decreased by 8,9% in relation to 2023.

The percentage of the gross profit margin calculated on the gross sales of the Group, increased from 7,1% in 2023 to 7,5% in 2024, mainly due to sales with a higher than average gross margin, as well as, the increase in sales in the Services Sector where the gross profit margin is generally higher. (2024: Gross profit: €97.113.148 to Gross Sales: €1.294.772.022 and 2023: Gross profit: €93.301.391 to Gross Sales: €1.308.801.403).

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

The percentage of the gross profit margin calculated on the gross sales of the Company increased from 6,2% in 2023 to 8,6% in 2024, due to sales with a higher than average gross margin. (2024: Gross profit €9.308.201 to Gross Sales: €108.796.933 and 2023: Gross Profit €6.466.698 to Gross Sales: €103.872.589).

The percentage of the gross profit margin calculated on the sales of the Group, increased from 7,7% in 2023 to 8,9% in 2024. (2024: Gross profit: €97.113.148 to Sales: €1.090.984.988 and 2023: Gross Profit: €93.301.391 to Sales: €1.214.634.638, as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income).

The percentage of the gross margin calculated on the sales of the Company, increased significantly from 6,6% in 2023 to 10,4% in 2024. (2024: Gross profit: €9.308.201 to Sales: €89.286.740 and 2023: Gross Profit: €6.466.698 to Sales: €97.975.711, as reported in the Consolidated Statement of Profit or Loss and Other Comprehensive Income).

Group's Other Income decreased from €2.389.018 in 2023 to €2.195.187 in 2024 and in percentage terms by 8,1%. The decrease in Other Income compared to the corresponding period last year, is due to the decrease in the contributions from suppliers to promote their products. Other income also includes income from other collaborations.

Company's Other Income increased significantly from €13.895.095 in 2023 to €20.335.807 in 2024 and in percentage terms by 46,4% mainly due to the increase in dividends receivable from subsidiary companies and the administrative services charged to subsidiaries. Other Income also includes income from business relationships with third parties.

The Expected Credit Losses of the Group increased significantly and amounted to €2.291.083 from €817.682 compared to 2023. The significant increase is mainly due to the additional impairment recognised by the subsidiary Verendrya Ventures Limited on the loan receivable from the joint venture M.N. Larnaca Desalination Co. Ltd, amounting to €1.696.245 due to the revision of the company's discounted cash flows following the decision taken through the Arbitration process for the final settlement of the claims on both sides. Expected Credit Losses were recognised in the results according to the provisions of IFRS 9.

The Expected Credit Losses of the Company increased significantly and amounted to €6.675.130 from a credit balance of €517.296 in 2023. The significant increase is mainly due to the provision recognised for expected credit losses on the long-term loans receivable from the subsidiary company Verendrya Ventures Limited, as a result of the revision of the discounted cash flows of the joint venture M.N. Larnaca Desalination Co. Ltd following the decision taken through the Arbitration process for the final settlement of the respective claims, which were recognised in the results according to the provisions of IFRS 9.

The Group's Other Expenses for 2023 relate to a claim paid under a performance guarantee amounting to €2.860.000 from a customer of the subsidiary company Newcytech Business Solutions Limited (the 'company'). The company participated in the tender process for the Electricity Authority of Cyprus ('EAC') project concerning smart meters (Advanced Metering Infrastructure Rollout). The project was assigned to the Company on 16/06/2023, which submitted the relevant documents, as well as, a performance bank guarantee for the amount of €2.860.000. Following a dispute regarding the type of meters, EAC proceeded with the termination of the contract and claimed the payment under the performance guarantee. The company filed a lawsuit against EAC for revocation of the termination of the contract, refund of the amount of the guarantee and claim for damages caused to the company.

The Company's Other Expenses relate to an impairment of the value of the investment in the subsidiary Logicom Information Technology Distribution S.r.l. in Romania, amounting to €1.400.000, in 2024.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

The increase in Group's Administration Expenses by €4.945.304, and in percentage terms 9,0% compared to 2023, is mainly due to the increase of personnel and infrastructure expenses, as a result of the Group's expansion plan to new markets, the expansion of the range of available products and the increase in the cost of trade credit insurance that the Group provides to its customers. In addition, in 2024, Administration Expenses include an additional 'minimum tax on sales' of the subsidiary Logicom Information Technology Distribition S.r.l. in Romania, imposed by the country's tax authorities, based on the legislation in force from 1/1/2024. The term 'Administration Expenses' encompasses all the operating expenses of the Group, including Administrative, Distribution and Operational expenses.

The significant increase in the Company's Administration Expenses by €2.977.159, and in percentage terms 30,9%, compared to 2023, is mainly due to the administrative service charges from the subsidiary Logicom FZE, part of which has been re-charged to the subsidiary companies.

The Group's profit from operating activities amounted to €36.985.633, from €36.926.412, marginally increased by 0,2% compared to 2023, mainly due to the increase in Gross Profit, despite the significant increase in Expected Credit Losses, the increase in Administration Expenses, and the decrease in Other income.

The Company's profit from operating activities amounted to €8.958.960, from €11.246.330, significantly decreased by 20,3% compared to 2023, mainly due to the significant increase in Administrative Expenses, Expected Credit Losses and Other Expenses, despite the significant increase in Gross Profit and Other Income.

The Group's financing cost, including Interest Receivable and Payable, and related Bank Charges, as well as, other financing costs resulting from the banking facilities used for the execution of the Group's operations decreased to €13.270.664 compared to €14.285.187 in 2023 and in percentage terms by 7,10%, due to the decrease in the net borrowings used to finance turnover, as well as, due to the gradual decrease of the borrowing rates in US Dollars and Euro, during the second half of the year, compared to 2023.

The Company's financing cost, including Interest Receivable and Payable, and related Bank Charges, as well as, other financing costs resulting from the banking facilities used for the execution of the Company's operations increased to €6.505.812 compared to €5.054.432 in 2023 and in percentage terms by 28,7%, due to interest payable to subsidiary companies and the increase in net borrowings used to finance the increased gross sales compared to 2023.

The Foreign Exchange Difference, mainly resulting from the exchange rate fluctuation between the US Dollar and the Euro, had a negative impact on the Group's results amounting to a loss of €1.676.959, compared to a profit of €662.172 in 2023. It is clarified that the provisions of IFRS 9 in relation to Hedge Accounting have been adopted, with the aim of reducing the effects of the exchange rate fluctuation between the US Dollar and the Euro in the Consolidated Statement of Profit or Loss and Other Comprehensive Income. Hedge Accounting limited the effect of exchange rate differences on Group results. Loss amounting to €3.244.527 which arose on the conversion of short-term and long-term loans was offset in the reserves with a loss of €3.244.527 that arose on the conversion of the net investments in foreign subsidiary companies.

According to the directives of the International Accounting Standard 21, the increase in the value of the Company's long term investments in foreign subsidiaries, due to exchange differences, amounting to €621.682, is transferred to the Reserves until the date of liquidation where any result will be transferred to the Statement of Profit or Loss and Other Comprehensive Income.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

References to the Group's net share of profit from associated companies after tax relate to the share of profit of €39.630.664, compared to €26.259.355 in 2023, resulting from the Group's investment in the associated company Demetra Holdings Plc ('Demetra').The financial results of Demetra, until 30 June 2024, include 21,33% of the results of Hellenic Bank Public Company Ltd ('Hellenic), which was recognised using the equity method due to the significant influence exercised by the company and as evaluated based on the provisions of International Financial Reporting Standards. With effect from 1 July 2024, the investment was reclassified as a financial asset at fair value through profit or loss. The reclassification resulted from the examination of the accounting treatment of the investment in Hellenic Bank based on the provisions of the International Financial Reporting Standards, taking into consideration the developments with the participation of Eurobank S.A. in Hellenic Bank, as well as, the participation of Demetra in the Board of Directors of Hellenic Bank.
On 1 November 2023, the Group increased its participation percentage in the share capital of Demetra to 29,92% from 29,62%. The increase in participation percentage resulted in a negative goodwill of €630.282 which is included in the Net Share of Profit from an associated company, after tax, for the year 2023.

References to the Net share of loss from joint ventures after tax refer to the net loss of the investments in the Desalination Plants in Larnaca and Episkopi. The significant increase in the loss in 2024, compared to 2023, is mainly due to the impairment of the value of the financial and tangible assets of the Desalination Unit in Larnaca, as well as, the creation of an onerous contract obligation, due to the revision of the discounted cash flows of the company, following the decision made through the Arbitration process for the final settlement of both parties' claims.

Reference to the profit attributable to Minority Interests refer to the 40% of the net profit of Verendrya Ventures Limited, that relates to the participation of Demetra Holdings Plc to its share capital.

The Group's profit before tax amounted to €59.000.864 for the year 2024 compared to €48.126.564 in 2023, which represents an increase of 22,6% in percentage terms. The increase is mainly due to the increase in Gross Profit and the significant increase in Share of Profit from associate company, despite the decrease in Other Income, and the increase in Expected Credit Losses, Administration Expenses, Net Finance Cost, and Share of Loss from Joint Ventures compared to 2023.

The Company's profit before tax amounted to €1.623.119 for the year 2024 compared to €6.416.769 in 2023, which represents a decrease of 74,7% in percentage terms. The decrease is mainly due to the significant increase in Expected Credit Losses, Other Expenses, Administration Expenses and Net Finance Cost, despite the increase in Gross Sales and Other Income.

The Group's taxation amounted to €7.106.595 compared to €4.205.925 in 2023. The significant increase is mainly due to the introduction of corporate tax in the United Arab Emirates, the prior year adjustments, the increase in taxation of the parent company mainly due to the implementation of the legislation on transfer pricing in intra-group transactions, as well as, the new tax framework of the global minimum tax rate which has been introduced into legislation with retrospective effect from 01/01/2024, based on a European Directive. In addition, the Group's deferred tax shows an increase due to the reversal of the provision for Deferred taxation from prior years'taxlosses..

The Company's taxation for the year amounted to €703.571 compared to €84.628 in 2023, mainly due to the implementation of the legislation on transfer pricing in intra-group transactions, as well as, the new tax framework of the global minimum tax rate, which has been introduced into legislation with retrospective effect from 1/1/2024, based on a European directive.

The Group's earnings per share and diluted earnings per share in 2024 increased by 21,1% compared to 2023 to 72,77 cents.

The profit attributable to the Company's shareholders increased by €9.400.044 and in percentage terms by 21,1% from €44.508.875 in 2023 to €53.908.919 in 2024.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

The Group's cash and cash equivalents compared to the bank overdrafts present a debit balance of €50.610.466 at the end of 2024 compared to a debit balance of €8.029.336 at the end of 2023. (2024: Cash and cash equivalents: €77.776.400 debit balance plus bank overdrafts: €27.165.934 credit balance, 2023: Cash and cash equivalents: €34.536.943 debit balance plus bank overdrafts: €26.507.607 credit balance). The short-term loans decreased in 2024 to €122.570.909 from €129.315.166 in 2023. The long-term loans increased in 2024 to €14.812.954 from €11.815.046 in 2023.

The Company's cash and cash equivalents compared to the bank overdrafts present a credit balance of €11.384.413 at the end of 2024 compared to €9.323.846 at the end of 2023. (2024: Cash and cash equivalents: €7.817.603 debit balance plus bank overdrafts: €19.202.016 credit balance, 2023: Cash and cash equivalents: €3.772.200 debit balance plus bank overdrafts: €13.096.046 credit balance). The short-term loans increased in 2024 to €50.626.947 from €44.353.311 in 2023. The long-term loans decreased in 2024 to €5.022.982 from €7.471.815 in 2023.

Verendrya Ventures Limited, of which the Company holds 60% of its share capital, in a joint venture with a 50% share:
- Completed the construction of the Desalination plant in Episkopi based on the agreement with the Water Development Department dated 7 August 2009. As announced, as per the agreement dated 20 July 2011 Demetra Holdings Plc, participates indirectly in the execution and operation of the desalination project in Episkopi as a result of the indirect 40% share in Verendrya Ventures Limited. The construction of the project was completed in June 2012 and the desalination unit remained in stand by mode from 1 July 2012 until 27 April 2014. The desalination unit started production on the 28th of April 2014. During 2023, the company M.N. Limassol Water Co. Ltd, was engaged in arbitration proceedings regarding the outstanding claims, the hearing round of which has been completed. The decision was issued in January 2024 and there are no other claims pending in relation to this contract.

- On 26 January 2012, signed an agreement with the Water Development Department for the renovation and operation of the existing desalination unit in Larnaca. Demetra Holdings Plc participates indirectly in the implementation and operation of the desalination project in Larnaca with 40% share in Verendrya Ventures Limited. The renovation of the unit was completed in June 2015 and started operations on the 4th of July 2015. As of today, claims are pending in regard to the execution of this contract. During 2023, the company M.N. Larnaca Desalination Co. Ltd, entered into an arbitration proceeding regarding the outstanding claims, the hearing cycle of which was completed in January 2024. The decision was issued in June 2024 and awards the company compensation of €3,8 million in relation to the net claims of the company amounting to €13,8 million (€17,6 million from the company to the Water Development Department and €3,8 million from the Water Development Department to the company) which were included in the expected future cash flows of the company for the calculation of the financial model. The final decision for the compensation of attorneys and arbitration fees and interest was issued on the 3rd of September 2024 and awards the company compensation of €1,4 million for interest and €1,4 million for attorneys' fees and arbitration. There are no other claims pending in relation to this contract.

LOGICOM PUBLIC LIMITED

CONSOLIDATED AND SEPARATE MANAGEMENT REPORT

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

The performance of the Group and the Company is also assessed with the following financial ratios:

	Group			Company		
	Change	2024	2023	Change	2024	2023
Working capital ratio	(15,44)%	2,19	2,59	7,84%	0,55	0,51
Trade receivables		340.068.961	332.504.056		12.565.166	11.750.705
Trade debtors		*336.817.248*	*326.335.145*		*12.565.166*	*11.750.705*
Contract assets		*3.251.713*	*6.168.911*		-	-
Inventories		78.482.051	88.440.500		724.654	506.310
Trade payables		191.408.629	162.785.911		24.252.724	23.928.580
Trade payables		*178.695.888*	*156.058.823*		*24.252.724*	*23.928.580*
Contract liabilities		*12.712.741*	*6.727.088*		-	-

Working Capital Ratio ((Trade Receivables + Inventories) / Trade Payables) - The significant decrease in the ratio for the Group is due to the significant increase in trade payables and the significant decrease in inventories, despite the increase in trade receivables, compared to 2023. The increase for the Company is due to the increase in trade receivables compared to 2023.

	Group			Company		
	Change	2024	2023	Change	2024	2023
Inventory days ratio	-%	29	29	50,00%	3	2
Inventories		78.482.051	88.440.500		724.654	506.310
Cost of sales		993.871.840	1.121.333.247		79.978.539	91.509.013

Inventory Days ((Inventories / Cost of Sales) X 365) - For the calculation of the ratio, the cost of sales after the adjustment for IFRS15 is used, as affected sales are intangible and do not have a significant impact on inventories. The Group's ratio remained at the same levels as in 2023. The significant increase for the Company is due to the significant increase in inventories despite the significant decrease in cost of sales, compared to 2023.

	Group			Company		
	Change	2024	2023	Change	2024	2023
Trade receivables days ratio	3,23%	96	93	-%	75	75
Trade receivables		340.068.961	332.504.056		12.565.166	11.750.705
Trade debtors		*336.817.248*	*326.335.145*		*12.565.166*	*11.750.705*
Contract assets		*3.251.713*	*6.168.911*		-	-
Gross sales to third parties		1.294.772.022	1.308.801.403		61.508.418	57.072.146
Gross sales		*1.294.772.022*	*1.308.801.403*		*108.796.933*	*103.872.589*
Intercompany sales		-	-		*47.288.515*	*46.800.443*

Trade Receivable Days ((Trade Receivables / Turnover) X 365) - For the calculation of the ratio, gross sales before adjustment for IFRS15 are used as trade debtors' balances include the gross amount of sales. The increase observed for the Group is due to the increase in trade debtors and the decrease in gross sales. The ratio for the Company remained at the same levels as in 2023.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

		Group			Company	
	Change	2024	2023	Change	2024	2023
Net Debt to Equity Ratio	(50,00)%	0,24	0,48	22,32%	1,37	1,12
Bank Borrowings		164.549.797	167.637.819		74.851.945	64.921.172
Loans and bank overdrafts		*164.549.797*	*167.637.819*		*74.851.945*	*64.921.172*
Cash and cash equivalents		77.776.400	34.536.943		7.817.603	3.772.200
Equity		364.839.150	278.339.083		48.764.552	54.491.212

Net Debt to Equity Ratio ((Bank Borrowings - Cash and Cash Equivalents) / Equity) - For the Group, the ratio shows a significant decrease compared to the previous year due to the significant increase in cash and cash equivalents, as well as, in Equity. For the Company, the ratio shows a significant increase due to the significant increase in net borrowings and the decrease in Equity.

		Group			Company	
	Change	2024	2023	Change	2024	2023
Net Debt to Profit before Tax, Depreciation, Amortisation and Interest Ratio	(43,20)%	1,17	2,06	53,00%	7,65	5,00
Bank Borrowings		164.549.797	167.637.819		74.851.945	64.921.172
Loans and bank overdrafts		*164.549.797*	*167.637.819*		*74.851.945*	*64.921.172*
Cash and cash equivalents		77.776.400	34.536.943		7.817.603	3.772.200
Profit before Tax, Depreciation, Amortisation and Interest		74.465.471	64.528.744		8.760.279	12.220.401
Profit before tax		*59.000.864*	*48.126.564*		*1.623.119*	*6.416.769*
Depreciation and Amortization		*3.645.891*	*3.535.200*		*673.328*	*683.016*
Impairment of goodwill		-	*305.052*		-	-
Interest payable		*12.604.087*	*13.109.506*		*6.463.832*	*5.120.616*
Interest receivable		*785.371*	*547.578*		-	-

Net Debt to Profit before Tax, Depreciation, Amortisation and Interest ((Bank Borrowings - Cash and Cash Equivalent) / Profit before Tax, Depreciation, Amortisation and Interest) - For the Group, the ratio shows a significant decrease compared to the previous year due to the significant increase in profitability and the significant decrease in the net borrowings. For the Company, the ratio shows a significant increase due to the significant decrease in profitability and the increase in net borrowings.

LOGICOM PUBLIC LIMITED

CONSOLIDATED AND SEPARATE MANAGEMENT REPORT

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

		Group			Company	
	Change	2024	2023	Change	2024	2023
Interest Coverage Ratio	20,12%	5,91	4,92	(43,10)%	1,36	2,39
Profit before Tax, Depreciation, Amortization and Interest		74.465.471	64.528.744		8.760.279	12.220.401
Profit before tax		*59.000.864*	*48.126.564*		*1.623.119*	*6.416.769*
Depreciation and Amortization		*3.645.891*	*3.535.200*		*673.328*	*683.016*
Impairment of goodwill		-	*305.052*		-	-
Interest payable		*12.604.087*	*13.109.506*		*6.463.832*	*5.120.616*
Interest receivable		*785.371*	*547.578*		-	-

Interest coverage ratio (Profit before Tax, Depreciation, Amortization and Interest / Interest expense) - For the Group, the ratio shows a significant increase compared to the previous year, due to the decrease in interest payable and the significant increase in profitability. For the Company, the ratio shows a significant decrease due to the significant decrease in profitability and the increase in interest payable.

The financial performance ratios used above, for the performance and the position of the Group, serve the best analysis and understanding of these results.

MAIN RISKS, UNCERTAINTIES AND RISK MANAGEMENT

The main risks faced by the Group and the Company are stated below and further analysed in note 36 of the consolidated and separate financial statements.

Credit risk

Credit risk is the risk of default by counter parties to transactions mainly from trade receivables of the Group and the Company. The Group and the Company ensure the application of appropriate mechanisms and ensure the maintenance of related monitoring procedures and controls over credits. Credit risk is monitored on an ongoing basis.

The Group entered into an agreement with Atradius Credit Insurance N.V. for the insurance of the credit that the Group offers to its customers. The Group has also entered into an agreement for additional insurance in addition to the credit limit provided by Atradius, with Cooper Gay S.A. The issuance of such insurance agreement is considered to be the most appropriate method for hedging against credit risk.

Market risk

Market risk is the risk that changes in market prices, such as exchange rates, interest rates and stock prices, will affect the income or value of the Group's financial instruments. The purpose of the market risk management is to manage and control the market risk exposure within acceptable parameters, while optimizing performance.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

Interest rate risk

Interest rate risk is the risk of fluctuations in the value of financial instruments due to movements in market interest rates. Income and cash flows from operations of the Group and the Company are dependent on changes of market interest rates, since the Group and the Company have material assets which bear interest. The Group and the Company are exposed to interest rate risk on borrowings. Borrowing in variable interest rates exposes the Group and the Company to interest rate risk that affects cash flows. Borrowing in fixed interest rates exposes the Group and the Company to interest rate risk that affects the fair value. The management of the Group and the Company is monitoring the fluctuations in interest rates on an ongoing basis and ensures that the necessary actions are taken.

Foreign exchange risk

This risk arises from adverse movements in foreign exchange rates.

The Company and the Group are subject to foreign exchange risk on sales, purchases and loans in currencies other than the Company's and subsidiary companies' functional currency, and on the long-term loans to foreign subsidiaries. Management is aware of the foreign exchange risk and is applying alternative methods to hedge the risk.

The hedging of foreign exchange risk is managed by the Group Treasurer together with the Group Chief Financial Officer in collaboration with the Risk Management Committee. This issue is discussed and examined at the Risk Management Committee meetings because the Group and Company are materially affected by the movements in foreign currencies against the Euro, and if necessary, it is discussed and examined further at the Board of Directors meeting.

Other market price risks

The Company and the Group are exposed to financial risks arising from changes in share prices. The Company and the Group monitor the spread of their portfolio and maintain mainly long-term investments for strategic purposes, in order to mitigate their exposure to these financial risks. The Group's main investments are classified as investments at fair value through other comprehensive income.

Liquidity risk

Liquidity risk is the risk that arises when the period in which the assets can be converted to cash does not concur with the period in which the liabilities fall due. When expiry dates do not concur, the performance can increase but at the same time the risk for losses can also increase. The Group and the Company have procedures in place to minimize such losses, such as retaining sufficient amounts in cash and other highly liquid assets and retaining sufficient amounts in secured credit facilities in order to cover liabilities when they fall due.

Management estimates that the ability of the Group to receive in advance its trade receivables through the factoring agreement with recourse in Greece and Cyprus, reduces even further the liquidity risk.

Fair Value

Fair Value risk is the risk that arises when the book values of the Group's and Company's assets and liabilities are significantly different from their fair values at the reporting date.

Management believes that by valuating the financial assets and liabilities of the Group and the Company at their fair value, where this can be measured reliably, the risk is significantly limited.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

Capital Management

Group's and Company's management has as a principle the maintenance of a strong capital base for the support of the credibility and trust of the investors and creditors as well as the market as a whole. Management monitors continuously the return on equity.

Operating Environment

The Group operates in Cyprus, in the geographical area of Southeast Europe, Middle East and Northern Africa, with a significant presence in the wider Gulf region.

The Cypriot economy, in the latest years, has been in a phase of continuous growth, recording progress of 3,4% in 2024. Inflation dropped to 1,8% compared to 3,9% in 2023. It is expected that in 2025, the economy will show growth of 3,1% compared to 2024 and in the years 2026-27 to fluctuate around 3,2% in real terms.

In the area of the Gulf Region, political instability has been observed in the latest years, resulting in economic instability. Despite the current situation, the Group has succeeded in expanding its presence in the region. In Lebanon, the intense political instability continuous, resulting in a prolonged economic crisis with restrictions on cash movements and devaluation of the domestic currency.

The Greek economy, in the last years, has been in a phase of development and continuous improvement of the economic climate. The Group has managed to maintain and strengthen its presence in the country without any particular problems.

The imposition of sanctions against Russia and its associated legal and natural persons, both by the European Union and the USA, and by a number of countries around the world, continued in 2024 due to the prolonged war between Russia and Ukraine. Compliance with sanctions creates an additional need to continuously strengthen counterparty assessment and control procedures and policies.

The prolonged inflation has resulted in increased operating costs for businesses and governments in most countries. The significant increases in borrowing rates for both the US Dollar and the Euro aimed at restraining inflation, resulted in a significant increase in borrowing costs. The gradual decrease in borrowing rates that started in the second half of 2024 is expected to continue in 2025.

The developments in the Middle East with the ongoing crisis between Israel and the Palestinian Hamas and the Lebanon-based Hezbollah, combined with the collapse of the regime in Syria, are causing further instability in the region. Attacks on shipping in the Red Sea by the Houthis in Yemen are forcing many carriers to change routes, negatively affecting the already tensed supply chain.

In response to the recent global economic changes, the new government of the US has implemented significant tariffs on imported products to balance the country's trade balance, creating global turmoil and an initial collapse in financial markets. The reactions of most countries leave room for normalisation of trade relations, both with countries such as South Korea and Japan, but also with countries in the Middle East and the European Union. The big concern arises from the strong reaction of China, which announced the imposition of significant tariffs on imports from the US. This development is expected to adversely affect the global supply chain and disrupt the trade balances of the countries that are trying to determine their reactions.

The Group's and the Company's Management, having already managed the developments, has taken and is still taking all necessary measures to address any problems that may arise regarding the Group's operations and the management of the relevant risks in relation to the availability of products from the impact of the supply chain. Measures have also been taken to restrain operating costs, as a result of the inflation observed in the markets where the Group operates.

DEVELOPMENT AND PERFORMANCE OF THE GROUP'S AND COMPANY'S ACTIVITIES AND POSITION, RISKS AND UNCERTAINTIES *(continued)*

The Management has established policies to manage the significantly increased borrowing cost. The distribution of cash flows is closely monitored by the Management and adjustments are made where and when necessary. The increased cost of bank borrowing and, consequently, of the working capital, creates the need to readjust the pricing policy where deemed necessary.

The Management, as it is not in a position to foresee all the developments that could negatively affect the economies of the countries in which the Group operates, takes all necessary measures to deal with any problems that may arise due to external factors, with a view to maintain the viability of the Group and the expansion of its operations in the current business and economic environment.

OPERATIONS OF THE COMPANY AND ITS SUBSIDIARY COMPANIES

The Group continued during the year 2024 the distribution of high technology products, the supply of services and complete information technology, telecommunication and software solutions and the participation in large infrastructure projects in the water sector, as well as its participation in public companies.

FORSEEABLE DEVELOPMENT OF THE COMPANY

The inflationary trends observed worldwide, the maintenance of borrowing rates at high levels despite reductions, and the observed instability in areas where the Group operates, which continued in 2024, have affected the Group's and the Company's activities and have led to an increase in operating costs and the maintenance of borrowing costs at high levels.

During 2024, despite the unfavorable conditions, the Group's profitability from ordinary activities (excluding share of profit / loss from associated company and joint ventures) decreased significantly compared to 2023, mainly due to the increase in the Expected Credit Losses, Administration Expenses, Net Finance Costs (including Foreign Exchange Differences) and the decrease in Other Income.

The Management of the Group is closely monitoring the developments in order to maintain and strengthen growth prospects without affecting the viability and the strong financial position of the Group. The planning for 2025 has been formed on the basis of the continuous effort for growth both in the existing, but also in new markets, and taking advantage of the opportunities offered by the market.

RESEARCH AND DEVELOPMENT ACTIVITIES

There were no significant activities in the sector of research and development from the Group companies.

FOREIGN OPERATIONS - BRANCHES

The Group operates through subsidiary companies in United Arab Emirates, Saudi Arabia, Lebanon, Jordan, Greece, Italy, Romania, Germany, Qatar, Kuwait, Oman, Bahrain, Egypt, Morocco and Malta. The Group does not operate any branches.

USE OF FINANCIAL INSTRUMENTS

The derivative financial instruments of the Group and the Company relate to contracts for differences for the hedging of fluctuations in foreign currencies. The Group and the Company's management follow a policy to minimize the risk arising from the fluctuation of foreign exchange differences, as stated in the significant accounting policies.

The profit arising from the change in the fair value of derivative financial instruments for the year that was recognised in the Group’s and Company's results amounted to €1.738.579 (2023: loss €909.153) and €1.534.765 (2023: loss €829.948) respectively.

SHARE CAPITAL

There was no change to the issued share capital of the Company for the year 2024.

All shares are listed and traded in the Cyprus Stock Exchange, they have the same and equal rights and have no limitations in their transfer. Detailed information in relation to the Company's share capital is presented in note 26 of the consolidated and separate financial statements.

All shares of the Company's subsidiary companies are held directly or indirectly by the Company.

COMPOSITION, SEGREGATION OF DUTIES AND REIMBURSEMENT OF THE BOARD OF DIRECTORS - SHARE CAPITAL PARTICIPATION - REELECTION

The Board of Directors members as at 31 December 2024 and as at the date of the present report are presented in page 2. Details regarding the segregation of duties and the reimbursement of the Board of Directors members are included in Part I (A and B) and II (B) of the Board of Directors Report on Corporate Governance for 2024 respectively, which is presented after this Report. Additional information is provided in the part 'Report on Corporate Governance' of the present Report. Please also refer to note 40 and 41 of the consolidated and separate financial statements.

The percentages of participation in the Company's share capital that were held directly or indirectly by the members of the Board of Directors of the Company as at 31 December 2024 and 24 April 2025 are presented in notes 38 and 39 of the consolidated and separate financial statements.

According to article 94 of the Company's articles of association, Varnavas Irinarchos, Andreas Constantinides and Christoforos Hadjikyprianou, resign and are offering themselves for re-election.

According to article 99 of the Company's Articles of Association, the Directors may from time to time appoint any person as a Director. According to the same article, any Director appointed in this way will hold the position only until the next Annual General Meeting, at which they may be re-elected, but will not be counted in the determination of the Directors who are to resign by rotation at this Meeting. In view of the above provision, in addition to the aforementioned Directors, Marianna Pantelidou Neophytou and Charbel El-Fakhoury will resign and will be offering themselves for re-election at the Annual General Meeting of 2025.

The Company's subsidiary companies' Board of Directors are comprised by executive directors.

SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

The significant events after the reporting date that have a bearing on the understanding of the consolidated and separate financial statements are presented in note 44.

PROPOSALS REGARDING PROFIT DISTRIBUTION, ABSORPTION OF LOSSES AND FORMATION OF PROVISIONS

The Board of Directors decided to propose for approval at the Annual General Meeting of the shareholders, a final dividend of €7.407.960 for 2024, which corresponds to €0,10 cents per share and in percentage terms to 13,7% of the profits for the year attributable to the Company's shareholders.

REPORT ON CORPORATE GOVERNANCE

The Board of Directors of the Company has decided on 6 March 2003 to implement all the provisions of the Corporate Governance Code ('the Code') which was issued by the Cyprus Stock Exchange (CSE) Board. The Code in force at the time of the approval of this Report is Section 3 of the RAA 379/2014, as amended by the RAA 141/2024 (6th Edition - April 2024) which is uploaded on the CSE website.

There are no material deviations from the provisions of the Code.

The internal control and risk management systems aim to ensure the orderly operation of the Group and the adherence to the internal controls and procedures.

Through the internal control system, which is under the supervision of the Audit Committee and the contribution of the Risk Management Committee, the Company has implemented effective procedures for the composition and preparation of the financial statements, as well as for the preparation of the periodic information reporting as required for the listed companies. The main characteristics of these procedures, in addition to what has already been stated above, are:

- The Financial Statements of the Subsidiary Companies of the Group are prepared with the responsibility of the Financial Controller of each company under the supervision of the Group Chief Financial Officer.

- The Financial Statements of the Group and the Company are prepared with the responsibility of the Company's Financial Controller under the supervision of the Group Chief Financial Officer.

- The announcements of the Group's results per quarter as well as the explanatory statements are prepared by the Group Chief Financial Officer and are reviewed by the Audit Committee. The relevant announcements are approved by the Board of Directors prior to their publication.

The shareholders who held, directly or indirectly, a significant interest (including indirect participation through pyramid structures or cross participations) in the Company are stated in note 39 of the consolidated and separate financial statements.

The Company's share capital is divided into ordinary shares with equal rights. There were no issued shares with preference control or voting rights.

Each Board Member is elected from the Company's shareholders general meeting or appointed from the Board of Directors. A Member who is appointed by the Board of Directors is mandatory to resign at the first annual general meeting following his appointment, where his election will be decided. In every annual general meeting one third of the oldest board members in terms of the time served on the board, retires and their reelection is decided on the annual general meeting, provided that they are available for reelection. Any member of the Board of Directors can be forced to an early retirement following a decision of the general meeting.

The Company's Articles of Association can be amended with a special resolution of the shareholders general meeting.

REPORT ON CORPORATE GOVERNANCE *(continued)*

The Board of Directors' authority is general, and it is only limited by the power given to the Company's shareholders' General Meeting either by the Law or the Company's Articles of Association. The decision for the issue of new shares, except in the case where this relates to the granting of shares to the members on the proportion of the shares already held, is taken by the general meeting and in any case the current legislation is applied to any information that is relevant. The right to purchase own shares of the Company, unless otherwise permitted by law, is given to the Board of Directors from the general meeting for a specific period with a special resolution.

The composition, the terms of execution and the operation of the directive, managerial and supervision bodies as defined by the Code are stated in the Board of Directors report on Corporate Governance.

As mentioned in Part II (A) of the Corporate Governance Report of the Members of the Board of Directors for 2024 that is presented after the present Report, a diversity policy is applied with reference to the training and specialisation of the directors in order to better meet the requirements of the Company's operating sectors. The final selection decision is made on the basis of objective criteria aimed at the composition of the Board of Directors by members with high academic training, successful professional background and a wide range of experiences, taking also into consideration that experience is an important element of perception and fair judgement. The extent and importance of these parameters, however, is assessed in parallel with the need of age renewal. In the evaluation of these criteria no discrimination should be made in regard to the gender.

The composition of the Company's Board of Directors during the period under review allows the effective performance of its duties, reflects the operation and the share structure of the Company and allows the fair and equal treatment of all the Company's shareholders, is considered to be in adherence with the above mentioned policy and is as follows:

Christoforos Hadjikyprianou, 64 years old. He holds a BSc in industrial technology and an MBA in Business Administration from the Southern Illinois University, U.S.A. He also holds a Doctorate degree (PhD) in Enrolment Management and Consumer Behaviour from Middlesex University, UK. He is the CEO and President of the Council of the European University Cyprus, and he is also a member of the executive committee Galileo Global Education. He also serves in various social and athletic committees, and he is currently Secretary General of the Cyprus University Sports Federation. He has been serving on the Board of Directors of the Company since 24 February 2020.

Varnavas Irinarchos, 66 years old. Graduate of Stockholm University Business Administration school and post graduate of the same University in Computers Science. He is an entrepreneur in the sector of information technology. He has been serving on the Board of Directors of the Company, of which he is the founder, since 9 December 1986.

George Papaioannou, 62 years old. Graduate of Ehtniko Kapodistriako University Law School of Athens. From 1990 up to 2002 he served at the Law Office of the Republic of Cyprus, as an Attorney of the Republic with a specific interest in issues of administrative and criminal law. He took part in legal congresses and was a member of the anti-corruption committee in the Council of Europe. In 2002 he resigned from his position in the Republic's Law Office and he runs his own law firm in Nicosia, with specific interest in issues of criminal nature. He has been serving on the Board of Directors of the Company since 21 August 2008.

Anthoulis Papachristoforou, 56 years old. He holds a Bachelor's degree in Accounting and Finance from the London South Bank University, and a degree in Business Studies from the Institute of Commercial Management from the Bournemouth, UK, and professionally specialised in the field of finance. He is a member of the Association of Chartered Certified Accountants (ACCA) and the Institute of Certified Public Accountants of Cyprus (ICPAC). He has been serving on the Board of Directors since 17 November 2013.

REPORT ON CORPORATE GOVERNANCE *(continued)*

Andreas Constantinides, 65 years old. He holds a Bachelor Degree in Economics Sciences from the University of Warwick. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW). He was a partner at PriceWaterhouseCoopers Limited in Cyprus, specialised in the fields of Consumer Markets, Information Technology and Agricultural Industry. He also served as member of the Board of Directors of the Cyprus Broadcasting Corporation (CyBC). He is a member in various Committee Councils, such as, inter alis, that of the Pancyprian Gymnasium Association (GSP), Junior and Senior School of Nicosia and the Cyprus-Austria Association. He has been serving on the Board of Directors of the Company since 24 February 2020.

Noeclis Nicolaou, 65 years old. He holds a BA in Econometrics from the University of Manchester and a Master of Business Administration (MBA) from Machester Business School. He is the founder and CEO of the company Neoconsult Ltd, which offers investment banking services mainly in the financial and shipping sectors. He has also provided services to Cyprus and international companies and organisations. He currently serves as a non-executive director of a number of Cyprus and international companies. He has been serving on the Board of Directors since 19 May 2022.

Charbel El-Fakhoury, 58 years old. He holds a degree in Computer Science from the Lebanese American University and a Director certification from Insead in France. Additionally, he has completed the Wharton Executive Development Program in Organisation Leadership and the Kellogg Marketing Management Program. He is a recognised entrepreneur and innovator with over 21 years at Microsoft, where he held leadership roles in Sales, Marketing, and Services, reaching the position of Global Vice President in 2020 for the USA, Europe and Asia. In 2020, he founded Eureka 460 Partners, a global investment firm in technology startups in the technology sector. He has served as a member of the advisory board of the American University of Beirut Olayan School of Business and as a member of the executive committee of LIFE Lebanon. He is also a board member of Stand For Women. He has been serving on the Board of Directors since 16 January 2025.

Marianna Pantelidou Neophytou, 53 years old. She graduated from the University of Manchester with a BSc (Hons) in Economics and Social Studies, is a member of the ICAEW, and has completed the LCOR Executive Leadership Program at Stanford University. She is an experienced professional in the fields of finance, strategy, and corporate governance, with an international career in London, Boston, and Cyprus. She has worked for companies such as Arthur Andersen, Fitch Ratings, Bank of Cyprus, and Wargaming, holding leadership roles. She served as a non-executive member of the Board of Directors of Hellenic Bank for nine years and as an advisor to the President of the Republic of Cyprus and the Ministry of Finance during the 2013 financial crisis. She has been working on the Board of Directors since 16 January 2025.

The Corporate Governance Report of the members of the Board of Directors for the year 2024 is presented after the present Report.

STATUTORY AUDITORS

The Group's statutory auditors, KPMG Limited, have expressed their willingness to continue in office. A resolution for re-election of the independent auditors and an authorisation to the Board of Directors to fix their remuneration will be submitted at the Annual General Meeting.

LOGICOM PUBLIC LIMITED

CONSOLIDATED AND SEPARATE MANAGEMENT REPORT

NON-FINANCIAL STATEMENT

From 2024, the new Corporate Sustainability Reporting Directive (CSRD) comes into force, replacing the existing Non-Financial Reporting Directive (NFRD). The first application concerns a wider range of companies, which includes the Group, for the financial periods starting 1/1/2024 onwards. The directive requires the submission of sustainability information in accordance with the European Sustainability Reporting Standards (ESRS) framework. Sustainability information must be reported in the management report at the same time as the Group's financial statements and audited with limited assurance.
As at the reporting date, the specific law drafts aimed at harmonising the Cypriot legislation with the European Acquis have not been completed and the corresponding legislation has not been enacted. In the absence of any explicit and clear legislation and other relevant directives, the Group will publish the Non-Financial Report of the Company and the Group by 30 June 2025, based on the existing legislation for the submission of Non-Financial Reporting (NFRD).[1]

AVAILABILITY OF THE FINANCIAL STATEMENTS

The full text of the Annual Financial Report is available, free of charge, from the Registered Office and Management Offices of the Company (26 Stasinou, Ayia Paraskevi, 2003 Strovolos, Nicosia, O.O. Box: 23472, 1683 Nicosia, Tel: +357 22 551000, Fax: +357 22 514294) and is posted on the website of the Company (www.logicom.net) and the Cyprus Stock Exchange (www.cse.com.cy).

By order of the Board of Directors,

Logicom Secretarial Services Limited
Secretary

Nicosia, 24 April 2025

1. Section 113, aa 151A.(9)(b) and 151B.(9)(b)

CORPORATE GOVERNANCE REPORT OF THE MEMBERS OF THE BOARD OF DIRECTORS FOR THE YEAR 2024

I Part One - The Adoption of the Corporate Governance Code
II Part Two - The Implementation of the Corporate Governance Code

I. PART ONE – The Adoption of the Corporate Governance Code

A. THE COMPANY'S RESOLUTION– The Members of the Governance Committees

On 6 March 2003, the Company's Board of Directors resolved to implement all of the provisions of the Corporate Governance Code ("the Code")[2]. Through the Code Committees, the Company also implements the provisions of the Code for all its subsidiary companies, with the exception of the provisions concerning the composition of the boards of directors, where it is deemed that their composition is more effective by Executive directors.

During 2024, and up until the drafting of this Report, the positions of the officers and members of the Code Committees have been held by the following individuals:

1. **Reference Officer** *(§ A.2.5. of the Code The Board of Directors must appoint one of the Independent, Non-Executive Directors to be the Senior Independent Director. He/she shall be available to listen to the concerns of the shareholders which have not been resolved through normal communication channels).*

   George Papaioannou (Non-Executive, Independent Director).

2. **Nomination Committee** *(§ A.4.1. of the Code – A Nomination Committee must be established to present its views to the Board of Directors on recommendations for the appointment of new Directors. The majority of the Members of this Committee must be Non-Executive Directors and its Chairman may be either the Chairman of the Board of Directors (in case he/she is Non-Executive) or a Non-Executive Director. The Chairman and the members of the Nomination Committee must be stated in the Annual Report).*

   Takis Klerides (Chairman, Non-Executive, Independent Director) (until 13/06/2024), Varnavas Irinarchos (Executive Director), George Papaioannou (Non-Executive, Independent Director), and Christoforos Hadjikyprianou (Non-Executive, Independent Director, serves as Chairman).

3. **Remuneration Committee** *(§ B.1.1. of the Code –To avoid potential conflicts of interest, the Board of Directors must set up a Remuneration Committee comprising exclusively Non-Executive Directors which shall make recommendations to the Board of Directors, based on agreed terms of reference, on the framework and amount of the remuneration of the Executive Directors, determining on behalf of the Board of Directors specific remuneration packages for each Executive Director, including pension rights and any compensation payments. Companies are urged to include in the Remuneration Committee at least one member with knowledge and experience in remuneration policy.)*

   Takis Klerides (Chairman, Non-Executive, Independent Director) (until 13/06/2024) and Christoforos Hadjikyprianou (Non-Executive, Independent Director).

2. The present Report is drafted on the basis of the Code in force at the time of the reporting period, namely Annex 3 to RAA 379/2014, amended by the RAA141/2024 (6th Edition- April 2024) which is posted on the website of the CSE
https://www.cse.com.cy/CMSPages/GetFile.aspx?guid=1049aee8-301b-4217-ac4e-2ec8fd0f3521

4. **Audit Committee** *(§ C.3.1. of the Code – The Board of Directors must set up an Audit Committee comprising at least two Non-Executive Directors with written terms of reference which must expressly set out their powers and duties. The members of the Committee, the majority of whom must be Independent Non-Executive Directors, including the Chairman, must be stated in the Annual Report. The Chairman of the Committee or any other Member thereof must have experience in Accounting or Audit. The Committee must meet at regular intervals, at least four times a year, to effectively carry out its duties.)*

   Andreas Constantinides (Chairman, Non-Executive, Independent Director), George Papaioannou (Non-Executive, Independent Director) and Neoclis Nicolaou (Non-Executive, Independent Director).

5. **Risk Management Committee** *(§ C.3.8. and § C.3.9 of the Code – The risk management systems are supervised by a separate Risk Management Committee which comprises Non-Executive Directors. The Risk Management Committee must meet at least once every quarter and its Chairman must report to the Board of Directors – All companies whose securities are listed in the Main Market are required to set up a Risk Management Committee […].)*

   Neoclis Nicolaou (Chairman, Non-Executive, Independent Director), Takis Klerides (Non-Executive, Independent Director) (until 13/06/2024), George Papaioannou (Non-Executive, Independent Director), Linos Chrysostomou (Non-Executive, Independent Director) (until 08/02/2025) and Christoforos Hadjikyprianou (Non-Executive, Independent Director).

6. **Corporate Governance Code Compliance Officer** *(§ C.3.7. of the Code – The Board of Directors must appoint a competent executive as Corporate Governance Code Compliance Officer).*

   Demos Anastasiou.

7. **Investor Liaison Officer** *(§ D.2.4. of the Code – The Board of Directors must appoint a management executive or officer of the company as Investor Liaison Officer. The information pertaining to the company must be distributed to all shareholders fairly, timely and free of charge).*

   Demos Anastasiou.

B. TERMS OF REFERENCE

The Terms of Reference of each Officer and Committee, approved by the Board of Directors upon their recommendation, are as follows:

B.1. Terms of Reference of the Reference Officer

The Reference Officer addresses the concerns and problems of the shareholders arising from their relations with the Company which have not been resolved through other communication procedures.

B.2. Terms of Reference of the Nomination Committee

2.1. The purpose of the Committee is to assist the Board of Directors in:
- finding qualified individuals to become members of the Board of Directors,
- determining the composition of the Board of Directors and its Committees,
- monitoring the procedures for the evaluation of the efficiency of the Board of Directors, and
- developing and implementing the Company's Corporate Governance guidelines.

2.2. For this purpose, the Committee shall have the following powers and responsibilities:
   a. Guide the search for qualified individuals to become members of the Board of Directors and select candidate directors to be proposed to the shareholders for approval at the annual general meeting. The Committee shall select candidate directors of utmost personal and professional integrity, who have demonstrated particular skill and judgment and are highly competent to work as a team, in collaboration with the other directors, in order to serve the long-term interests of the shareholders.

b. Review the composition of the committees of the Board of Directors and recommend to the Board the appointment of Directors to each committee. The Committee shall review and recommend the composition of the Committees on an annual basis and shall propose additional members to fill vacancies, if required.
c. Elaborate and propose Corporate Governance guidelines to the Board of Directors for approval. The Committee shall review these guidelines on an annual basis or more frequently if deemed necessary, and propose changes if required.
d. Elaborate and propose the annual reporting process on the work of the Board of Directors and its committees to the Board of Directors for approval. The Committee shall supervise the annual reports.
e. Review on an annual basis the remuneration and benefits of the Directors.
f. Delegate any of its responsibilities to sub-committees, as the Committee shall deem appropriate.
g. Assign investigations on candidate directors and retain external advisors, as the Committee shall deem appropriate. The Committee shall have exclusive power to approve the relevant remuneration and terms of reference.

2.3. The Committee shall have respective powers and responsibilities for the entire Group of the Company.

2.4. The Committee shall submit a report on its actions and recommendations to the Board of Directors after each meeting and shall prepare and present to the Board an annual performance report. The Committee shall review the adequacy of these terms of reference at least once a year and shall propose any changes to the Board of Directors for approval.

B.3. Terms of Reference of the Remuneration Committee

3.1. The purpose of the Committee is to have the overall responsibility arising from the obligations of the Board of Directors to control and determine the remuneration of the Company's executive officers.

3.2. In order to be able to fulfil its purpose, the Committee shall have the following powers and responsibilities:

a. Periodically review the remuneration policy of executive or managing directors on a periodic basis, including the policy on share-based remuneration and its implementation.

   Similarly, it shall assess the degree of success and fulfilment of the objectives by each officer and, based on that assessment, shall recommend to the Board of Directors their proposed remuneration, including salary, bonus, incentives, etc., and the form in which these shall be paid (Share Options, etc.)

   The amount of the remuneration must be adequate, but not excessive, to attract and retain in the service of the Company, the Chief Executive Officer and the other Executive Directors that enhance the Company's management. Part of the remuneration of the Chief Executive Officer and the other Executive Directors must be determined in such manner as to link this remuneration to the performance of both the Company and the individual concerned.

   The Committee shall request the views of the Chairman and the Chief Executive Officer on the proposals relating to the remuneration of the other Executive Directors.

   The Remuneration Committee shall not determine the remuneration of the Directors for participating in activities of the committees. This shall be determined by the Company's Board of Directors.

b. Process and revise the incentive schemes for the Company's personnel and propose to the Board of Directors schemes or changes that will encourage the personnel to make even greater effort towards fulfilling the Company's objectives.
   The incentive schemes must:
   (i) aim at the long-term increase of the performance of the incentives, in order to encourage officers and other members of personnel to remain with the Company;
   (ii) not burden the Company's profitability; and
   (iii) be compatible with the shareholders' interests.

3.3.

a. The Committee shall be able to access professional advice both within and outside the Company and take into consideration the remuneration paid in comparable companies in view of determining the remuneration of the Chief Executive Officer and other Executive Directors, with due regard to the principle of maintaining and increasing the performance of the Company and/or the area of responsibility of each officer in question and that remuneration increases must reflect a corresponding improvement in the Company's performance.
b. When determining salary increases, the Remuneration Committee must take into consideration the terms of remuneration and employment conditions at all levels of the Company, so that all members of personnel perceive the distribution by the Company of its positive results as being equitable, to the extent that this reflects their role and contribution towards improving the Company's performance.
c. The Committee must examine the compensation-related commitments (including pension contributions) arising from the employment contracts of the Chief Executive Officer and other Executive Directors, if any, in case of early termination, and pursue the inclusion of an express provision on this matter in the initial contract. The employment contracts of these Officers must not include provisions which may reasonably be considered as prohibitive in cases of acquisition or merger of the Company, nor provisions that burden the Company with any fines that may be imposed on the Directors.
d. In case the initial contract does not include an express provision on compensation-related commitments, in case of early removal, the Committee must, in accordance with the legal framework and depending on the specificities of each case, adapt its approach with the broader aim of avoiding the reward of decreased performance, applying fair treatment where the removal is not due to decreased performance and ensuring strict treatment aiming at reducing compensation in the cases of retiring Executive Directors so as to reflect the obligation of those retiring to mitigate the loss.

3.4. The Committee has respective powers and responsibilities for the entire Group of the Company.

3.5. The Committee shall prepare the Annual Remuneration Report which shall be submitted by the Board of Directors to the Company's shareholders as well as the part of the Corporate Governance Report which relates to the remuneration of the Directors, in accordance with the instructions and provisions of the Corporate Governance Code of the Cyprus Stock Exchange.

B.4. Terms of Reference of the Audit Committee

4.1. The role of the Committee is to assist the Board of Directors in supervising the quality and accuracy of the Company's financial statements, complying with legal and administrative rules, examining the professional level of the auditors, their audit work and independence, as well as the performance of the internal control. The Chairman of the Audit Committee must have experience in Accounting or Finance.

4.2. The number of the Committee's Members is determined by the Board of Directors.

4.3. The Committee's duties and responsibilities are as follows:

a. Assess the standard of internal audit, review the Company's internal financial controls and internal control systems and ensure the implementation of the provisions of the Corporate Governance Code relating to the staffing, operation and independence of the Department.
b. Review all of the Company's financial statements and overview of the financial information procedure and the submission of recommendations or suggestions for the safeguard of its integrity.
c. Make suggestions and recommendations for improving the management control.
d. Review circulars, financial reports or other information relating to the rights of the shareholders before these are forwarded to them.
e. Assume responsibility for the procedure of selection and appointment suggestion of the statutory auditors or audit firms.
f. Inform the Board of Directors about the results of the statutory audit and the explanation of the statutory audit contribution to the integrity of the financial information and the role of the Committee in this procedure.
g. Assume responsibility for the Company's relations with the statutory auditors in general, including discussions on the auditors' personnel who shall be responsible for the Company's audit.

h. Review the extent and effectiveness of the audit as well as of the independence and effectiveness of the statutory auditors or audit firms and especially the adequacy of the provision of non audit services from the statutory auditors based on the current legislation.
i. Monitor the observations/suggestions of the statutory auditors on the Company's management, the preparation and presentation of its financial statements and the monitoring of their implementation.
j. Submit to the Board of Directors an annual report which includes:
   (i) The remuneration for auditing and advisory services paid to the Company's Statutory Auditors by the Company and its subsidiaries
   (ii) The assignment to Auditors of advisory duties if deemed essential, either on the basis of the significance of the matter for the Company and its subsidiaries or on the basis of the remuneration to the statutory auditors.
k. Supervise the selection procedures by the Chief Financial Officer of the Accounting Policies and Accounting Estimates used in the Company's Financial Statements.
l. Draft, with the assistance of the Corporate Governance Code Compliance Officer, the Board of Directors' Report on Corporate Governance, to be included in the Company's Annual Report.
m. Review the Company's transactions referred to in paragraph A.1.2 (g) of the Corporate Governance Code in order to ensure they are carried out at arm's length.

4.4 The Committee has respective powers and duties for the entire Group of the Company.

B.5. Terms of Reference of the Risk Management Committee

5.1. The Committee has the following objectives:
a. Form the strategy for undertaking every form of risk that corresponds to the Company's corporate objectives and the adequacy of available resources in both technical means and personnel.
b. Verify the independence, adequacy and effectiveness of the functioning of the Risk Management Directorate of which the Committee shall have responsibility to appoint and supervise.
c. Ensure the development and ongoing effectiveness of the internal risk management system and its integration into the business decision making process with regard to any form of risk.
d. Determine the principles that must regulate the risk management in terms of identification, prediction, measurement, monitoring, control and addressing them, in accordance with the business strategy implemented at the time and adequacy of available resources.
e. Be informed on a regular basis and monitor the Company's overall risk profile, guide the Risk Management Directorate in the implementation of the risk taking strategy and their policy management.
f. Ensure that the Company's Board of Directors is adequately informed in relation to all issues regarding the underwriting strategy, the tolerance level and risk profile when executing its strategic and supervisory duties.

5.2. The Committee has the following powers and responsibilities:

a. To investigate any activity that falls within the scope of its operation and obtain all necessary information.

b. To appoint external, legal or other professional consultants who will be deemed necessary for the implementation of its work and to secure resources for the payment of the respective remunerations and expenses.

c. To form on an annual basis and suggest to the Board of Directors the risk undertaking strategy of the Company, to observe the implementation of the Board of Directors' relevant decisions and to suggest appropriate amendments.

d. To approve and review on an annual basis and any other time that this is required, the risk management principles and policies.

e. To obtain and review the quarterly submitted Risk Management reports relevant to the Company's total risk tolerance level and the improvement and efficiency of the risk management process, to inform the Board of Directors about the significant risks that the Company has undertaken and to observe and confirm their effective treatment.

f. To annually assess the adequacy and effectiveness of the Company's risk management policy based on the annual Risk Management report and especially its adherence to the defined risk tolerance level.

g. To formulate suggestions and recommend corrective actions to the Board of Directors, in the case where it identifies a weakness in the implementation of the strategy that has been formed for the Company's risk management or deviations on its implementation.

h. To formulate suggestions to the Board of Directors regarding any matter that falls within its purpose and duties.

i. To prepare and review a Risk Management Manual which will record:
    i. The Company's risk management policy (risk appetite/tolerance, risk capacity, risk target, actual risks),
    ii. The risks that the Company faces (credit risk, market risk, liquidity risk, operational risk),
    iii. The procedure of Risk Management (risk measurement, risk control, risk mitigation, risk monitoring and performance).

5.3. The Committee has respective powers and duties for the entire Group of the Company.

B.6. Terms of Reference of the Compliance Officer

The Compliance Officer is responsible for the implementation of the Code. In performing his duties, he may consult with the other members of the Board of Directors and obtain advice from the Company's internal and external advisors, as the case may be. The Directors may address the Compliance Officer to ensure that their actions are in full compliance with the Code. The Directors who are informed or suspect that a breach of the Code has occurred or may occur must immediately notify the Compliance Officer.

B.7. Terms of Reference of the Investor Liaison Officer

The Investor Liaison Officer shall act in order to:

1. Ensure the ongoing and smooth communication with all the shareholders;
2. Provide the shareholders with sound and accurate information on material changes in the Company concerning its financial situation, performance, assets and their governance, in an ongoing and timely manner;
3. Encourage the shareholders to have a greater participation in the General Meetings and their business and provide them with the opportunity to express their views on various matters affecting the Company;
4. Where deemed necessary by the Board of Directors, organize meetings, workshops, seminars and lectures aimed at providing additional information to investors;
5. Ensure the Company's presence and participation in press conferences, meetings and other activities that may be organized by the Cyprus Stock Exchange in Cyprus and abroad.

The Investor Liaison Officer must have knowledge of the Company's financial situation and growth strategy and be updated on any significant developments in the Company.

B.8. The Corporate Governance Code applicable at any time

The Terms of Reference of the Committees and the Officers will also include all powers and responsibilities provided for in the Corporate Governance Code applicable at any time.

II. PART TWO – The Implementation of the Corporate Governance Code and the Applicable Legal Provisions on Corporate Governance

A. DIRECTORS

A.1. Board of Directors

During 2024 the Board of Directors held 15 meetings. It has also taken 23 Written Decisions according to the article 112 of the Company's Article of Association. The Board's regular meetings were scheduled, as a rule, for the last Thursday of each month, but there were adjustments to the final meeting schedule when and where this was deemed necessary. In addition, during 2024, extraordinary meetings of the Board of Directors were held to meet the business needs of the Company and the Group. The Management of the Company is informed of the meetings schedule of the Board of Directors, as well as, the agenda if this is deemed advisable. The Group Planning and Development Manager, the Director of Distribution, the Group Director of Sales, Marketing and Services and the Director of Services are usually present or when it is advisable at the meetings of the Board of Directors.

The Directors hold offices on other boards as well. Unless otherwise expressly stated, holding such offices on other boards of directors does not affect the Board of Directors' independence.

The exclusive responsibility of the Board of Directors covers all the matters set out in provision A.1.2. of the Code.

In view of the better exercise of their duties, Directors may obtain independent, professional advice at the Company's expense, provided they notify the Board of Directors or, in exceptional cases, the Chairman or another member of the Board of Directors. The Directors have access to the advice and services of the Company's Secretary.

It is deemed that the judgment of the Directors is impartial and independent and is taken in the interests of the Company and, by extension, of its shareholders.

There is no specific training program for the Directors in relation to the legislation on the Stock Exchange and the companies. They are, however, informed about the basic provisions that regulate the status and function of directors of public companies and the relevant amendments made from time to time.

The responsibilities of the Board of Directors are exercised collectively and performed with the authorization granted by the Managing Director.

The managerial staffing is considered to be the backbone of the Company's business and the employment procedure follows rational criteria aimed at recruiting the best available candidates under the circumstances.

For management staffing purposes, the Board of Directors shall implement through the Nomination Committee of the Corporate Governance Code, a diversity policy that recognises the benefits of diversity in the composition of the Board of Directors and in particular in the diversity, training and specialisation of the directors to better meet the requirements of the Company's operating sectors. The final selection decision is made on the basis of objective criteria aimed at the composition of the Board of Directors by members with high academic training, successful professional background and a wide range of experiences while taking into consideration that experience is an important element of perception and fair judgement. The extent and importance of these parameters, however, is assessed with the need for age renewal. There is no gender discrimination in measuring these criteria.

The composition of the Board of Directors during the period under review allows the effective exercise of its responsibilities, reasonably reflects the activity and shareholding structure of the Company and allows fair and equal treatment of all its shareholders, while it is considered compatible with the provision A.1.12. of the Code as well as the mentioned diversity policy and as of the date of this writing, are as follows:

Christoforos Hadjikyprianou, 64 years old. He holds a BSc in industrial technology and an MBA in Business Administration from the Southern Illinois University, U.S.A. He also holds a Doctorate degree (PhD) in Enrolment Management and Consumer Behaviour from Middlesex University, UK. He is the CEO and President of the Council of the European University Cyprus and he is also a member of the executive committee Galileo Global Education. He also serves in various social and athletic committees and he is currently Secretary General of the Cyprus University Sports Federation. He has been serving on the Board of Directors of the Company since 24 February 2020.

Varnavas Irinarchos, 66 years old. Graduate of Stockholm University Business Administration school and post graduate of the same University in Computers Science. He is an entrepreneur in the sector of information technology. He has been serving on the Board of Directors of the Company, of which he is the founder, since 9 December 1986.

George Papaioannou, 62 years old. Graduate of Ehtniko Kapodistriako University Law School of Athens. From 1990 up to 2002 he served at the Law Office of the Republic of Cyprus, as an Attorney of the Republic with a specific interest in issues of administrative and criminal law. He took part in legal congresses and was a member of the anti-corruption committee in the Council of Europe. In 2002 he resigned from his position in the Republic's Law Office and he runs his own law firm in Nicosia, with specific interest in issues of criminal nature. He has been serving on the Board of Directors of the Company since 21 August 2008.

Anthoulis Papachristoforou, 56 years old. He holds a Bachelor's degree in Accounting and Finance from the London South Bank University, and a degree in Business Studies from the Institute of Commercial Management in Bournemouth, UK, and professionally specialised in the field of finance. He is a member of the Association of Chartered Certified Accountants (ACCA) and the Institute of Certified Public Accountants of Cyprus (ICPAC). He has been serving on the Board of Directors since 17 November 2013.

Andreas Constantinides, 65 years old. He holds a Bachelor Degree in Economics Sciences from the University of Warwick. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW). He was a partner at PriceWaterhouseCoopers Limited in Cyprus, specialised in the fields of Consumer Markets, Information Technology and Agricultural Industry. He also served as member of the Board of Directors of the Cyprus Broadcasting Corporation (CyBC). He is a member in various Committee Councils, such as, inter alia, that of the Pancyprian Gymnasium Association (GSP), Junior and Senior School of Nicosia and the Cyprus-Austria Association. He has been serving on the Board of Directors of the Company since 24 February 2020.

Noeclis Nicolaou, 65 years old. He holds a BA in Econometrics from the University of Manchester and a Master of Business Administration (MBA) from Machester Business School. He is the founder and CEO of the company Neoconsult Ltd, which offers investment banking services mainly in the financial and shipping sectors. He has also provided services to Cyprus and international companies and organisations. He currently serves as a non-executive director of a number of Cyprus and international companies. He has been serving on the Board of Directors since 19 May 2022.

Charbel El-Fakhoury, 58 years old. He holds a degree in Computer Science from the Lebanese American University and a Director certification from Insead in France. Additionally, he has completed the Wharton Executive Development Program in Organisation Leadership and the Kellogg Marketing Management Program. He is a recognised entrepreneur and innovator with over 21 years at Microsoft, where he held leadership roles in Sales, Marketing, and Services, reaching the position of Global Vice President in 2020 for the USA, Europe and Asia. In 2020, he founded Eureka 460 Partners, a global investment firm in technology startups in the technology sector. He has served as a member of the advisory board of the American University of Beirut Olayan School of Business and as a member of the executive committee of LIFE Lebanon. He is also a board member of Stand For Women. He has been serving on the Board of Directors since 16 January 2025.

Marianna Pantelidou Neophytou, 53 years old. She graduated from the University of Manchester with a BSc (Hons) in Economics and Social Studies, is a member of the ICAEW, and has completed the LCOR Executive Leadership Program at Stanford University. She is an experienced professional in the fields of finance, strategy, and corporate governance, with an international career in London, Boston, and Cyprus. She has worked for companies such as Arthur Andersen, Fitch Ratings, Bank of Cyprus, and Wargaming, holding leadership roles. She served as a non-executive member of the Board of Directors of Hellenic Bank for nine years and as an advisor to the President of the Republic of Cyprus and the Ministry of Finance during the 2013 financial crisis. She has been serving on the Board of Directors since 16 January 2025.

It is noted and clarified that in the year 2024, Mr. Takis Clerides (resigned on 13/06/2024) and Mr. Linos Chrysostomou (resigned on 08/02/2025) served as members of the Board of Directors, while Mr. Charbel El-Fakhoury and Ms. Marianna Pantelidou Neophytou did not serve as members of the Board of Directors in the year 2024 as they were appointed as members of the Board of Directors on 16/01/2025.

A.2. Balance in the Board of Directors

As of the date of this document. the Board of Directors comprises of eight members, Christoforos Hadjikyprianou (Chairman of the Board of Directors), Varnavas Irinarchos, George Papaioannou, Anthoulis Papachristoforou, Andreas Constantinides, Neoclis Nicolaou, Charbel El-Fakhoury and Marianna Pantelidou Neophytou.

Christoforos Hadjikyprianou, George Papaioannou, Andreas Constantinides, Neoclis Nicolaou, Charbel El-Fakhoury and Marianna Pantelidou Neophytou are Non-Executive Directors.

Based on the criteria of the Code, amongst the Non-Executive Directors, Andreas Constantinides, Christoforos Hadjikyprianou, Neoclis Nicolaou, Charbel El-Fakhoury and Marianna Pantelidou Neophytou are Independent Directors. On 24/08/2017 George Papaioannou completed nine years of service on the Board of Directors and according to provision A.2.3.(h) of the Code, following that date they ought to have been considered as Non-Independent. However, the Board of Directors is of the opinion that their personality, scientific knowledge, professional experience and background, on the one hand, and proven objectivity and impartiality in the exercise of their duties as Directors of the Company on the other, as well as the absence of any interconnection with the Management or the Main Shareholders and of any direct or indirect conflict of interest with the interests of the Company and its shareholders, confirm and guarantee that their independence is not affected. For the reasons stated above, the Board of Directors considered them to be Independent Directors.

Chief Executive Officer is the Vice-Chairman and Managing Director Varnavas Irinarchos and Deputy Chief Executive and Managing Director Anthoulis Papachristoforou. Anthoulis Papachristoforou is also the Group’s Chief Financial Officer.

Based on the above, during the period under review, out of the seven members of the Board of Directors, excluding the Chairman, five are Independent Directors and two are Executive Directors.

Independent Directors have confirmed their independence in accordance with the criteria laid down in provision A.2.3. of the Code.

There have been no issues between the Shareholders and the Company and no reports have been made to the Compliance Officer to resolve any such issues.

A.3. Provision of Information

The Board of Directors has been regularly informed about the Company’s financial situation and prospects. Directors are notified of the items to be discussed prior to the meetings.

The businesses of the Board of Directors are held on the basis of the agenda which is drafted following liaison between the Chairman, the Vice-President and Managing Director and the other members of the Board and forwarded to the Secretary at least three days prior to the date set for the meeting, except in urgent cases. In addition to the issues on the agenda, at its meetings the Board of Directors also addresses issues raised by the Directors after the drafting of the agenda.

The minutes of each meeting are prepared and forwarded to the members of the Board of Directors prior to the date of the next meeting and, upon approval, are signed by all Directors present at the meeting in question.

A.4. Appointments to the Board of Directors

The composition of the Nomination Committee is set out in Part I.A.2. of this Report. The majority of the Members of the Nomination Committee are Non-Executive Directors. The Terms of Reference of the Nomination Committee are set out in Part I under B.2., with reference also to paragraph 1.B.8..

A.5. Re-election

According to article 94 of the Company's Articles of Association, at every Annual General Meeting 1/3 of the members of the Board of Directors (or the nearest percentage thereof) retires by rotation. Moreover, according to Provision A.5 of the Code, Directors are required to resign […] at least every three years […] but may offer themselves for re-election. According to Order A.5.2. of the Code all Directors must be subject to re-election by shareholders at the earliest opportunity after their appointment and subsequently to re-election, at intervals not exceeding three years.

According to the provision mentioned above, the members of the Board of Directors retiring by rotation at the Annual General Meeting of 2025 are Varnavas Irinarchos, Andreas Constantinides and Christoforos Hadjikyprianou.

Varnavas Irinarchos was born in 1958.Graduate of Stockholm University Business Administration school and post graduate of the same University in Computers Science. He is an entrepreneur in the sector of information technology. He serves on the Board of Directors of the Company, of which he is the founder, since 9 December 1986.

Andreas Constantinidies was born in 1959. He holds a Bachelor Degree in Economics Sciences from the University of Warwick. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW). He was a partner at PriceWaterhouseCoopers Limited in Cyprus, specialised in the fields of Consumer Markets, Information Technology and Agricultural Industry. He also served as member of the Board of Directors of the Cyprus Broadcasting Corporation (CyBC). He is a member in various Committee Councils, such as, inter alia, that of the Pancyprian Gymnasium Association (GSP), Junior and Senior School of Nicosia and the Cyprus-Austria Association. He has been serving on the Board of Directors of the Company since 24 February 2020.

Christoforos Hadjikyprianou was born in 1960. He holds a BSc in industrial technology and an MBA in Business Administration from the Southern Illinois University, U.S.A. He also holds a Doctorate degree (PhD) in Enrolment Management and Consumer Behaviour from Middlesex University, UK. He is the CEO and President of the Council of the European University Cyprus and he is also a member of the executive committee Galileo Global Education. He also serves in various social and athletic committees and he is currently Secretary General of the Cyprus University Sports Federation. He has been serving on the Board of Directors of the Company since 24 February 2020.

According to Article 99 of the Company's Articles of Association, the Directors may, from time to time, appoint anyone as a Director. According to the same article, any Director appointed in this manner will hold the position only until the following Annual General Meeting, at which they may be re-elected, but they will not be counted in the determination of the Directors who are to retire by rotation at that Meeting.

In view of the above provision, in addition to the aforementioned Board members, Marianna Pantelidou Neophytou and Charbel El-Fakhoury will retire and will be offered for re-election at the Annual General Meeting of 2025.

Marianna Pantelidou Neophytou was born in 1972. She graduated from the University of Manchester with a BSc (Hons) in Economics and Social Studies, is a member of the ICAEW, and has completed the LCOR Executive Leadership Program at Stanford University. She is an experienced professional in the fields of finance, strategy, and corporate governance, with an international career in London, Boston, and Cyprus. She has worked for companies such as Arthur Andersen, Fitch Ratings, Bank of Cyprus, and Wargaming, holding leadership roles. She served as a non-executive member of the Board of Directors of Hellenic Bank for nine years and as an advisor to the President of the Republic of Cyprus and the Ministry of Finance during the 2013 financial crisis. She has been serving on the Board of Directors since 16 January 2025.

Charbel El-Fakhoury was born in 1966. He holds a degree in Computer Science from the Lebanese American University and a Director certification from Insead in France. Additionally, he has completed the Wharton Executive Development Program in Organisation Leadership and the Kellogg Marketing Management Program. He is a recognised entrepreneur and innovator with over 21 years at Microsoft, where he held leadership roles in Sales, Marketing, and Services, reaching the position of Global Vice President in 2020 for the USA, Europe and Asia. In 2020, he founded Eureka 460 Partners, a global investment firm in technology startups in the technology sector. He has served as a member of the advisory board of the American University of Beirut Olayan School of Business and as a member of the executive committee of LIFE Lebanon. He is also a board member of Stand For Women. He has been serving on the Board of Directors since 16 January 2025.

There is no member of the Board of Directors whose election or re-election took place more than three years ago.

B. REMUNERATION OF DIRECTORS

B.1. Procedure

The composition of the Remuneration Committee is set out in Part I.A.3 of this Report. The Members of the Committee are Non-Executive Directors and have no business or other relationship that could materially affect the performance of their duties. All the members of the Remuneration Committee are Independent Directors. The chairman of the Remuneration Committee, due to his long-standing experience in a business consulting firm, as well as, the member of the Committee, due to his knowledge and experience in company boards, have knowledge and experience in the field of remuneration policy. The Terms of Reference of the Remuneration Committee are set out in Part I.B.3 with reference also to paragraph I.B.8.

B.2. The level and composition of the remuneration – Remuneration Policy - Remuneration Report

During the year under review, it was not deemed necessary to use the services of a consultant on market standards for remuneration systems.

The Company's policy on the remuneration of its Executive directors recognises the necessity of the determination of remuneration of which the level and composition will be able to allow the attraction, retention and motivation of Executive directors which fulfil the required criteria, academic qualifications, knowledge and experience. Consists in correlating remuneration to individual performance and the Company's overall progress and the competitive comparison against other businesses of similar operations and comparable size.

Not any factor exists in the composition of the Executive directors' remuneration which consists wholly of non-variable factors without any predetermined or quantifiable performance criteria.

There is no annual bonus scheme and other benefits to the Executive directors, except the bestowal of a car or the reimbursement of maintenance and running expenses of a private car and except as mentioned below in paragraph B.3., where any bonus proposal is decided and approved by the Remuneration Committee.

There are no retirement or early retirement plans or option plans or share-option plans to the benefit of Executive directors.

The report of the Remuneration Committee has been approved by the Board of Directors and is submitted to the shareholders of the Company for approval as part of this Annual Report.

The amount and the composition of the remuneration of the Executive Board of Directors are listed in Part II.B.3.

B.3. Notification

The remuneration and other benefits of the Executive directors in 2024 were as follows:

Varnavas Irinarchos, Managing Director- €176.200 (Salary €150.000 plus Entertainment Expenses €26.200). He is provided with a car and the relevant running and maintenance costs are also covered, amounting to €4.068 including depreciation. His employment contract was renewed and is valid from 01/01/2025 until 31/12/2025 with a salary of €150.000 plus entertainment expenses of €25.000 plus running and maintenance costs of a car. The Managing Director waives, as of 01/01/2025, the right to be provided with a suitable car, as well as, the coverage of its maintenance and running expenses.

Anthoulis Papachristoforou, Deputy Managing Director- €271.000 (Salary €197.000 plus Entertainment Expenses €24.000 plus Bonus €50.000 - the bonus was granted based on the evaluation of the results of the Group for the year 2023). He is provided with a car and the relevant running and maintenance costs amounting to €28.188, including the depreciation, in the period under review are covered.

The Executive directors have the right to participate in the Share Option or other Bonus Schemes, if and where applicable to the Company's regular personnel, but are not remunerated for their participation in the Board of Directors and in the committees of the Board of Directors. In 2024 there were no Share Option Schemes in force.

The amount and the composition of the remuneration of the Non-Executive Directors is determined in the General Meeting. It is recognised, in one hand, that the remuneration of Non-Executive Directors should not include rights to purchase share or other information related to the Company's performance and, on the other hand, that it should reasonably reflect the time commitment, requirements and responsibilities of their role, without however, its composition being able to influence the independence of the Non-Executive Independent Directors.

The remuneration of the Non-Executive Directors for their participation in the Board of Directors which were determined with the decision taken by the Annual General Meeting in 2023 are the following: Chairman annual lump sum amount of €25.000 plus €500 per participation at the meetings of the Board of Directors and Non-Executive Directors annual lump sum amount of €7.000 plus €400 per participation at the meetings of the Board of Directors. The chairman of the Audit Committee and the Risk Management Committee are remunerated with an additional annual lump sum amount of €2.000. and €1.000 respectively.

The remuneration of the Non-Executive Directors for their participation in the Committee of the Corporate Governance Code, unless otherwise decided by the Board of Directors, is equal to the remuneration for the participation in the meetings of the Board of Directors.

The total remuneration received by the Chairman and the Non-Executive Directors during 2024, referring to the period from 01/01/2024 until 31/12/2024, are as follows: Takis Klerides (Chairman until 13/06/2024) €15.270, Christoforos Hadjikyprianou (Chairman from 09/10/2024) €19.231, George Papaioannou €18.200, Andreas Constantinides €18.200 and Neoclis Nicolaou €18.400 and Linos Chrysostomou €11.800.

No remuneration is paid for the participation of members of the Company's Board of Directors in the boards of directors of its subsidiary companies.

The Independent Non-Executive Directors do not receive and did not receive any reimbursement from the Company except from their remuneration as members of the Board of Directors within the twelve months preceding their appointment, as this was approved with a decision of the Annual General Meeting of 2023.

C. RESPONSIBILITY AND INTERNAL AUDIT – RISK MANAGEMENT

C.1. Financial Statements

The notifications, reports and statements of the Company, reflect the true picture of the Board of Directors data and estimates at the material time. Notifications are issued where required under statutory obligations and where deemed advisable in order to provide shareholders and investors in general with timely information.

The Company intends to continue to operate as a going concern for the next 12 months.

C.2. Internal Control and Risk Management Systems

The Audit Committee ensures that the Company maintains a sufficient Internal Audit System to guarantee the maximum possible protection of the Shareholders' investments and the Company's assets. The Audit Committee inspects the Internal Audit Systems through the Company's Internal Audit Department and provides assurances to the Board of Directors that their effectiveness is satisfactory.

The internal control services are carried out by the Internal Audit Department, headed by Mr. Charalambos Iosephides, holder of a BSc in Economics degree, as well as, an MSc in Finance and a Chartered Financial Analyst.

Internal audit issues were not assigned to external professionals (outsourcing), nor to the Company's statutory auditors.

The audit by the Internal Audit Department of the Internal Audit and Risk Management Systems is carried out on a sample basis in accordance with the International Standards of Internal Audit and covers audits of the financial and operating systems, as well as, compliance and management systems that threat the achievement of the Company's objectives.

The Internal Audit Department helps the Group to achieve its objectives by applying a systematic and disciplined methodology in the assessment and improvement of the Risk Management Systems and Internal Control Systems and in the implementation of the Corporate Governance Code by each company.

The Board of Directors has not been informed of any violation of the Laws and Regulations governing the operation of the Cyprus Stock Exchange and the Cyprus Securities and Exchange Commission.

No loans or guarantees have been granted to any Directors (or to any person associated with the same within the first degree or to their spouses or to companies in which they hold more than 20% of the voting rights) of the Company or the Company's subsidiaries either by the Company itself or its subsidiaries or by a company associated with the Company and, with the exception of normal business practice, there are no amounts receivable from a Director or any person associated therewith as stated above.

C.3. Audit Committee, Statutory Auditors and Compliance with the Code – Risk Management Committee

The Audit Committee comprises three members and its composition is set out in Part I.A.4 of this Report. The Chairman and two members of the Audit Committee are Non-Executive, Independent Directors and have no business or any other relationship that could materially affect the exercise of their duties. The Terms of Reference of the Audit Committee are set out in Part I.B.4 with additional reference in paragraph I.B.8.. The Chairman of the audit Committee has experience in Accounting and Audit and is a Qualified Accountant/Auditor. The members of the Committee, as a whole, have sufficient experience in the area in which the Company operates.

In 2024, the Audit Committee held 9[3] meetings and, as per its Terms of Reference, examined, amongst other issues, the issues related to the services of the statutory Auditors, which have been found to be adequate, including their remuneration, which it considers reasonable. The relevant report has been submitted to the Board of Directors.

The statutory auditors and the entities belonging to the same group as the statutory auditors of the company do not provide to the Company any other services which as statutory auditors are not allowed to provide. The statutory auditors provide non-audit services to the Company, which are permitted by the relevant legislation, and certify in writing that they do affect their objectivity and independence.

The accounting policies and accounting estimates followed are deemed to be satisfactory. The Company has adopted the International Financial Reporting Standards in relation to its business.

There have been no material transactions of the Company or its subsidiaries or associated companies, of any kind, in which the Chief Executive Officer, any senior management executive, secretary, auditor or major shareholder of the Company holding directly or indirectly more than 5% of the Company's issued share capital or voting rights, has any material interest, either directly or indirectly.

It is hereby confirmed that the Company has complied with the provisions of the Code.

This Report was drafted with the assistance of the Compliance Officer.

3. On 18/04/2024, 30/05/2024, 03/06/2024, 05/09/2024, 16/10/2024, 24/10/2024, 18 & 22/11/2024, 11/12/2024, and 21/12/2024.

Risk Management Committee

The Risk Management Committee comprises five members who are Non-Executive Directors. Its composition is set out in Part I.A.5 of this Report. The Committee's Terms of Reference are set out in Part I.B.5 with additional reference in paragraph I.B.8.

The Risk Management Committee has perused, approved and adopted a Risk Management Manual, prepared by the Company's Internal Auditor, which records in detail, the categories of risks encountered by the Company and the Management's policy and procedures for addressing these risks.

In 2024, the Risk Management Committee held 4 meetings. At the quarterly meetings of the Committee, the Management presented the results of the methods and processes of managing the risks based on the Manual and the Committee confirmed the ongoing effectiveness of the internal risk management system and its continuous development across the range of the Company's operations. The Chairman of the Committee informed the Board of Directors accordingly.

D. RELATIONSHIP WITH SHAREHOLDERS

D.1. Constructive use of the Annual General Meeting

The Annual General Meeting was convened and held in accordance with legal and regulatory provisions as well as with the provisions of the Corporate Governance Code.

The procedures followed at the general meetings permit, challenge and support the participation of the shareholders in the discussion of the issues on the agenda and the adoption of relevant resolutions. The shareholders are provided with satisfactory evidence and adequate time is provided for investigation and additional explanations in relation to the issues concerning extraordinary business at the annual general meetings or issues relating to the agenda of an extraordinary general meeting. Prior to and after concluding the business of the general meetings, opportunities are provided for communication and discussion amongst the shareholders and the members of the Board of Directors and the other officers and management executives of the Company.

D.2. Equal Treatment of Shareholders

The entire authorized and issued share capital is divided into ordinary shares and there are no shareholders holding any titles with varied rights in relation to the exercise of voting rights or participation in the Company's profits. During voting, every shareholder is entitled to one vote for every share held.

Participation in the general meeting by proxy requires authorizations for which relevant forms are proposed and attached to the invitation.

The invitations are sent out within the deadlines determined by the Companies Law.

Provided they represent an adequate number of shares (5%), shareholders may propose issues to be discussed at the general meetings of the shareholders in accordance with the procedures established by the Companies Law.

The members of the Board of Directors and management executives are aware of their obligations, subject to their ongoing obligations for immediate announcement, to communicate information to the Board of Directors and to the shareholders through the Company's annual report and the accounts, relating to any material own interest which may arise from Company's transactions that fall within their duties, as well as any other conflicts of interest with those of the Company or its associated companies arising in the performance of their duties.

The information concerning the Company is provided to all shareholders fairly, promptly and free of charge.

The Company has a website providing information on important developments in the Company's operations, including the announcements made to the Stock Exchange, and allows visitors to personally contact the Investor Liaison Officer.

The Company's announcements and reports provide prompt and accurate information on the material changes concerning the Group and its business, including issues relating to the Company's financial statements, the objectives and activities, as amended, the main shareholders and voting rights, material foreseeable risks, material issues concerning employees (upgrading and restructuring of personnel) and the shareholders, governance structure and policies and the Company's extraordinary transactions.

E. Corporate Social Responsibility (CSR)

The Company is committed to making a positive impact on the community in which it operates. The Company believes it has a duty to partners, employees, communities and stakeholders to demonstrate responsible behavior in everything it does and expects to create a sustainable environment in which we live and work.

To this end, the Board of Directors has established the CSR Committee, which consists of two independent non-executive directors, one non-executive director and one managing member of the Company. The main responsibility of the CSR Committee is the formulation of the CSR strategy and the determination of the primary CSR objective of the Company, in accordance with the practices of the ISO 26000 standard.

Reference to the actions, objectives, strategies and results of the Company's actions are presented in detail in the CSR Report (published under the name "Consolidated Non-Financial Statement of the Group"), which is posted both on the website of the Cyprus Stock Exchange and on the Company's website.

As stated above in the Management Report and Consolidated Management Report, the Non-Financial Statement of the Company and the Group will be published until 30 June 2025.

Nicosia, 24 April 2025

By order of the Board of Directors,

Logicom Secretarial Services Limited
Secretary of Logicom Public Limited

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF

LOGICOM PUBLIC LIMITED

Report on the Audit of the Consolidated and Separate Financial Statements

Opinion

We have audited the consolidated financial statements of Logicom Public Limited and its subsidiaries (the "Group"), and the separate financial statements of Logicom Public Limited (the "Company"), which are presented on pages 41 to 159 and comprise the consolidated statement of financial position and the statement of financial position of the Company as at 31 December 2024, and the consolidated and separate statements of profit or loss and other comprehensive income, changes in equity and cash flows, and the statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including material accounting policy information.

In our opinion, the accompanying consolidated and separate financial statements give a true and fair view of the financial position of the Group and the Company as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113 (the "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 and Separate Financial Statements" section of our report. We remained independent of the Group and the Company throughout the period of our appointment in accordance with the International Code of Ethics (including International Independence Standards) for Professional Accountants of the International Ethics Standards Board for Accountants' ("IESBA Code") together with the ethical requirements that are relevant to our audit of the consolidated and 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.

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

Key audit matters are those matters that, in our professional 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.

<table>
<tr><td colspan="2">Valuation of trade receivables and contract assets for the Group and trade and other receivables for the Company.

Refer to note 24 to the consolidated and the separate financial statements</td></tr>
<tr><td>Key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>As at 31 December 2024, the trade receivables and contract assets of the Group amounted to €340.068.961 and the trade and other receivables of the Company amounted to €14.417.984.

The significance of these balances for the Group and the Company and taking into account the general financial and political environment in the countries where the Group operates, creates a risk as to the recovery of these balances, and the uncertainty, the use of assumptions and judgements that accompany the assessment of provisions for bad debts, has resulted in the valuation of these balances to be one of the key audit matters.</td><td>Our audit procedures included amongst others, the following:

▪ Assessment of the design and implementation of the controls in relation to the credit insurance on the Group’s customers;
▪ Review of subsequent to the year-end cash receipts;
▪ -Assessment of the reasonableness of the assumptions and information, taken into account in the calculation of the provision for doubtful debts, such as the age of the balances, the characteristics of the customers, the extent of insurance coverage and whether the amounts have been recovered post year end.
▪ Independent assessment of the expected credit losses (ECL) calculation prepared by the Management, using our own internal model.</td></tr>
</table>

<table>
<tr><td colspan="2">Valuation of inventories for the Group

Refer to note 23 to the consolidated and separate financial statements.</td></tr>
<tr><td>The key audit matter</td><td>How the matter was addressed in our audit</td></tr>
<tr><td>As at 31 December 2024 the inventories of the Group amounted to € 78.482.051.

Considering that the activities of the companies of the Group include the distribution of high-tech products and the fact that this specific industry is characterized by rapid developments and changes, there is a risk that the inventories held at year end may be slow moving or impaired. The uncertainty relating to the valuation of inventory caused this risk to be one of the key audit matters.</td><td>Our audit procedures included amongst others, the following:

▪ Evaluating the process applied by the Company and Group to estimate the provision for impairment.
▪ Assessment of the amount of provision for impairment taking into account the characteristics of the country in which the inventories are held, the age and type of inventories, their marketability as well as the Group’s ability for stock rotation and price protection.
▪ Comparison of the cost of the inventories with their net realizable value.</td></tr>
</table>

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Amount receivable and share of results from Joint ventures to the Group and amount receivable from subsidiary company to the Company Refer to notes 19,24 and 42 to the consolidated and separate financial statements	
The key audit matter	**How the matter was addressed in our audit**
As at 31 December 2024 the amount receivable and share of loss from joint ventures to the Group amounted to €18.545.661 after the allowance for expected credit losses and €2.667.810 respectively and amount receivable from subsidiary to the Company amounted to €12.034.003 after the allowance for expected credit losses. The Group and the Company have significant receivable balances from M.N. Larnaca Desalination Co. Limited and M.N. Limassol Water Co. Ltd (the "desalination companies"), through its subsidiary Verendrya Ventures Limited. The share of the results and the impairment of the amounts due by the desalination companies which was recognized during the year have been determined on the basis of assumptions and estimates that involve inherent uncertainty in the calculation of the expected discounted cash flows in relation to the desalination projects. The subject matter is one of the key issues for which the Board of Directors has exercised significant judgment and therefore is one of the key audit matters.	Our audit procedures included amongst others, the following: ▪ Assessment of the reasonableness of the assumptions used to determine the value of the significant assets and liabilities of the desalination companies, by comparing with statistical and other data, and by extension assessment of the share of the result recognized in Group. ▪ Review of the expected discounted cash flows of the subsidiary company Verendrya Ventures Limited which consists of the expected discounted cashflows of the desalination company in Larnaca as well as those of the company that has undertaken the similar project of the desalination unit in Limassol to determine a possible impairment on the amount payable by Verendrya Ventures Limited to the Company;

Reporting on Other Information

The Board of Directors is responsible for the other information. The other information comprises the Management Report and Consolidated Management Report and the Corporate Governance Report.

Our opinion on the consolidated and separate financial statements does not cover the other information and we do not express any form of assurance conclusion thereon, except as required by the Companies Law, Cap.113.

In connection with our audit of the consolidated and separate financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

With regards to the Management Report and Consolidated Management Report and Corporate Governance Report, our report is presented in the "Report on other legal and regulatory requirements" section.

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

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

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

The Board of Directors and those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and 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 Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.
- Plan and perform the Group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the consolidated financial statements. We are responsible for the direction, supervision and review of the audit work performed for the purposes of the Group audit. We remain solely responsible for our audit opinion.

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

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

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

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

Report on Other Regulatory and Legal Requirements

Other Regulatory requirements

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

1. Date of appointment and period of engagement
   We were first appointed auditors of the Company on 1986 by the General Meeting of the Company's members.. Our total uninterrupted period of engagement, having been renewed annually by shareholders' resolution is 37 years covering the periods ending 31.12.1986 to 31.12.2024.
2. Consistency of auditor's report to the additional report to the Audit Committee
   We confirm that our audit opinion on the consolidated and separate financial statements expressed in this report is consistent with the additional report presented to the Audit Committee of the Company, which is dated 16 April 2025, in accordance with Article 11 of the EU Regulation 537/2014.
3. Provision of Non-audit Services
   We have not provided any prohibited NAS referred to in Article 5 of EU Regulation 537/2014 as applied by Section 72 of the Auditors Law of 2017 ("Law L.53(I)/2017").

European Single Electronic Format

We have examined the digital files of the European Single Electronic Format (ESEF) of Logicom Public Limited for the year ended 31 December 2024 comprising an XHTML file which includes the consolidated and separate financial statements for the year then ended and XBRL files with the marking up carried out by the entity of the consolidated 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 all disclosures made in the consolidated financial statements or made by cross-reference therein to other parts of the annual financial report for the year ended 31 December 2024 that correspond to the elements of Annex II of the EU Delegated Regulation 2019/815 of 17 December 2018 of the European Commission, as amended from time to time (the "ESEF Regulation") (the "digital files").

The Board of Directors of Logicom Public Limited is responsible for preparing and submitting the consolidated financial statements for the year ended 31 December 2024 in accordance with the requirements set out in the ESEF Regulation.

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

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

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Other Legal Requirements

Pursuant to the additional requirements of Law L.53(I)/2017, and based on the work undertaken in the course of our audit, we report the following:

- In our opinion, the Management Report and Consolidated Management Report, the preparation of which is the responsibility of the Board of Directors, has been prepared in accordance with the requirements of the Companies Law, Cap. 113, and the information given is consistent with the consolidated and separate financial statements.
- In light of the knowledge and understanding of the business and the Group's environment obtained in the course of the audit, we have not identified material misstatements in the Management Report and Consolidated Management Report.
- In our opinion, based on the work undertaken in the course of our audit, the information included in the Corporate Governance Report in accordance with the requirements of subparagraphs (iv) and (v) of paragraph 2(a) of Article 151 of the Companies Law, Cap. 113, and which is included as a specific section of the Management Report and Consolidated Management Report, has been prepared in accordance with the requirements of the Companies Law, Cap, 113, and is consistent with the consolidated and separate financial statements.
- In our opinion, based on the work undertaken in the course of our audit, the Corporate Governance Statement includes all information referred to in subparagraphs (i), (ii), (iii), (vi) and (vii) of paragraph 2(a) of Article 151 of the Companies Law, Cap. 113.
- In light of the knowledge and understanding of the Group and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Corporate Governance Report in relation to the information disclosed for items (iv) and (v) of subparagraph 2(a) of Article 151 of the Companies Law, Cap. 113. We have not identified any material misstatements in this respect.

Other Matter

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of Law L.53(I)/2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditors' report is Michael M. Antoniades.

Michael M. Antoniades, FCA
Certified Public Accountant and Registered Auditor
Auditor for and on behalf of

KPMG Limited
Certified Public Accountants and Registered Auditors
14 Esperidon street
1087 Nicosia Cyprus

24 April 2025

This Auditors Report is an English translation of the original Auditors Report issued on 24 April 2025 and translated for submission purposes to the Cyprus Stock Exchange. For the avoidance of doubt, in the event of a dispute or inconsistency between the Greek and English versions, the Greek language version shall prevail over the English translation in all respects.

LOGICOM PUBLIC LIMITED

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

	Note	2024 €	2023 €
Sales	5	1.090.984.988	1.214.634.638
Cost of sales	6	(993.871.840)	(1.121.333.247)
Gross profit		97.113.148	93.301.391
Other income	7	2.195.187	2.389.018
Expected credit losses	36.1	(2.291.083)	(817.682)
Other expenses	8	-	(2.860.000)
Administrative expenses	9	(60.031.619)	(55.086.315)
Profit from operations		36.985.633	36.926.412
Net foreign exchange (loss)/profit		(1.676.959)	662.172
Finance income		884.208	769.093
Finance expenses		(14.154.872)	(15.054.280)
Net finance costs	10	(14.947.623)	(13.623.015)
Net share of profit from associated companies after tax	19	39.630.664	26.259.355
Net share of loss from joint ventures after tax	19	(2.667.810)	(1.436.188)
Profit before tax		59.000.864	48.126.564
Tax	11	(7.106.595)	(4.205.925)
Profit for the year after tax		51.894.269	43.920.639
Other comprehensive income that will not be reclassified to profit or loss in future periods			
Increase from revaluation of investments at fair value through other comprehensive income	17	33.225.884	10.846.466
Surplus from revaluation of held for sale investments	21	2.649.832	-
Deferred taxation arising from revaluation of land and buildings	34	20.955	28.577
Adjustment on remeasurement of obligation	29	25.459	(150.501)
Share of (loss)/ profit from associated company	19	(577)	743.425
Deferred taxation arising from the remeasurement of obligation	34	(1.018)	2.538
		35.920.535	11.470.505
Other comprehensive income that will be reclassified to profit or loss in future periods			
Exchange difference from translation and consolidation of financial statements from foreign operations	10	8.825.845	(4.398.085)
Exchange difference in relation to hedge of a net investment in a foreign operation	10	(3.244.527)	1.303.249
Share of (loss)/ profit from associated company	19	(22.273)	25.145
		5.559.045	(3.069.691)
Other comprehensive income for the year after tax		41.479.580	8.400.814
Total comprehensive income for the year after tax		93.373.849	52.321.453
Profit for the year after tax attributable to:			
Company's shareholders		53.908.919	44.508.875
Non-controlling interest	27	(2.014.650)	(588.236)
Profit for the year after tax		51.894.269	43.920.639
Total comprehensive income for the year after tax attributable to:			
Company's shareholders		95.388.499	52.909.689
Non-controlling interest	27	(2.014.650)	(588.236)
Total comprehensive income		93.373.849	52.321.453
Basic earnings per share (cent)	13	72,77	60,08
Diluted earnings per share (cent)	13	72,77	60,08

The notes on pages 49 to 159 form an integral part of these consolidated and separate financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	2024 €	2023 €
Assets			
Property, plant and equipment	14	23.344.073	23.490.473
Right-of-use assets	15	5.524.687	4.935.499
Intangible assets and goodwill	16	7.729.795	7.772.073
Investments in associated companies and joint ventures	19	150.384.906	110.048.546
Investments at fair value through other comprehensive income	17	-	30.617.240
Trade and other receivables	24	22.847.384	23.329.580
Deferred taxation	34	926.548	1.306.521
Total non-current assets		210.757.393	201.499.932
Inventories	23	78.482.051	88.440.500
Trade and other receivables	24	352.655.300	339.930.874
Assets held for sale	21	66.492.956	-
Derivative financial instruments	22	417.555	-
Other investments	20	36.944	29.255
Current tax assets	31	273.758	2.106.400
Cash and cash equivalents	25	77.776.400	34.536.943
Total current assets		576.134.964	465.043.972
Total assets		786.892.357	666.543.904
Equity			
Share capital	26	25.187.064	25.187.064
Reserves	27	345.131.359	256.484.642
Equity attributable to shareholders of the company		370.318.423	281.671.706
Non-controlling interest	27	(5.479.273)	(3.332.623)
Total equity		364.839.150	278.339.083
Liabilities			
Long-term loans	32	9.053.656	8.119.842
Lease liability	33	4.224.826	3.734.941
Trade and other payables	30	13.245.997	12.261.251
Deferred taxation	34	450.964	516.304
Provisions for other liabilities and termination of employment	28,29	2.659.070	2.812.145
Total non-current liabilities		29.634.513	27.444.483
Trade and other payables	30	231.360.319	196.833.410
Bank overdrafts	32	27.165.934	26.507.607
Short term loans	32	122.570.909	129.315.166
Current portion of long-term loans	32	5.759.298	3.695.204
Lease liability	33	1.537.938	1.409.534
Derivative financial instruments	22	-	1.320.263
Current tax liabilities	31	3.928.369	1.555.891
Provisions for other liabilities and termination of employment	28,29	95.927	123.263
Total current liabilities		392.418.694	360.760.338
Total liabilities		422.053.207	388.204.821
Total equity and liabilities		786.892.357	666.543.904

The consolidated financial statements were approved by the Board of Directors of Logicom Public Limited on 24 April 2025.

....	....
Varnavas Irinarchos	Anthoulis Papachristoforou
Vice Chairman and Managing Director	Group Chief Financial Officer/ Director

The notes on pages 49 to 159 form an integral part of these consolidated and separate financial statements.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2024

	Share capital €	Share Premium Reserve €	Revaluation Reserve €	Difference arising from share capital conversion in Euro €	Hedge reserve €	Statutory reserve €	Translation reserve €	Retained earnings €	Total €	Non-controlling interest €	Total €
Balance as at 1 January 2023	25.187.064	10.443.375	8.095.849	116.818	(12.324.623)	3.000.245	3.788.614	196.791.711	235.099.053	(2.620.720)	232.478.333
Total comprehensive income											
Profit for the year	-	-	-	-	-	-	-	44.508.875	44.508.875	(588.236)	43.920.639
Other comprehensive income	-	-	28.577	-	1.303.249	-	(4.398.085)	11.467.073	8.400.814	-	8.400.814
Transactions with owners, recognized directly in equity											
Proposed dividend for 2022 that was paid in 2023 (note 12)	-	-	-	-	-	-	-	(6.296.766)	(6.296.766)	(124.000)	(6.420.766)
Share of other transactions with owners from an associated company (note 19)	-	-	-	-	-	-	-	(40.270)	(40.270)	-	(40.270)
Other movements											
Transfer	-	-	-	-	-	221.625	-	(221.625)	-	333	333
Balance as at 1 January 2024	25.187.064	10.443.375	8.124.426	116.818	(11.021.374)	3.221.870	(609.471)	246.208.998	281.671.706	(3.332.623)	278.339.083
Total comprehensive income											
Profit for the year	-	-	-	-	-	-	-	53.908.919	53.908.919	(2.014.650)	51.894.269
Other comprehensive income	-	-	20.955	-	(3.244.527)	-	8.825.845	35.877.307	41.479.580	-	41.479.580
Transactions with owners, recognized directly in equity											
Proposed dividend for 2023 that was paid in 2024 (note 12)	-	-	-	-	-	-	-	(6.667.164)	(6.667.164)	(132.000)	(6.799.164)
Share of other transactions with owners from an associated company (note 19)	-	-	-	-	-	-	-	(74.618)	(74.618)	-	(74.618)
Other movements											
Transfer	-	-	-	-	-	123.541	-	(123.541)	-	-	-
Balance as at 31 December 2024	25.187.064	10.443.375	8.145.381	116.818	(14.265.901)	3.345.411	8.216.374	329.129.901	370.318.423	(5.479.273)	364.839.150

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 31st of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31st of 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% 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 rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

Retained earnings is the only reserve that is available for distribution.

LOGICOM PUBLIC LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended 31 December 2024

	Note	2024 €	2023 €
Cash flows from/(used in) operations			
Profit for the year after tax		51.894.269	43.920.639
Adjustments for:			
Exchange differences		606.552	(3.073.942)
Depreciation	14	1.505.279	1.488.839
Depreciation on leased property, plant and equipment	14	254.252	243.526
Depreciation on right-of-use assets	15	1.844.082	1.760.557
Interest payable		12.604.087	13.077.775
Interest receivable	10	(785.371)	(547.578)
Change in fair value of derivative financial instruments		(1.737.818)	999.431
Share of loss from joint ventures after tax	19	2.667.810	1.436.188
Share of profit from associated companies after tax	19	(39.630.664)	(26.259.355)
Expected credit losses	36.1	2.291.083	817.682
Provision recognised for the decrease in the value of inventories	23	(111.955)	1.266.227
Profit on revaluation of investments at fair value through profit and loss	7	(7.689)	(10.249)
Profit from the disposal of property, plant and equipment	7	(22.921)	(21.315)
Amortisation of intangible assets	16	42.278	42.278
Impairment of goodwill	16	-	305.052
Charge to profit or loss for provisions	29	578.538	537.199
Tax	11	7.106.595	4.205.925
		39.098.407	40.188.879
Decrease in inventories		10.070.404	16.885.623
Increase in trade and other receivables		(14.533.313)	(56.091.589)
Increase in trade and other payables		35.511.655	2.141.912
Repayments from promissory notes		-	(2.000.000)
Benefits paid for termination of employment		(996.769)	(471.104)
		69.150.384	653.721
Taxation paid		(2.534.349)	(6.924.601)
Net cash flow from/(used in) operations		66.616.035	(6.270.880)
Cash flows (used in)/from investing activities			
Proceeds from disposal of property, plant and equipment		466.527	75.624
Payments to acquire investments in associated companies		-	(378.000)
Payments for provisions	28	-	(94.231)
Payments to acquire property, plant and equipment	14	(1.730.672)	(1.663.075)
Interest received	10	785.371	547.578
Net cash flow used in investing activities		(478.774)	(1.512.104)
Cash flows from/(used in) financing activities			
Proceeds from issue of new loans	32	259.706.721	245.521.308
Repayment of loans	32	(263.453.070)	(236.765.953)
Repayments of lease liability	33	(2.128.336)	(1.898.958)
Interest paid		(12.204.199)	(12.690.295)
Dividends paid	12	(6.667.164)	(6.296.766)
Net cash flow used in financing activities		(24.746.048)	(12.130.664)
Net change in cash and cash equivalents		41.391.213	(19.913.648)
Cash and cash equivalents at beginning of the year		8.029.336	29.146.094
Effect of exchange rate fluctuations on cash and cash equivalents held		1.189.917	(1.203.110)
Cash and cash equivalents at end of the year	25	50.610.466	8.029.336

The notes on pages 49 to 159 form an integral part of these consolidated and separate financial statements.

LOGICOM PUBLIC LIMITED

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

	Note	2024 €	2023 €
Sales	5	89.286.740	97.975.711
Cost of sales	6	(79.978.539)	(91.509.013)
Gross profit		9.308.201	6.466.698
Other income	7	20.335.807	13.895.095
Expected credit losses	36.1	(6.675.130)	517.296
Other expenses	8	(1.400.000)	-
Administrative expenses	9	(12.609.918)	(9.632.759)
Profit from operations		8.958.960	11.246.330
Net foreign exchange (loss)/ profit		(830.029)	224.871
Finance income		98.837	203.466
Finance expenses		(6.604.649)	(5.257.898)
Net finance costs	10	(7.335.841)	(4.829.561)
Profit before tax		1.623.119	6.416.769
Tax	11	(703.571)	(84.628)
Profit for the year after tax		919.548	6.332.141
Other comprehensive income that will not be reclassified to profit or loss in future periods			
Deferred taxation arising from revaluation of land and buildings	34	20.955	28.577
Other comprehensive income for the year after tax		20.955	28.577
Total comprehensive income for the year after tax		940.503	6.360.718

LOGICOM PUBLIC LIMITED

STATEMENT OF FINANCIAL POSITION
As at 31 December 2024

	Note	2024 €	2023 €
Assets			
Property, plant and equipment	14	3.753.709	4.019.084
Right-of-use assets	15	320.784	249.266
Investments in subsidiary companies	18	62.942.217	60.842.217
Long-term loans to subsidiary companies	42	23.244.112	28.828.382
Deferred taxation	34	133.973	133.973
Total non-current assets		90.394.795	94.072.922
Inventories	23	724.654	506.310
Trade and other receivables	24	14.433.744	12.738.874
Receivables from subsidiary companies	42	65.341.438	70.312.135
Derivative financial instruments	22	112.170	-
Other investments	20	6.758	6.758
Current tax assets	31	755	755
Cash and cash equivalents	25	7.817.603	3.772.200
Total current assets		88.437.122	87.337.032
Total assets		178.831.917	181.409.954
Equity			
Share capital	26	25.187.064	25.187.064
Reserves	27	23.577.488	29.304.148
Total equity		48.764.552	54.491.212
Liabilities			
Long-term loans	32	2.232.056	4.577.910
Lease liability	33	194.847	126.663
Deferred taxation	34	450.942	493.282
Total non-current liabilities		2.877.845	5.197.855
Trade and other payables	30	27.995.453	26.813.099
Payables to own subsidiaries	42	25.794.714	32.945.742
Bank overdrafts	32	19.202.016	13.096.046
Short term loans	32	50.626.947	44.353.311
Current portion of long-term loans	32	2.790.926	2.893.905
Lease liability	33	134.573	136.696
Derivative financial instruments	22	-	1.481.951
Current tax liabilities	31	644.891	137
Total current liabilities		127.189.520	121.720.887
Total liabilities		130.067.365	126.918.742
Total equity and liabilities		178.831.917	181.409.954

The financial statements were approved by the Board of Directors of Logicom Public Limited on 24 April 2025.

....	....
Varnavas Irinarchos	Anthoulis Papachristoforou
Vice Chairman and Managing Director	Group Chief Financial Officer / Director

The notes on pages 49 to 159 form an integral part of these consolidated and separate financial statements.

LOGICOM PUBLIC LIMITED

STATEMENT OF CHANGES IN EQUITY
Year ended 31 December 2024

	Note	Share capital €	Share Premium Reserve €	Revaluation Reserve €	Difference arising from share capital conversion in Euro €	Retained earnings €	Total €
Balance as at 1 January 2023		25.187.064	10.443.375	2.706.166	116.818	15.973.837	54.427.260
Total comprehensive income							
Profit for the year		-	-	-	-	6.332.141	6.332.141
Other comprehensive income for the year		-	-	28.577	-	-	28.577
Transactions with owners, recognized directly in equity							
Proposed dividend for 2022 that was paid in 2023	12	-	-	-	-	(6.296.766)	(6.296.766)
Balance as at 1 January 2024		25.187.064	10.443.375	2.734.743	116.818	16.009.212	54.491.212
Total comprehensive income							
Profit for the year		-	-	-	-	919.548	919.548
Other comprehensive income for the year		-	-	20.956	-	-	20.956
Transactions with owners, recognized directly in equity							
Proposed dividend for 2023 that was paid in 2024	12	-	-	-	-	(6.667.164)	(6.667.164)
Balance as at 31 December 2024		25.187.064	10.443.375	2.755.699	116.818	10.261.596	48.764.552

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 31st of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31st of 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% 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 rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

Retained earnings is the only reserve that is available for distribution.

The notes on pages 49 to 159 form an integral part of these consolidated and separate financial statements.

LOGICOM PUBLIC LIMITED

STATEMENT OF CASH FLOWS
Year ended 31 December 2024

	Note	2024 €	2023 €
Cash flows from/(used in) operations			
Profit for the year after tax		919.548	6.332.141
Adjustments for:			
Depreciation	14	542.272	553.733
Change in derivative financial instruments	22	(1.594.121)	848.717
Depreciation on right-of-use assets	15	131.056	129.283
(Profit)/loss from the disposal of property, plant and equipment	7	(722)	75
Expected credit losses	36.1	6.675.130	(517.296)
Impairment loss of investments in subsidiaries	18	1.400.000	-
Dividends receivable	7	(12.006.567)	(8.615.864)
Interest payable	10	6.463.831	5.120.616
Taxation	11	703.571	84.628
		3.233.998	3.936.033
(Increase)/decrease in inventories		(218.344)	93.051
(Increase)/decrease in trade and other receivables		(1.705.233)	9.842.788
(Increase)/decrease in loans with subsidiary companies		(1.091.911)	118.955
Decrease/(increase) in receivables from related companies		4.982.113	(4.827.091)
Increase/(decrease) in trade and other payables		1.182.354	(1.035.106)
(Decrease)/increase in payables to own subsidiaries		(7.151.028)	5.048.635
Decrease in promissory notes		-	(2.000.000)
		(768.051)	11.177.265
Taxation paid		(80.202)	(49.156)
Net cash flow (used in)/from operations		(848.253)	11.128.109
Cash flows from/(used in) investing activities			
Payments to acquire property, plant and equipment	14	(276.666)	(124.951)
Payments to acquire investments in subsidiary companies	18	(3.500.000)	(7.511.000)
Proceeds from disposal of property, plant and equipment		491	4.902
Dividends received	7	12.006.567	8.615.864
Net cash flow from investing activities		8.230.392	984.815
Cash flows from/(used in) financing activities			
Proceeds from issue of new loans	32	87.735.714	88.701.416
Repayment of loans	32	(83.910.911)	(87.209.350)
Repayments of lease liability	33	(148.818)	(147.839)
Interest paid		(6.451.527)	(5.111.218)
Dividends paid	12	(6.667.164)	(6.296.766)
Net cash flow used in financing activities		(9.442.706)	(10.063.757)
Net change in cash and cash equivalents		(2.060.567)	2.049.167
Cash and cash equivalents at beginning of the year		(9.323.846)	(11.373.013)
Cash and cash equivalents at end of the year	25	(11.384.413)	(9.323.846)

1. STATUS AND PRINCIPAL ACTIVITY

Logicom Public Limited (the "Company") was incorporated in Cyprus on 9 December 1986 as a private company with limited liability. The Company is tax resident in Cyprus (domiciled). The principal activities of the Company are the distribution of high technology products and the provision of finance to its subsidiaries. On 23 July 1999 the Company became public in accordance with the provisions of the Cyprus Companies Law and on 4 January 2000 commenced trading of its shares in the Cyprus Stock Exchange.

These separate and consolidated financial statements include the Company and its subsidiaries ("the Group").

The address of the registered and management office of the Company is the following:
Stasinou 26
Ayia Paraskevi
2003 Strovolos
Nicosia

On 1 January 1999, Logicom Public Limited acquired the whole share capital of Logicom (Overseas) Limited of €17.100. The principal activity of Logicom (Overseas) Limited is the distribution of high technology products and the assembly of computers. The company remained dormant during 2024.

On 1 January 2000, Logicom Public Limited acquired the whole share capital of SOLATHERM ELECTRO - TELECOMS “SET” Limited, of €5.135 which was renamed to ENET Solutions Limited on 11 January 2001. The principal activity of ENET Solutions Limited is the supply of solutions and services for networks and telecommunications. The company ENET Solutions Limited was renamed to Logicom Solutions Limited on 30 January 2009. The operations of the companies DAP Noesis Business Solutions Ltd and Netvision Ltd were transferred to Logicom Solutions Ltd in January 2009. On 1 January 2015, the operations of the subsidiary company Inteli-scape Ltd was transferred to Logicom Solutions Ltd. The share capital of Logicom Solutions Ltd was transferred to Logicom Services Ltd for €2.398.056 on 31 December 2011.

On 27 April 2000, Netcom Limited was incorporated in Cyprus with a share capital of €17.086, which is wholly owned by Logicom Public Limited. The principal activity of Netcom Limited is the execution of infrastructure projects, such as the construction of a desalination plant in Episkopi Limassol and the renovation and operation of a desalination plant in Larnaca. On 20 July 2010 the whole share capital of Netcom Limited was acquired by Verendrya Ventures Limited. The company remained dormant during 2024.

On 25 July 2000, Logicom (Middle East) SAL was incorporated in Lebanon, with a share capital of LBP 75.000.000 which is wholly owned by Logicom Public Limited. The principal activity of Logicom (Middle East) SAL is the distribution of high technology products.

On 21 February 2001, ENET Solutions Logicom S.A. was incorporated in Greece with a share capital of €601.083, which is wholly owned by Logicom Public Limited. The principal activity of ENET Solutions Logicom S.A. is the distribution of high technology products.

On 7 August 2001, Logicom Jordan LLC was incorporated in Jordan, with a share capital of JOD 50.000, which is wholly owned by Logicom Public Limited. The principal activity of Logicom Jordan LLC is the distribution of high technology products.

On 3 October 2001, Logicom FZE was incorporated in the United Arab Emirates, with a share capital of AED 1.000.000, which is wholly owned by Logicom Public Limited. The principal activity of Logicom FZE is the distribution of high technology products.

On 7 November 2001, Logicom Dubai LLC was incorporated in the United Arab Emirates, with a share capital of AED 300.000, which is wholly owned, directly and indirectly, by Logicom Public Limited. The principal activity of Logicom Dubai LLC is the distribution of high technology products.

1. STATUS AND PRINCIPAL ACTIVITY *(continued)*

On 14 June 2005, Logicom Italia s.r.l. was incorporated in Italy, with a share capital of €10.000, which is wholly owned by Logicom Public Limited. The principal activity of Logicom Italia s.r.l. is the distribution of high technology products. On 5 May 2014 there was an increase in the share capital of Logicom Italia s.r.l to €200.000 which is wholly owned by Logicom Public Ltd.

On 1 December 2005, Logicom IT Distribution Ltd was incorporated in Turkey, with a share capital of 5.000 Turkish liras, which is owned evenly by subsidiary companies ENET Solutions Logicom S.A. and Logicom FZE. On 30 March 2007 there was an increase in the share capital of Logicom IT Distribution Ltd to 140.000 Turkish liras, which is owned by 40 % from Enet Solutions Logicom S.A. and by 60% from Logicom FZE. On 27 December 2007 there was a further increase in the share capital of Logicom IT Distribution Ltd to 1.540.000 Turkish liras which is owned by 4% from Enet Solutions Logicom S.A. and by 96% from Logicom FZE. The principal activity of Logicom IT Distribution Ltd is the distribution of high technology products. During 2019, Logicom IT Distribution Ltd ceased operations and since then remains dormant.

On 1 August 2006, Rehab Technologies Ltd was incorporated in Saudi Arabia, with a share capital of SAR 500.000 which is held by a trustee on behalf of Logicom Public Ltd. Logicom Public Ltd has full control of the operations of Rehab Technologies Ltd through a contractual agreement. The principal activity of Rehab Technologies Ltd is the distribution of high technology products. The activities of Rehab Technologies Ltd were transferred to Logicom Saudi Arabia LLC on 8 June 2010 and the company has since remained dormant.

On 19 March 2007, Logicom Information Technology Distribution S.R.L. was incorporated in Romania with a share capital of 200 Romanian Lei, which is wholly owned by Logicom Public Limited. During the year 2018 there was an increase in the share capital of the company to 10.250.000 Romanian Lei and during the year 2023 there was an increase in the share capital of 40.071.200 Romanian Lei. The principal activity of Logicom Information Technology Distribution S.R.L. is the distribution of high technology products.

On 12 April 2007, Logicom Bulgaria EOOD was incorporated in Bulgaria, with a share capital of 20.000 Bulgarian Lev, which is wholly owned by Logicom Public Limited. The principal activity of Logicom Bulgaria EOOD is the distribution of high technology products. During 2024, the company remained dormant.

On 30 January 2008, Verendrya Ventures Limited was incorporated in Cyprus, with a share capital of EUR1.000 which belongs to Logicom Public Limited and to Demetra Holdings Plc by 60% and 40% respectively. The principal activity of Verendrya Ventrures Limited is the execution of projects relating to the construction of desalination units.

On 4 May 2009, Logicom Services Limited was incorporated in Cyprus, with a share capital of €10.000, which is wholly owned by Logicom Public Limited. The principal activity of Logicom Services Limited is the holding of investments.

On 28 July 2009, the Group acquired, through its subsidiary Logicom Services Limited, the 36,77% of the company Newcytech Business Solutions Limited. The main activity of Newcytech Business Solutions Limited is the provision of complete IT solutions. On 30 October 2009 Logicom Services Limited acquired the 100% of the share capital of Newcytech Business Solutions Limited amounting to €756.776.

With the acquisition of Newcytech Business Solutions Limited the Group acquired also the 100% of the company Newcytech Distribution Ltd with share capital of €8.550. The main activity of Newcytech Distribution Ltd is the import and wholesale of computers in the local market. The share capital of Newcytech Distribution Ltd was transferred to Logicom Services Limited on 30 June 2010.

On 16 August 2009, Enet Solutions LLC was incorporated through the subsidiary company Logicom Services Limited, in the United Arab Emirates, with a share capital of AED300.000. The main activity of Enet Solutions LLC is the provision of complete IT solutions. During 2022, the company was dissolved.

1. STATUS AND PRINCIPAL ACTIVITY *(continued)*

On 29 September 2009, Logicom Saudi Arabia LLC was incorporated in Saudi Arabia, with a share capital of SAR 26.800.000 which is owned by 75% from Logicom FZE and by 25% from a trustee on behalf of Logicom Public Limited. Logicom Public Limited has contractually full control of the operations of Rehab Technologies Ltd. The principal activity of Logicom Saudi Arabia LLC is the distribution of high technology products.

On 3 November 2009, ICT Logicom Solutions SA was incorporated in Greece, through the subsidiary company Logicom Services Limited, with a share capital of €100.000. The principal activity of ICT Logicom Solutions SA is the provision of complete IT solutions.

On 7 December 2009, CUC Cyprus Utilities Company Limited was incorporated in Cyprus, with share capital of €1.000, which is wholly owned by Verendrya Ventures Limited. The principal activity of CUC Cyprus Utilities Company Limited is the execution and operation of infrastructure projects. During 2023, the company remained dormant.

On 29 September 2010, Logicom Distribution Germany Gmbh was incorporated in Germany, with a share capital of €27.000 which is wholly owned by Logicom Public Limited. The principal activity of Logicom Distribution Germany Gmbh is the distribution of high technology products.

On 7 April 2010, M.N. E.P.C. Water Co. was incorporated in Cyprus with a partners' share of €10.000 which is owned by 50% from the Group's company Verendrya Ventures Ltd, through its subsidiary Netcom Ltd. M.N. E.P.C. Water Co. undertook the construction of Episkopi desalination plant on behalf of M.N. Limassol Water Co. Ltd. During the year the partnership remained dormant.

On 4 November 2010, M.N. Limassol Water Co. Limited was incorporated in Cyprus with a share capital of €10.000 which is composed of 5.000 shares Class A and 5.000 shares Class B. The Group's company Verendrya Ventures Limited, through its subsidiary Netcom Ltd holds 2.500 shares Class A and 2.495 shares Class B. M.N. Limassol Water Co. Limited was assigned the construction and operation of Episkopi Desalination plant.

On 10 May 2012, Logicom Iraq LLC was incorporated in Iraq with a share capital of INR 1.000.000, which is by 49% from Logicom Dubai LLC and by 51% from a trustee on behalf of Logicom Public Limited. The principal activity of Logicom Iraq LLC is the trading and distribution of high technology products. During the year the company remained dormant.

On 7 August 2012, M.N. Larnaca Desalination Co. Limited was incorporated in Cyprus with a share capital of €10.000 which is composed of 5.000 shares Class A and 5.000 shares Class B. The Group's company Verendrya Ventures Ltd, through its subsidiary Netcom Ltd holds 2.500 shares Class A and 2.495 shares Class B. M.N. Larnaca Desalination Co. Limited was assigned the renovation and operation of Larnaca Desalination plant.

On 2 September 2012, Logicom LLC was incorporated in Oman with a share capital of USD 51.800 which is owned by 99% by the subsidiary company Logicom FZE and by 1% by the subsidiary Logicom Dubai LLC. The principal activity of Logicom LLC is the distribution of high technology products.

On 1 October 2013, Cadmus Tech Points S.A.L. was incorporated in Lebanon with a share capital of LBP 30.000.000 which is wholly owned by Logicom Public Limited. The principal activity of Cadmus Tech Points S.A.L. is the distribution of high technology products. During the year, the company remained dormant.

On 23 March 2014, Logicom Trading and Distribution LLC was incorporated in Qatar with a share capital of QAR 200.000 which is owned by 49% by Logicom Public Limited and by 51% by a trustee on behalf of Logicom Public Limited. The principal activity of Logicom Trading and Distribution LLC is the distribution of high technology products.

1. STATUS AND PRINCIPAL ACTIVITY *(continued)*

On 1 June 2014, Logicom Kuwait for Computer Company W.L.L. was incorporated in Kuwait with a share capital of KD 20.000 which is owned by 49% by the subsidiary company Logicom FZE and by 51% by a trustee on behalf of Logicom Public Limited. The principal activity of Logicom Kuwait for Computer Company W.L.L. is the distribution of high technology products.

On 23 May 2017, the Group acquired the company Najada Holdings Limited in Cyprus, with a share capital of €100, which is wholly owned by Logicom Public Limited. The principal activity of Najada Holdings Limited is the purchase and holding of immovable property.

On 6 September 2018, Logicom Bahrain W.L.L. was incorporated in Bahrain, with a share capital of BD 5.000 which is owned by 49% by the subsidiary Logicom FZE and by 51% by a trustee on behalf of Logicom Public Limited. The principal activity of Logicom Bahrain W.L.L. is the distribution of high technology products.

On 7 November 2019, Logicom Egypt LLC was incorporated in Egypt, with a share capital of EGP 1.000 which is owned by 95% by the subsidiary company Logicom FZE and by 5% by the subsidiary Logicom (Overseas) Limited. The principal activity of Logicom Egypt LLC is the trading and distribution of high technology products.

On 2 September 2020, Logicom Distribution Egypt LLC was incorporated in Egypt, with share capital of EGP 2.000.000 which is owned by 51% by the subsidiary company Logicom Egypt LLC and by 49% by the subsidiary Logicom FZE. The principal activity of Logicom Distribution Egypt LLC is the trading and distribution of high technology products.

On 27 July 2021, Elogicomnet Morocco Distribution SARL was incorporated in Morocco, with share capital of MAD 20.000.000, which is owned by 99,99% by the subsidiary company Logicom FZE and by 0,01% by Logicom (Overseas) Limited. The principal activity of Elogicomnet Morocco Distribution SARL is the trading and distribution of high technology products.

On 11 October 2023, Logicom Secretarial Services Limited was incorporated in Cyprus, with share capital of €1.000 which is wholly owned by Logicom Public Limited. The principal activity of Logicom Secretarial Services Limited is the provision of administrative services and secretarial support.

On 9 November 2023, Logicom Malta Limited was incorporated in Malta, with share capital of €10.000 which is wholly owned by Logicom Public Limited. The principal activity of Logicom Malta Limited is the trading and distribution of high technology products.

2. BASIS OF PREPARATION

Statement of compliance

The consolidated and 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 and the requirements of the Stocks and Cyprus Stock Exchange laws and regulations and the Transparency (securities admitted to trading on a regulated market) Law.

The consolidated and separate financial statements of the Company were approved by the Board of Directors on 24 April 2025.

Basis of presentation

The consolidated and separate financial statements have been prepared under the historical cost convention, except for the land and buildings, investments at fair value through profit or loss and investments at fair value through other comprehensive income which are stated at their fair value. The methods used to measure the fair values are analysed further below and in note 36.4.

2. BASIS OF PREPARATION *(continued)*

Going concern

The Group, despite the adverse conditions in the regions in which it operates, has managed to maintain its Turnover at the same levels and increase its final profitability. Despite the maintenance of high interest rates, the borrowing costs used to finance the Group's operations have decreased due to more efficient working capital management.

Taking into account the sound capital position and the availability of cash and cash equivalent at 31 December 2024 of the Group and the Company, the Management has assessed that both the Group and the Company have the capacity to continue as a going concern and therefore have prepared the Consolidated and Separate Financial Statements on this basis.

On 31 December 2024, the Group's current assets exceeded its current liability by €184 million. The 2025 budget which is improved compared to 2024, as well as, the estimates for the coming years, the perspectives of the Group and the planned development, and the available for use limit of bank overdrafts amounting to €167 million, were taken into consideration by the Board of Directors in their assessment of whether the Group has the capacity to continue as a going concern. In this assessment, the Board of Directors also took into account the distribution of the bank facilities held by the Group in the various assets and the possibility of their repayment.

On 31 December 2024, the Company's current liabilities exceeded its current assets by €39 million. The budget for 2025 is improved compared to 2024, as well as, the estimates for the coming years. The perspectives of the Company and the planned development, as well as, the available for use limit of bank overdrafts amounting to €22 million as at 31 December 2024, were taken into consideration by the Board of Directors in their assessment of whether the Company can continue as a going concern. The Board of Directors also took into account the distribution of bank facilities held by the Company in the various assets, and the possibility of their repayment.

Functional and presentation currency

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

Estimates and judgments

The preparation of the consolidated and separate financial statements in conformity with the IFRSs as adopted by the EU requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Judgements

Information about judgements in applying accounting policies that have significant effects on the amounts recognised in the consolidated and separate financial statements are included in the following notes:

- Note 15 – Right-of-use assets
- Note 19 – Equity - accounted investees

Assumptions and estimates

Information about assumptions and estimates that have a significant risk of resulting in a material adjustment to the values of the assets and liabilities within the next financial year are included in the following notes:

- Note 16 – Measurement of the recoverable amount of goodwill
- Note 18 – Recoverability of investments in subsidiary companies

2. BASIS OF PREPARATION *(continued)*

Estimates and judgments (continued)
- Note 19, 43 – Impairment of investments in associated companies and joint ventures
- Note 23 – Measurement of provision for slow moving stock
- Note 24, 36 – Measurement of provision for expected credit losses for trade receivables and contract assets: main assumptions for the determination of the weighted average loss rate
- Note 29 - Provisions for termination of employment
- Note 34 - Recognition of deferred taxation: Utilisation of tax losses
- Note 35 - Important assumptions on the probability and magnitude of a resource outflow
- Note 42 - Recoverability of receivables from subsidiary companies

Fair value calculation: A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The levels have been determined as follows:

- Level 1: investments measured at fair value using quoted prices in active markets.
- Level 2: investments measured at fair value based on valuation models in which all significant inputs that affect significantly the fair value are based on observable market data.
- Level 3: investments measured at fair value based on valuation models in which all significant inputs that affect significantly the fair value are not based on observable market data.

The Group has established procedures for monitoring changes in the fair values of monetary assets and liabilities as well as other assets and liabilities. The methods of estimating the fair value as well as analyzing the fair values of the Group and the Company are presented in note 36.4.

3. MATERIAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently to all periods presented in the consolidated and separate financial statements of the Company, and have been applied consistently by all Group entities, unless mentioned otherwise

Adoption of new and revised IFRSs and Interpretations as adopted by the European Union (EU)
From 1 January 2024, the Group has adopted all the changes to International Financial Reporting Standards (IFRS) as adopted by the European Union ('EU') that are relevant to its operations. This adoption did not have a material effect on the financial statements of the Company.

The following Standards, Amendments to Standards and Interpretations have been issued by International Accounting Standards Board ("IASB") but are not yet effective for annual periods beginning on 1 January 2024. Those which may be relevant to the Company are set out below. The Group and the Company do not intend to adopt the following new IFRSs, Amendments in IFRSs and Interpretations before the date of validity.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(i) Standards and Interpretations adopted by the EU

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)
The amendments, as issued in August 2023, aim to clarify when a currency is exchangeable into another currency and how a company estimates a spot rate when a currency lacks exchangeability. According to the amendments, a currency is exchangeable into another currency when a company is able to exchange that currency for the other currency at the measurement date and for a specified purpose. When a currency is not exchangeable at the measurement date, the company will be required to estimate a spot rate as the rate that would have been applied to an orderly exchange transaction between market participants under prevailing economic conditions. The amendments contain no specific requirements for estimating a spot rate, but they set out a framework under which an entity can determine the spot rate at the measurement date using an observable exchange rate without adjustment or another estimation technique.
Companies will be required to provide also new disclosures to help users assess the impact of a currency not being exchangeable to the entity's financial performance, financial position, and cash flows. To achieve this objective, entities will disclose information about the nature and financial impacts of a lack of exchangeability, the spot exchange rate(s) used, the estimation process and risks to the company because the currency is not exchangeable.
The Group does not expect any significant impact on the consolidated and separate financial statements from the implementation of the amendments.
The Group does not expect any significant impact on the consolidated and separate financial statements from the implementation of the amendments.

(ii) Standards and Interpretations not yet adopted by the EU

IFRS 18 Presentation and Disclosure in Financial Statements (effective for annual periods beginning on or after 1 January 2027)
On 9 April 2024, the IASB issued a new accounting standard that will replace IAS 1 Presentation of Financial Statements, with retrospective application. A significant change introduced by this new standard is the requirement for companies to present a more structured statement of profit or loss. This involves classifying income and expenses into five distinct categories: operating, investing, financing, income taxes, and discontinued operations.
With the adoption of IFRS 18, companies will also have to present two defined subtotals: the operating profit or loss and the profit or loss before finance expenses and income taxes.
Additionally, companies will need to disclose management-defined performance measures (MPMs) in a single and separate note in the financial statements if they meet the following criteria: the MPMs consist of subtotals of income and expenses included in the financial statements, are used by management in their public communications outside the financial statements and reflect management's view in relation to the company's overall financial performance. For each MPM disclosed, management will have to inform users of the financial statements how it was calculated, why it is important for their understandability and provide a reconciliation to the most comparable subtotal either listed in IFRS 18 or required by other IFRS Accounting Standards.
Moreover, the new standard is expected to provide enhanced guidance on grouping of financial information in the primary financial statements or notes based on shared characteristics.
The Group at this stage evaluates the effect of the amendments in the consolidated and separate financial statements.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(ii) Standards and Interpretations not yet adopted by the EU (continued)

IFRS 19 Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027)
On 9 May 2024, the IASB issued IFRS 19, allowing eligible subsidiaries to present reduced disclosures under IFRS 19 instead of the more extensive disclosure requirements in other IFRS Accounting Standards. In line with IFRS 18, a specific disclosure required by IFRS 19 can be omitted, if information resulting from that disclosure, is not material. This election is available for subsidiaries preparing consolidated, separate, or individual financial statements, if and only if, at the end of the reporting period they do not have public accountability and have a parent company (ultimate or intermediary) that produces consolidated financial statements available for public use that comply with IFRS Accounting Standards.
If election is made, the subsidiary must state that it has applied IFRS 19 in its statement of compliance. A subsidiary applying IFRS 19 can later choose to revoke this election.
The Group at this stage evaluates the effect of the amendments in the consolidated and separate financial statements.

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Classification and Measurement of Financial Instruments (effective for annual periods beginning on or after 1 January 2026)
The IASB, following the post-implementation review of IFRS 9, issued on 30 May 2024 amendments to IFRS 9 and IFRS 7 to address identified issues.
These amendments address the recognition and derecognition of financial assets and financial liabilities and include an accounting policy option for the derecognition of financial liabilities settled through an electronic payment system, if certain conditions are met.
In addition, the amendments introduce an additional SPPI test for financial assets with environmental, social and governance ("ESG")-linked features and other similar contingent features, which must be met to qualify for measurement at amortised cost. Additional disclosures will be required under IFRS 7 for those financial assets and liabilities with contingent features.
The amendments clarify the key characteristics of contractually linked instruments ("CLIs") and how they differ from financial assets with non-recourse features. The amendments also include factors that a company needs to consider when assessing the cash flows underlying a financial asset with non-recourse features (the "look through" test).
Finally, there are new disclosure requirements for investments in equity instruments that are measured at fair value with gains or losses presented in other comprehensive income.
Companies can choose to early-adopt amendments that relate to the classification of financial assets (including the associated disclosure requirements), separately from the amendments for the recognition and derecognition of financial assets and financial liabilities.
The Group at this stage evaluates the effect of the amendments in the consolidated and separate financial statements.

Annual Improvements to IFRS Accounting Standards - Volume 11 (effective for annual periods beginning on or after 1 January 2026)
On 18 July 2024, the IASB issued the Annual improvements to IFRS Accounting Standards
- Volume 11. These improvements aim to improve clarity and enhance the internal consistency of IFRS Accounting Standards.
The amendments apply to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. One of the key amendments resolves the existing conflict between IFRS 9 and IFRS 15 regarding the transaction price, by requiring companies to initially measure a trade receivable without significant financing component at the amount determined by applying IFRS 15. Additionally, amendments to IFRS 9 address the lack of clarity related to how a lessee accounts for the derecognition of a lease liability.
The Group at this stage evaluates the effect of the amendments in the consolidated and separate financial statements.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

(ii) Standards and Interpretations not yet adopted by the EU (continued)

IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures (Amendments): Contracts Referencing Nature-dependent Electricity (effective for annual periods beginning on or after 1 January 2026)
On 18 December 2024, the IASB issued targeted amendments to IFRS 9 and IFRS 7, to help companies better report the financial effects of nature-dependent electricity contracts, sometimes referred to as power purchase agreements (PPAs).
The amendments apply only to contracts referencing nature-dependent electricity in which a company is exposed to variability in the underlying amount of electricity because the source of electricity generation depends on uncontrollable natural conditions (e.g. the weather).
The amendments allow a company to apply the own-use exemption to PPAs if the company has been, and expects to be, a ‘net purchaser’ of electricity over the contract period. The amendments apply retrospectively using facts and circumstances at the beginning of the reporting period of initial application without requiring prior periods to be restated.
In addition, subject to certain conditions, the amendments permit companies to designate a variable nominal volume of forecasted sales or purchases of renewable electricity as the hedged transaction. The variable hedged volume is based on the variable volume expected to be delivered by the generation facility referenced in the hedging instrument. This would facilitate an economic offset between the hedging instrument and the hedged transaction, enabling companies to apply hedge accounting. The amendments apply prospectively to new hedging relationships designated on or after the date of initial application.
The last amendment relates to additions of new disclosure requirements to enable investors to understand the effect of such contracts on a company’s financial performance and cash flows.
The Group at this stage evaluates the effect of the amendments in the consolidated and separate financial statements.

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 amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business (as defined in IFRS 3). A partial gain or loss is recognised when a transaction involves assets that do not constitute a business. In December 2015, the IASB postponed the effective date of this amendment indefinitely pending the outcome of its research project on the equity method of accounting.
The Group at this stage evaluates the effect of the amendments in the consolidated and separate financial statements.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Basis of consolidation

Business combinations
Business combinations are accounted using the 'acquisition method' when control is transferred to the Group. The cost of an acquisition is measured as the total consideration which is transferred at the fair values on the date of acquisition and the amount of non-controlling interests in the acquired company. For each business combination the Group decides whether it will measure the non-controlling interests in the acquired company in fair value or in proportion of the share of identifiable assets of the acquired company. When the acquisition cost exceeds the share of the Group in the identifiable net assets acquired, the difference is recognised as goodwill in the consolidated statement of financial position. In the case where the share of the Group in the identifiable net assets acquired exceeds the acquisition cost (i.e. negative goodwill), the difference is recognised directly in the consolidated income statement at the year of acquisition. Expenses related to the acquisition are recognised as they occur and they are included in other operating expenses.

When the Group acquires a company, it evaluates the financial assets and liabilities undertaken in regards to their classification and predetermination based on the terms of the contract, the economic circumstances and the relevant terms at the date of acquisition.

Subsidiary companies
Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.
The financial statements of the subsidiary companies acquired or disposed during the year are included in the consolidated statement of profit or loss and other comprehensive income from the date that control commences until the date that control ceases to exist.
Adjustments were made in the financial statements of the subsidiaries, where was considered necessary, in order to align their accounting policies with the accounting policies applied by the Group.
In the separate financial statements of the Company, the investments in subsidiary companies are presented at cost. In the event where the value of one investment is estimated to be permanently impaired, the deficit is transferred to the results.

Non-controlling interest
Non-controlling interest relates to the portion of profit or loss and the net assets of a subsidiary attributable to interests which are not owned directly or indirectly by the Group. Profits or losses attributable to the Non- controlling interest are disclosed in the consolidated statement of profit or loss and other comprehensive income as an allocation of profit or loss for the period. Non-controlling interest is presented in the consolidated statement of financial position in equity, separately from equity attributable to equity holders of the parent company.

Contingent consideration
Any contingent consideration is recognized initially at fair value at the acquisition date. If the contingent consideration is classified as equity it should not be remeasured and its subsequent settlement must be accounted for within equity. If the contingent consideration is classified as an asset or a liability, any changes in its fair value should be recognized in profit or loss.

Equity accounted investees
Investments in associated companies relate to all entities, in which the Group exercises significant influence, but not control or joint control, and are in general accompanied with a share between 20% and 50% in the voting rights. Entities under common control relate to entities in which the Group exercises joint control based on contractual arrangement that provides for the unanimous consent of the parties exercising control over the strategic financial and operating decisions.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Basis of consolidation (continued)

Investments in joint ventures and entities under common control are accounted for using the equity method. Investments which are accounted for using the equity method, which includes transaction costs, are recognised initially at cost. After the recognition, the consolidated financial statements include the share of profit/(loss) from the investments in associated companies and joint ventures until the date on which the Group ceases to exercise significant influence or joint control.

When Group's share of losses exceeds the share of investments recognised under the equity method, the carrying amount of investments, including any long-term share which is part of the investment is eliminated and no additional losses are recognized, except to the degree that the Group has an obligation or has made payments on behalf of its investment.

Elimination of transactions on consolidation
Intra group balances and transactions, and any unrealised income and expenses arising from intra group transactions are eliminated. Unrealised gains arising from transactions within investments in associated companies and joint ventures are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains but only to the extent that there is no evidence of impairment.

Investments in subsidiary companies
Investments in subsidiary companies are stated in the parent company's books at cost less adjustments for any permanent impairment in the value of the investments. Any adjustments that arise are recorded in profit or loss.

Investments in associates
Associates are those entities in which the Group has significant influence but no control or joint control. Significant influence is the power to participate in the financial and operating policy decisions of the investee.

In these consolidated financial statements, interests in associates are accounted for using the equity method. Under the equity method, an investment in an associate is initially recognised at cost, which includes transaction costs, and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate, until the date on which significant influence ceases. When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Any excess of the cost of acquisition over the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities of an associate recognised at the date of acquisition is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets, liabilities and contingent liabilities over the cost of acquisition, after reassessment, is recognised immediately in consolidated profit or loss.

Revenue recognition

Sales

Under IFRS15, revenue is recognized when a customer obtains control of the goods or services. Determining the timing of the transfer of control - at a point in time or over time - requires judgment.

The Group bases its estimates on historic results, taking into consideration the type of the customer, the type of the transaction and the specific features of each contract. In order to estimate the possibility of receiving a consideration, the Group examines only the ability and the intention of the customer to give the consideration when it falls due.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Revenue recognition (continued)

The sales, the cost or the level of completion estimates are reconsidered in cases of changes in conditions. Any increases or decreases in the estimates arising, are reflected in the statement of profit or loss during the period in which the circumstances that led to the reconsideration are made known to the management.

The Group recognises sales when the risk of loss and deterioration has been transferred to the customer and the customer has accepted the goods and services. The Group recognises any sales returns, when accepted by the Group, as a reduction in sales.

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).

Sales where the Group acts as a principal in the transactions

In the case where the Group acts as a principal in the transaction, the obligation arising from the contract with the customer is the provision of goods and services. The Group has assessed that in the following cases it acts as a principal:

Sale of goods

Sales of goods are recognised at the point in time when the Company satisfies its performance obligation by transferring control over the promised goods to the customer, which is usually when the goods are delivered to the customer, risk of obsolescence and loss have been transferred to the customer and the customer has accepted the goods.

Sale of goods and services in a bundle

The sale of goods and services relate to goods and services that the Group has promised to a customer, if a customer cannot benefit either from the good or service alone, or together with other resources that are immediately available to the customer, and constitute a single performance obligation. The Group satisfies the obligation when it transfers to the customer the bundle of promised goods and services and the risk of deterioration and loss is transferred to the customer.

Provision of cloud computing services

The Cloud services provided by the Group include the ongoing provision of infrastructure, software and technical support to customers who use these services to store, manage and process their data, as well as, subscriptions for the use of software provided via Cloud by suppliers collaborating with the Group. These sales are recognised during the period of use of the services by the customer, based on the agreed contract. The Group monitors the use of the services and invoices customers according to the actual usage they have made and the subscriptions they have activated.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Revenue recognition (continued)

Sales as an agent

Where the Group acts as an agent and not the principal to a transaction, it has a separate performance obligation to arrange for the provision of goods and services by a third party. The Group recognises revenue on a net basis corresponding to the gross profit of each transaction. Revenue is recognised when the obligation to settle the provision of the specific goods or services is fulfilled. The Group has assessed that in the following cases it acts as an agent:

Software service provision

The provision of software services involves the arrangement of proving software from the supplier to the customer, where the Group does not acquire ownership or control of the software. The Group recognised the commission receivable in revenue when the customer received the software from the supplier either directly or through the Group.

Sale 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 completion of the milestones set in the contract that approximate the percentage of completion of the contract. When there is no milestones basis in the contract, the basis used is the actual labour hours spent relative to the total expected labour hours.

The Group provides business services for design, development, implementation, administration and support on Information Technology and Communications solutions, mainly with fixed price contracts. Revenue from rendering of services is recognised in the accounting period in which the services are provided. 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. Certain contracts include multiple deliverables, such as the sale of computers and related installation services. However, the installation is simple, does not include consolidation service and can be executed by a different party. Therefore, it is accounted as a separate installation obligation. When the contracts include multiple performance obligations, the transaction price is allocated to each performance obligation based on the independent sale prices. Where these are not directly observable, they are estimated based on the expected cost plus margin. If the contracts include the installation of equipment, the revenue for the products is recognised at a moment in time during the delivery of the equipment, the legal title has been transferred and the customer has accepted the equipment.

Estimates of revenue, cost or level of completion are revised in case of change in conditions. Any increases or decreases in the estimated income or expenses that may follow are reflected in the results during the period in which the circumstances that led to the revision become known from the management. At the end of the year, all the significant contracts are evaluated. If the services offered by the Company exceed the payments made up to date, a contract asset is recognised. If the payments exceed the offered services, an obligation is recognised. If the contract includes an hourly payment, revenue is recognised for the amount that the Company is entitled to receive. The customers are invoiced on a monthly basis and the amount is paid when invoiced.

Deferred income

Deferred income consists of sales of services based on contracts, and relates to services that were incurred in the period after the year end. Deferred income is included in trade and other payables.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Cost of sales
Cost of sales is presented after the deduction of rebates from suppliers and provisions for slow moving stock. Trade suppliers usually provide discounts (“rebates”) to the Company and its subsidiaries.
Rebates are usually issued in the form of credit notes and can relate to specific discounts for specified order, to specific item for a period of time or could form a discount in the form of a permanent diminution in value for specific items in stock.
A supplier could also set targets to Group companies and if these are met then rebates could be generated in the form of credit notes.

Other income
Other income includes dividend income, commissions receivable, profit from disposal of property, plant and equipment, profit from revaluation of shares, marketing funds and other sundry income. Other income is recognised when it is considered as receivable. The income from dividend is recognized at the date the right to receive payment is established from the Group.

Finance income and finance costs
The Group's finance income and finance costs include interest income, interest expense, the foreign currency gain or loss on financial assets and financial liabilities and hedge ineffectiveness recognised in profit or loss.

Interest income or expense is recognised using the effective interest method. The ‘effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:
-the gross carrying amount of the financial asset; or
-the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

Property, plant and equipment
Items of property, plant and equipment are stated at cost, which includes the capitalised borrowing cost, less accumulated depreciation and accumulated impairment losses except in the case of land and buildings which are stated at fair value. Cost includes expenditure that is directly attributable to the acquisition of the asset. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss as ’Other income/expense’. When revalued assets are sold, the relating amounts included in the revaluation reserve are transferred to the retained earnings.
Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Depreciation is calculated on a daily basis from the date of purchase of the property, plant and equipment, and until the date of their sale, as follows:

	%
Buildings	4-5
Furniture and fittings	10
Computers	20-33,3
Motor vehicles	20

Land is not depreciated.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Property, plant and equipment (continued)

Depreciation methods, estimated useful economic lives and estimated residual values of all property, plant and equipment are reviewed at the reporting date of the accounts.

Revaluation and provision for impairment of parts of property, plant and equipment

Approximately every three years, or earlier if necessary, assessments are performed to estimate the net values of land and buildings. If it is determined that the net recoverable amount of a part is significantly lower than its net value as it appears in the books of the Company and this difference is considered to be permanent, then the book value is reduced to the net recoverable amount. The revaluation is made by professional independent valuers.

Inventories

Inventories are stated at cost which includes the cost of purchase, transportation costs to the warehouse and freight charges, less any provision for a decrease in the inventory value. The cost of inventories is assigned by using the first-in-first-out method. In calculating the provision for decrease in the value of inventories, the cost is compared to the net realisable value. In the case where the net realisable value is lower than the cost, a provision for the decrease in the value of inventories is recognised.

The net realisable value is the estimated selling price in which the inventories can be sold in the ordinary course of business, less costs to sell.

Financial instruments

i. Recognition and initial measurement

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

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

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at:

- amortised cost
- FVOCI - debt investment
- FVOCI - equity investment
- or FVTPL

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

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

– it is held within a business model whose objective is to hold assets to collect contractual cash flows; and

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

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

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

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

All financial assets not classified as measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Group may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets - Business model assessment

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

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

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

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

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

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Financial instruments (continued)

ii. Classification and subsequent measurement (continued)

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Group considers:
- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable-rate features;
- prepayment and extension features; and
- terms that limit the Group's claim to cash flows from specified assets (e.g. non-recourse features).

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

Financial assets - Subsequent measurement and gains and losses:

Financial assets at FVTPL
These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss.

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

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

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

Financial liabilities - Classification, subsequent measurement and gains and losses
Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Financial instruments (continued)

iii. Derecognition

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

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

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

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

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

v. Derivative financial instruments and hedge accounting

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

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

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

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

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Financial instruments (continued)

v. Derivative financial instruments and hedge accounting (continued)

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

Impairment

i. Non-derivative financial assets

Financial instruments and contract assets
The Group recognises loss allowances for ECLs on:
- financial assets measured at amortised cost;
- debt investments measured at FVOCI; and
- contract assets.

The Group measures loss allowances at an amount equal to lifetime ECLs, except for the following, which are measured at 12-month ECLs:
- debt securities that are determined to have low credit risk at the reporting date; and
- other debt securities and bank balances for which credit risk (i.e. the risk of default occurring over the expected life of the financial instrument) has not increased significantly since initial recognition.

Loss allowances for trade receivables and contract assets are always measured at an amount equal to lifetime ECLs.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating ECLs, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and informed credit assessment and including forward-looking information.

The Group assumes that the credit risk on a financial asset has increased significantly if it is more than 30 days past due.

The Group considers a financial asset to be in default when:
- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group to actions such as realising security (if any is held); or
- financial asset is more than 90 days past initial recognition.

Lifetime ECLs are the ECLs that result from all possible default events over the expected life of a financial instrument.

12-month ECLs are the portion of ECLs that result from default events that are possible within the 12 month after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Impairment of assets *(continued)*

i. Non-derivative financial assets (continued)

The maximum period considered when estimating ECLs is the maximum contractual period over the Group is exposed to credit risk.

Measurement of ECLs

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).

ECLs are discounted at the effective interest rate of the financial asset.

Credit-impaired financial assets

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

Evidence that a financial asset is credit-impaired includes the following observable data:
- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being more than 90 days past due;
- non-derivative financial assetsm including hedge accounting;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Presentation of allowance for ECL in the statement of financial position

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets.

For debt securities at FVOCI, the loss allowance is charged to profit or loss and is recognised in OCI.

Write-off

The gross carrying amount of a financial asset is written off when the Group has no reasonable expectations of recovering a financial asset in its entirety or a portion thereof. For trade receivables, the Group has a policy of writing off the gross carrying amount only when there are legal assurances that the Group have exercised all its legal rights and the financial assets cannot be recovered or the Group has entered in to an agreement for partial settlement of the financial asset and the remaining amount can be written off.

Non financial assets

At each reporting date, the Group reviews the carrying amounts of its non financial assets (other than biological assets, investment property, inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill is tested annually for impairment.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Impairment of assets *(continued)*

ii. Non financial assets (continued)

For impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. For other assets, an impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Measurement at fair value

Fair value is the amount that could be recovered from the sale of an asset or paid to transfer a liability in a current transaction between participants in the principal or, failing this, in the most advantageous market in which the Group has access at the measurement date. The fair value of the liability reflects the risk of a failure.

The Group measures the fair value of an element using the values presented in an active market where these are available. A market is considered active if the transactions for the asset or liability are presented with sufficient frequency and volume to provide values on a continuous basis.

If there is no quoted price in an active market, the Group uses valuation techniques that maximize the use of data in the markets and minimize the use of unobservable inputs. The valuation technique used incorporates all the main parameters that market participants would consider in pricing a transaction. The best evidence of fair value of a financial instrument on initial recognition is normally the transaction price, which is the fair value of the consideration paid or received.

Based on the Group's judgment on whether the fair value on the initial recognition differs from the transaction price and the fair value is not established by the quoted market price in an active market for similar assets or liabilities, and it is not based on a valuation technique that uses only data extracted from the markets then, the financial asset is measured initially at fair value, adjusted so that the difference between the fair value at initial recognition and transaction value is presented as deferred income / expense. Then, the difference is recognised to the profit or loss throughout the life of the instrument using appropriate apportionment methodology, but not later than when the valuation is entirely supported by data extracted exclusively from the markets or the transaction has been completed.

If an asset or a liability measured at fair value has a bid price and an ask price, the Group measures its assets at bid price and liabilities at an ask price.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Impairment (continued)

ii. Non financial assets (continued)

The Group recognises transfers between levels of the fair value hierarchy at the end of reporting period in which the change occurs.

Cash and cash equivalents

For the purpose of the statement of cash flows, cash and cash equivalents comprise cash at bank and in hand and bank overdrafts.

Trade and other payables

Trade and other payables are initially recognized at fair value plus any attributable transaction costs and subsequently these are stated at amortized cost using the effective interest method less any impairment losses.

Interest bearing 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.

Promissory notes

Promissory notes comprise of Company's and Group's liabilities towards financial institutions that undertake the financing of invoices issued from certain suppliers. The financing of invoices by the subject financial institutions decreases the vendors' liabilities and is recognised as borrowings. The promissory notes bear discounting cost which is recognised in finance expenses.

Income tax/Taxation

Taxation comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in OCI.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of the year, and any adjustment to tax payable in respect of previous year. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are offset only if certain criteria are met.

The Group has determined that the taxation resulting from the global minimum tax rate, constitutes corporate tax and is classified in Taxation. The Group has made use of the safe harbours of the Country-by Country Reporting (CbCR) which are part of the Pillar 2 of the OECD Global Minimum Tax Rate (GloBE) framework. These safe harbours are designed to reduce the complexity and compliance obligations for multinational enterprises (MNEs) during the early years of implementation of the GloBE rules.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Icnome tax/Taxation (continued)

Deferred tax is not recognised for:
- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on the business plans for individual subsidiaries in the Group. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date, and reflects uncertainty related to income taxes, if any.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. For this purpose, the carrying amount of investment property measured at fair value is presumed to be recovered through sale, and the Group has not rebutted this presumption.

Deferred tax assets and liabilities are offset only if certain criteria are met.

Long-term loans representing part of the Group's investment in foreign subsidiaries

All foreign exchange differences arising from long-term loans are recognised in other comprehensive income in the financial statements of the Group and are transferred to the consolidated profit and loss at the time of the sale of the subsidiary.

All foreign exchange differences arising from long-term loans are recognised in the profit or loss of the year in which they occur in the financial statements of the parent company.

Deferred taxation resulting from net foreign exchange differences from long-term loans is transferred to other comprehensive income.

Non-derivative financial instruments, including hedge accounting

On initial designation of the non-derivative financial instruments as the hedging instruments, the Group formally records the relationship between hedge items and hedging instruments, including the risk management objectives and strategy used for assessing hedging and the methods used to evaluate the effectiveness of hedging.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Non-derivative financial instruments, including hedge accounting (continued)

The Group makes an assessment, both at the inception of the hedge, as well as, on ongoing basis of whether the hedging instruments are expected to be "highly effective" in offsetting the changes in fair value or cash flows of the respective hedge items attributable to the hedged risk, and whether the actual results of each hedge are within a range between 80 and 125 percent.

Foreign currency

Foreign currency transactions

Transactions in foreign currencies are translated using the exchange rates enacted at the date of the transaction at the respective functional currency of each company of the Group.

Monetary assets and liabilities denominated in foreign currencies at the end of the year are translated into the functional currency at the exchange rate ruling at that date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non- monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognised in profit or loss and presented within finance costs.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:
- an investment in equity securities designated as at FVOCI (except on impairment, in which case foreign currency differences that have been recognised in OCI are reclassified to profit or loss);
- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; and,
- qualifying cash flow hedges to the extent that the hedges are effective.

Foreign subsidiaries

The assets and liabilities of foreign subsidiaries including goodwill and fair value adjustments arising on acquisition, are translated into euro at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into euro at the exchange rates at the dates of the transactions.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve, except to the extent that the translation difference is allocated to NCI.

Intangible assets and goodwill

Goodwill arising on the acquisition of subsidiaries is measured at cost less accumulated impairment losses.

Expenditure on research activities is recognised in profit or loss as incurred.

Development expenditure is capitalised only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable and the Group intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in profit or loss as incurred. Subsequent to initial recognition, development expenditure is measured at cost less accumulated amortisation and any accumulated impairment losses.

Other intangible assets, including customer relationships, patents and trademarks, that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and any accumulated impairment losses.

Software development and licensing costs for the use and distribution of computer software are capitalized and amortised in profit or loss on a straight-line basis over their useful economic lives.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Intangible assets and goodwill (continued)
Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.
Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in profit or loss.
Goodwill is not amortised, tested for impairment on an annual basis.
The estimated useful lives for current and comparative periods are as follows:

Development costs	5 years
License fees	2 years
Distribution rights	5 years

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

Assets held for sale

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

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

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

Operating segments
Operating segments relate to components of the Group which may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Board of Directors to make decisions about the allocation of resources to each segment and assess its performance.

Leases
At the inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16. This policy is applied to contracts entered into, on or after 1 January 2019.

i. The Group and the Company as lessee

At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration of the contract to each lease component on the basis of its relative stand alone prices. However, for the leases of property the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

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

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Leases (continued)

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term, unless the lease transfers ownership of the underlying asset to the Group by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.
The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

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

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group's estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in substance fixed lease payment. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.
The Group presents separately in the statement of financial position the right-of-use assets that do not meet the definition of investment property and lease liability.

Short-term leases and leases of low-value assets
The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

ii. The Group and the Company as lessor

At inception or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative standalone prices.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Leases (continued)

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.
If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration in the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.

The Group recognises lease payments received under operating leases as income on a straight-line basis over the lease term as part of 'other income/revenue'.

Provisions
Provisions are recognised when the Group has a legal or constructive obligation as a result of a past event and it's probable that an outflow of economic benefits will be required to settle the obligation and the amount of the liability to be realibly measured. Provisions are determined by discounting the expected future cash flows at a pre tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. The release of the discount is recognised as financing expense.

Warranties
A provision for warranties is recognised when the underlying products or services are sold, based on historical warranty data and a weighting of possible outcomes against their associated probabilities. There is no provision for the warranties provided by the Group on the computer components and the computers, because all the computer components and the computers carry warranties from the suppliers equal to the warranties given.

Employee benefits

Short-term employee benefits
Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Defined contribution plans
Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined benefit plans
The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.
The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

3. MATERIAL ACCOUNTING POLICIES *(continued)*

Employee benefits (continued)

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in OCI. The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.
When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Other long-term employee benefits
The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Remeasurements are recognised in profit or loss in the period in which they arise.

Termination benefits
Termination benefits are expensed at the earlier of when the Group can no longer withdraw the offer of those benefits and when the Group recognises costs for a restructuring. If benefits are not expected to be settled wholly within 12 months of the reporting date, then they are pre-settled.

Deferred expenditure
Deferred expenditure is the expenses that consist of purchases of services based on contracts, and relates to services that were incurred in the period after the year end. Deferred expenditure is included in trade and other receivables.

Earnings per share
The Company presents basic and diluted earnings per share that corresponds to the shareholders. The basic earnings per share are calculated by dividing the profit attributable to the shareholders of the Company by the weighted average number of issued shares outstanding during the year. The diluted earnings per share are calculated by adjusting the profit attributable to the shareholders of the Company and the weighted average number of issued shares.

Events after the reporting date
Assets and liabilities are adjusted for events that occurred during the period from the year end to the date of approval of the financial statements by the Board of Directors, when these events provide additional information for the valuation of amounts relating to events existing at the year end or imply that the going concern concept in relation to part or the whole of the Group is not appropriate.

Share capital
(i) Ordinary shares
Ordinary shares issued and fully paid are classified as share capital. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.
(ii) Dividends
Dividends are recognised as a liability in the year they are declared, according to IAS 10.

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

4. OPERATING SEGMENTS

The Group can be divided into two important segments, the distribution segment and the services segment. The distribution segment that mainly operates in the distribution of high technology products is divided in three main geographical segments as described below. The services segment operates mainly in the provision of solutions and services for networks and telecommunications and the provision of solutions and services for software to customers in Cyprus and abroad. The following summary describes the operations in each of the Group's reportable segments:

- European markets distribution segment - This segment operates mainly in the distribution of high technology products in Cyprus, Greece, Italy and Malta.
- Middle East distribution segment - This segment operates mainly in the distribution of high technology products in United Arab Emirates and Saudi Arabia.
- Other markets distribution segment - This segment operates mainly in the distribution of high technology products in countries that the Group operates in other than the countries mentioned above. This segment also includes the results from joint ventures.
- Services segment - This segment operates mainly in the provision of software solutions and integrated IT solutions to customers in Cyprus and abroad. This segment also includes the results from the associated company and investments in public companies.

The companies of the Group buy and sell goods and services according to their needs from other group companies. The transactions are made in the context of commercial practices related to intra-group transactions in the relevant sections of operations.
Logicom Public Limited and Logicom FZE charge its subsidiary companies with a fee for administration services and financing cost.

Information regarding the results of each reportable segment is presented below. The information is used for the preparation of the consolidated and separate financial statements. The performance is evaluated based on the profit after taxation of each segment, as presented in the management reports which are examined by the Board of Directors. The profit of each segment is used for the evaluation of the performance since the management believes that the below information is the most appropriate for the evaluation of the results of all segments that are reported. The accounting policies of the operating segments are presented in note 3.

4. OPERATING SEGMENTS *(continued)*

Gross sales and total non-current assets are allocated between Cyprus, Greece, UAE, Saudi Arabia and other foreign countries as follows:

	Gross sales		Total non-current assets	
	2024	2023	2024	2023
	€	€	€	€
Cyprus	143.094.943	134.827.510	199.488.156	190.302.578
Greece	144.728.939	136.663.184	1.081.201	1.338.606
United Arab Emirates	313.997.317	336.816.346	5.915.496	6.045.333
Saudi Arabia	371.195.252	363.408.359	1.658.762	1.546.629
Other foreign countries	321.755.571	337.086.004	2.613.778	2.266.786
	1.294.772.022	1.308.801.403	210.757.393	201.499.932

Major Customer

Gross sales from one customer of the Group's Middle East Markets Distribution Segment are approximately €19.768.869 (2023: €22.811.420) representing 1,53% (2023: 1,74%) of the Group's total gross sales.

4. OPERATING SEGMENTS *(continued)*

2024	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between Operating Segments €	Total €
Sales of products	171.041.074	699.849.440	103.743.303	60.862.848	-	1.035.496.665
Commission as agent	3.070.809	14.963.353	683.545	-	-	18.717.707
Rendering of services	-	-	-	36.770.616	-	36.770.616
Total sales	174.111.883	714.812.793	104.426.848	97.633.464	-	1.090.984.988
Gross sales to third parties	214.220.359	870.808.567	112.109.632	97.633.464	-	1.294.772.022
Intersegment sales	48.109.953	118.745.351	610.147	2.802.399	(170.267.850)	-
Other income	20.955.602	11.049.920	74.570	5.886.781	(35.771.686)	2.195.187
Depreciation and amortisation	1.047.034	1.496.955	398.361	449.290	-	3.391.640
Personnel costs	10.076.567	20.080.961	3.695.199	6.112.035	(736.509)	39.228.253
Travelling expenses	644.643	247.221	55.598	135.254	-	1.082.716
Provision for doubtful debts	6.970.936	350.536	1.629.286	5.092	(6.664.767)	2.291.083
Professional fees	1.796.792	960.379	887.232	589.231	(757.183)	3.476.451
Rent	8.141	278.608	213.172	19.952	-	519.873
Credit insurance	379.911	2.018.805	242.294	107.009	(472.220)	2.275.799
Transportation expenses	394.706	1.647.369	342.312	12.964	(10.190)	2.387.161
Profit/(loss) from operations	10.907.803	30.330.629	(4.076.701)	13.496.452	(13.672.550)	36.985.633
Net foreign exchange loss	(1.625.169)	(788.794)	(910.866)	(1.038.757)	2.686.627	(1.676.959)
Finance income	120.154	5.753.868	504.127	259.926	(5.753.867)	884.208
Finance expenses	(7.654.239)	(10.669.723)	(2.479.582)	(506.764)	7.155.436	(14.154.872)
Net finance expenses	(9.159.254)	(5.704.649)	(2.886.321)	(1.285.595)	4.088.196	(14.947.623)
Net share of (loss)/ profit from associated companies and joint ventures after tax	-	-	(2.667.810)	39.630.664	-	36.962.854
Profit/(loss) before tax	1.748.549	24.625.980	(9.630.832)	51.841.521	(9.584.354)	59.000.864
Tax	(1.511.215)	(3.490.313)	(724.321)	(1.380.746)	-	(7.106.595)
Profit/(loss) after tax	237.334	21.135.667	(10.355.153)	50.460.775	(9.584.354)	51.894.269
Acquisition of property, plant and equipment	362.239	601.894	397.551	368.988	-	1.730.672
Acquisition of right-of-use assets	244.359	444.079	1.119.511	500.087	-	2.308.036
Total assets	243.330.057	428.227.428	77.295.912	293.129.751	(255.090.791)	786.892.357
Total liabilities	171.924.040	277.690.101	87.936.181	74.174.497	(189.671.612)	422.053.207
Net investment assets in associated companies and joint ventures	-	-	830.432	149.554.474	-	150.384.906

4. OPERATING SEGMENTS *(continued)*

2023	European Markets Distribution Segment €	Middle East Markets Distribution Segment €	All other Segments €	Services Segment €	Transactions between Operating Segments €	Total €
Sales of products	195.648.973	808.816.448	107.228.017	58.213.530	-	1.169.906.968
Commission as agent	1.412.206	7.942.013	190.866	-	-	9.545.085
Rendering of services	-	-	-	35.182.585	-	35.182.585
Total sales	197.061.179	816.758.461	107.418.883	93.396.115	-	1.214.634.638
Gross sales to third parties	219.525.823	886.245.429	109.634.036	93.396.115	-	1.308.801.403
Intersegment sales	52.232.840	161.295.181	3.526.582	5.436.198	(222.490.801)	-
Other income	13.902.797	11.219.834	89.622	5.302.068	(28.125.303)	2.389.018
Other expenses	-	57.858	-	2.860.000	(57.858)	2.860.000
Depreciation and amortisation	1.093.069	1.268.125	463.359	467.120	-	3.291.673
Impairment of goodwill	-	-	-	305.052	-	305.052
Personnel costs	9.277.911	18.393.288	3.288.975	5.697.096	(709.539)	35.947.731
Travelling expenses	716.946	337.939	67.697	117.831	-	1.240.413
Provision for doubtful debts	(500.899)	1.171.465	142.033	455	4.627	817.681
Professional fees	1.606.063	1.604.123	310.638	675.861	(770.734)	3.425.951
Rent	8.025	398.295	107.221	18.620	-	532.161
Credit insurance	75.683	1.581.886	212.345	95.408	(384.839)	1.580.483
Transportation expenses	533.676	1.630.176	270.404	12.483	(9.528)	2.437.211
Profit from operations	12.636.637	29.947.381	1.116.060	10.501.897	(17.275.563)	36.926.412
Net foreign exchange profit	335.685	(563.695)	1.346.405	507.622	(963.845)	662.172
Finance income	15.169	4.940.305	513.973	18.436	(4.718.790)	769.093
Finance expenses	(5.978.804)	(12.501.927)	(3.360.249)	(369.014)	7.155.714	(15.054.280)
Net finance income/ (loss)	(5.627.950)	(8.125.317)	(1.499.871)	157.044	1.473.079	(13.623.015)
Net share of (loss)/ profit from associated companies and joint ventures after tax	-	-	(1.436.188)	26.259.355	-	24.823.167
Profit/(loss) before tax	7.008.687	21.822.064	(1.819.999)	36.918.296	(15.802.484)	48.126.564
Tax	(777.285)	(2.391.379)	(320.706)	(716.555)	-	(4.205.925)
Profit/(loss) after tax	6.231.402	19.430.685	(2.140.705)	36.201.741	(15.802.484)	43.920.639
Acquisition of property, plant and equipment	183.819	211.661	753.888	513.707	-	1.663.075
Acquisition of right-of-use assets	564.484	989.971	125.643	15.756	-	1.695.854
Total assets	255.725.881	403.807.597	83.895.793	214.611.719	(291.497.086)	666.543.904
Total liabilities	181.417.132	275.771.145	85.526.928	70.383.777	(224.894.161)	388.204.821
Net investment assets in associated companies and joint ventures	-	-	27.268	110.021.278	-	110.048.546

5. SALES

THE GROUP

	2024	2023
	€	€
Sales of products	1.035.496.665	1.169.906.968
Sales as agent	18.717.707	9.545.085
Rendering of services	36.770.616	35.182.585
	1.090.984.988	1.214.634.638

THE COMPANY

	2024	2023
	€	€
Sales of products	86.624.060	95.099.589
Sales as agent	1.267.014	440.589
Interest receivable from subsidiary companies (Note 42)	1.395.666	2.435.533
	89.286.740	97.975.711

The Group’s gross sales amount to €1.294.772.022 and €1.308.801.403 for 2024 and 2023 respectively, and the Company’s gross sales amount to €108.796.933 and €103.872.589 for 2024 and 2023 respectively. The Group uses gross sales for the calculation of the financial ratios.

6. COST OF SALES

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Cost of goods sold	989.910.365	1.116.489.352	79.978.539	91.509.013
Staff salaries	3.308.729	3.095.276	-	-
Social insurance	395.287	159.334	-	-
Other personnel costs	115.162	79.532	-	-
Provision of impairment of inventories (Note 23)	(111.955)	1.266.227	-	-
Depreciation on right-of-use assets	254.252	243.526	-	-
	993.871.840	1.121.333.247	79.978.539	91.509.013

7. OTHER INCOME

THE GROUP

	2024 €	2023 €
Profit from the disposal of property, plant and equipment	22.921	21.315
Dividends receivable	1.563	-
Profit from revaluation of investments at fair value through profit or loss (Note 20)	7.689	10.249
Sundry operating income	2.163.014	2.357.454
	2.195.187	2.389.018

THE COMPANY

	2024 €	2023 €
Profit/ (loss) from the disposal of property, plant and equipment	722	(75)
Dividends receivable (Note 42)	12.006.567	8.615.864
Administration services (Note 42)	7.189.086	5.004.733
Sundry operating income	1.139.432	274.573
	20.335.807	13.895.095

The sundry operating income for the Group and the Company mainly includes contributions from vendors for the promotion of their products.

8. OTHER EXPENSES

THE GROUP

	2024	2023
	€	€
Forfeiture of bank guarantee	-	2.860.000
	-	2.860.000

THE COMPANY

	2024	2023
	€	€
Impairment charge of investments in subsidiaries (Note 18, 42)	1.400.000	-
	1.400.000	-

The Group's Other Expenses for 2023, relate to a claim paid under a performance guarantee amounting to €2.860.000 from a customer of the subsidiary company Newcytech Business Solutions Limited (the ‘company’). The company participated in the tender process for the Electricity Authority of Cyprus (‘EAC’) project concerning smart meters (Advanced Metering Infrastructure Rollout). The project was assigned to the Company on 16/06/2023, which submitted the relevant documents, as well as, a performance bank guarantee for the amount of €2.860.000. After a dispute regarding the type of meters, EAC proceeded with the termination of the contract and claimed the payment under the performance guarantee. The company filed a lawsuit against EAC for revocation of the termination of the contract, refund of the amount of the guarantee and claim for damages caused to the company.

The Company's Other Expenses relate to the impairment of the investment in subsidiary company Logicom Information Technology Distribution S.r.l. in Romania. (Notes 18,42)

9. ADMINISTRATIVE EXPENSES

THE GROUP

(a) Personnel expenses

	2024 €	2023 €
Staff salaries	35.688.058	32.249.324
Directors' fees - Executive directors	447.200	476.100
Social insurance	3.024.570	2.719.960
Other personnel costs	(239.917)	(34.852)
Expenses related to defined benefits plan (Note 29)	578.538	537.199
	39.498.449	35.947.731

The average number of employees during the year was 914 (2023:885).

(b) Other administrative expenses

	2024 €	2023 €
Depreciation	1.505.279	1.488.838
Depreciation Right-of-use assets	1.844.083	1.760.557
Amortisation of research and development	42.278	42.278
Impairment of goodwill	-	305.052
Directors' fees - Non-executive directors	101.101	119.015
Rent	519.873	532.161
Common expenses	78.673	72.887
Taxes and licences	779.286	174.739
Electricity and water	418.091	445.541
Cleaning	204.149	188.044
Insurance	3.209.808	2.426.422
Repairs and maintenance	296.698	235.832
Telephone and postage	885.363	838.717
Printing and stationery	88.727	88.654
Subscriptions and donations	526.796	377.651
Staff training expenses	141.840	155.327
Other staff expenses	707.908	707.929
Computer hardware maintenance expenses	491.131	355.389
Auditors' remuneration for the statutory audit of annual accounts	555.123	434.467
Legal fees	641.640	663.050
Other professional fees (Subnote 1)	1.840.709	1.937.675
Advertising	789.230	747.849
Traveling	1.082.716	1.240.413
Entertainment	371.686	373.163
Motor vehicles expenses	443.109	402.186
Transportation expenses	2.387.161	2.437.211
Services from third parties	337.877	271.745
Other expenses	242.835	315.792
	20.533.170	19.138.584
Total administrative expenses	60.031.619	55.086.315

9. ADMINISTRATIVE EXPENSES *(continued)*

THE COMPANY

(a) Personnel expenses

	2024 €	2023 €
Staff salaries	5.426.160	5.031.256
Directors' fees - Executive directors	447.200	476.100
Social insurance	659.687	637.141
Other personnel costs	(33.619)	(23.193)
Other payroll expenses charged to subsidiaries (Note.42)	(527.129)	(499.019)
	5.972.299	5.622.285

The average number of employees during the year was 108 (2023:107).

(b) Other administrative expenses

	2024 €	2023 €
Depreciation	542.271	553.734
Depreciation Right-of-use assets	131.056	129.283
Directors' fees - Non executives directors	101.101	119.015
Common expenses	2.550	2.550
Taxes and licences	14.534	20.134
Electricity and water	127.701	139.856
Cleaning	16.622	22.534
Insurance	178.964	(132.015)
Repairs and maintenance	92.142	75.615
Telephone and postage	155.176	160.879
Printing and stationery	7.122	8.987
Subscriptions and donations	384.084	254.617
Staff training expenses	53.725	40.775
Other staff expenses	150.237	84.397
Computer hardware maintenance expenses	364.316	253.885
Auditors' remuneration for the statutory audit of annual accounts	138.247	74.499
Legal fees	29.027	64.141
Other professional fees (Subnote 1)	814.237	777.019
Advertising	328.629	155.372
Traveling	477.670	550.669
Entertainment	40.253	41.767
Motor vehicles expenses	59.237	55.395
Transportation expenses	148.895	295.789
Services from third parties	259.884	222.561
Administration services charged by subsidiary comp (Note 42)	1.971.281	-
Other expenses	48.658	39.016
	6.637.619	4.010.474
Total administrative expenses	12.609.918	9.632.759

9. ADMINISTRATIVE EXPENSES *(continued)*

Subnote 1
The Group's other professional fees that are presented above include fees amounting to €8.800 (2023: €7.090) for non-audit services provided by the audit firm of the Company.

The Company's other professional fees that are presented above include fees amounting to €13.190 (2023: €7.090) for non-audit services provided by the statutory audit firm of the Company.

10. NET FINANCE EXPENSES

THE GROUP

	2024	2023
	€	€
Finance income		
Interest receivable	785.371	547.578
Income from swap points	98.837	221.515
	884.208	769.093
Finance expenses		
Bank charges	(1.550.785)	(1.944.774)
Interest payable	(12.204.199)	(12.722.026)
Interest on other obligations	(131.839)	(123.504)
Interest on leases	(268.049)	(263.976)
	(14.154.872)	(15.054.280)
Net foreign exchange profit/ (loss)		
Net foreign exchange (loss)/ profit	(3.415.538)	1.571.325
Net foreign exchange profit/ (loss) on derivative financial instruments	1.738.579	(909.153)
	(1.676.959)	662.172
Net finance expenses	(14.947.623)	(13.623.015)
Net finance expenses recognized in other comprehensive income that are to be reclassified to profit or loss in future periods		
Exchange difference from translation and consolidation of financial statements from foreign operations	8.825.845	(4.398.085)
Exchange difference in relation to hedge of net investment in a foreign operation	(3.244.527)	1.303.249
	5.581.318	(3.094.836)

10. NET FINANCE EXPENSES *(continued)*

THE COMPANY

	2024	2023
	€	€
Finance income		
Interest receivable	-	-
Income from swap points	98.837	203.466
	98.837	203.466
Finance expenses		
Bank charges	(140.817)	(137.282)
Interest payable	(4.310.658)	(5.111.218)
Interest payable to subsidiary companies (Note 42)	(2.140.869)	-
Interest on leases	(12.305)	(9.398)
	(6.604.649)	(5.257.898)
Net foreign exchange profit/ (loss)		
Net foreign exchange (loss)/ profit	(2.364.794)	1.054.819
Net foreign exchange profit/ (loss) on derivative financial instruments	1.534.765	(829.948)
	(830.029)	224.871
Net finance expenses	(7.335.841)	(4.829.561)

11. TAXATION

THE GROUP

	2024	2023
	€	€
Corporation tax - current year	5.494.864	3.497.385
Corporation tax- adjustment for prior years	451.599	99.441
Pillar 2 top up tax	251.434	-
Special defence contribution	4	-
Withholding tax	138.581	-
Other taxes	402.987	649.692
Deferred tax - charge/(credit) (Note 34)	367.126	(40.593)
	7.106.595	4.205.925

11. TAXATION *(continued)*

The subsidiary companies of the Group are taxed in the countries in which they operate as follows:

Company	Country	Tax rate 2024 %	Tax rate 2023 %
Logicom (Overseas) Limited	Cyprus	12,5	12,5
Logicom Solutions Limited	Cyprus	12,5	12,5
Netcom Limited	Cyprus	12,5	12,5
CUC Cyprus Utilities Company Limited	Cyprus	12,5	12,5
Najada Holdings Limited	Cyprus	12,5	12,5
Logicom (Middle East) SAL	Lebanon	17	17
ENET Solutions - Logicom S.A.	Greece	22	22
Logicom FZE	United Arab Emirates	9	0
Logicom Dubai LLC	United Arab Emirates	9	0
Logicom Jordan LLC	Jordan	20	20
Logicom Italia s.r.l.	Italy	24	25
Logicom IT Distribution Limited	Turkey	25	23
Rehab Technologies Limited	Saudi Arabia	20	20
Logicom Bulgaria EOOD	Bulgaria	10	10
Logicom Information Technology Distribution s.r.l.	Romania	16	16
Verendrya Ventures Ltd	Cyprus	12,5	12,5
Logicom Services Ltd	Cyprus	12,5	12,5
Logicom Iraq LLC	Iraq	15	15
ICT Logicom Solutions SA	Greece	22	22
Logicom Saudi Arabia LLC	Saudi Arabia	20	20
Newcytech Business Solutions Ltd	Cyprus	12,5	12,5
Newcytech Distribution Ltd	Cyprus	12,5	12,5
Logicom Distribution Germany GmbH	Germany	30	30
Logicom LLC	Oman	15	15
Logicom Kuwait for Computer Company W.L.L	Kuwait	15	15
Logicom Trading & Distribution LLC	Qatar	10	10
Cadmus Tech Points S.A.L	Lebanon	17	17
Logicom Bahrain WLL	Bahrain	0	0
Logicom Egypt LLC	Egypt	22,5	22,5
Logicom Distribution Egypt LLC	Egypt	22,5	22,5
Elogicomnet Morocco Distribution SARL	Morocco	25	0
Logicom Secretarial Services Limited	Cyprus	12,5	12,5
Logicom Malta Limited	Malta	35	35

11. TAXATION *(continued)*

The tax rates for companies based in Morocco range from 10% to 31% depending on the amount of net taxable income. However, the subsidiary company Elogicomnet Morocco Distribution SARL is exempt from corporate tax liability for 3 years.
The tax rate to be charged to Logicom Matla Limited is expected to be 5% on the distributable profits based on the deductions granted by the tax legislation in Malta.

The Group falls within the scope of the Global Minimum Tax Rate under Pillar 2 of the tax legislation. The additional tax relates to the Group's operations in the United Arab Emirates, Kuwait and Qatar, where the tax is lower than 15%.

The Group has made use of the safe harbours for Country-by-Country Reporting (CbCR) that are part of Pillar 2 of the OECD Global Minimum Tax Rate (GloBE) framework. These safe harbours are designed to reduce the complexity and compliance obligations for multinational enterprises (MNEs) during the early years of implementation of the GloBE rules.

THE COMPANY

	2024 €	2023 €
Corporation tax - current year	310.034	-
Corporation tax- adjustment for prior years	116.354	-
Pillar 2 top up tax	251.434	-
Other taxes	47.134	49.200
Deferred tax - (credit)/charge (Note 34)	(21.385)	35.428
	703.571	84.628

The Company is subject to corporation tax at 12,5% on all of its profits.

Reconciliation of taxation with the taxation based on accounting profit

THE GROUP

	2024 €	2023 €
Profit before tax	59.000.864	48.126.564
Effective tax rate	15,37%	18,03%
Tax for the year based on accounting profit	9.068.433	8.677.219
Tax effect for:		
Depreciation	204.592	216.864
Capital allowances	(130.381)	(113.281)
Income not allowed in computation of taxable income	(5.419.492)	(5.919.654)
Expenses not allowed in computation of taxable income	1.771.716	636.237
Other taxes	541.568	649.692
Deferred tax	367.126	(40.593)
Adjustment for prior years	451.599	99.441
Additional tax on top of the minimum tax rate	251.434	-
	7.106.595	4.205.925

11. TAXATION *(continued)*

Reconciliation of taxation with the taxation based on accounting profit

THE COMPANY

	2024 €	2023 €
Profit before tax	1.623.119	6.416.769
Effective tax rate	12,50%	12,50%
Tax for the year based on accounting profit	202.890	802.096
Tax effect for:		
Depreciation	67.784	69.217
Capital allowances	(41.564)	(39.122)
Income not allowed in computation of taxable income	(1.732.283)	(1.278.469)
Expenses not allowed in computation of taxable income	1.813.207	446.278
Other taxes	47.134	49.200
Deferred tax	(21.385)	35.428
Adjustment for prior years	116.354	-
Additional tax on top of the minimum tax rate	251.434	-
	703.571	84.628

Deferred taxation recognized in other comprehensive income

THE GROUP

	2024 €	2023 €
Revaluation of land and buildings	20.955	28.577
Adjustment on remeasurement of obligation	(1.018)	2.538
	19.937	31.115

THE COMPANY

	2024 €	2023 €
Revaluation of land and buildings	20.955	28.577
	20.955	28.577

12. DIVIDENDS

	2024 €	2023 €
Dividends paid	6.667.164	6.296.766
	6.667.164	6.296.766

During the year a final dividend for 2023 of €6.667.164 was paid. This corresponds to €0,090 cent per share. In accordance with IAS 10, dividends are recognised in the year in which they are declared.

The proposed final dividend for 2024 amounting to €7.407.960, corresponds to €0,10 cent per share and in accordance with IAS 10, it will be recognized during 2025, the year in which it will be declared.

13. EARNINGS PER SHARE

THE GROUP

Basic and diluted earnings per share

The calculation of basic and diluted earnings per share is based on the profit attributable to the shareholders of the parent Company, the weighted average number of issued shares and the weighted average number of issued shares during the year as follows:

	2024	2023
Earnings attributable to shareholders (€)	53.908.919	44.508.875
Weighted average number of issued shares during the year	74.079.600	74.079.600
Basic earnings per share (cent)	72,77	60,08
Diluted weighted average number of shares	74.079.600	74.079.600
Diluted earnings per share (cent)	72,77	60,08

14. PROPERTY, PLANT AND EQUIPMENT

THE GROUP	Land and buildings	Computers	Furniture and fittings	Motor vehicles	Total
	€	€	€	€	€
Cost or revaluation					
2023					
Balance as at 1 January 2023	21.088.931	8.999.289	3.685.399	1.966.158	35.739.777
Additions for the year	681.837	788.308	94.428	98.502	1.663.075
Disposals and write offs for the year	-	(555.778)	(82.678)	(98.898)	(737.354)
Exchange differences	(189.012)	(86.675)	(57.871)	(24.822)	(358.380)
Balance as at 31 December 2023	21.581.756	9.145.144	3.639.278	1.940.940	36.307.118
2024					
Balance as at 1 January 2024	21.581.756	9.145.144	3.639.278	1.940.940	36.307.118
Additions for the year	642.906	819.902	265.862	2.002	1.730.672
Disposals and write offs for the year	(403.471)	(1.080.267)	(40.216)	(116.807)	(1.640.761)
Reclassification	-	(150.073)	150.073	-	-
Exchange differences	334.350	156.976	95.410	43.951	630.687
Balance as at 31 December 2024	22.155.541	8.891.682	4.110.407	1.870.086	37.027.716
Depreciation					
2023					
Balance as at 1 January 2023	460.478	6.879.203	3.138.553	1.453.160	11.931.394
Charge for the year	477.395	890.989	186.875	177.106	1.732.365
Disposals and write offs for the year	-	(544.075)	(73.870)	(65.100)	(683.045)
Exchange differences	(17.192)	(75.489)	(50.418)	(20.970)	(164.069)
Balance as at 31 December 2023	920.681	7.150.628	3.201.140	1.544.196	12.816.645
2024					
Balance as at 1 January 2024	920.681	7.150.628	3.201.140	1.544.196	12.816.645
Charge for the year	553.012	875.419	168.441	162.659	1.759.531
Disposals and write offs for the year	-	(1.055.005)	(30.748)	(111.402)	(1.197.155)
Reclassification	-	(30.331)	30.331	-	-
Exchange differences	51.630	131.370	85.539	36.083	304.622
Balance as at 31 December 2024	1.525.323	7.072.081	3.454.703	1.631.536	13.683.643
Net book value					
Balance as at 31 December 2023	20.661.075	1.994.516	438.138	396.744	23.490.473
Balance as at 31 December 2024	20.630.218	1.819.601	655.704	238.550	23.344.073

14. PROPERTY, PLANT AND EQUIPMENT *(continued)*

THE COMPANY	Land and buildings €	Computers €	Furniture and fittings €	Motor vehicles €	Total €
Cost or revaluation					
2023					
Balance as at 1 January 2023	3.541.255	2.685.181	348.001	610.774	7.185.211
Additions for the year	-	117.187	7.764	-	124.951
Disposals and write offs of the year	-	(74.328)	-	-	(74.328)
Balance as at 31 December 2023	3.541.255	2.728.040	355.765	610.774	7.235.834
2024					
Balance as at 1 January 2024	3.541.255	2.728.040	355.765	610.774	7.235.834
Additions for the year	-	270.843	5.823	-	276.666
Disposals and write offs for the year	-	(6.653)	-	(2.250)	(8.903)
Balance as at 31 December 2024	3.541.255	2.992.230	361.588	608.524	7.503.597
Depreciation					
2023					
Balance as at 1 January 2023	5.385	2.024.721	251.529	450.733	2.732.368
Charge for the year	196.732	287.030	20.678	49.293	553.733
Disposals and write offs of the year	-	(69.351)	-	-	(69.351)
Balance as at 31 December 2023	202.117	2.242.400	272.207	500.026	3.216.750
2024					
Balance as at 1 January 2024	202.117	2.242.400	272.207	500.026	3.216.750
Charge for the year	196.733	277.847	21.714	45.978	542.272
Disposals and write offs for the year	-	(6.884)	-	(2.250)	(9.134)
Balance as at 31 December 2024	398.850	2.513.363	293.921	543.754	3.749.888
Net book value					
Balance as at 31 December 2023	3.339.138	485.640	83.558	110.748	4.019.084
Balance as at 31 December 2024	3.142.405	478.867	67.667	64.770	3.753.709

On 31 December 2022 the Group through independent professional appraisers proceeded to a revaluation of land and buildings as follows:

		Surplus €
Logicom Public Ltd	Land and buildings	440.236
Najada Holdings Ltd	Land	225.000
Logicom FZE	Buildings	1.062.112
Logicom Jordan LLC	Land and buildings	25.119
		1.752.467

14. PROPERTY, PLANT AND EQUIPMENT *(continued)*

If land and buildings were recognised under historic cost, these would have been as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Cost	16.396.564	15.753.658	1.504.486	1.504.486
Depreciation	(3.935.571)	(3.619.483)	(1.129.476)	(1.084.071)
	12.460.993	12.134.175	375.010	420.415

The value of the land which is not depreciated is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Balance as at 31 December	8.494.365	8.494.365	369.365	369.365

Approximately every three years, or earlier if required, revaluations are prepared to estimate the fair values of land and buildings.

The revaluations were made on the basis of the comparative method of estimation for the calculation of the market value, using the cost of construction method for the market value of the building under examination as well as the prospects of the properties under examination. Revaluations were made by independent professional valuers.

On 9 February 2018, the company Najada Holdings Limited, a subsidiary company of Logicom Public Limited, acquired all the interests of the immovable property Parcel 1878 Sheet/Plan 30/06E2, area 16 decares and 147 sq.m, at Strovolos Municipality in Nicosia ('The Property'). The purchase price amounted to €8.125.000. The decision for the acquisition of the Property was taken taking into consideration the present and future premises needs of the Group as well as the opportunities for its commercial development and exploitation.

On 31 December 2022, the property was revalued with a revaluation surplus of €225.000.

On land and buildings, borrowing costs of €1.173.277 as well as professional and legal costs of €885.755 for the design and licensing of the building under construction of Najada Holdings Limited, have been capitalised. In 2024, amounts of €255.973 have been capitalised in relation to borrowing costs and €23.800 in relation to professional and legal costs (2023: borrowing costs: €265.492, professional and legal costs: €12.873). The cost of the building under construction is not depreciated.

The land and buildings of Logicom Public Limited were revalued on 31 December 2022 and the surplus from revaluation amounted to €440.236.

The subsidiary company Logicom FZE acquired land in the Free Trade Zone Area in Jebel Ali. The land is leased under an operating lease for 10 years from 1 August 2007 with an option for renewal, which was exercised for another 10 years. During the year, the subsidiary proceeded with the construction of an office building and a warehouse in the land. The annual lease payment is €154.090. The land and buildings were revalued on 31 December 2022 and the revaluation loss amounted to €1.062.112.

The land and buildings of Logicom Jordan LLC were revalued on 31 December 2022 and the revaluation surplus amounted to €25.119.

The provision for deferred taxation arising from the revaluation of land and buildings is presented in note 34.

The mortgage on land and buildings of the Group and the Company are presented in note 31.

14. PROPERTY, PLANT AND EQUIPMENT *(continued)*

Land and buildings are classified as Level 3, in the calculation of their fair value, where the valuation technique is performed by independent qualified appraisers using a variety of valuation methods and assumptions based mainly on the market situation at each valuation date as stated in note 36.4.

The main property of the Group included in the Land and Buildings category are presented below:

Type of property	**Assessment method**	**Non-observable data**	**Data fluctuation range**	2024 €	2023 €
Land and buildings	Comparative method	Sale price per sq.m.	€670/sq.m.- €3.536/sq.m.	2.527.906	2.724.638
Land	Comparative method	Sale price per sq.m.	€680- €1.450/sq.m.	614.500	614.500
Land	Comparative method and development method	Sale price per sq.m.	€355/sq.m.- €1.160/sq.m.	10.450.000	10.450.000
Buildings	Cost price	Capitalised borrowing costs and professional costs		2.059.033	2.182.731
Land and buildings	Comparative method	Sale price per sq.m.	JOD 270/sq.m. - 728/sq.m.	874.278	827.241
Buildings	Comparative method	Transfer price per sq.m.	USD 530 (€496)/sq.m.	3.776.119	3.795.761

Data Sensitivity: The fair value will increase / (decrease) if the sale or transfer price per sq.m. increase / (decrease).

The remaining properties included in Land and Buildings have been valued by independent professional appraisers in the country in which they are located during the period ended 31 December 2022. This category includes improvements and additions to rental properties for which no assessment has been made.

15. RIGHT-OF-USE ASSETS

THE GROUP	Right of use land	Right of use buildings and warehouse	Right of use motor vehicles	Total
	€	€	€	€
Acquisition cost				
2023				
Balance as at 1 January 2023	2.495.553	6.577.973	739.238	9.812.764
Additions for the year	-	1.624.899	70.955	1.695.854
Write offs for the year	-	(1.010.027)	(96.645)	(1.106.672)
Exchange differences	(86.723)	(94.282)	(3.137)	(184.142)
Balance as at 31 December 2023	2.408.830	7.098.563	710.411	10.217.804
2024				
Balance as at 1 January 2024	2.408.830	7.098.563	710.411	10.217.804
Additions for the year	-	2.055.825	252.211	2.308.036
Write offs for the year	-	(1.129.016)	(211.964)	(1.340.980)
Exchange differences	153.262	147.224	9.503	309.989
Balance as at 31 December 2024	2.562.092	8.172.596	760.161	11.494.849
Depreciation				
2023				
Balance as at 1 January 2023	409.434	3.805.202	335.860	4.550.496
Charge	128.610	1.461.106	170.841	1.760.557
Write offs for the year	-	(870.432)	(92.522)	(962.954)
Exchange differences	(16.987)	(46.976)	(1.831)	(65.794)
Balance as at 31 December 2023	521.057	4.348.900	412.348	5.282.305
2024				
Balance as at 1 January 2024	521.057	4.348.900	412.348	5.282.305
Charge	128.479	1.542.732	172.871	1.844.082
Write offs for the year	-	(1.096.414)	(197.919)	(1.294.333)
Exchange differences	38.532	94.208	5.368	138.108
Balance as at 31 December 2024	688.068	4.889.426	392.668	5.970.162
Net book value				
Balance as at 31 December 2023	1.887.773	2.749.663	298.063	4.935.499
Balance as at 31 December 2024	1.874.024	3.283.170	367.493	5.524.687

15. RIGHT-OF-USE ASSETS *(continued)*

THE COMPANY	Right of use buildings and warehouse €
Acquisition cost	
2023	
Balance as at 1 January 2023	740.461
Additions for the year	121.782
Balance as at 31 December 2023	862.243
2024	
Balance as at 1 January 2024	862.243
Additions for the year	202.574
Balance as at 31 December 2024	1.064.817
Depreciation	
2023	
Balance as at 1 January 2023	483.694
Charge	129.283
Balance as at 31 December 2023	612.977
2024	
Balance as at 1 January 2024	612.977
Charge	131.056
Balance as at 31 December 2024	744.033
Net book value	
Balance as at 31 December 2023	249.266
Balance as at 31 December 2024	320.784

The Group and the Company used prior knowledge to determine the lease period. The average borrowing cost applied, at recognition, for Europe is 3,17% for land, warehouse and buildings and 3,5% for motor vehicles and for the Middle East is 5,44% for land, warehouse and buildings and 2,95% for motor vehicles. The average borrowing cost applied for the new leases recognised during the year is: for Europe 6,69% for land, warehouse and buildings, 6,18% for motor vehicles and for the Middle East 7,21% for land, warehouse and buildings and 2,51% for motor vehicles.

16. INTANGIBLE ASSETS AND GOODWILL

THE GROUP	Development costs €	Goodwill €	Distribution rights €	Total €
Cost				
2023				
Balance as at 1 January 2023	422.777	8.408.049	1.173.448	10.004.274
Impairment for the year	-	(305.052)	-	(305.052)
Write offs for the year	-	-	(1.173.448)	(1.173.448)
Balance as at 31 December 2023	422.777	8.102.997	-	8.525.774
2024				
Balance as at 1 January 2024	422.777	8.102.997	-	8.525.774
Balance as at 31 December 2024	422.777	8.102.997	-	8.525.774
Amortisation				
2023				
Balance as at 1 January 2023	58.254	653.169	1.173.448	1.884.871
Amortisation for the the year	42.278	-	-	42.278
Write offs for the year	-	-	(1.173.448)	(1.173.448)
Balance as at 31 December 2023	100.532	653.169	-	753.701
2024				
Balance as at 1 January 2024	100.532	653.169	-	753.701
Amortisation for the year	42.278	-	-	42.278
Balance as at 31 December 2024	142.810	653.169	-	795.979
Net book value				
Balance as at 31 December 2023	322.245	7.449.828	-	7.772.073
Balance as at 31 December 2024	279.967	7.449.828	-	7.729.795

Goodwill
For the purpose of the impairment testing, each subsidiary company is considered as a separate cash generating unit. The impairment was recognised prior to the application of the revised IAS 38.

Logicom Solutions Ltd
Goodwill amounting to €2.343.488 arose on the acquisition of the subsidiary company Logicom Solutions Ltd on 1 January 2000 which also includes the takeover of Inteli-scape Ltd as an economic unit. The management estimates that there is no need for goodwill impairment on the basis that the recoverable amount exceeds the carrying amount of goodwill. The recoverable amount is equal to the value in use that is estimated as the current value of the expected future cash flows for a period of 3 years and the company's terminal value. For the determination of the terminal value the expected cash flows up to 2027 were used divided by the difference between the weighted average cost of capital and the growth rate. The weighted average cost of capital was calculated at 9,24% and the growth rate to perpetuity to 2%.

16. INTANGIBLE ASSETS AND GOODWILL *(continued)*

The amount of goodwill as at 31 December 2024 is €2.343.488 (2023: €2.343.488).

Newcytech Business Solutions Limited
Goodwill amounting to €7.535.670 arose on the acquisition of the subsidiary company Newcytech Business Solutions Limited ("Newcytech") on 30 October 2009. Goodwill includes an amount of €1.213.107 that was recognised from acquisitions of activities, equipment and inventories made by Newcytech prior to the acquisition.

Management estimates that there is no need for impairment of the goodwill, that arose on the acquisition of Newcytech, on the basis that the recoverable amount exceeds the carrying amount of goodwill. The recoverable amount equals the value in use that is calculated as the present value of the estimated expected future cash flows for a period of 3 years and the terminal value of the company. For the determination of the terminal value the cash flows up to 2027 were used divided with the difference of the weighted average cost of capital and the growth rate. The weighted average cost of capital was calculated to 9,24% and the growth rate to perpetuity to 2%.

During 2023, Newcytech recognised impairment of the goodwill, that was maintained in the Statement of Financial Position, amounting to €305.052. The indicated amount of goodwill arising from the acquisition of Newcytech Business Solutions on 31 December 2024 including the goodwill in the Statement of Financial Position of Newcytech, is €5.106.340 (2023: €5.106.340).

The main assumptions that were used in calculating the present value of the estimated future cash flows as assessed and evaluated by the Management are:

Discount rate
The discount rate is calculated at the same level as the weighted average cost of capital of the Group. For the calculation the Credit Default Swaps (CDS), the financing cost after the deduction of tax, the purchase interest rate and the degree of influence of the Company from market changes were taken into account.

Growth rate for terminal value
The rate is calculated based on previous experience of the company's growth rate and the Company's segments of operations, and by also taking into account the ongoing technological development, expertise and experience of the company. The rate is compared with the growth rate of the Gross Domestic Product of Cyprus, the country in which the company is operating.

Estimated future inflows
The future inflows from the above subsidiaries have been calculated based on the growth rates of the companies in the last years as well as based on the business development plans of the companies:

- The budget for 2025 shows a decrease of 15% in the turnover of Logicom Solutions Ltd and 4% increase in the turnover of Newcytech Business Solutions Ltd, taking into consideration the projects that the companies expect to perform during the year as well as their planned development.
- The growth for 2026 is estimated to be at positive rates at the level of 3% for Logicom Solutions Ltd and 5% for Newcytech Business Solutions Ltd and 3% and 3% increase is also foreseen for 2027 respectively.
- The growth after 2027 is expected to be within the expectations of the Management based on growth data for the country and segment of operations of the Company.

Management does not consider that there will be a considerable change in the above main assumptions that will affect the recoverable amount of goodwill so that it will be lower than the carrying amount.

Development/licensing costs

The development costs relate to the costs of designing and developing the e-commerce portal of the distribution sector.

17. INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2024	2023
	€	€
Balance as at 1 January	30.617.240	19.770.774
Revaluation transferred to equity	33.225.884	10.846.466
Transfer to Assets held for sale (Note 21)	(63.843.124)	-
Balance at 31 December	-	30.617.240

The investments at fair value through other comprehensive income relate to an investment of the subsidiary Logicom Services Limited in Hellenic Bank Public Limited. The investment is valued based on its market value at the reporting date.

On 25 November 2025, the subsidiary Logicom Services Limited entered into a purchase and sale agreement with Eurobank S.A. which provides for the sale of 13.729.704 shares held by the company in Hellenic Bank Public Company Limited, for the total amount of €66.492.956,47, i.e. at a price of €4,843 per share. The sale of the shares was completed on 10 February 2025, therefore on 25 November 2024, the investments was revalued and reclassified to Assets held for sale, see note 21.

18. INVESTMENTS IN SUBSIDIARY COMPANIES

The Company has the following investments in subsidiary companies:

Company	Country of incorporation	2024 Holding %	2023 Holding %	2024 €	2023 €
Logicom (Overseas) Limited	Cyprus	100	100	-	-
Logicom (Middle East) SAL	Lebanon	100	100	-	-
ENET Solutions - Logicom S.A.	Greece	100	100	1.205.400	1.205.400
Logicom FZE	United Arab Emirates	100	100	18.693.825	18.693.825
Logicom Trading & Distribution LLC	Qatar	100	100	46.313	46.313
Logicom Jordan LLC	Jordan	100	100	78.372	78.372
Logicom Italia s.r.l.	Italy	100	100	8.569.544	5.069.544
Rehab Technologies Limited	Saudi Arabia	100	100	-	-
Logicom Information Technology Distribution s.r.l.	Romania	100	100	6.800.063	8.200.063
Logicom Bulgaria EOOD	Bulgaria	100	100	-	-
Logicom Services Ltd	Cyprus	100	100	24.010.000	24.010.000
Verendrya Ventures Ltd	Cyprus	60	60	600	600
Logicom Distribution Germany GmbH	Germany	100	100	27.000	27.000
Cadmus Tech Points S.A.L	Lebanon	100	100	-	-
Logicom Secretarial Services Limited	Cyprus	100	0	1.000	1.000
Logicom Malta Limited	Malta	100	100	10.000	10.000
Najada Holdings Limited	Cyprus	100	100	3.500.100	3.500.100
				62.942.217	60.842.217

18. INVESTMENTS IN SUBSIDIARY COMPANIES *(continued)*

The value of the investments as listed above consists of the share capital and the contribution from the parent company to its subsidiaries.

The Company owns indirectly, through the subsidiary company Logicom Services Limited, the 100% of Logicom Solutions Ltd in Cyprus with share capital of €11.115.

The Company owns indirectly, through the subsidiary companies Enet Solutions Logicom S.A. and Logicom FZE, the 100% of Logicom IT Distribution Ltd in Turkey with share capital of €8.713.606.

The Company owns indirectly, through the subsidiary company Verendrya Ventures Limited, the 60% of the subsidiary Netcom Limited in Cyprus with share capital €17.100.

The Company owns indirectly, through the subsidiary company Verendrya Ventures Limited, the 60% of the subsidiary CUC Cyprus Utilities Company Limited in Cyprus with share capital €1.000.

The Company owns indirectly, through the subsidiary company Logicom FZE, the 100% of the subsidiary Logicom Saudi Arabia LLC in Saudi Arabia with share capital of €4.960.896.

The Company owns indirectly, through the subsidiary company Logicom FZE, the 100% of the subsidiary Logicom Dubai LLC in United Arab Emirates, with share capital of €92.129.

The Company owns indirectly, through its subsidiary company Logicom Dubai LLC, the 100% of the subsidiary Logicom Iraq LLC in Iraq, with share capital of €69.181.

The Company owns indirectly, through the subsidiary company Logicom Services Limited, the 100% of Newcytech Business Solutions Limited in Cyprus with share capital of €756.776.

The Company owns indirectly, through the subsidiary company Logicom Services Limited, the 100% of Newcytech Distribution Limited in Cyprus with share capital of €8.550.

The Company owns indirectly, through the subsidiary company Logicom Services Limited, the 100% of the subsidiary ICT Logicom Solutions SA in Greece, with share capital of €100.000.

The Company owns indirectly, through the subsidiaries Logicom FZE and Logicom Dubai LLC, the 100% of Logicom LLC in Oman, with share capital of €41.086.

The Company owns indirectly, through its subsidiary Logicom FZE, the 100% of Logicom Kuwait for Computer Company WLL in Kuwait, with share capital of €50.997.

The Company owns indirectly, through its subsidiary Logicom FZE, the 100% of Logicom Bahrain W.L.L. in Bahrain, with share capital of €11.383.

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom (Overseas) Limited the 100% of Logicom Egypt LLC in Egypt, with share capital of €56.

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom Egypt LLC the 100% of Logicom Distribution Egypt LLC in Egypt, with share capital of €107.541.

The Company owns indirectly through its subsidiaries Logicom FZE and Logicom (Overseas) Limited the 100% of Elogicomnet Morocco Distribution SARL in Morocco, with share capital of €1.912.832.

18. INVESTMENTS IN SUBSIDIARY COMPANIES *(continued)*

The increase in the value of the investment in Logicom Italia S.r.l. relates to the contribution from the Company amounting to €3.500.000 during the year (2023: €1.500.000).

As at 31 December 2024, the Company made an impairment assessment on the value of the investments in subsidiary companies by comparing the net asset value of each investment with the carrying amount as stated in the Company's books. There was no indication for impairment in the value of the investments in subsidiaries, except for Logicom Information Technology Distribution s.r.l and Logicom Italia s.r.l, according to the comparison mentioned above.

The value of the investment in Logicom Italia srl, has not been impaired based on the calculations of the company's expected cash flows for the years 2025-2027 by dividing by the weighted average cost of capital calculated at 9,24%, with a growth rate in perpetuity of 2%, and the fact that the calculated cash flows exceed the value of the investment by €1,1 million. The Company proceeded in 2024 to increase the investment in Logicom Italia srl by an amount of €3.500.000, further strengthening its capital adequacy.

The estimated recoverable value of the investment in the subsidiary company Logicom Information Technology Distribution s.r.l., based on the calculations of the company's expected cash flows for the years 2025-2027 divided by the weighted average cost of capital calculated at 9,24% with a growth rate in perpetuity of 2%, does not exceed the value of the investment, therefore the Company proceeded to impair its value by €1.400.000. Impairments in the value of the investments are presented in the Statement of Profit or Loss.

18. INVESTMENTS IN SUBSIDIARY COMPANIES *(continued)*

The following table presents the dates of acquisition, the nominal values and the number of shares of the main subsidiary companies:

Company	Date of acquisition/ incorporation	Nominal Value	Number of shares
Logicom (Overseas) Limited	01/01/1999	EUR 1,71	10.000
Logicom Solutions Limited	01/01/1999	EUR 1,71	6.500
Netcom Limited	27/04/2000	EUR 1,71	10.000
Logicom (Middle East) SAL	25/07/2000	LBP 15.000	20.000
ENET Solutions - Logicom S.A.	21/02/2001	EUR 2,94	410.000
Logicom Jordan LLC	07/08/2001	JOD 1	50.000
Logicom FZE	03/10/2001	AED 1 εκ.	1
Logicom Dubai LLC	07/11/2001	AED 100	3.000
Logicom Italia s.r.l.	14/06/2005	EUR 10.000	1
Logicom IT Distribution Limited	01/12/2005	YTL 25	920.000
Rehab Technologies Limited	01/08/2006	SAR 500	1.000
Logicom Information Technology Distribution s.r.l.	19/03/2007	RON 200	1
Logicom Bulgaria EOOD	12/04/2007	BGN 20.000	1
Verendrya Ventures Ltd	30/01/2009	EUR 1	1.000
Logicom Services Ltd	04/05/2009	EUR 1	10.000
ICT Logicom Solutions SA	03/11/2009	EUR 1	100.000
Logicom Saudi Arabia LLC	29/09/2009	SAR 10	2.680.000
Newcytech Business Solutions Ltd	30/10/2009	EUR 1,71	442.559
Newcytech Distribution Ltd	30/10/2009	EUR 1,71	5.000
Logicom Distribution Germany GmbH	29/09/2010	EUR 1	25.000
CUC Cyprus Utilities Company Limited	11/09/2018	EUR 1	1.000
Logicom LLC	02/09/2012	OMR 1	20.000
Cadmus Tech Points S.A.L	01/10/2013	LBP10.000	3.000
Logicom Kuwait for Computer Company W.L.L	13/03/2014	KWD200	100
Logicom Trading & Distribution LLC	23/03/2014	QAR1.000	200
Najada Holdings Limited	23/05/2017	EUR 1	100
Logicom Bahrain WLL	06/09/2018	BD50	100
Logicom Iraq LLC	10/05/2012	IQD 1	100.000.000
Logicom Egypt LLC	07/11/2019	LE10	100
Logicom Distribution Egypt LLC	02/09/2020	LE10	200.000
Elogicomnet Morocco Distribution SARL	27/07/2021	MAD10	2.000.000
Logicom Secretarial Services Limited	11/10/2023	EUR 1	1.000
Logicom Malta Limited	09/11/2023	EUR 1	10.000

19. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES

The Group participates in the consortium M.N. Limassol Water Co. Limited and M.N. E.P.C Water Co. (partnership) with 50% holding through its subsidiary company Verendrya Ventures Limited. The above consortiums have undertaken the construction and operation of the desalination plant in Episkopi.

During 2012, the Group has also acquired a 50% holding through its subsidiary company Verendrya Ventures Limited, in the joint venture M.N. Larnaca Desalination Co. Limited for the renovation and operation of the existing desalination unit in Larnaca.

On 15 March 2018, the Group increased its total shareholding held in Demetra Holdings Plc to 29,62%, resulting in having significant influence. On 1 November 2023, the Group increased its participation in the share capital of Demetra to 29,92% from 29,62%. From the increase in the percentage of participation, a negative goodwill of €630.282 arose, which is included in the Share of profit from associated company after tax.

19. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES *(continued)*

The amount of negative goodwill that has been written off from the Consolidated Statement of Profit or Loss and Other Comprehensive Income relates to the excess of the fair value of Demetra's net assets on 1 November 2023, in relation to the book value of the investment which consists of the pre-existing investment plus the cost of the share purchase that took place on 1 November 2023.
The share of profit from associated companies after tax for the year is analysed as follows:

	€
Negative goodwill write off	630.282
Share of profit until 31.10.2023 - 29,62%	16.895.508
Share or profit from 01.11.2023 - 29,92%	8.733.565
Share of profit 2023	25.629.073
	26.259.355

The Group recognizes the above investments using the equity method.

THE GROUP

	2024 €	2023 €
M.N. Limassol Water Co. Ltd	830.432	27.268
M.N. E.P.C Water Co.	-	-
M.N. Larnaca Desalination Co. Ltd	-	-
Demetra Holdings Plc	149.554.474	110.021.278
	150.384.906	110.048.546

	M.N. Larnaca Desalination Co. Ltd €	M.N. E.P.C Water Co. €	M.N. Limassol Water Co. Ltd €	Demetra Holdings Plc €	Total €
Balance as at 1 January 2023	-	-	428.766	82.655.623	83.084.389
Dividend	-	-	(239.760)	-	(239.760)
Purchases	-	-	-	378.000	378.000
Negative goodwill	-	-	-	630.282	630.282
Reclassification of loss from investments in joint ventures after tax	1.274.450	-	-	-	1.274.450
Share of loss from investments in joint ventures after tax	(1.274.450)	-	(161.738)	-	(1.436.188)
Net share of profit from associated companies after tax	-	-	-	25.629.073	25.629.073
Share of profit through other comprehensive income	-	-	-	768.570	768.570
Share of other transactions with owners	-	-	-	(40.270)	(40.270)
Balance as at 31 December 2023	-	-	27.268	110.021.278	110.048.546

19. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES *(continued)*

	M.N. Larnaca Desalination Co. Ltd	M.N. E.P.C Water Co.	M.N. Limassol Water Co. Ltd	Demetra Holdings Plc	Total
	€	€	€	€	€
Balance as at 1 January 2024	-	-	27.268	110.021.278	110.048.546
Dividend	-	-	(259.479)	-	(259.479)
Reclassification of loss from investments in joint ventures after tax	3.730.453	-	-	-	3.730.453
Share of (loss)/ profit from investments in joint ventures after tax	(3.730.453)	-	1.062.643	-	(2.667.810)
Net share of profit from associated companies after tax	-	-	-	39.630.664	39.630.664
Share of loss through other comprehensive income	-	-	-	(22.850)	(22.850)
Share of other transactions with owners	-	-	-	(74.618)	(74.618)
Balance as at 31 December 2024	-	-	830.432	149.554.474	150.384.906

The profit that resulted from M.N. Limassol Water Co. Limited of €1.062.643 (2023: loss €161.738) was debited to the amount of investment in Verendrya Ventures Limited in M.N. Limassol Water Co. Limited.
The loss that resulted from M.N. Larnaca Desalination Co. Ltd of €3.730.453 (2023: €1.274.450) was credited to the loan granted from Verendrya Ventures Limited to M.N. Larnaca Desalination Co. Ltd.
During 2024, the partnership M.N.E.P.C. Water Co. was inactive.

According to the Bank Loan Agreement between M.N. Limassol Water Co. Ltd and Hellenic Bank Public Limited, a restriction with regards to the dividend distribution exists if any of the below applies:

- Based on the instructions issued by the Water Development Department, the production of the desalinated water is restricted below the minimum quantities as specified in the contract.
- The Water Development Department instructs the company to operate in a stand-by mode.
- The economic position or the future cash flows of M.N. Limassol Water Co. Limited are not in a position to warrant the distribution of dividends.

In relation to the pending claims regarding the contract for the construction and operation of the Desalination unit in Episkopi, the company M.N. Limassol Water Co. Ltd, participated in 2023 in an arbitration process whose round of hearings was completed. The decision was issued in January 2024 and awards the company compensation of 780 thousand euro plus interest and 1.400 thousand euro for attorneys and arbitration fees. There are no other outstanding claims in relation to this contract.

19. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES *(continued)*

In relation to the investment in the Desalination Plant in Larnaca, and the claims that were pending regarding the contract for its construction and operation, the company M.N. Larnaca Desaliantion Co. Ltd participated in 2023 in an arbitration proceeding, the hearing cycle of which was completed in January 2024. The decision was issued in June 2024 and awards the company compensation of €3,8 million in relation to the net claims of the company amounting to €13,8 million (€17,6 million from the company to the Water Development Department and €3,8 million from the Water Development Department to the company) which were included in the expected future cash flows of the company for the calculation of the financial model. The determination of the compensation for attorneys' fees, arbitration and interest was issued on the 3rd of September 2024, awarding the company compensation of €1,4 million for interest and €1,4 million for attorneys' fees and arbitration. There are no other claims pending in relation to this contract.
The company's results for the year 2024 were negatively affected by €6,9 million, as a result of the above decision as the company proceeded to reassess the cash flows of the financial model, recognised an impairment on intangible assets and created a liability for an onerous contract in relation to the negative net present value of the future cash flows attributed to the financial model.

The production of the desalination plants M.N. Limassol Water Co. and M.N. Larnaca Desalination Co. may fluctuate according to the instructions of the Water Development Department.

The recognition of investment in M.N. Larnaca Desalination Co. Ltd during 2018, arose from the decrease of the conventional interest of the loan receivable to 0% from 4,5% and in consequence the fair value of the rejected cash flows discounted at the effective interest was recognised as an increase in the investment.

Significant total amounts of investments accounted for using the equity method:

2024	M.N. Larnaca Desalination Co. Limited	M.N. E.P.C. Water Co.	M.N. Limassol Water Co. Limited	Total
Percentage	50%	50%	50%	
Reporting date	31/12/2024	31/12/2024	31/12/2024	
	€	€	€	€
Non-current assets	13.371.676	-	22.750.659	36.122.335
Cash and cash equivalents	4.893.935	-	3.109.578	8.003.513
Current assets	7.937.712	-	10.761.125	18.698.837
Total assets	26.203.323	-	36.621.362	62.824.685
Current liabilities	(3.129.952)	-	(5.477.442)	(8.607.394)
Short-term borrowing	(46.431.814)	-	(3.126.000)	(49.557.814)
Long-term loans	-	-	(26.359.769)	(26.359.769)
Total liabilities	(49.561.766)	-	(34.963.211)	(84.524.977)
Net assets	(23.358.443)	-	1.658.151	(21.700.292)
Revenue	18.615.529	-	18.117.914	36.733.443
Interest receivable	700.926	-	1.975.004	2.675.930
Expenses	(26.693.904)	-	(15.644.156)	(42.338.060)
Depreciation and amortisation	(80.578)	-	(418.682)	(499.260)
Interest payable	-	-	(1.626.153)	(1.626.153)
Tax	(2.879)	-	(278.641)	(281.520)
(Loss)/ profit for the year	(7.460.906)	-	2.125.286	(5.335.620)
Group's share in net assets	(11.679.222)	-	829.076	(10.850.146)
Group's share in (loss)/ profit for the year	(3.730.453)	-	1.062.643	(2.667.810)

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19. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES *(continued)*

2023	M.N. Larnaca Desalination Co. Limited	M.N. E.P.C. Water Co.	M.N. Limassol Water Co. Limited	Total
Percentage	50%	50%	50%	
Reporting date	31/12/2023	31/12/2023	31/12/2023	
	€	€	€	€
Non-current assets	16.036.937	-	25.342.412	41.379.349
Cash and cash equivalents	79.628	-	4.220.124	4.299.752
Current assets	8.357.036	-	12.570.203	20.927.239
Total assets	24.473.601	-	42.132.739	66.606.340
Current liabilities	(2.728.905)	-	(5.417.063)	(8.145.968)
Short-term borrowing	(37.642.228)	-	(4.063.000)	(41.705.228)
Long-term loans	-	-	(32.599.818)	(32.599.818)
Total liabilities	(40.371.133)	-	(42.079.881)	(82.451.014)
Net assets	(15.897.532)	-	52.858	(15.844.674)
Revenue	18.355.938	-	13.947.408	32.303.346
Interest receivable	737.764	-	1.981.886	2.719.650
Expenses	(21.588.522)	-	(14.211.179)	(35.799.701)
Depreciation and amortisation	(52.304)	-	(425.324)	(477.628)
Interest payable	(1.776)	-	(1.671.075)	(1.672.851)
Tax	-	-	54.809	54.809
(Loss)	(2.548.900)	-	(323.475)	(2.872.375)
Group's share in net assets	(7.948.766)	-	26.429	(7.922.337)
Group's share in loss for the year	(1.274.450)	-	(161.738)	(1.436.188)

The balances and transactions between the joint ventures are presented in note 43.

The Group held 59.232.100 shares corresponding to 29,62% of the total share capital of Demetra Holdings Plc. On 1 November 2023, the Group increased its participation by purchasing 600.000 additional shares and thus its percentage of participation in the total share capital of Demetra Holdings Plc to 29,92% and exercises significant influence.

19. INVESTMENTS IN ASSOCIATED COMPANIES AND JOINT VENTURES *(continued)*

Reporting date	2024	2023
Percentage	29,92%	29,92%
	€	€
Non-current assets	41.263.751	339.041.647
Cash and cash equivalents	2.228.151	834.943
Current assets	466.460.463	39.016.623
Total assets	509.952.365	378.893.213
Current liabilities	(2.097.771)	(4.355.569)
Short-term borrowing	(95.053)	(3.825.653)
Long-term loans	(7.911.700)	(2.993.816)
Total liabilities	(10.104.524)	(11.175.038)
Net assets	499.847.841	367.718.175
Revenue	136.359.798	88.911.004
Interest receivable	244.692	213.788
Expenses	(3.976.888)	(2.189.351)
Interest payable	(492.734)	(499.354)
Tax	320.560	(205.488)
Profit	132.455.428	86.230.599
Group's share in net assets	149.554.474	110.021.278
Group's share in profit for the year	39.630.664	25.629.073

The Group's share for the year is calculated for the first ten months of the year with a participation rate of 29,62% and for the last two months of the year with a participation rate of 29,92%. For 2024, the participation rate is 29,92%.

The balances and transactions between joint ventures are presented in note 43.

On 25 November 2024, the subsidiary Logicom Services Limited entered into a purchase and sale agreement with Eurobank S.A. which provided for the purchase of 17.152.353 shared held by Eurobank S.A. in Demetra Holdings Plc (8,576% of the share capital of Demetra Holdings Plc), for the total amount of €26.586.147,15, i.e. at a price of €1,55 per share. The purchase and sale agreement was completed on 17 January 2025.

The market value of the investment in Demetra Holdings Plc at the reporting date amounted to €101.714.570 (2023: €41.882.470). The market value of the shares held by the Groupon 24 April 2025, amounts to €123.971.463.

20. OTHER INVESTMENTS

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Balance as at 1 January	29.255	19.006	6.758	6.758
Change in fair value	7.689	10.249	-	-
Balance as at 31 December	36.944	29.255	6.758	6.758

20. OTHER INVESTMENTS *(continued)*

THE GROUP

	2024 €	2023 €
Shares at fair value through profit or loss	31.818	24.129
Other investments	5.126	5.126
	36.944	29.255

THE COMPANY

	2024 €	2023 €
Shares at fair value through profit or loss	1.632	1.632
Other investments	5.126	5.126
	6.758	6.758

On 24 April 2025, the value of the shares traded in the CSE was €37.943.

The investments at fair value through profit or loss relate to investments in public companies and are presented in fair value. The other investments relate to the Company's participation in recycling companies and are presented in cost price.

The Management estimates that the fair value of other investments is not significantly different from their listed value on 31.12.2024.

21. ASSETS HELD FOR SALE

The asssets held for sale relate to an investment of the subsidiary company Logicom Services Limited in Hellenic Bank Public Company Limited. Specifically, the company holds 13.729.704 shares, corresponding to 3,326% of Hellenic's share capital.

THE GROUP

	2024 €	2023 €
Balance as at 1 January	-	-
Transfer from Investments at fair value through other comprehensive income (Note 17)	63.843.124	-
Adjustment to fair value based on selling price	2.649.832	-
Balance as at 31 December	66.492.956	-
Current portion	66.492.956	-

21. ASSETS HELD FOR SALE *(continued)*

From the acquisition of the investment until 25 November 2024, the investment was classified as Investments at Fair Value through Other Comprehensive Income (see note 17), and was valued based on its market value at the reporting date.
On 25 November 2024, the subsidiary Logicom Services Limited (the 'seller') entered into a purchase and sale agreement with Eurobank S.A. (the 'buyer'), which provided for the sale of 13.729.704 shares held by the seller in Hellenic Bank Public Company Limited to the buyer, for the total amount of €66.492.956,47, i.e. at a price of €4,843 per share. The sale was completed on 10 February 2025. As a result of the aforementioned agreement and the completion of the sale in 2025, the investment was reclassified to Investments held for sale. On 31 December 2024, the investment was remeasured to fair value based on the remeasurement requirements of IFRS9 and IFRS13. The Management considered that the sale price (€4,843 per share) best represented the fair value of the Investment since, as of 31 December 2024 the remaining approvals and procedures for completion would not affect the terms of the contract. Furthermore, this transaction was carried out in an arm's length basis, between willing and informed parties.

The following table presents the total amount recognised in reserves due to the revaluation of the investment value.

	THE GROUP €
Cost of buying shares	11.159.781
Fair value surplus from revaluation recognised in reserves until 25 November 2024	52.683.343
Fair value surplus from revaluation recognised in reserves due to sale	2.649.832
Net profit on held for sale investments	66.492.956

22. DERIVATIVE FINANCIAL INSTRUMENTS

	THE GROUP		THE COMPANY	
	2024 €	2023 €	2024 €	2023 €
Derivative financial instruments- assets	417.555	-	112.170	-

	THE GROUP		THE COMPANY	
	2024 €	2023 €	2024 €	2023 €
Derivative financial instruments- liabilities	-	1.320.263	-	1.481.951

The derivative financial instruments of the Group and the Company refer to contracts of exchange of foreign currency for the hedging of the fluctuations in foreign currencies. The Group and the Company's management follow a policy to minimize the risk arising from the fluctuation of foreign exchange differences, as stated in the significant accounting policies.

The profit from the change in fair value of derivative financial instruments for the year, that was recognised in Group's and Company's results amounted to €1.738.579 (2023: loss €909.153) and €1.534.765 (2023: loss €829.948) respectively.

The exposure of the Group and the Company to foreign exchange risk is presented in note 36.2.2 of the consolidated and separate financial statements.

23. INVENTORIES

THE GROUP

	2024 €	2023 €
Net value of inventories as at 31 December	78.482.051	88.440.500

During the year inventories of €990.110.365 (2023: €1.116.489.352) were recognised in the cost of sales.

THE COMPANY

	2024 €	2023 €
Net value of inventories as at 31 December	724.654	506.310

During the year inventories of €79.978.539 (2023: €91.509.013) were recognised in the cost of sales.

Inventories consist of finished goods for sale. Inventories are stated net of any provision for slow moving stock determined as obsolete and which it is possible that they cannot be sold.

Movement in provision for slow moving stocks:

THE GROUP

	2024 €	2023 €
Balance as at 1 January	3.228.765	2.022.646
Provision recognised for the decrease in the value of inventories	-	1.584.008
Stock write off	(1.264.486)	-
Reversal of provision	(111.957)	(317.781)
Exchange differences	74.388	(60.108)
Balance as at 31 December	1.926.710	3.228.765

THE COMPANY

	2024 €	2023 €
Balance as at 1 January	4.065	4.065
Balance as at 31 December	4.065	4.065

For the determination of the provision for slow moving stock, the characteristics of the country in which the inventories are held, the age and the type of inventories, their marketability as well as the Group's option for stock returns and price protection from the vendors, were taken into consideration.

24. TRADE AND OTHER RECEIVABLES

THE GROUP

	2024 €	2023 €
Trade receivables	336.817.248	326.335.145
Other receivables	8.129.585	3.461.576
Prepayments	8.758.477	4.081.829
Receivables from joint ventures (Note 43)	18.545.661	23.212.993
Contract asset	3.251.713	6.168.911
	375.502.684	363.260.454
Non-current receivables		
Receivables from joint ventures (Note 43)	18.545.661	23.212.993
Trade receivables	4.301.723	116.587
	22.847.384	23.329.580
Current receivables	352.655.300	339.930.874
	375.502.684	363.260.454

THE COMPANY

	2024 €	2023 €
Trade receivables	12.565.166	11.750.705
Other receivables	1.852.818	975.409
Prepayments	15.760	12.760
	14.433.744	12.738.874

Trade and other receivables are stated net of any provision for doubtful debts. The provision for doubtful debts amounted to €4.720.144 (2023: €3.984.301) for the Group and to €148.467 (2023: €139.117) for the Company (Note 36.1).

There was no amount of trade debtors of Logicom FZE and Logicom Dubai LLC in the United Arab Emirates that has been settled through factoring agreement without recourse.

The Group has recognized expected credit losses of €2.291.083 (2023: €817.682) for the impairment of its trade receivables during the year ended 31 December 2024. The loss has been included separately in the Statement of Profit or Loss and Other Comprehensive Income.

Part of the trade receivables of Logicom Public Ltd in Cyprus and Malta and the subsidiary companies Enet Solutions Logicom S.A. in Greece and Logicom FZE in United Arab Emirates have been settled through the factoring agreement with recourse. The total amount of trade receivables that were settled as at 31 December amounted to €10.988.693 (2023: €5.973.921).

The risks in relation to trade and other receivables as well as the information relevant to the provision for doubtful debts are presented in note 36.1.

25. CASH AND CASH EQUIVALENTS

THE GROUP

	2024 €	2023 €
Cash in hand	189.265	210.155
Current accounts with banks	81.632.396	38.130.065
	81.821.661	38.340.220
Expected credit losses (Note36.1)	(4.045.261)	(3.803.277)
	77.776.400	34.536.943

The expected credit losses relate to a provision for impairment of cash and cash equivalents which derived entirely from the subsidiary company Logicom (Middle East) SAL in Lebanon, as a result of the prolonged political and economic instability that had a severe impact on the country as well as cash flow restrictions.

THE COMPANY

	2024 €	2023 €
Cash in hand	152.292	121.306
Current accounts with banks	7.665.311	3.650.894
	7.817.603	3.772.200

The deposit interest rates for 2024 amounts to 0% - 1,0% per annum (2023: 0% - 1,0%).

For cash flow statement purposes, cash and cash equivalents include:

THE GROUP

	2024 €	2023 €
Cash at bank and in hand	77.776.400	34.536.943
Bank overdrafts (Note 32)	(27.165.934)	(26.507.607)
	50.610.466	8.029.336

THE COMPANY

	2024 €	2023 €
Cash at bank and in hand	7.817.603	3.772.200
Bank overdrafts (Note 32)	(19.202.016)	(13.096.046)
	(11.384.413)	(9.323.846)

26. SHARE CAPITAL

	2024 Number of shares	2024 €	2023 Number of shares	2023 €
Authorised				
Ordinary shares of €0,34 each	100.000.000	34.000.000	100.000.000	34.000.000
Issued and fully paid				
Balance as at 1 January	74.079.600	25.187.064	74.079.600	25.187.064
Balance as at 31 December	74.079.600	25.187.064	74.079.600	25.187.064

All the shares are listed and traded in the Cyprus Stock Exchange, they have the same and equal rights and have no limitations in their transfer.

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27. RESERVES

THE GROUP

	Difference arising on the conversion the share capital to Euro €	Share Premium €	Retained earnings €	Revaluation Reserve €	Translation reserve €	Hedge reserve €	Statutory reserve €	Total €	Non-controlling interest €	Total €
Balance as at 1 January 2023	116.818	10.443.375	196.791.711	8.095.849	3.788.614	(12.324.623)	3.000.245	209.911.989	(2.620.720)	207.291.269
Profit for the year	-	-	44.508.875	-	-	-	-	44.508.875	(588.236)	43.920.639
Exchange differences in relation to foreign operations	-	-	-	-	(4.398.085)	1.303.249	-	(3.094.836)	-	(3.094.836)
Deferred tax on revaluation of land and buildings (note 34)	-	-	-	28.577	-	-	-	28.577	-	28.577
Surplus arising from the revaluation of investments at fair value through other comprehensive income	-	-	10.846.466	-	-	-	-	10.846.466	-	10.846.466
Adjustment from remeasurement of obligation (note 29)	-	-	(150.501)	-	-	-	-	(150.501)	-	(150.501)
Deferred tax from the administrative expenses (note 34)	-	-	2.538	-	-	-	-	2.538	-	2.538
Share of profit from associated company	-	-	768.570	-	-	-	-	768.570	-	768.570
Total comprehensive income	-	-	55.975.948	28.577	(4.398.085)	1.303.249	-	52.909.689	(588.236)	52.321.453
Proposed dividend for 2022 that was paid in 2023 (note 12)	-	-	(6.296.766)	-	-	-	-	(6.296.766)	(124.000)	(6.420.766)
Transfer	-	-	(221.625)	-	-	-	221.625	-	333	333
Share of other transactions with owners from associated company (Note19)	-	-	(40.270)	-	-	-	-	(40.270)	-	(40.270)
	-	-	(6.558.661)	-	-	-	221.625	(6.337.036)	(123.667)	(6.460.703)
Balance as at 31 December 2023	116.818	10.443.375	246.208.998	8.124.426	(609.471)	(11.021.374)	3.221.870	256.484.642	(3.332.623)	253.152.019

27. RESERVES *(continued)*

THE GROUP

	Difference arising on the conversion the share capital to Euro €	Share Premium €	Retained earnings €	Revaluation Reserve €	Translation reserve €	Hedge reserve €	Statutory reserve €	Total €	Non-controlling interest €	Total €
Balance as at 1 January 2024	116.818	10.443.375	246.208.998	8.124.426	(609.471)	(11.021.374)	3.221.870	256.484.642	(3.332.623)	253.152.019
Profit for the year	-	-	53.908.919	-	-	-	-	53.908.919	(2.014.650)	51.894.269
Exchange differences in relation to foreign operations	-	-	-	-	8.825.845	(3.244.527)	-	5.581.318	-	5.581.318
Deferred tax on revaluation of land and buildings (note 34)	-	-	-	20.955	-	-	-	20.955	-	20.955
Surplus arising from the revaluation of investments at fair value through other comprehensive income	-	-	35.875.716	-	-	-	-	35.875.716	-	35.875.716
Adjustment from remeasurement of obligation (note 29)	-	-	25.459	-	-	-	-	25.459	-	25.459
Deferred tax from administrative expenses (note 34)	-	-	(1.018)	-	-	-	-	(1.018)	-	(1.018)
Share of loss from associated company	-	-	(22.850)	-	-	-	-	(22.850)	-	(22.850)
Total comprehensive income	-	-	89.786.226	20.955	8.825.845	(3.244.527)	-	95.388.499	(2.014.650)	93.373.849
Proposed dividend for 2023 that was paid in 2024 (note 12)	-	-	(6.667.164)	-	-	-	-	(6.667.164)	(132.000)	(6.799.164)
Transfer	-	-	(123.541)	-	-	-	123.541	-	-	-
Share of other transactions with owners from associated company (Note 19)	-	-	(74.618)	-	-	-	-	(74.618)	-	(74.618)
	-	-	(6.865.323)	-	-	-	123.541	(6.741.782)	(132.000)	(6.873.782)
Balance as at 31 December 2024	116.818	10.443.375	329.129.901	8.145.381	8.216.374	(14.265.901)	3.345.411	345.131.359	(5.479.273)	339.652.086

27. RESERVES *(continued)*

THE COMPANY

	Difference arising on the conversion the share capital to Euro €	Share Premium €	Retained earnings €	Revaluation Reserve €	Total €
Balance as at 1 January 2023	116.818	10.443.375	15.973.837	2.706.166	29.240.196
Profit for the year	-	-	6.332.141	-	6.332.141
Deferred tax on revaluation of land and buildings (note 34)	-	-	-	28.577	28.577
Total comprehensive income	-	-	6.332.141	28.577	6.360.718
Proposed dividend for 2022 that was paid in 2023 (note 12)	-	-	(6.296.766)	-	(6.296.766)
Balance as at 1 January 2024	116.818	10.443.375	16.009.212	2.734.743	29.304.148
Profit for the year	-	-	919.548	-	919.548
Deferred tax on revaluation of land and buildings (note 34)	-	-	-	20.956	20.956
Total comprehensive income	-	-	919.548	20.956	940.504
Proposed dividend for 2023 that was paid in 2024 (note 12)	-	-	(6.667.164)	-	(6.667.164)
Balance as at 31 December 2024	116.818	10.443.375	10.261.596	2.755.699	23.577.488

Retained earnings
Retained earnings include accumulated profits or losses of the Company.

Share premium
Share premium consists of amounts incurred from the issue of shares at prices higher than the nominal value.

Reserve arising from the change of the nominal value of the shares
Reserve arising from the change of the nominal value of the shares consists of the difference arising from the change of the nominal value of the shares, following the adoption of the Euro as the official currency of the Republic of Cyprus.

Revaluation reserve
Revaluation reserve consists of the accumulated amounts of revaluations of land and buildings and the deferred taxation arising from the revaluations.

Fair value reserve
Fair value reserve consists of the accumulated amounts of revaluations of the available for sale investments recognised at their fair value.

27. RESERVES *(continued)*

Translation Reserve
Translation reserve consists of the accumulated exchange differences that arise on the translation of the equity of the foreign subsidiary companies and the exchange differences that arise from the long-term loans of the parent company to the foreign subsidiary companies.

Exchange differences that arise from the long-term loans to foreign subsidiary companies are transferred to other comprehensive income and presented in the translation reserve in the financial statements of the Group. Exchange differences are transferred to profit and loss on the disposal of the subsidiary company. Deferred taxation arising from net exchange differences from the translation of the long-term loans is transferred to other comprehensive income and is presented in the translation reserve.

Exchange differences arising from long-term loans to foreign subsidiary companies are recognised in profit and loss in the year they are incurred and are recognised in the financial statements of the parent Company.

Hedging Reserve
Hedging Reserve consists of the accumulated amounts of the hedging of the net investment in foreign subsidiary companies with the Group's liabilities at a foreign currency.

Statutory reserve in Group subsidiary companies
This reserve consists of amounts transferred every year from retained earnings, according to the statutory requirements applicable in certain countries.

Non-controlling interest
The significant non-controlling interest from the subsidiaries of the Group are analysed in the table below before the adjustments for the transactions within the Group:

VERENDRYA VENTURES LIMITED	2024 €	2023 €
Non-controlling interest	40%	40%
Non-current assets	19.376.094	23.240.261
Current assets	1.621	18.686
Non-current liabilities	(31.188.461)	(30.650.606)
Current liabilities	(1.890.719)	(939.899)
Net assets	(13.701.465)	(8.331.558)
Net assets related to non-controlling interest	(5.480.586)	(3.332.623)
Revenue	-	-
Loss	(5.036.624)	(1.470.591)
Other comprehensive income	-	-
Total comprehensive income/(expenses)	(4.435.824)	(1.470.591)
Loss attributable to non-controlling interest	(2.014.650)	(588.236)
Other comprehensive income attributable to non-controlling interest	-	-
Cash flows from operating activities	-	-
Cash flows from investing activities	-	-
Cash flow from financing activities (dividend paid to non-controlling interest: zero)	-	-
Net increase/(decrease) in cash and cash equivalents	-	-

28. PROVISIONS FOR OTHER LIABILITIES

THE GROUP	Contingencies from the acquisition of operations
	€
Balance as at 1 January 2023	93.791
Payments during the year	(94.231)
Exchange differences	440
Balance as at 1 January 2024	-
Balance as at 31 December 2024	-

Contingencies from acquisition of operations
The contingencies from the acquisition of operations refer to:
Amount of €93.791 which was outstanding on 31.12. 2022 refers to a balance payable to Gemini SP S.r.l. relating to the acquisition of business from the Group's subsidiary company Logicom IT Distribution S.r.l (note 16). The amount is payable provided that no liabilities occur that will burden Logicom IT Distribution S.r.l. and so long as Gemini SP S.R.L and its owners do not undertake competitive operations to those acquired by Logicom IT Distribution S.r.l. This amount was settled as a lump sum payment on 4 January 2023.

29. PROVISION FOR EMPLOYEES END OF SERVICE BENEFITS

	THE GROUP	
	2024	2023
	€	€
Balance as at 1 January	2.935.408	2.706.249
Charged to profit or loss	688.271	633.679
Experience adjustments	194.644	100.471
Financial assumptions	(220.103)	50.030
Payments during the year	(996.769)	(471.104)
Exchange differences	153.546	(83.917)
Balance as at 31 December	2.754.997	2.935.408

The amounts included in the consolidated statement of financial position include the following:

	THE GROUP	
	2024	2023
	€	€
Provisions to be used after more than twelve months	2.659.070	2.812.145
Provisions to be used within twelve months	95.927	123.263
	2.754.997	2.935.408

29. PROVISION FOR EMPLOYEES END OF SERVICE BENEFITS *(continued)*

	THE GROUP 2024 €	THE GROUP 2023 €
Net defined benefit liability	2.754.997	2.935.408
Total employee benefit liability	2.754.997	2.935.408

THE GROUP	Defined benefit obligation 2024 €	Defined benefit obligation 2023 €
Balance as at 1 January	2.935.408	2.706.249
Included in profit or loss		
Current service cost	578.538	537.199
Settlement, curtailment, termination cost	(22.106)	(27.024)
Interest cost	131.839	123.504
	688.271	633.679
Included in OCI		
Remeasurement (profit)/ loss:		
Actuarial (profit)/ loss arising from:		
Financial assumptions	(220.103)	50.030
Experience adjustments	194.644	100.471
	(25.459)	150.501
Other		
Contributions paid by the employer	(185.263)	(15.889)
Benefits paid	(811.506)	(455.215)
	(996.769)	(471.104)
Effect of movements in exchange rates	153.546	(83.917)
Balance as at 31 December	2.754.997	2.935.408

Actuarial assumptions	THE GROUP 2024 %	THE GROUP 2023 %
Discount rate	5,33	4,64
Future salary growth	2,95	3,00
Duration of defined benefit obligation (in years)	12,13	12,15

THE GROUP Sensitivity analysis:	2024 %	2023 %	2024 %	2023 %
0,5% movement	Increase		Decrease	
Discount rate	(5,2)	(5,4)	5,6	5,9
Future salary growth	5,6	5,8	(5,2)	(5,4)

29. PROVISION FOR EMPLOYEES END OF SERVICE BENEFITS *(continued)*

The Group contributes to a defined benefit retirement plan in subsidiary companies on the basis of the local legislation. The contributions refer to the subsidiary companies in Greece, Italy, Lebanon, Kuwait, Oman, Qatar, and Bahrain however, the significant amounts relate to the subsidiary companies in United Arab Emirates and Saudi Arabia.

30. TRADE AND OTHER PAYABLES

THE GROUP

	2024 €	2023 €
Trade payables	178.695.888	156.058.823
Contract liabilities	12.712.741	6.727.088
Accrued expenses	14.574.271	10.626.549
Other payables and loans payable to associated companies	30.571.194	29.572.165
Deferred income	8.052.222	6.110.036
	244.606.316	209.094.661
Non-current payables		
Loans payable to associated companies (Note 43)	12.717.640	12.260.242
Other payables	528.357	1.009
	13.245.997	12.261.251
Current payables	231.360.319	196.833.410
	244.606.316	209.094.661

The loans payable to associated companies in the non-current liabilities relate to a loan balance between the subsidiary company Verendrya Ventures Limited and Demetra Holdings Plc in relation to the latter's participation in the desalination plants in Episkopi and Larnaca.

THE COMPANY

	2024 €	2023 €
Trade payables	24.252.724	23.928.580
Accrued expenses	1.446.507	903.662
Other payables	2.296.222	1.980.857
	27.995.453	26.813.099

The risks in relation to trade and other payables are presented in note 36.3.

31. CURRENT TAX ASSETS AND LIABILITIES

THE GROUP

	2024 €	2023 €
Current tax assets	273.758	2.106.400
Current tax liabilities	3.928.369	1.555.891

THE COMPANY

	2024 €	2023 €
Current tax assets	755	755
Current tax liabilities	644.891	137

32. LOANS AND BANK OVERDRAFTS

THE GROUP

	2024 €	2023 €
Long-term loans	14.812.954	11.815.046
Short term loans	122.570.909	129.315.166
Bank overdrafts (Note 25)	27.165.934	26.507.607
	164.549.797	167.637.819

The long-term loans of the Group are repayable as follows:

THE GROUP

	2024 €	2023 €
Within one year	5.759.298	3.695.204
Between two and five years	9.053.656	8.119.842
	14.812.954	11.815.046

THE COMPANY

	2024 €	2023 €
Long-term loans	5.022.982	7.471.815
Short term loans	50.626.947	44.353.311
Bank overdrafts (Note 25)	19.202.016	13.096.046
	74.851.945	64.921.172

32. LOANS AND BANK OVERDRAFTS *(continued)*

The long-term loans of the Company are repayable as follows:

THE COMPANY

	2024	2023
	€	€
Within one year	2.790.926	2.893.905
Between two and five years	2.232.056	4.577.910
	5.022.982	7.471.815

The long-term loans of the Group and the Company consist of:

Loan in Euro repayable in fourteen years, with 168 equal monthly instalments of €55.693. The interest rate is equal to 6-month EURIBOR + 3,15% annually and the first instalment was paid on 27 July 2017.

Loan in Euro repayable in eight years, with 32 equal quarterly instalments of €548.617. The interest rate is equal to 3-month EURIBOR + 3,25% annually and the first instalment was paid on 13 June 2018. During 2024, the interest rate has been reduced to 1% and the quarterly installment has been reduced to the amount of €525.597.

Loan in Euro repayable in five years, with 60 equal quarterly instalments of €20.444 plus interest. The interest rate is equal to 3 month EURIBOR + 3% annually and the first instalment was paid in January 2020. The loan has been repaid on 2 December 2024.

Loan in Euro repayable in five years, in 60 equal quarterly instalments of €58.586. The interest rate is equal to 3 month EURIBOR +2,50% annually and the first instalment was paid on 25 September 2023.

Loan in Euro repayable in four years, in 48 equal monthly instalments of €58.841. The interest rate is equal to 3 month EURIBOR + 1,30% annually and the first instalment was paid on 5 January 2022.

Loan in Euro repayable in four years, in 16 equal quarterly installments of €267.928. The interest rate is equal to 3 month EURIBOR + 2,15% annually and the first installment was paid on 3 July 2024.

Loan in EURO repayable in two years, with 3 installments of €500.000, €500.000 and €1.000.000. The interest rate is equal to 3 month EURIBOR plus 4,9% until 27/11/2025 and 3 month EURIBOR plus 4,271% from 28/11/2025 to 30/06/2026 annually and the first installment will be paid on 31 May 2025.

The weighted average cost of borrowing and bank overdrafts and the interest rate are analysed below:

The weighted average cost of the bank overdraft is 6,71% annually (2023: 7,39%). The bank overdrafts are repayable on demand by the respective banks.

The interest rate of short-term loans is equal to 3-month SOFAR plus 1,50% - 2,00% annually (2023: 3-month USD LIBOR plus 1,50% - 2,00% annually). Short-term loans are repayable within three months from the day that they are signed.

Undrawn balance of the bank overdrafts:

The undrawn balance of the bank overdrafts of the Group on 31 December 2024 amounted to €167 million (2023: €117 million) and of the Company to €21,9 million (2023: €16 million).

32. LOANS AND BANK OVERDRAFTS *(continued)*

Reconciliation of liabilities arising from financing activities:

THE GROUP	Bank loans €	Bank overdrafts €	Retained Earnings €	Total €
Balance as at 1 January 2023	132.374.857	32.270.645	196.791.711	361.437.213
Changes from financing cash flows:				
Proceeds from borrowings	245.521.308	-	-	245.521.308
Repayment of principal	(236.765.953)	-	-	(236.765.953)
Dividends paid	-	-	(6.296.766)	(6.296.766)
Repayment of interest	(11.685.253)	(1.005.042)	-	(12.690.295)
Total changes from financing cash flows	(2.929.898)	(1.005.042)	(6.296.766)	(10.231.706)
The effect of changes in foreign exchange rates	-	-	-	-
Other changes:				
Interest payable	11.685.253	1.005.042	-	12.690.295
Changes in the bank overdrafts	-	(5.763.038)	-	(5.763.038)
Total liability-related other changes	11.685.253	(4.757.996)	-	6.927.257
Total equity-related other changes	-	-	55.714.053	55.714.053
Balance as at 1 January 2024	141.130.212	26.507.607	246.208.998	413.846.817
Changes from financing cash flows:				
Proceeds from borrowings	259.706.721	-	-	259.706.721
Repayment of principal	(263.453.070)	-	-	(263.453.070)
Dividends paid	-	-	(6.667.164)	(6.667.164)
Repayment of interest	(11.368.082)	(836.117)	-	(12.204.199)
Total changes from financing cash flows	(15.114.431)	(836.117)	(6.667.164)	(22.617.712)
The effect of changes in foreign exchange rates	-	-	-	-
Other changes:				
Interest payable	11.368.082	836.117	-	12.204.199
Changes in the bank overdrafts	-	658.327	-	658.327
Total liability-related other changes	11.368.082	1.494.444	-	12.862.526
Total equity-related other changes	-	-	89.588.067	89.588.067
Balance as at 31 December 2024	137.383.863	27.165.934	329.129.901	493.679.698

32. LOANS AND BANK OVERDRAFTS *(continued)*

THE COMPANY	Bank loans €	Bank overdrafts €	Retained Earnings €	Total €
Balance as at 1 January 2023	**50.333.060**	**20.671.992**	**15.973.837**	**86.978.889**
Changes from financing cash flows:				
Proceeds from borrowings	88.701.416	-	-	88.701.416
Repayment of principal	(87.209.350)	-	-	(87.209.350)
Dividends paid	-	-	(6.296.766)	(6.296.766)
Repayment of interest	(4.146.390)	(964.828)	-	(5.111.218)
Total changes from financing cash flows	(2.654.324)	(964.828)	(6.296.766)	(9.915.918)
The effect of changes in foreign exchange rates	-	-	-	-
Other changes:				
Interest payable	4.146.390	964.828	-	5.111.218
Changes in the bank overdrafts	-	(7.575.946)	-	(7.575.946)
Total liability-related other changes	4.146.390	(6.611.118)	-	(2.464.728)
Total equity-related other changes	-	-	6.332.141	6.332.141
Balance as at 1 January 2024	**51.825.126**	**13.096.046**	**16.009.212**	**80.930.384**
Changes from financing cash flows:				
Proceeds from borrowings	87.735.714	-	-	87.735.714
Repayment of principal	(83.910.911)	-	-	(83.910.911)
Dividends paid	-	-	(6.667.164)	(6.667.164)
Repayment of interest	(3.535.970)	(774.688)	-	(4.310.658)
Total changes from financing cash flows	288.833	(774.688)	(6.667.164)	(7.153.019)
The effect of changes in foreign exchange rates	-	-	-	-
Other changes:				
Interest payable	3.535.970	774.688	-	4.310.658
Changes in the bank overdrafts	-	6.105.970	-	6.105.970
Total liability-related other changes	3.535.970	6.880.658	-	10.416.628
Total equity-related other changes	-	-	919.548	919.548
Balance as at 31 December 2024	**55.649.929**	**19.202.016**	**10.261.596**	**85.113.541**

32. LOANS AND BANK OVERDRAFTS *(continued)*

The banking facilities are secured by:

1. The guarantee of Logicom Solutions Ltd for $26.400.000, $6.600.000, €25.866.000 and €494.500.
2. First mortgage with registration number Y1858/99 amounts to €598.010, second mortgage with registration number Y3404/99 amounts to €256.290 and third mortgage with registration number Y3405/99 amounts to €170.860 on building with registration number N1664 at Ayia Paraskevi owned by Logicom Public Limited.
3. First mortgage with registration number Y1953/99 dated 9 March 1999 for plot with registration number N1665 in Nicosia (Ayia Paraskevi area, Strovolos) for €133.271, owned by Logicom Public Limited.
4. Second mortgage with registration number Y5753/00 dated 21 July 2000 on plot with registration number N1665 in Nicosia (Ayia Paraskevi area, Strovolos) for €136.688 , owned by Logicom Public Limited.
5. First mortgage with registration number Y791/18 dated 16 February 2018 on plot with registration number 10/2003 in Nicosia (Apostolos Varnavas area - Agios Makarios (Strovolos municipality)) for €6.500.000 owned by the company Najada Holdings Limited.
6. Corporate guarantee of Logicom Public Limited with no amount restriction.
7. Corporate guarantee of Logicom Public Limited of $30.000.000, $40.000.000, €1.500.000, €1.500.000, AED 160.000.000, AED 61.000.000, $18.400.000, $7.000.000, $17.500.000, $10.000.000, $10.000.000, €5.800.000, $2.000.000, €9.000.000, €5.200.000, €2.200.000, €59.000, €356.500, €495.000, €4.562.341,39, €500.000, €17.023.000, and $500.000.
8. Fire safety guarantee of €2.218.900.
9. Pledge of Demetra Holdings Plc listed securities owned by Logicom Services Limited.

33. LEASE LIABILITY

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Balance as at 1 January	5.144.475	5.472.521	263.359	280.018
Additions	2.273.971	1.607.158	202.574	121.782
Repayments	(2.128.336)	(1.898.958)	(148.818)	(147.839)
Interest	268.049	263.976	12.305	9.398
Exchange differences	204.605	(300.222)	-	-
Balance as at 31 December	5.762.764	5.144.475	329.420	263.359

THE GROUP

	The present value of minimum lease payments	
	2024	2023
	€	€
Not later than 1 year	1.537.938	1.409.534
Later than 1 year and not later than 5 years	2.484.004	1.902.880
Later than 5 years	1.740.822	1.832.061
Present value of finance lease liabilities	5.762.764	5.144.475

THE COMPANY

	The present value of minimum lease payments	
	2024	2023
	€	€
Not later than 1 year	134.573	136.696
Later than 1 year and not later than 5 years	194.847	70.438
Later than 5 years	-	56.225
Present value of finance lease liabilities	329.420	263.359

33. LEASE LIABILITY *(continued)*

The Group leases land, warehouses, buildings and vehicles under leases. The average lease term is 44 months. For the year ended 31 December 2024, the average effective borrowing rate for the European markets was 6,69% for the leases of land, buildings and warehouses and 6,18% for the leases of vehicles. For Middle East markets the average effective borrowing rate was 7,21% for the leases of land, buildings and warehouses and 2,51% for the leases of vehicles. Interest rates are fixed at the contract date, and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments.

All lease obligations are denominated in Euro.

The fair values of lease obligations are approximate to their carrying amounts on the reporting date.

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

34. DEFERRED TAX

Liabilities/Assets of deferred taxation

	Liabilities 2024 €	Assets 2024 €	Transfer to Reserves €	Transfer to Statement of Comprehensive Income €	Exchange difference €	Liabilities 2023 €	Assets 2023 €
THE GROUP							
Deferred taxation arising from:							
Temporary differences arising from differences between depreciation and capital allowances	(15.933)	9.945	-	(67.206)	1.580	(37.364)	96.971
Temporary differences arising from loss for the year	(62)	134.030	-	(307.543)	57	-	441.449
Revaluation of land and buildings	(434.955)	-	20.955	-	8	(455.910)	-
Temporary differences arising from administrative expenses	(6)	782.573	(1.018)	(15.399)	30.884	-	768.101
Temporary differences arising from unrealised exchange difference	(8)	-	-	23.022	-	(23.030)	-
	(450.964)	926.548	19.937	(367.126)	32.529	(516.304)	1.306.521
THE COMPANY							
Deferred taxation arising from:							
Temporary differences arising from differences between depreciation and capital allowances	(15.979)	-	-	21.385	-	(37.364)	-
Temporary differences arising from loss for the year	-	133.973	-	-	-	-	133.973
Revaluation of land and buildings	(434.963)	-	20.955	-	-	(455.918)	-
	(450.942)	133.973	20.955	21.385	-	(493.282)	133.973

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

Deferred tax asset recognised relates to unused tax losses and deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of the year and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

34. DEFERRED TAX *(continued)*

"Deferred tax asset mainly relates to the Company's tax losses, as well as, from temporary differences arising from from the administration expenses of the subsidiary companies in Greece, Saudi Arabia, Jordan, Oman and Romania. The Companies are expected to generate tax profits in the coming years based on the overall tax planning prepared in relation to their operations. Deferred tax on tax losses is considered recoverable."

35. CONTINGENCIES AND LITIGATIONS

The most important guarantees are as follows:

(1) The Company has provided a bank guarantee of up to USD 4.000.000 (€3.850.226) to a foreign supplier for providing a trading credit facility. This guarantee is valid from 18 August 2023 until 18 August 2024 and was renewed for an amount up to USD 3.800.000 (€3.657.715) until 18 August 2025.

(2) The Company has provided a second bank guarantee of up to €1.000.000 to a second foreign supplier for providing a trading credit facility. This guarantee is valid from 11 August 2023 until 11 August 2024 and was renewed from an amount up to €700.000 until 11 August 2025.

(3) The Company has provided a third bank guarantee of up to USD 800.000 (€770.045) to a third foreign supplier for providing a trading credit facility. This guarantee expired on 15 April 2025 and was renewed until 15 April 2026.

(4) The Company has provided a fourth bank guarantee of up to USD 3.000.000 (€2.887.670) to a fourth foreign supplier for providing a trading credit facility. This guarantee expired on 15 April 2025 and was renewed until 15 April 2026.

(5) The Company has provided a fifth bank guarantee of up to USD 150.000 (€144.383) to a fifth foreign supplier for providing a trading credit facility. This guarantee is valid from 12 April 2024 to 12 april 2025 and was not renewed.

(6) The Company has provided a sixth bank guarantee of up to USD 500.000 (€481.278) to a sixth foreign supplier for providing a trading credit facility. This guarantee is valid from 27 July 2023 to 25 August 2024 and was not renewed.

(7) Companies of the group have provided bank guarantees in order to participate in government projects and private sector projects.

(8) Verendrya Ventures Ltd committed not to request repayment of the loan receivable from M.N. Larnaca Desalination Co. Ltd for the following 12 months or until it becomes possible without affecting the company's ability to continue to operate as a going concern.

(9) The Company committed to provide financial and other assistance to Verendrya Ventures Ltd, to the extent of its participation in the company, which will enable it to continue its activities and meet its obligation as they fall due. As part of the financial assistance provided, the Company has also committed not to claim repayment of the amounts due from Verendrya Ventures Ltd, until the company has the necessary liquidity.

In December 2018, the subsidiary company Logicom Saudi Arabia LLC in Saudi Arabia ("the company"), received notice of Zakat and Income tax assessments from the General Authority of Zakat and Tax (“GAZT”) relating to the years 2010 - 2014. The total claim is additional tax and Zakat of €2,4m (SAR10,3 m), plus additional penalties to be computed when the tax is settled. In February 2019 the company filed an objection in response to the claim and in September 2019 received a negative response. In November 2019 the Company contacted the General Secretariat of Tax Affairs ('GSTC') and expects a response on this matter.

In October 2020 the General Secretariat of Tax Affairs ('GSTC') asked the company to resubmit its position in writing, which the company did. The General Secretariat of Tax Affairs ('GSTC') should have submitted its assessment, however, the company has not received any response on the matter.
As there was a tax amnesty, to avoid fines and other charges, the Company paid the corporate tax on 31 March 2021 in protest. At the moment the company considers that it is possible to recover the amount and for this reason did not recognise any provision. In May 2021, The General Secretariat of Tax Affairs ("GSTC") issued a decision in favor of the company, accepting most of its positions. Both the company and the General Authority of Zakat and Tax appealed, which was examined in November 2023 by the appeals committee of the tax authorities. According to the revised decision, the additional charges for all accounting years were reduced to the total amount of €110 thousand (SAR 444 thousand). As the company has already paid the amount of €2,0m (SAR 8,3m) in March 2021 as mentioned above, after the final decision by the General Authority of Zakat, Taxes and Customs, the company has refundable tax of €1,9m (SAR 7,8m). The specific pending matter has been settled with the collection of the refundable tax in January 2024.

The company has submitted its Zakat and Income Tax returns up to 2023 and is awaiting an assessment from the local Authority.

35. CONTINGENCIES AND LITIGATIONS *(continued)*

Apart from the tax liabilities that have already been accounted for in the consolidated and separate financial statements, based on the existing information, it is possible that additional tax liabilities may arise during the examination of the tax and other affairs of the companies of the Group.

36. RISK MANAGEMENT

The main financial assets held by the Group and the Company are cash and cash equivalents, investments and trade and other receivables. The main financial liabilities of the Group and the Company are bank overdrafts and loans and trade and other payables. The Management of the Group and the Company and in particular the Risk Management Committee monitor the risks to which the Company and the Group are exposed by their financial assets and liabilities and take the appropriate measures. These risks are analysed below:

36.1 Credit risk

Credit risk is the risk of default by counter parties to transactions mainly from trade receivables of the Group and the Company. The Group and the Company ensure the application of appropriate mechanisms and ensure the maintenance of related monitoring procedures and controls over credits. Credit risk is monitored on an ongoing basis.

The Group entered into an agreement with Atradius Credit Insurance N.V. ('Insurance Company') for the credit insurance that the Group offers to its customers. The issuance of such insurance agreement is considered to be the most appropriate method for hedging against credit risk. The insurance company was evaluated in July 2024 by the rating agency Moody's as A1 with stable prospects. The Group also signed an agreement in March 2020 for additional insurance beyond the credit limits provided by Atradius with Cooper Gay SA. (representative of Lloyd's Insurance Company S.A.).

The insurance agreements for the trade receivables and the procedures required under these agreements, have significantly improved the monitoring and control of trade receivables, mainly in the approval of credit limits, which is done in cooperation with the credit insurance company as the latest has the resources for a better evaluation of the credibility of each debtor. It should be noted that the credit insurance covers all trade receivables other than governmental or semi-governmental organizations as well as natural persons.

The carrying value of investments represents the maximum credit exposure. The maximum exposure to credit risk at the reporting date of the consolidated and separate financial statements was:

THE GROUP

	2024 €	2023 €
Receivables from joint ventures	18.545.661	23.212.993
Trade and other receivables	344.946.833	329.796.721
Contract asset	3.251.713	6.168.911
Cash and cash equivalents	77.587.136	34.326.788
	444.331.343	393.505.413

36. RISK MANAGEMENT *(continued)*

36.1 Credit risk (continued)

THE COMPANY

	2024 €	2023 €
Long-term loans to subsidiary companies	23.244.112	28.828.382
Trade and other receivables	14.417.984	12.726.114
Cash and cash equivalents	7.665.311	3.650.894
Balances with subsidiary companies	65.341.438	70.312.135
	110.668.845	115.517.525

Cash and cash equivalents

The Group held cash and cash equivalents amounting to €81.632.396 (2023: €38.130.065), which represent the maximum credit risk exposure, after trade and other receivables from whom any risk has been limited as explained above. Cash and cash equivalents are deposited in banks and financial institutions, which are valuated according to Moody's rating as shown below:

THE GROUP

31 December 2024	Number of banks	Balance €	Expected credit losses	Net balance €
A1	7	8.212.872	-	8.212.872
A2	4	9.343.184	-	9.343.184
A3	6	2.049.793	-	2.049.793
Aa3	4	26.413.378	-	26.413.378
Ba1	2	2.955.058	-	2.955.058
Ba2	1	8.973.037	-	8.973.037
Ba3	1	4.412	-	4.412
Baa1	5	12.851.561	-	12.851.561
Baa2	6	3.572.012	-	3.572.012
Baa3	3	2.829.249	-	2.829.249
Unrated	4	4.427.841	(4.045.261)	382.580
Total	43	81.632.397	(4.045.261)	77.587.136

36. RISK MANAGEMENT *(continued)*

36.1 Credit risk *(continued)*

The Group's maximum exposure to credit risk of the Group by geographic region, is as follows:

2024	Europe €	Middle East €	Total €
Cash and cash equivalents	33.241.630	44.345.506	77.587.136
Receivables from joint ventures	18.545.661	-	18.545.661
Trade and other receivables	96.373.770	248.573.063	344.946.833
Contract asset	3.251.713	-	3.251.713
	151.412.774	292.918.569	444.331.343

2023	Europe €	Middle East €	Total €
Cash and cash equivalents	14.793.790	19.532.998	34.326.788
Receivables from joint ventures	23.212.993	-	23.212.993
Trade and other receivables	101.990.799	227.805.923	329.796.722
Contract asset	6.168.911	-	6.168.911
	146.166.493	247.338.921	393.505.414

The maximum exposure to credit risk of the Group, for trade receivables by geographic region, is as follows:

THE GROUP

	2024 €	2023 €
Europe	93.312.731	103.215.127
Middle East	246.756.230	229.288.929
	340.068.961	332.504.056

THE COMPANY

	2024 €	2023 €
Europe	12.565.166	11.750.705
	12.565.166	11.750.705

In accordance to the above analysis, 27% of the Group's trade receivables (2023: 31%) originates from Europe and 73% (2023: 69%) of the Group's trade receivables originates from the Middle East.

The ageing of the remaining trade receivables which are not impaired is as follows:

THE GROUP

	2024 €	2023 €
0 until 90 days	325.385.990	310.048.321
91 until 180 days	2.724.439	10.370.217
more than 180 days	8.706.819	5.916.607
	336.817.248	326.335.145

36. RISK MANAGEMENT *(continued)*

36.1 Credit risk (continued)

THE COMPANY

	2024 €	2023 €
0 until 90 days	12.340.279	11.376.781
91 until 180 days	16.941	141.433
more than 180 days	207.946	232.491
	12.565.166	11.750.705

The ageing of the balances, the characteristics of the customers and the countries in which the Group operates were taken into account in determining the provision for doubtful debts.

The provision for doubtful debts for the year shows an increase compared to the corresponding provision in 2023, mainly due to the provision for impairment of Loans receivable from joint ventures. The Management of the Group estimates that the credit insurance of the trade receivables has significantly decreased the risk for doubtful debtors.

The ageing of the receivable from subsidiary companies in the Company's books is presented as follows:

THE COMPANY

	2024 €	2023 €
0 until 180 days	65.341.438	70.312.135
more than 180 days	23.244.112	28.828.382
	88.585.550	99.140.517

The expected credit losses recognised during the year are analysed as follows:

THE GROUP

	2024 €	2023 €
Trade receivables	594.838	820.966
Loans payable to associated companies and joint ventures	1.696.245	(3.284)
As at 31 December	2.291.083	817.682

THE COMPANY

	2024 €	2023 €
Trade receivables	10.363	22.237
Long-term loans to subsidiary companies	6.676.183	(476.206)
Impairment of receivables from subsidiary companies (Note 42)	-	17.534
Receivables from subsidiary companies	(11.416)	(80.861)
As at 31 December	6.675.130	(517.296)

36. RISK MANAGEMENT *(continued)*

36.1 Credit risk (continued)

The provision for doubtful debts is analysed as follows:

THE GROUP

	Trade receivables €	Loans receivable from joint ventures €	Total €
Balance as at 1 January 2023	3.861.151	276.472	4.137.623
Expected credit losses	56.482	(3.284)	53.198
Provision for doubtful debts	110.891	-	110.891
Exchange differences	(44.223)	-	(44.223)
Balance as at 1 January 2024	3.984.301	273.188	4.257.489
Expected credit losses	(46.058)	1.696.245	1.650.187
Provision for doubtful debts	561.225	3.284	564.509
Exchange differences	220.676	-	220.676
Balance as at 31 December 2024	4.720.144	1.972.717	6.692.861

THE COMPANY

	Trade receivables €	Long-term loans to subsidiary companies €	Receivables from subsidiary companies €	Total €
Balance as at 1 January 2023	116.819	2.127.389	169.880	2.414.088
Expected credit losses	22.298	(476.206)	(80.861)	(534.769)
Balance as at 1 January 2024	139.117	1.651.183	89.019	1.879.319
Expected credit losses	9.350	6.676.183	(11.416)	6.674.117
Balance as at 31 December 2024	148.467	8.327.366	77.603	8.553.436

36. RISK MANAGEMENT *(continued)*

36.1 Credit risk (continued)

The Group estimates that the fair value of other receivables is not significantly different from their carrying value as recognised in the financial statements, as the average repayment period of other receivables is less than 6 months.

The Group estimates expected credit losses for trade receivables using a provision matrix based on each company's ageing reports. The Group calculates the average credit loss rates using the roll rate method, in the probability that a trade receivable will gradually move to the default of the repayment obligation until the write-off. The average credit loss rates ae calculated separately for each company of the Group in order to have common geographical and macroeconomic data in each grouping. The Group, depending on the differentiation of its customer base, uses the appropriate groupings, i.e. by country/geographical region. The average credit loss rates are adjusted based on the macroeconomic position of each company of the Group.

Expected credit losses on contract assets are calculated on the basis of the internal assessment of the creditworthiness of each customer. Expected credit losses on contract assets have not been recognised, as no substantial amounts have been incurred.

The probability of default as well as the assumptions and estimations for credit losses in the case of default is estimated, for loans to subsidiaries or associated companies. The significant increase of the credit risk is also estimated on the basis of the decrease in the credibility of the counterparty's country as this is measured by the credit rating institution Moody's.

The total expected credit losses are presented below:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Specific provision for bad debts	3.691.531	3.143.561	119.292	119.292
Expected credit losses	1.028.613	840.740	29.175	19.825
	4.720.144	3.984.301	148.467	139.117

When there is a breach of payment terms by a specific trade debtor, the Group assesses the recoverability of each balance based on the creditworthiness of each debtor. The assessment takes into consideration the coverage and the percentage of coverage by the credit insurance company, the financial position of the debtor and any guarantees that have been received by the company. In case that the recovery of an amount is deemed remote, then the Management registers a specific provision for bad debts.

36. RISK MANAGEMENT *(continued)*

36.1 Credit risk (continued)

The following table provides information about the exposure to credit risk and expected credit losses for trade.

THE GROUP

	Weighted-average loss rate 2024 %	Gross carrying amount 2024 €	Impairment loss allowance 2024 €	Weighted-average loss rate 2023 %	Gross carrying amount 2023 €	Impairment loss allowance 2023 €
Balances not impaired	0,0431	271.977.808	117.269	0,0485	233.839.972	113.431
1 to 90 days	0,1998	58.645.670	117.173	0,2157	83.225.960	179.493
91 to 180 days	1,8543	4.459.631	82.695	1,1157	10.251.526	114.378
More than 180 days	11,0233	6.454.283	711.476	15,7586	2.750.461	433.438
		341.537.392	1.028.613		330.067.919	840.740

THE COMPANY

	Weighted-average loss rate 2024 %	Gross carrying amount 2024 €	Impairment loss allowance 2024 €	Weighted-average loss rate 2023 %	Gross carrying amount 2023 €	Impairment loss allowance 2023 €
Balances not impaired	0,0501	11.819.606	5.927	0,0416	9.939.299	4.133
1 to 90 days	0,4390	522.813	2.295	0,3682	1.437.482	5.293
91 to 180 days	13,1902	14.579	2.028	3,1932	141.433	4.516
More than 180 days	5,3064	356.634	18.925	1,5831	371.608	5.883
		12.713.632	29.175		11.889.822	19.825

36.2 Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and equity prices will affect the Group's revenue or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

36.2.1 Interest rate risk

Interest rate risk is the risk of fluctuations in the value of financial instruments due to movements in market interest rates. Income and cash flows from operations of the Group and the Company are dependent on changes of market interest rates, since the Group and the Company have material assets which bear interest. The Group and the Company are exposed to interest rate risk on borrowings. Borrowing in variable interest rates exposes the Group and the Company in interest rate risk that affects cash flows. Borrowing in fixed interest rates exposes the Group and the Company to the interest rate risk that affects the fair value. The management of the Group and the Company and more specifically the Risk Management Committee is monitoring the fluctuations in interest rates on an ongoing basis and ensures that the necessary actions are taken.

The interest rates and repayment dates applicable for loans and bank facilities are stated in note 32.

36. RISK MANAGEMENT *(continued)*

36.2 Market risk (continued)

36.2.1 Interest rate risk (continued)

Sensitivity analysis on interest rates

A possible increase in the interest rates by 1% in relation to the weighted average interest rates of the year, would have decrease the profit for the year. The analysis below assumes that all other parameters remain constant:

THE GROUP

	2024 €	2023 €
Long-term loans	(148.130)	(118.150)
Short term loans	(1.225.709)	(1.293.152)
Bank overdrafts	(271.659)	(265.076)
Cash and cash equivalents	777.764	345.369
	(867.734)	(1.331.009)

THE COMPANY

	2024 €	2023 €
Long-term loans	(50.230)	(74.718)
Short term loans	(506.269)	(443.533)
Bank overdrafts	(192.020)	(130.960)
Cash and cash equivalents	78.176	37.722
	(670.343)	(611.489)

A possible decrease in the interest rates by the same percentage would have an equal but opposite effect on the profit for the year.

36.2.2 Foreign exchange risk

This risk arises from adverse movements in foreign exchange rates.

The Company and the Group are subject to foreign exchange risk on sales, purchases and loans in currencies other than the Company's and subsidiary companies' functional currency, and on the long-term loans to foreign subsidiaries. Management is aware of foreign exchange risk and is examining alternative methods to hedge the risk.

The hedging of foreign exchange risk is managed by the Foreign Exchange Risk Manager together with the Group Chief Financial Officer in collaboration with the Risk Management Committee. This issue is discussed and examined in the meetings of the Risk Management Committee as the Group and the Company are materially affected from the movements in foreign currencies against the Euro, and if necessary discussed and examined further in the meeting of the Board of Directors.

Until today, the hedging methods that have been used against foreign exchange risk are the following:

1. Natural Hedging. The Company maintains to the maximum extent, assets (investments in foreign subsidiaries) and liabilities (bank overdrafts, short and long-term loans) at the same currency, mainly the United States Dollars (USD). In this way any gain or loss in assets is hedged by the corresponding loss or gain in liabilities.
2. The percentage of sales in foreign currency on total turnover is approximately the same with the percentage of bank borrowings in foreign currency in relation to the total borrowings of the Group.
3. The bank borrowings are usually made in the currency that the suppliers invoice the Company.
4. In cases of projects were the total cost of completion of the project is known from the time of the validation of the tender, then forward contracts are used, for the period required to complete the project and for the specific amount in foreign currency that the Company will be invoiced.

36. RISK MANAGEMENT *(continued)*

36.2 Market risk (continued)

36.2.2 Foreign exchange risk (continued)

5. In addition, the Company enters into forward exchange contracts based on turnover at regular intervals e.g. weekly, for covering the payments to suppliers based on the credit period that they give to the Company. In this way the purchase of foreign currency for payments to suppliers in future periods is secured with the receipts from trade receivables.

Hedging of net investment in foreign operation

The Group applies hedge accounting to decrease foreign exchange risk.

Specifically, the equity and long-term loans that are part of the net investment in subsidiary companies Logicom FZE, Logicom Dubai LLC, Logicom Jordan LLC and Logicom Saudi Arabia LLC, where the functional currency is the USD are hedged with the bank borrowings of the Group in USD. Hedging is determined on a quarterly basis and the amount is adjusted accordingly. The hedge effectiveness is assessed on a monthly basis and to the extent the hedging is ineffective, the exchange differences are recognized in statement of profit or loss and other comprehensive income.

As at 31 December 2024 the amounts that were hedged were USD 52.000.000 of net investment in the above foreign companies and USD 52.000.000 of bank borrowings.

The carrying value of financial assets and liabilities of the Group denominated in foreign currency as at the date of the consolidated and separate financial statements is as follows:

THE GROUP

	USD	
	2024 €	2023 €
Trade and other receivables	12.277.980	4.614.387
Cash and cash equivalents	1.316.098	526.877
Trade and other payables	(58.474.800)	(59.354.105)
Short term loans	(79.859.544)	(69.104.270)
Bank overdrafts	(7.916.970)	(8.649.387)
	(132.657.236)	(131.966.498)

THE COMPANY

	USD	
	2024 €	2023 €
Trade and other receivables	124.170	1.105.480
Cash and cash equivalents	201.454	171.869
Trade and other payables	(6.119.602)	(5.925.434)
Short term loans	(50.626.947)	(44.353.311)
Bank overdrafts	(7.916.970)	(8.311.812)
Balances with subsidiary companies	27.251.788	27.692.502
	(37.086.107)	(29.620.706)

36. RISK MANAGEMENT *(continued)*

36.2 Market risk (continued)

36.2.2 Foreign exchange risk (continued)

The following foreign exchange rates were used in the preparation of the consolidated and separate financial statements:

	Average Rate		Rate as at reporting date	
	2024	2023	2024	2023
	€	€	€	€
USD 1	0,9239	0,9248	0,9626	0,9050

Sensitivity analysis on fluctuations of foreign exchange rates
A possible strengthening of the Euro against the US Dollar and the other currencies by 10% as at 31 December 2024 would have increased/decreased respectively the profit for the year and the shareholders' funds. The analysis below assumes that all other parameters and mainly interest rates remain constant:

THE GROUP

	Effect on the shareholders' funds		Effect on profit or loss	
	2024	2023	2024	2023
	€	€	€	€
USD	11.553.277	4.907.290	12.118.507	11.686.799

THE COMPANY

	Effect on the shareholders' funds		Effect on profit or loss	
	2024	2023	2024	2023
	€	€	€	€
USD	3.708.611	2.962.071	3.708.611	2.962.071

A possible weakening of the Euro against the above currencies by 10% would have equal but opposite effect, if all other parameters remain constant.

36.2.3 Other marker price risks

The Company and the Group are exposed to financial risks arising from changes in share prices. The Company and the Group monitor the spread of their portfolio and maintain long-term investments for strategic purposes, in order to mitigate their exposure to these financial risks. The Group's main investments are classified as investments at fair value through other comprehensive income.

36.3 Liquidity risk

Liquidity risk is the risk that arises when the expiry date of assets and liabilities does not concur. When expiries do not concur, the performance can increase but at the same time the risk for losses can also increase. The Group has procedures in place to minimize such losses, such as retaining sufficient amounts in cash and other highly liquid assets and retaining sufficient amounts in secured credit facilities in order to cover liabilities when they fall due.

The Management estimates that the ability of the Group to receive in advance its trade receivables through the factoring agreement with recourse in Cyprus and Greece, reduces even further the liquidity risk.

Bank loans and overdrafts of the Group and the Company are presented in note 32.

The expected cash outflows based on the information included in the consolidated and separate financial statements are presented below:

36. RISK MANAGEMENT *(continued)*

36.3 Liquidity risk (continued)

THE GROUP

Liquidity Risk	Cash outflows arising from contractual liabilities					
	Balance	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€	€	€	€	€	€
31 December 2024						
Long-term loans	14.812.954	2.879.184	2.880.114	3.922.885	4.866.869	263.902
Short term loans	122.570.909	122.570.909	-	-	-	-
Trade and other payables	244.606.316	231.217.682	142.637	236.540	291.817	12.717.640
Bank overdrafts	27.165.934	27.165.934	-	-	-	-
Lease liability	5.762.764	723.068	814.870	959.344	1.524.660	1.740.822
	414.918.877	384.556.777	3.837.621	5.118.769	6.683.346	14.722.364
31 December 2023						
Long-term loans	11.815.046	1.847.236	1.847.968	3.698.159	3.408.583	1.013.100
Short term loans	129.315.166	129.315.166	-	-	-	-
Trade and other payables	209.094.661	196.833.410	-	-	1.009	12.260.242
Bank overdrafts	26.507.607	26.507.607	-	-	-	-
Lease liability	5.144.475	659.070	750.464	1.024.132	878.748	1.832.061
	381.876.955	355.162.489	2.598.432	4.722.291	4.288.340	15.105.403

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36. RISK MANAGEMENT *(continued)*

36.3 Liquidity risk (continued)

THE COMPANY

Liquidity Risk		Cash outflows arising from contractual liabilities				
	Balance	6 months or less	6 - 12 months	1 - 2 years	2 - 5 years	More than 5 years
	€	€	€	€	€	€
31 December 2024						
Long-term loans	5.022.982	1.395.464	1.395.462	1.184.096	1.047.960	-
Short term loans	50.626.947	50.626.947	-	-	-	-
Trade and other payables	27.995.453	27.995.453	-	-	-	-
Bank overdrafts	19.202.016	19.202.016	-	-	-	-
Lease liability	329.420	66.217	68.357	124.589	70.257	-
Balances with subsidiary companies	25.794.714	25.794.714	-	-	-	-
	128.971.532	125.080.811	1.463.819	1.308.685	1.118.217	-
31 December 2023						
Long-term loans	7.471.815	1.446.954	1.446.951	2.893.902	1.684.008	-
Short term loans	44.353.311	44.353.311	-	-	-	-
Trade and other payables	26.813.099	26.813.099	-	-	-	-
Bank overdrafts	13.096.046	13.096.046	-	-	-	-
Lease liability	263.359	68.530	68.166	70.438	56.225	-
Balances with subsidiary companies	52.272.852	52.272.852	-	-	-	-
	144.270.482	138.050.792	1.515.117	2.964.340	1.740.233	-

36.4 Fair Value

Items of the assets and liabilities of the Group and the Company, as these are classified in amortised cost or fair value, are presented below:

Assets and liabilities in amortised cost:

THE GROUP

	2024	2023
	€	€
Trade and other receivables	375.502.684	363.260.454
Cash and cash equivalents	77.776.400	34.536.943
Long-term loans	(14.812.954)	(11.815.046)
Short term loans	(122.570.909)	(129.315.166)
Bank overdrafts	(27.165.934)	(26.507.607)
Trade and other payables	(244.606.316)	(209.094.661)
	44.122.971	21.064.917

36. RISK MANAGEMENT *(continued)*

36.4 Fair Value (continued)

THE COMPANY

	2024 €	2023 €
Long-term loans to subsidiary companies	23.244.112	28.828.382
Balances with subsidiary companies	65.341.438	70.312.135
Trade and other receivables	14.433.744	12.738.874
Cash and cash equivalents	7.817.603	3.772.200
Long-term loans	(5.022.982)	(7.471.815)
Short term loans	(50.626.947)	(44.353.311)
Bank overdrafts	(19.202.016)	(13.096.046)
Trade and other payables	(27.995.453)	(26.813.099)
	7.989.499	23.917.320

The fair values of the financial assets and liabilities of the Group and the Company are approximately the same as the amounts reported in the consolidated and separate financial statements at the end of year.

Assets and liabilities at fair value:

THE GROUP

	2024 €	2023 €
Other investments	36.944	29.255
Investments at fair value through other comprehensive income	66.492.956	-
Land and buildings	20.630.218	20.661.075
Derivative financial instruments	417.555	(1.320.263)
	87.577.673	19.370.067

THE COMPANY

	2024 €	2023 €
Other investments	6.758	6.758
Land and buildings	3.142.405	3.339.138
Derivative financial instruments	112.170	(1.481.951)
	3.261.333	1.863.945

The table below analyses financial assets carried at fair value, based on the valuation method used to determine their value. The different levels have been defined as follows:

- Level 1: investments measured at fair value using quoted prices in active markets.
- Level 2: investments measured at fair value based on valuation models in which all significant inputs that affect significantly the fair value are based on observable market data.
- Level 3: investments measured at fair value based on valuation models in which all significant inputs that affect significantly the fair value are not based on observable market data.

36. RISK MANAGEMENT *(continued)*

36.4 Fair Value (continued)

THE GROUP

31 December 2024	Level 1	Level 2	Level 3	Total
	€	€	€	€
Other investments	31.818	-	5.126	36.944
Assets held for sale	-	66.492.956	-	66.492.956
Land and buildings	-	-	20.630.218	20.630.218
Derivative financial instruments	-	417.555	-	417.555
	31.818	66.910.511	20.635.344	87.577.673

31 December 2023	Level 1	Level 2	Level 3	Total
	€	€	€	€
Other investments	24.129	-	5.126	29.255
Land and buildings	-	-	20.661.075	20.661.075
Derivative financial instruments	-	(1.320.263)	-	(1.320.263)
	24.129	(1.320.263)	20.666.201	19.370.067

During 2024 there were no transfers between the three levels reported above, except for the reclassification of Investments through other comprehensive income, which were reclassified to Assets held for sale.

The fair value of other investments including public companies, as well as, investments at fair value through other comprehensive income is based on market prices at the reporting date.

The determination of the fair value of the land and buildings is made with the assistance of independent qualified appraisers using various valuation methods and assumptions which are mainly based on market conditions at each valuation date.

The fair value of derivative financial instruments is determined by the exchange rates of foreign currencies as provided by the European Central Bank at the reporting date. The Company enters into derivate contracts for the purchase of foreign exchange at pre-specified prices for future delivery in order to reduce foreign exchange risk, using derivative financial instruments such as fixed forward contracts, flexible forward contracts and open-ended contracts.

THE COMPANY

31 December 2024	Level 1	Level 2	Level 3	Total
	€	€	€	€
Other investments	1.632	-	5.126	6.758
Land and buildings	-	-	3.142.405	3.142.405
Derivative financial instruments	-	112.170	-	112.170
	1.632	112.170	3.147.531	3.261.333

36. RISK MANAGEMENT *(continued)*

36.4 Fair Value (continued)

31 December 2023	Level 1	Level 2	Level 3	Total
	€	€	€	€
Other investments	1.632	-	5.126	6.758
Land and buildings	-	-	3.339.138	3.339.138
Derivative financial instruments	-	(1.481.951)	-	(1.481.951)
	1.632	(1.481.951)	3.344.264	1.863.945

36.5 Capital Management

The Group's and the Company's management has as a principle the maintenance of a strong capital base for the support of the credibility and trust of the investors and creditors as well as the market as a whole. Management monitors continuously the return on equity.

In order to maintain or change the share 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 minus cash and cash equivalents. Total capital is calculated as "equity" as shown in the consolidated statement of financial position plus net debt.

The gearing ratio is as follows:

	THE GROUP		THE COMPANY	
	2024	2023	2024	2023
	€	€	€	€
Total borrowings (Note 32)	164.549.797	167.637.819	74.851.945	64.921.172
Less: Cash and cash equivalents (Note 25)	(77.776.400)	(34.536.943)	(7.817.603)	(3.772.200)
Net debt	**86.773.397**	**133.100.876**	**67.034.342**	**61.148.972**
Total equity	**364.839.150**	**278.339.083**	**48.764.552**	**54.491.212**
Gearing ratio	0,24	0,48	1,37	1,12

37. OPERATING ENVIRONMENT OF THE GROUP

The Group operates in Cyprus, in the geographical area of Southeast Europe, Middle East and Northern Africa, with a significant presence in the wider Gulf region.

The Cypriot economy, in the latest years, has been in a phase of continuous growth, recording progress of 3,4% in 2024. Inflation dropped to 1,8% compared to 3,9% in 2023. It is expected that in 2025, the economy will show growth of 3,1% compared to 2024 and in the years 2026-27 to fluctuate around 3,2% in real terms.

In the area of the Gulf Region, political instability has been observed in the latest years, resulting in economic instability. Despite the current situation, the Group has succeeded in expanding its presence in the region. In Lebanon, the intense political instability continuous, resulting in a prolonged economic crisis with restrictions on cash movements and devaluation of the domestic currency.

The Greek economy, in the last years, has been in a phase of development and continuous improvement of the economic climate. The Group has managed to maintain and strengthen its presence in the country without any particular problems.

37. OPERATING ENVIRONMENT OF THE GROUP *(continued)*

The imposition of sanctions against Russia and its associated legal and natural persons, both by the European Union and the USA, and by a number of countries around the world, continued in 2024 due to the prolonged war between Russia and Ukraine. Compliance with sanctions creates an additional need to continuously strengthen counterparty assessment and control procedures and policies.

The prolonged inflation has resulted in increased operating costs for businesses and governments in most countries. The significant increases in borrowing rates for both the US Dollar and the Euro aimed at restraining inflation, resulted in a significant increase in borrowing costs. The gradual decrease in borrowing rates that started in the second half of 2024 is expected to continue in 2025.

The developments in the Middle East with the ongoing crisis between Israel and the Palestinian Hamas and the Lebanon-based Hezbollah, combined with the collapse of the regime in Syria, are causing further instability in the region. Attacks on shipping in the Red Sea by the Houthis in Yemen are forcing many carriers to change routes, negatively affecting the already tensed supply chain.

In response to the recent global economic changes, the new government of the US has implemented significant tariffs on imported products to balance the country's trade balance, creating global turmoil and an initial collapse in financial markets. The reactions of most countries leave room for normalisation of trade relations, both with countries such as South Korea and Japan, but also with countries in the Middle East and the European Union. The big concern arises from the strong reaction of China, which announced the imposition of significant tariffs on imports from the US. This development is expected to adversely affect the global supply chain and disrupt the trade balances of the countries that are trying to determine their reactions.

The Group's and the Company's Management, having already managed the developments, has taken and is still taking all necessary measures to address any problems that may arise regarding the Group's operations and the management of the relevant risks in relation to the availability of products from the impact of the supply chain. Measures have also been taken to restrain operating costs, as a result of the inflation observed in the markets where the Group operates.

The Management has established policies to manage the significantly increased borrowing cost. The distribution of cash flows is closely monitored by the Management and adjustments are made where and when necessary. The increased cost of bank borrowing and, consequently, of the working capital, creates the need to readjust the pricing policy where deemed necessary.

The Management, as it is not in a position to foresee all the developments that could negatively affect the economies of the countries in which the Group operates, takes all necessary measures to deal with any problems that may arise due to external factors, with a view to maintain the viability of the Group and the expansion of its operations in the current business and economic environment.

38. DIRECTORS' INTEREST

The percentage of the share capital of the Company that was held by each member of the Board of Directors, directly or indirectly, is as follows:

	31/12/2024 Fully paid Shares %	24/04/2025 Fully paid Shares %
Varnavas Irinarchos[1]	51,55	51,55
George Papaioannou[2]	1,09	1,09
Anthoulis Papachristoforou	0,83	0,83
Andreas Constantinides	-	-
Christoforos Hadjikyprianou	-	-
Neoclis Nicolaou	-	-
Marina Pantelidou Neophytou	-	-
Charbel El-Fakhoury	-	-

1. The indirect ownership of Mr. Varnavas Irinarchos as at 24 April 2025 of 51,55% arises from the participation of the company Edcrane Ltd.

2. The direct ownership of Mr. George Papaioannou as at 24 April 2025 is 1,08% and his indirect ownership that arises from the participation of his sons Mr. Christos Papaioannou is 0,0034% and Mr. Alexandros Papaioannou is 0,0034%.

39. SHAREHOLDERS' INTEREST

The shareholders who held, directly or indirectly, more than 5% of the share capital of the Company were as follows:

	31/12/2024 %	24/04/2025 %
Varnavas Irinarchos[1]	51,55	51,55
Demetra Holdings Plc	10,28	10,28

1. The indirect ownership of Mr. Varnavas Irinarchos as at 24 April 2025 arises through the company Edcrane Ltd. The ultimate parent company of the Group is Takero Limited which holds 100% of Edcrane's Ltd shares.

40. DIRECTORS' CONTRACTS

No important contract exists or existed at the end of the financial year and at the date of issuing the financial statements in which the members of management, their spouses or their underage children have or had direct or indirect significant interest, except from the employment contracts of Mr. Varnavas Irinarchos and Mr. Anthoulis Papachristoforou.

(1) Contract of Mr. Varnavas Irinarchos, Managing Director

Employment contract as Managing Director of the Company for two years from 1 January 2005, with annual salary (13 months) of €93.973 which will be increasing at a proportion equal to the annual rate of inflation, as determined by the annual index on 31 January each year or at a rate equal to 4% over his last salary, whichever is higher. For 2024 the annual salary of the Managing Director was €150.000. The Company will also pay annually (12 months) for entertainment expenses an amount of €25.000, that will be increasing in every following annual period at a proportion equal to the rate of inflation, as determined by the annual index on 31 January each year or at a rate equal to 4%, whichever is higher. For 2024 the allowance for entertainment expenses amounted to €26.200.

40. DIRECTORS' CONTRACTS *(continued)*

In addition, the employment contract provides that the Company provides the Director with a suitable car and covers all related expenses. The Managing Director waives, as of 1/1/2025, the right to be provided with a suitablecar, as well as, the coverage of its maintenance and running expenses.
The contract was renewed for one year from 1 January 2025, with an annual salary (13 months) of €150.000. The Company will also pay annually (12 months), for entertainment expenses, the amount of €25.000.
Mr. Varnavas Irinarchos is committed not to form, assist or take part in any way in the incorporation of a company or business which performs operations similar or competitive to the operations of the Company during his employment and for at least five years after his departure from the Company. Mr. Varnavas Irinarchos accepts that this constraint is by no means in contrast with the general principle of Restraint of Trade, and that it is considered reasonable as the employee benefited from the bonus issue of shares during the listing of the Company in the CSE.

(2) Contract of Mr. Anthoulis Papachristoforou, Group Chief Financial Officer
In 2024 the annual salary of Mr. Anthoulis Papachristoforou amounted to €197.000, plus bonus of €50.000 and the allowance for entertainment expenses amounted to €24.000. The remuneration of Mr. Anthoulis Papachristoforou for 2025 will be the same as 2024. The Company provides the Director an appropriate vehicle and covers all related expenses.

41. REMUNERATION OF NON EXECUTIVE DIRECTORS

The remuneration of non-executive directors is analysed as follows:

	2024	2023
	€	€
Takis Klerides	15.270	36.000
George Papaioannou	18.200	18.200
Anastasios Athanasiades	-	14.282
Christoforos Hadjikyprianou	19.231	14.619
Andreas Constantinides	18.200	11.585
Neoclis Nicolaou	18.400	14.615
Linos Chrysostomou	11.800	9.714
	101.101	119.015

42. RELATED PARTY TRANSACTIONS

The companies of the Group buy and sell goods and services according to their needs from other Group companies. Transactions are made in the context of commercial practices related to intragroup transactions in the relevant operating activities.
Logicom Public Limited and Logicom FZE charge their subsidiary companies with a fee for administration services and financing cost.

42. RELATED PARTY TRANSACTIONS *(continued)*

Transactions and balances between Group companies:

The impairments made by Logicom Public Limited in relation to balances and investments in subsidiaries were as follows:

	2024 €	2023 €
Impairment of subsidiaries balances (Note 36.1)		
Enet Solutions LLC	-	-
Logicom Distribution Egypt LLC	-	17.534
	-	17.534
Impairment of investments in subsidiaries	-	-
Logicom Information Technology Distribution s.r.l.	1.400.000	-

42. RELATED PARTY TRANSACTIONS *(continued)*

The amounts charged by Logicom Public Limited to its subsidiary companies for administration services were as follows:

Administration services

	2024	2023
	€	€
Logicom Solutions Limited	174.710	154.006
Newcytech Business Solutions Ltd	233.489	194.355
ENET Solutions - Logicom S.A.	843.727	578.589
Logicom Saudi Arabia LLC	1.853.973	1.275.991
Logicom FZE	2.800.830	1.996.760
ICT Logicom Solutions SA	85.617	75.530
Logicom Information Technology Distribution s.r.l.	494.878	398.493
Logicom Jordan LLC	277.500	195.286
Logicom Italia s.r.l.	424.362	135.723
	7.189.086	5.004.733

In March 2025, the Company re-charged administration services expenses to the subsidiary Verendrya Ventures Limited. These expenses amount to €600.800 and are included in the Company's Other Income.

The amounts charged by Logicom Public Ltd to its subsidiary companies for interest were as follows:

Interest

	2024	2023
	€	€
Logicom Saudi Arabia LLC	120.705	560.468
Logicom Information Technology Distribution s.r.l.	666.764	1.396.514
Logicom Italia s.r.l.	285.484	162.255
Verendrya Ventures Ltd	322.713	316.296
	1.395.666	2.435.533

The gross sales made by Logicom Public Ltd to its subsidiary companies were as follows:

Sales

	2024	2023
	€	€
Logicom Solutions Limited	1.653.498	3.646.278
Newcytech Business Solutions Ltd	9.772.695	7.257.724
ENET Solutions - Logicom S.A.	29.925.274	27.685.315
Logicom Jordan LLC	(11.942)	2.268.567
Logicom (Middle East) SAL	45.432	394.320
Logicom FZE	6.985	11.466
Logicom Italia s.r.l.	13.207	17.748
Logicom Information Technology Distribution s.r.l.	4.805.581	3.437.622
Logicom Saudi Arabia LLC	4.695	110
Newcytech Distribution Ltd	138	-
Logicom Distribution Egypt LLC	-	(38.494)

42. RELATED PARTY TRANSACTIONS *(continued)*

The balances between Logicom Public Ltd and its subsidiary companies in the books of the parent company were as follows:

Long-term loans to subsidiary companies:

	2024	2023
	€	€
ENET Solutions - Logicom S.A.	2.466.070	2.318.552
Logicom (Middle East) SAL	4.597.459	4.322.443
Logicom FZE	2.853.595	2.682.896
Logicom Jordan LLC	2.941.669	2.765.702
Verendrya Ventures Ltd	18.712.685	18.389.972
	31.571.478	30.479.565
Expected credit losses	(8.327.366)	(1.651.183)
	23.244.112	28.828.382

There is no written agreement between the parent and the subsidiary companies Enet Solutions Logicom S.A., Logicom (Middle East) S.A.L., Logicom FZE and Logicom Jordan LLC, regarding the long-term loans receivable. The loans bear no interest and there is no fixed repayment date. The loans are recognised according to the provisions of IAS 21.

The long-term loan with the subsidiary company Verendrya Ventures Limited, relates to a contract for the financing of the operations of the desalination units in Larnaka and Episkopi. The loan bears an annual interest of 1,75% (2022: 1,75%) and has no fixed repayment date.

During 2024, the Company recognised an impairment of the loan receivable from the subsidiary Verendrya Ventures Limited amounting to €6.443.495, taking into account the expected discounted cash flows of the subsidiary, which consists of the expected discounted cash flows of the desalination companies in Larnaca and Limassol, and were mainly affected by the outcome of the Arbitration Committee decisions in relation to M.N. Larnaca Desalination Co. Limited. The total amount of expected credit losses on the loan receivable from Verendrya Ventures Limited amounts to €6.678.681. The determination of the expected discounted cash flows is based on judgements, estimates and assumptions applied by the Management of Verendrya Ventures Limited. (Note 19).

42. RELATED PARTY TRANSACTIONS *(continued)*

Receivable balances with subsidiary companies

	Nature	2024 € Debit	2023 € Debit
Netcom Limited	Other	141.281	132.278
Logicom Solutions Limited	Trade	3.551.139	6.323.075
Logicom Services Ltd	Financing	28.237.212	25.768.136
Newcytech Business Solutions Ltd	Trade	176.392	1.387.618
ENET Solutions - Logicom S.A.	Trade	4.865.980	7.398.520
ICT Logicom Solutions SA	Other	147.895	20.544
Logicom Trading & Distribution LLC	Trade	-	904.977
Logicom Italia s.r.l.	Trade/Financing	3.932.084	3.899.900
Logicom Saudi Arabia LLC	Trade/Financing	1.140.119	8.043.549
Logicom Information Technology Distribution s.r.l.	Trade/Financing	17.615.724	9.910.724
Najada Holdings Limited	Financing	3.788.659	3.112.366
Verendrya Ventures Ltd	Financing	778.304	563.269
Logicom Malta Limited	Financing	2.417	-
Elogicomnet Morocco Distribution SARL	Other	1.041.835	2.936.198
		65.419.041	70.401.154
Expected credit losses from subsidiary companies		(77.603)	(89.019)
		65.341.438	70.312.135

Payable balances with subsidiary companies

	Nature	2024 € Credit	2023 € Credit
Logicom (Overseas) Limited	Other	326.555	319.480
Logicom Jordan LLC	Trade	2.782.690	2.539.133
Logicom (Middle East) SAL	Trade/Financing	864.503	1.076.152
Logicom FZE	Trade/Financing	21.022.108	28.215.120
Logicom Secretarial Services Limited	Other	-	1.000
Logicom Distribution Germany GmbH	Other	797.858	794.857
Logicom Secretarial Services Limited	Financing	1.000	-
		25.794.714	32.945.742

The above balances are repayable according to the nature of each transaction.

42. RELATED PARTY TRANSACTIONS *(continued)*

Balances with associated companies

	2024 € Debit/ (Credit)	2023 € Debit/ (Credit)
M.N. E.P.C Water Co.	(350)	(350)
M.N. Larnaca Desalination Co Ltd	(22.616)	(23.671)
M.N. Limassol Water Co. Ltd	(26.351)	(21.714)
	(49.317)	(45.735)

During the year 2024, the Company incurred legal and other expenses related to the investment in Hellenic Bank Public Company Limited, part of which, following the sale agreement, were re-charged in March 2025, to the associated company Demetra Holdings Plc. These expenses amount to €237.615 and are included in the Company's Other income.

The gross sales made by Logicom FZE to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Public Limited	1.903	5.136
Logicom Jordan LLC	9.719	235.642
Logicom (Middle East) SAL	-	2.160
Logicom Dubai LLC	99.805.452	121.002.276
Logicom Bahrain WLL	8.182.013	6.999.091
Logicom Saudi Arabia LLC	3.132.430	1.471.081
Logicom Kuwait for Computer Company W.L.L	9.688.917	10.977.045
Logicom Trading & Distribution LLC	5.907.086	9.530.968
Logicom LLC	11.213.718	12.417.714
Elogicomnet Morocco Distribution SARL	63.982	83.309

The amounts charged by Logicom FZE to Group companies for administration services were as follows:

Administration services

	2024 €	2023 €
Logicom Public Limited	1.971.381	3.421.439
Logicom Dubai LLC	2.141.540	1.738.079
Logicom Kuwait for Computer Company W.L.L	1.144.441	922.648
Logicom Trading & Distribution LLC	1.035.323	998.886
Logicom LLC	685.948	499.935
Elogicomnet Morocco Distribution SARL	105.386	60.781
Logicom Bahrain WLL	542.206	-
	7.626.225	7.641.768

42. RELATED PARTY TRANSACTIONS *(continued)*

The amounts charged by Logicom FZE to Group companies for interest were as follows:

Interest

	2024 €	2023 €
Logicom Dubai LLC	1.287.970	2.077.457
Logicom Kuwait for Computer Company W.L.L	1.032.329	1.015.891
Logicom LLC	-	635.667
Logicom Public Limited	1.816.632	-
Logicom (Middle East) SAL	12.860	-
Logicom Trading & Distribution LLC	245.986	318.305
Logicom Saudi Arabia LLC	264.674	48.548
Elogicomnet Morocco Distribution SARL	622.555	655.812
Logicom Jordan LLC	152.118	188.624
	5.435.124	4.940.304

The gross sales made by Logicom Jordan LLC to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Kuwait for Computer Company W.L.L	-	26.117

The gross sales made by ENET Solutions - Logicom S.A. to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Public Limited	11.561.851	8.890.928
ICT Logicom Solutions SA	36.126	64.935
Logicom Information Technology Distribution s.r.l.	5.248.828	947.396
Logicom FZE	-	203.733
Logicom Solutions Limited	-	7.273
Logicom LLC	609.124	2.742.304

The gross sales made by Logicom Solutions Ltd to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Public Limited	75.238	6.795
Newcytech Business Solutions Ltd	120.973	537.623
ICT Logicom Solutions SA	1.980.338	3.571.022

42. RELATED PARTY TRANSACTIONS *(continued)*

The gross sales made by Logicom IT Distribution s.r.l. to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Public Limited	-	114.108
ENET Solutions - Logicom S.A.	244.727	548.073
Logicom Italia s.r.l.	344.977	2.838.284
Logicom LLC	20.442	-

The gross sales made by Logicom Saudi Arabia LLC to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom FZE	751	(129.998)

The gross sales made by Newcytech Business Solutions Limited to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Public Limited	42.049	70.298
Logicom Solutions Limited	218.392	170.985
Newcytech Distribution Ltd	365.097	1.058.036

The gross sales made by Logicom Italia SRL to Group companies were as follows:

Sales

	2024 €	2023 €
ENET Solutions - Logicom S.A.	41.010	18.792
Elogicomnet Morocco Distribution SARL	-	273.754
Logicom Public Limited	225	4.590
Logicom FZE	-	285.033
Logicom Italia s.r.l.	1.847	-

The gross sales made by ICT Logicom Solutions S.A. to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Solutions Limited	312	21.438

42. RELATED PARTY TRANSACTIONS *(continued)*

The gross sales made by Logicom Distribution Germany Gmbh to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Italia s.r.l.	127.732	198.977

The gross sales made by Logicom Kuwait Computer Company Limited WLL to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Bahrain WLL	-	113.605
Logicom Saudi Arabia LLC	-	2.451

The gross sales made by Logicom Bahrain WLL to Group companies were as follows:

Sales

	2024 €	2023 €
Logicom Trading & Distribution LLC	82.539	-
Logicom Kuwait for Computer Company W.L.L	-	35.494

42. RELATED PARTY TRANSACTIONS *(continued)*

The balances between Group companies and the parent Company are presented below:

	Nature	2024 € Debit/ (Credit)	2023 € Debit/ (Credit)
Logicom (Overseas) Limited	Other	326.554	319.480
Netcom Limited	Other	(141.281)	(132.278)
Logicom Solutions Limited	Trade	(3.551.139)	(6.323.075)
Logicom Services Ltd	Financing	(28.237.212)	(25.768.136)
Newcytech Business Solutions Ltd	Trade	(176.392)	(1.387.618)
ENET Solutions - Logicom S.A.	Trade/Financing	(7.332.050)	(9.717.072)
ICT Logicom Solutions SA	Other	(147.895)	(20.544)
Logicom Jordan LLC	Trade/Financing	(158.979)	(226.568)
Logicom (Middle East) SAL	Trade/Financing	(3.732.956)	(3.246.292)
Logicom FZE	Trade/Financing	18.168.513	25.532.225
Logicom Trading & Distribution LLC	Trade/Financing	-	(904.977)
Logicom Secretarial Services Limited	Financing	1.000	1.000
Logicom Italia s.r.l.	Trade/Financing	(3.932.084)	(3.899.900)
Logicom Malta Limited	Financing	(2.415)	-
Logicom Saudi Arabia LLC	Trade/Financing	(1.140.119)	(8.043.549)
Logicom Information Technology Distribution s.r.l.	Trade/Financing	(17.615.724)	(9.910.724)
Logicom Distribution Egypt LLC	Other	-	-
Logicom Distribution Germany GmbH	Other	797.858	794.857
Najada Holdings Limited	Financing	(3.788.659)	(3.112.366)
Verendrya Ventures Ltd	Financing	(19.490.988)	(18.953.241)
Elogicomnet Morocco Distribution SARL	Other	(1.041.835)	(2.936.198)

During the year the companies of the Group paid dividends to the Company, as follow:

Dividend

	2024 €	2023 €
Logicom FZE	4.791.567	5.429.864
Verendrya Ventures Ltd	198.000	186.000
Logicom (Overseas) Limited	17.000	-
Logicom Services Ltd	7.000.000	3.000.000
	12.006.567	8.615.864

Transactions and balances between related parties:

There were no significant transactions and balances with related parties, including the Directors, during the year ended 31 December 2024.

43. BALANCES WITH ASSOCIATED COMPANIES AND JOINT VENTURES

The balances with the joint ventures, relate to the financing of the construction, maintenance, renovation and operation of the desalination plants in Cyprus through its subsidiary company Verendrya Ventures Limited.

The balances with jointly ventures were as follows:

Balances with joint ventures

	2024	2023
	€	€
	Debit	Debit
M.N. Larnaca Desalination Co Limited	6.044.703	9.775.157
M.N. Limassol Water Co. Limited	14.473.675	13.711.024
	20.518.378	23.486.181
Expected credit losses	(1.972.717)	(273.188)
	18.545.661	23.212.993

The amounts receivable from joint ventures are presented after the deduction of the accumulated impairments and loss in addition to the value of the investment. The net value of the balances as at 31 December 2024 is considered recoverable based on the expected discounted future cash flows from these companies. As mentioned in note 19, for the calculation of the expected future cash flows of the M.N. Larnaca Desalination Co. Ltd estimates, assumptions and judgements have been made. The Group has recognised expected credit losses in relation to the amount due from M.N. Larnaca Desalination Co. Limited based on expected discounted cash flows, amounting to €1.8 million. The Group considers that there was no evidence for impairment of the amount receivable from joint venture M.N. Limassol Water Co..

The loan with M.N. Limassol Water Co. Ltd is non-current, bearing interest of 4,5% per annum and does not have a specified repayment date. The M.N. Larnaca Desalination Co. Ltd is non-current, interest free and has no specified repayment date.

Interest receivable for 2024 amounts to €503.171 (2023: €501.796) and is included in note 10.

The company M.N. Limassol Water Co. Ltd, participated in 2023 in an arbitration process whose round of hearings was completed. The decision was issued in January 2024 and awards the company compensation of 780 thousand euro plus interest and 1.400 thousand euro for attorneys and arbitration fees. There are no other outstanding claims in relation to this contract.

During 2023, the company M.N. Larnaca Desalination Co. Ltd participated in an arbitration process, the hearing cycle of which has been completed in January 2024. The decision was issued in June 2024 and awards the company compensation of €3,8 million in relation to the net claims of the company amounting to €13,8 million (€17,6 million from the company to the Water Development Department and €3,8 million from the Water Development Department to the company) which were included in the expected future cash flows of the company for the calculation of the financial model. The determination of the compensation for attorneys' fees, arbitration and interest was issued on the 3rd of September 2024, awarding the company compensation of €1,4 million for interest and €1,4 million for attorneys' fees and arbitration. There are no other claims pending in relation to this contract.
The company's results for the year 2024 were negatively affected by €6,9 million, as a result of the above decision as the company proceeded to reassess the cash flows of the financial model, recognised an impairment on intangible assets and created a liability for an onerous contract in relation to the negative net present value of the future cash flows attributed to the financial model.

The balances with the associated companies, relate to a loan that the subsidiary Verendrya Ventures Limited entered into with Demetra Holdings Plc in relation to the latter's participation in the desalination plants in Episkopi and Larnaca.

43. BALANCES WITH ASSOCIATED COMPANIES AND JOINT VENTURES *(continued)*

The balances with associated companies were as follows:

Balances with associated companies

	2024 € Credit	2023 € Credit
Demetra Holdings Plc	12.475.384	12.260.242

The long-term loan of the subsidiary company Verendrya Ventures Limited, with Demetra Holdings Plc, relates to the financing of the desalination projects in Larnaca and Limassol. The loan bears an interest rate of 1,75% (2023: 1,75%) per annum and does not have a specified repayment date.

44. EVENTS AFTER THE REPORTING PERIOD

On 17 January 2025, the purchase of 17.152.353 ordinary shares of Demetra Holdings Plc ('Demetra') by the Group's subsidiary Logicom Services Limited, corresponding to 8,576% of the issued share capital of Demetra, for a total consideration of €26.586.147,15, i.e. at a price of €1,55 per share by Eurobank S.A. (the 'Transaction') was completed.

Prior to the Transaction, Logicom Services Limited directly held 59.832.100 ordinary shares of Demetra with a nominal value of 0,70 each, representing 29,916% of the total issued share capital of Demetra. Upon completion of the Transaction, Logicom Services Limited's holding in Demetra increased to 38,492% and it was required, pursuant to Article 13 of the Public Takeover Bids Law of 2007 to 2022, L.41(I)/2007 (the 'Law'), to submit a Mandatory Public Takeover Bid to all shareholders of Demetra.

As a result of the above, on the same day, Logicom Services Limited announced to the investing public, in accordance with Article 6(2) of the Law, the implementation of a mandatory public takeover bid to all shareholders of Demetra for the acquisition of up to 100% of the issued share capital of Demetra (the 'Public Offer'). The proposed consideration for the acquisition of Demetra securities is €1,55 per share, payable in cash, to all shareholders who accept the Public Offer, provided that the Public Offer is successful, in accordance with Article 10(1) of the Law. To be deemed successful, pursuant to Article 10(1) of the Law, the Public Offer must receive acceptances for a percentage of securities which, when added to those already held by the Offeror or by persons acting in concert with the Offeror, will give the Offeror more than 50% of the voting rights in the Target Company. In the event that the Public Offer is not successful, the Offeror shall not be entitled to accept any lower percentage of acceptances.

On 7 April 2025, Logicom Services Limited purchased 16.456 shares of Demetra at a price of €1,55 per share for a total consideration of €25.506,80. Following the acquisition, Logicom Services Limited directly holds 77.000.909 shares representing approximately 38,500% of the issued share capital of Demetra.

On 14 April 2025, the acceptance process of the mandatory Public Offer for the acquisition of up to 100% of the issued share capital of Demetra Holdings Plc was completed. According to the results of the Public Offer, the total acceptance rate reached 2,013%, as Acceptance and Transfer Forms for 4.025.128 shares of Demetra were submitted. The total acceptance rate added to the 38,500% (77.000.909 shares) directly held by Logicom Services Limited at the end of the Public Offer, ensures a total direct participation of 40,513% (81.026.037 shares) in the issued share capital of Demetra.

According to the terms of the Public Offer and in accordance with the provisions of Article 10(1) of the Law, in view of the fact that the total acceptance percentage added to the securities directly and indirectly held by Logicom Services Limited does not provide it with more than 50% of the voting rights of Demetra, the Public Offer is not successful and therefore Logicom Services Limited is not entitled to accept any percentage of the shares offered to the company.

On 10 February 2025, the subsidiary company Logicom Services Limited completed the sale to Eurobank S.A. (the 'Buyer') of the 13.729.704 shares it held in Hellenic Bank (representing 3,326% Hellenic Bank’s share capital) for the total amount of €66.492.956,47, i.e. at a price of €4,843 per share.

There were no other significant events after the reporting period that would affect the understanding of the consolidated and separate financial statements.