



## ANTEA CEMENT SH.A.

COMPANY'S GENERAL INFORMATION &  
CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025

## GENERAL INFORMATION

### CORPORATE INFORMATION

ANTEA Cement SH.A. is an investment with the highest standards applied in terms of construction and operation in Albania and a total value exceeding 200 million Euro. The Group is controlled by ALVACIM LTD, which has 100% shareholding in The Group. The Group's ultimate parent is Titan Cement International S.A. (hereinafter referred as TITAN Group).

Antea Cement was awarded the right for land usage and mining exploitation by the Albanian Government for 99 years. The plant was constructed by CBMI Construction Co, a Chinese construction company, under the supervision of TITAN Group which implemented the highest safety standards applicable, the project was completed on time, within the forecasted budget and with zero accidents.

**ANTEA Cement has an annual production capacity of 1.4 million tons of cement and 3,300 ton of clinker per day. The plant is located at "Boka e Kuqe", Borizane which is 50 km away from Tirana, capital city of Albania.**

During 2024, The Group has finalized the merger of Alba Cemento SH.P.K. into Antea Cement SH.A. as part of its strategic initiative to streamline operations and enhance efficiency. The merger was executed in accordance with applicable legal and regulatory requirements, with Antea Cement SH.A. assuming all assets, liabilities, rights, and obligations of Alba Cemento SH.P.K. Following the completion of the merger, Alba Cemento SH.P.K. ceased to exist as a separate legal entity, and its financial results have been consolidated into Antea Cement SH.A. This transaction had no material impact on the Antea Cement's overall financial position or results.

The Group has one fully owned (100%) subsidiary:

#### **CEMENTI ANTEA SRL – Italy**

The main activity of the subsidiary is trading cement exported from Antea Cement through a rented terminal in Ortona, Italy. The Group sells the cement exported from Albania to the Italian market and its main revenues are derived from this activity.

## BUSINESS ACTIVITY REPORT

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The following information is provided in compliance with the provisions of and requirements of the law "On Accounting and Financial Statements" No 25/2018 Dated 10.05.2018.

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Besides the information provided in this document Antea Cement prepares and publishes in its website an Integrated Annual report which provides more detailed information about its integrated operations.

### BUSINESS DESCRIPTION

The Group is one of the major cement producers in Albania, with a plant, able to complete the entire technological process of transformation from raw materials to the final product. The Group, through the technology installed in its plant, can produce both Clinker and Cement.

Clinker is a semi-product produced by the Group which can further be utilized in cement production, or it can be sold to other companies for production of cement, whereas the final product is cement of different types.

The Group sells its product in the domestic market as well as exporting it internationally.

### REPORT ON THE CONSOLIDATED ECONOMIC AND OTHER ACTIVITIES OF THE GROUP

#### **Antea Cement**

The Group reported stable results in 2025. Sales volumes remained consistent across both domestic and export markets, contributing to the overall performance of The Group.

Simultaneously, ANTEA aimed to achieve balanced, responsible, and sustainable long-term growth, while adapting to organizational and environmental changes and accelerating adoption of innovation in its industry.

Presented below are key financial indicators for the current reporting period, benchmarked against the previous reporting period.

## GENERAL INFORMATION (CONTINUED)

### REPORT ON THE CONSOLIDATED ECONOMIC AND OTHER ACTIVITIES OF THE GROUP (CONTINUED)

Financial Performance Highlights	Antea Cement - Consolidated	
	2025	2024
Amounts in 000 ALL		
Consolidated Revenue	9,285,355	10,141,107
Consolidated Operating profit	1,746,620	2,593,902
Consolidated EBITDA	2,904,001	3,689,231
Consolidated Profit before tax	1,599,613	2,517,109
Consolidated Profit for the year	1,274,882	2,090,965

Antea's consolidated revenues for the year fell by **8.4%** or **ALL 855,752 thousand** compared to last year. The decline was due to lower selling prices.

The Group's consolidated export activities stayed stable, making up **33.2%** of total sales, which is slightly increased compared to the previous year. The main export markets remain Albania's neighbouring countries, including Italy, Montenegro and Kosovo.

Consolidated operating profit before interest and taxes fell by **32.7%** or **ALL 847,282 thousand** compared to last year, mainly due to lower sales prices and higher fuel costs. EBITDA also decreased by **21.3%** or **ALL 785,230 thousand** year-over-year.

Consolidated profits before tax for the year declined by 36.5% or **ALL 917,496 thousand** compared to the previous year, primarily due to the factors mentioned above. However, this was partially offset by lower finance costs.

The above consolidated results coupled with the movement in the group's working capital led to consolidated net cash from operating activities resulting in **ALL 2,296,317 thousand**, which was lower by **ALL 1,427,149 thousand** compared to the prior year. The Group utilized the consolidated generated cash flow to invest in new capex amounting to **ALL 659,838 thousand** and utilized its consolidated free cash flow in repaying borrowings in the net amount of **ALL 307,418 thousand** during the period.

In 2025, the production line met demand efficiently, optimizing stocks and working capital. It operated reliably, ensuring timely delivery to both domestic and export markets, especially during peak periods, and seizing all available opportunities.

The Group adheres to all legal and TITAN Group **Health and Safety (H&S)** guidelines, implementing best practices to improve H&S. Training is crucial for educating employees on workplace procedures and hygiene to prevent injuries and illnesses. Annually, The Group schedules H&S training to update employees. In 2025, employees and subcontractors completed **9,811 hours** of H&S training.

ANTEA has donated cement to municipalities in Albania for civil projects such as road repairs, and the restoration or construction of local houses and schools. ANTEA also promotes CSR standards and best practices by organizing conferences and meetings with Local Authorities, Institutions, Universities, Organizations, and NGOs, while advancing SDGs in the country.

In 2025, ANTEA advanced its sustainability leadership through more than 20 impactful ESG initiatives, reinforcing its role as one of the country's most committed ESG champions. It expanded the membership base of the Albanian ESG Network, partnered with major chambers of commerce, and laid the groundwork for future cooperation with government and the private sector on an ESG integration roadmap to boost competitiveness, sustainability, and long-term prosperity. For the fourth consecutive year, The Group maintained an excellent Health & Safety record with zero Lost Time Incidents (LTI) for direct employees and more than one year without LTI for direct employees and contractors combined. The Group advanced workforce development to reinforce organizational leadership—delivering targeted upskilling and reskilling initiatives while cultivating a culture of inclusiveness and engagement. The Bright Minds Together program further promoted inclusiveness and employee-driven sustainability ideas.

TITAN Albania participated in the EU-WB6 Investment Forum in Tirana, where TITAN Group representatives signed a Joint Declaration of Intent with the European Commission (DG ENEST) and AIDA for potential waste-to-fuel and waste-heat recovery investments, supporting decarbonization, energy efficiency, and circular economy objectives. Study visits from academia and construction engineers helped bridge theory with real-life best practices, while significant works targeted improvements in water management and dust emissions at the plant. Across all ESG pillars, TITAN Albania aligned with material issues and SDGs, maintaining transparency and constructive stakeholder engagement, reinforcing its role as a reliable partner in Albania's EU integration journey."

The Group monitors and reviews its environmental performance throughout the year. The review addresses all significant operational issues in a timely manner. Since its inception, The Group has conducted its activities in accordance with the ISO 14001 environmental management system, certified by EuroCert every three years and audited annually. This certification encompasses the quality and adequacy of systems implemented to control and reduce air emissions, quarry rehabilitation, landscape aspects, groundwater management, wastewater treatment, liquid and solid waste disposal, natural resource and energy consumption, noise, and other environmental factors.

## GENERAL INFORMATION (CONTINUED)

### REPORT ON THE CONSOLIDATED ECONOMIC AND OTHER ACTIVITIES OF THE GROUP (CONTINUED)

The priority of The Group is to maintain a robust employer-employee relationship grounded in mutual trust and adherence to The Group's corporate values and principles. The Group ensures a comprehensive and respectable working environment that upholds health and safety standards as well as human rights.

TITAN continued to reinforce its commitment to Health and Wellbeing through a detailed framework encompassing four key dimensions: physical, mental, social, and financial. In line with these efforts, TITAN maintained the Employee Assistance Program (EAP), a consultancy support service available to all employees and their families, offering expert advice on personal, family, or work-related issues. Antea, aligning with TITAN Group's initiatives, actively participated in the Mental Health campaign—an effort aimed at raising awareness and promoting good mental health among employees. This campaign included valuable resources such as articles, videos, self-assessment tools, and continued promotion of the TITAN Group's consultancy support service. Additionally, The Group continued to provide Medical, Life Insurance, and Work Accident Plans for all employees, ensuring ongoing support for their wellbeing.

In 2025, The Group continued to uphold its commitment to social responsibility, maintaining full compliance with Social Accountability 8000:2014 Standard (**SA8000:2014**). This reflects The Group's ongoing dedication to accountability through transparent communication with employees and inclusive decision-making processes. The Group consistently applies robust social practices in the workplace, ensuring equal opportunities and promoting diversity to enhance organizational effectiveness. Recruitment practices remain focused on attracting qualified candidates, with strict prohibition based on gender, race, nationality, religion, or family status. The TITAN Group Respect in the Workplace Policy, introduced in the previous year, continued to be implemented throughout 2025, reinforcing a culture of integrity, fairness, and respect among employees. In line with TITAN Group directives, Antea launched and implemented the Trustworthy AI Framework at local level, introducing the Group Policies on Artificial Intelligence Framework and Principles, Trustworthy Artificial Intelligence, and Artificial Intelligence Acceptable Use.

In 2025, the headcount of The Group at the end of the year reached 191 people (excluding internships and expats). During 2025 the Employee related, and benefit expenses amounted to **ALL 658,953 thousand** as explained in the **Note Error! Reference source not found.** to the financial Statements.

Personnel development remains a key priority for retaining talent and supporting sustainable growth. ANTEA continues to support individual development by enhancing skills and competencies while fostering an inclusive and diverse working environment. The Antea Leadership Academy continued to strengthen leadership and management capabilities. In 2025, The Group further leveraged online learning platforms, with training hours reaching 9,776.

#### Business risks

The major financial liabilities of The Group and its subsidiaries include interest bearing loans, other liabilities, and trade payables. The Group and its subsidiaries possess financial assets, such as trade and other receivables, cash, and cash equivalents, which origin derives from the activity of The Group and its subsidiaries. The major risks, that occur from the financial instruments of The Group and its subsidiaries are interest bearing risk, liquidity risk, currency risk and credit risk. The policy applied by the Management of The Group, for management of all these risks is summarized in **Note 33** of the Consolidated Financial Statements.

#### a) Research and Development activity of The Group

The Group did not perform any activity related to research and development in 2025.

#### b) Disclosure for acquisition of own shares

The Group did not buy back any shares and had no such transactions in 2025.

#### c) Branches of The Group

The Group has one fully owned subsidiary at the reporting date.

#### d) Policies and Objective of managing financial risk, Exposure of The Group towards Financial Risks & Risk Quantifications

Policies and Objectives for managing financial risks as well as the respective quantifications are disclosed in the **Note 33.** to the Consolidated Financial Statements.

## GENERAL INFORMATION (CONTINUED)

### REPORT ON THE CONSOLIDATED ECONOMIC AND OTHER ACTIVITIES OF THE GROUP (CONTINUED)

#### e) Objectives of The Group and its subsidiaries for 2025

The Group and its subsidiaries are set to achieve the following objectives for 2025:

- Increase effectiveness of industrial performance.
- Continue serving its customers in the domestic and export markets as well as be able to satisfy any additional demand in the markets.
- Sustain the current financial results and seek areas at potential growth and on the same time contain fixed costs.

#### f) Corporate Governance

The Group is established as a joint stock company in compliance with Law 9901, dated 14 April 2008, "On entrepreneurs and commercial companies", the Commercial Law of the Republic of Albania, and has a governance system as follows:

- The Supervisory Board
- The Administrator/General Manager

The Supervisory Board as at 31 December 2025 is comprised as follows:

- Chairman, Mr. Ioannis Paniaras
- Member, Mr. Mario Bracci
- Member, Mr. Christos Panagopoulos
- Member, Mr. Loukas Petkidis
- Member, Mr. Grigorios Dikaos

The Supervisory Board members are appointed from the Shareholder's General Assembly. The members of the Supervisory Board bring valuable experience of different areas comprising expertise on industrial, commercial, and financial areas.

The Supervisory Board appoints the administrator/General Manager of The Group. The General Manager of The Group at the reporting date is Mr. Dimitrios Dimou.

#### g) Managing risks and opportunities

ANTEA Cement has in place an Integrated Management System (IMS) which is comprised of three management systems and one standard being:

- ISO 45001 for Occupational Health and Safety
- ISO 14001:2015 for Environment
- ISO 9001 for Quality

The management team of ANTEA Cement assesses the social, environmental, managerial, and financial risks that The Group can face in the framework of the challenges that are coming from the country, the region and further. The Group manages the risks through:

- Internal audits and Systems to keep in consistency with Management Systems requirements in place.
- Creation of various committees in The Group to address various challenges and issues.

At ANTEA Cement, the following Boards and Committees are created to address various challenges and issues:

#### **Quality Board:**

The Group's management is involved in the Quality System through the Quality Board. The responsibilities of the Quality Board are the following:

- Establishing The Group's Quality Policy
- Adopting the Quality System's documents
- Conducting the internal quality audits
- Conducting reviews of the Quality System
- Setting quality targets

## GENERAL INFORMATION (CONTINUED)

### REPORT ON THE CONSOLIDATED ECONOMIC AND OTHER ACTIVITIES OF THE GROUP (CONTINUED)

#### Environment Board:

It is responsible to identify the environmental aspects, to determine the emergency situations and the need for preparation of emergency plans, to review on annual basis the Environmental Management System etc.

#### Health & Safety Central Committee:

ANTEA H&S Central Committee guides safety and health improvements at The Group's plant. It promotes the full implementation of the TITAN Group H&S Policy. Members must show leadership, commitment, support, accountability, and timely follow-through for all safety programs.

#### The Social Accountability Board:

The Plant has established a Social Accountability Board tasked with identifying social accountability issues, determining necessary preventive or corrective actions, and conducting annual reviews of the Social Accountability Management System.

The Group's employees have been extensively trained in the most sensitive areas like Anti-bribery, Anti-corruption and Sanctions and The Group has widely incorporated in its contractual relations with suppliers, customers, and partners relevant provisions to avoid illegal implications. Moreover, a conflict-of-interest policy has been adopted and the committee responsible for clearing cases of possible conflict of interest has been established with the attendance of The Group's top management. Following up with the latest changes in the local legislation, The Group has elected and formalized the Responsible Unit in accordance with the Albanian Law on Whistleblowing which has carried a series of trainings and has distributed the necessary materials to the employees aiming at making them aware of their rights and obligations in the event a corruption case comes to their attention.

Nonetheless some more action has followed as The Group extends its tools and policies to its employees by introducing the:

- Ethic Point platform.
- TITAN Employee Assistance Program (EAP), part of TITAN "Health and Wellbeing" that aims to further support the health & wellbeing of TITAN employees and family members, wherever and whenever needed.

## ANTEA Values

The following is an excerpt from The Group's values statements:

"ANTEA's values stem directly from the principles, beliefs, and vision from its establishment back in 2006. They are the core elements in compliance with TITAN's culture, providing the foundations of the Group's operations and growth. These values reflect who we are and guide us in our pursuit of making the world around us a safe, sustainable, and enjoyable place to live. They unite us, install trust, connecting us with our team members, communities, partners, customers, and all those who share our vision.

Below are presented The Group's values:

- **WE CARE**, For us, care isn't just a word; it's a responsibility that shapes how we engage with the world around us and the ethos that guides our every action.
- **WE DARE**, Challenges and ambitious goals don't daunt us; they energize us.
- **WE BUILD TO LAST**, We believe that true success is built on a foundation of enduring value
- **WE WALK THE TALK**, At the heart of everything we do, lies a simple but powerful belief: actions speak louder than words.

Operating in the same line with Titan Group aiming to grow as a multiregional, vertically integrated cement producer, combining entrepreneurial spirit and operational excellence with respect to its people, society and the environment, ANTEA follows the Titan Group objectives translated into acting with purpose, to protect and improve life. Purpose is the reason we exist, the role we aspire to play in the world. It is our North Star. We have worked collaboratively to reconsider who we are today, how we've evolved, and to express it in a new way:

**Our Purpose:** making the world around us a safe, sustainable and enjoyable place to live.

**Our Mission:** to provide innovative construction materials, solutions, and services needed for safe and sustainable homes, buildings and infrastructure that enable people to enjoy life.

## GENERAL INFORMATION (CONTINUED)

### REPORT ON THE CONSOLIDATED ECONOMIC AND OTHER ACTIVITIES OF THE GROUP (CONTINUED)

We approach every challenge with an entrepreneurial spirit, focusing on three key areas: ensuring low-carbon operations and supply chains, digitalizing our organization for ultimate efficiency, and delivering cutting-edge solutions to meet our customers' needs.

Together with all our stakeholders, we are committed to finding better ways to build and to enhance the quality of life.

We act every day with integrity, empathy, and environmental accountability to shape a brighter future for all."

### The Group's reporting systems

The Group is now using SAP S/4HANA as its ERP. SAP S/4H is a comprehensive enterprise resource planning (ERP) system that offers various capabilities for the production cycle of The Group in addition to support The Group's management and financial reporting. It includes modules for manufacturing, operational, and distribution capabilities, covering almost the entire production cycle alongside dedicated Titan's applications.

### PAYMENTS MADE TO GOVERNMENTAL INSTITUTIONS

The below report is prepared in compliance with article 21 of the Law on Accounting and Financial Statements No 25/2018 Dated 10.05.2018.

The table below indicates the actual cash payments made by Antea Cement (standing alone) to the authorities in Albania for the indicated type of taxes or categories as below:

*Amounts are in 000'ALL*

<b>Payment type</b>	<b>2025</b>	<b>2024</b>
- Corporate income tax	493,962	618,075
- VAT	278,635	304,072
- Social and health insurance	81,538	88,160
- Personal income tax	56,568	48,662
- Carbon & Excise Tax	272,907	402,017
- Local Taxes and Tariffs to Local Authorities	34,480	37,177
- Royalties	49,141	50,576
- Withholding tax on Dividends	86,337	-
<b>TOTAL</b>	<b>1,353,568</b>	<b>1,548,739</b>

The above amounts represent the actual cash payments made by The Group during the calendar year ending 31 December 2025.



## ANTEA CEMENT SH.A.

CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2025  
WITH INDEPENDENT AUDITOR'S REPORT THEREON

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# Independent Auditor's Report

**To the Shareholders of Antea Cement Sh.a. and its subsidiary.**

## Opinion

We have audited the consolidated financial statements of Antea Cement Sh.a. and its subsidiary (together, "the Group"), which include the consolidated statement of financial position as at 31 December 2025, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at 31 December 2025, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

## Basis for Opinion

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

## Key Audit Matters

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

Key Audit Matter	How it was addressed during audit
<b>Revenue from sale of products</b>	
<p>The Company generates revenue from the sale of cement and related products, involving a high volume of transactions processed through automated sales and invoicing systems.</p> <p>Revenue is recognised at the point in time when control is transferred to the customer, in accordance with the relevant delivery terms. Given the high level of automation and reliance on IT systems, there is a risk that errors in system configuration or operation may impact the accuracy and timing of revenue recognition, particularly in relation to cut-off.</p> <p>Accordingly, we identified revenue recognition as a key audit matter.</p>	<p>Our audit procedures included, among others:</p> <ul style="list-style-type: none"><li>• Testing of controls over the sales and invoicing cycle;</li><li>• Testing, on a sample basis, of sales transactions;</li><li>• Verification of delivery documentation and contractual terms;</li><li>• Performing year-end cut-off testing;</li><li>• Performing analytical procedures on revenue trends;</li><li>• Assessing the presentation and disclosures in the financial statements.</li></ul> <p>Based on the procedures performed, we did not identify any material misstatements in relation to this matter.</p>

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**Key Audit Matter****How it was addressed during audit****Valuation of inventories and cost of goods sold (COGS)**

Inventories represent a significant portion of the Company's assets and include raw materials and finished goods.

Cost of goods sold (COGS) is directly linked to the production process and includes raw material costs, labour costs and overhead costs, which are calculated and recorded through automated production and accounting systems.

The valuation of inventories and the determination of COGS require the use of management judgment, particularly in relation to:

- the allocation of production and overhead costs;
- the calculation of product costs;
- the determination of costs recognised in COGS;
- the assessment of net realizable value;
- the identification of slow-moving or obsolete inventories.

Due to the materiality, the complexity of the production process and the reliance on automated systems, this area has been considered a key audit matter.

Our audit procedures included, among others:

- Obtaining an understanding of the production processes and the automated systems supporting the recording of costs;
- Evaluating key controls over the calculation and allocation of production costs;
- Observing the physical inventory count;
- Testing, on a sample basis, the existence of inventories;
- Verifying inventory costs and supporting documentation;
- Testing the methodology for the allocation of production and overhead costs;
- Testing the calculation of COGS and its linkage to inventories and production;
- Performing analytical procedures on margins and production costs;
- Comparing cost to selling prices in order to assess net realizable value;
- Analysing slow-moving inventories and related provisions;
- Assessing the presentation and disclosures in the financial statements.

Based on the procedures performed, we did not identify any material misstatements in relation to this matter.

## **Other information**

Management is responsible for the other information. The other information comprises the Business Activity Report and the Report on Payments to Government Institutions (but does not include the consolidated financial statements and our auditor's report thereon).

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

The Company's financial statements as at and for the year ended December 31, 2024 have been audited by another auditor who has expressed an unqualified opinion on April 15, 2025.

## **Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements**

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

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

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

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We remain solely responsible for our audit opinion.

We communicate with 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.

## Report on Other Legal and Regulatory Requirements

In accordance with the requirements of the applicable legislation in the Republic of Albania for public interest entities, we declare that:

### 1. *Appointment of the auditor*

We were appointed as statutory auditor by the General Assembly of Shareholders on 08/12/2025 and have served as the auditor of the Company for the first time during the current year.

### 2. *Additional report to the Audit Committee*

Our audit opinion on the financial statements is consistent with the additional report prepared for the Audit Committee, in accordance with the requirements of Regulation No. 44, dated 30 September 2025, issued by the Public Oversight Board.

### 3. *Non-audit services*

During the engagement period, we have not provided any prohibited non-audit services and any other services provided, if any, have been performed in compliance with the applicable legal and regulatory requirements.



### 4. *Independence*

We have remained independent throughout the engagement period in accordance with the ethical, legal and regulatory requirements in force in the Republic of Albania.

Grant Thornton sh.p.k.

Tirana, Albania

13 May 2026

*Kledian Hoxha, FCA*  
  


# ANTEA CEMENT SH.A.

## CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

(Amounts in ALL thousand unless otherwise stated)

	Notes	Year ended 31 December 2025	Year ended 31 December 2024
Revenue from contracts with customers	7	9,285,355	10,141,107
Cost of sales	9	(6,762,867)	(6,718,867)
<b>Gross profit</b>		<b>2,522,488</b>	<b>3,422,240</b>
Other operating income	10	66,790	104,019
Other operating expenses	11	(25,719)	(118,437)
Selling and marketing expenses	12	(77,990)	(82,642)
Administrative expenses	13	(738,949)	(742,197)
Provision for bad debts		-	10,919
<b>Operating profit</b>		<b>1,746,620</b>	<b>2,593,902</b>
Finance income	15	153,836	509,778
Finance costs	15	(300,843)	(586,571)
<b>Profit before tax</b>		<b>1,599,613</b>	<b>2,517,109</b>
Income tax expense	16	(324,731)	(426,144)
<b>Profit for the year</b>		<b>1,274,882</b>	<b>2,090,965</b>
<b>Other Comprehensive income/(expense)</b>			
Exchange difference on translation of foreign operations	31	(5,548)	(23,572)
<b>Total Comprehensive Income for the year</b>		<b>1,269,334</b>	<b>2,067,393</b>
<b>Net Profit attributable to:</b>			
Owner of the parent		1,274,882	2,090,965
Non-controlling interest		-	-
		<b>1,274,882</b>	<b>2,090,965</b>
<b>Total comprehensive income attributable to:</b>			
Owners of the parent		1,269,334	2,067,393
Non-controlling interest		-	-
<b>Total comprehensive income for the year</b>		<b>1,269,334</b>	<b>2,067,393</b>

The notes on pages 6 to 37 are an integral part of these consolidated financial statements.

# ANTEA CEMENT SH.A.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in ALL thousand unless otherwise stated)

	Notes	31 December 2025	31 December 2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant, and equipment	17	14,702,529	15,102,157
Intangible assets	18	89,029	105,217
Right-of-use assets	19	250,839	312,627
Other non-current assets	20	9,537	9,537
Investment Properties		30,367	26,206
Deferred tax asset	16	1,424	1,815
<b>Total Non-Current Assets</b>		<b>15,083,725</b>	<b>15,557,559</b>
<b>Current assets</b>			
Inventories	21	1,883,493	2,383,836
Trade receivables	22	778,006	820,973
Other receivables	23	106,330	90,485
Trade receivables from related parties	32b	122,320	168,910
Income tax receivable		155,917	24,359
Cash and cash equivalents	24	766,758	638,913
<b>Total Current Assets</b>		<b>3,812,824</b>	<b>4,127,476</b>
<b>TOTAL ASSETS</b>		<b>18,896,549</b>	<b>19,685,035</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	25	8,014,883	8,014,883
Share-based options	26	15,599	16,792
Merger Reserve		15,034	15,034
Retained earnings		4,224,198	4,039,456
Translation reserve	31	(86,761)	(81,213)
<b>TOTAL EQUITY</b>		<b>12,182,953</b>	<b>12,004,952</b>
<b>Non-current liabilities</b>			
Interest bearing loans and borrowings	27,32e	961,632	1,366,496
Lease liabilities	19	161,425	234,349
Deferred income tax liabilities, net	16	883,762	940,273
<b>Total Non-Current Liabilities</b>		<b>2,006,819</b>	<b>2,541,118</b>
<b>Current liabilities</b>			
Trade payables	29	1,186,542	1,401,443
Derivative financial instruments		-	-
Other liabilities	30	140,822	234,403
Income tax payable		1,258	1,276
Interest bearing loans and borrowings	27,32e	2,031,204	1,976,699
Lease Liabilities	19	81,948	68,318
Due to shareholders		495,462	883,350
Trade payables to related parties	32d	769,541	573,476
<b>Total Current Liabilities</b>		<b>4,706,777</b>	<b>5,138,965</b>
<b>TOTAL LIABILITIES</b>		<b>6,713,596</b>	<b>7,680,083</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>18,896,549</b>	<b>19,685,035</b>

These consolidated financial statements have been approved by management of the group on 19 March 2026 and signed on its behalf by:

 <b>Dimitrios Dimou</b> General Manager		 <b>Arlinda Shiqerukaj</b> Finance Manager
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## ANTEA CEMENT SH.A.

### CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(Amounts in ALL thousand unless otherwise stated)

	Share capital	Share based options	Merger reserve	Accumulated deficit	Translation reserve	Non-controlling interests	Total equity
<b>As of 1 January 2024</b>	<b>10,686,510</b>	<b>15,291</b>	-	<b>1,956,759</b>	<b>(57,641)</b>	-	<b>12,600,919</b>
Net profit for the year	-	-	-	2,090,965	-	-	<b>2,090,965</b>
Other comprehensive loss/income	-	-	-	-	(23,572)	-	<b>(23,572)</b>
Capital reduction paid to Share Holders	(2,671,627)	-	-	-	-	-	<b>(2,671,627)</b>
Business combinations	-	-	15,034	-	-	-	<b>15,034</b>
<b>Total comprehensive income for the year</b>	<b>(2,671,627)</b>	-	<b>15,034</b>	<b>2,090,965</b>	<b>(23,572)</b>	-	<b>(589,200)</b>
Share Based Options (note 26)	-	1,501	-	(8,268)	-	-	<b>(6,767)</b>
<b>As of 31 December 2024</b>	<b>8,014,883</b>	<b>16,792</b>	<b>15,034</b>	<b>4,039,456</b>	<b>(81,213)</b>	-	<b>12,004,952</b>
Net profit for the year	-	-	-	1,274,882	-	-	<b>1,274,882</b>
Other comprehensive loss/income	-	-	-	-	(5,548)	-	<b>(5,548)</b>
Capital reduction paid to Share Holders	-	-	-	-	-	-	-
Dividends paid	-	-	-	(1,079,210)	-	-	<b>(1,079,210)</b>
Business combinations	-	-	-	-	-	-	-
<b>Total comprehensive income for the year</b>	-	-	-	<b>195,672</b>	<b>(5,548)</b>	-	<b>190,124</b>
Share Based Options (note 26)	-	(1,193)	-	(10,930)	-	-	<b>(12,123)</b>
<b>As of 31 December 2025</b>	<b>8,014,883</b>	<b>15,599</b>	<b>15,034</b>	<b>4,224,198</b>	<b>(86,761)</b>	-	<b>12,182,953</b>

# ANTEA CEMENT SH.A.

## CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in ALL thousand unless otherwise stated)

	Note	Year ended 31 December 2025	Year ended 31 December 2024
<b>Cash flows from operating activities</b>			
Profit before taxes		<b>1,599,613</b>	<b>2,517,378</b>
<i>Adjustments for:</i>			
Depreciation of property, plant, and equipment	17	1,054,466	994,648
Depreciation of right-of-use assets	19	81,727	95,198
Amortization of intangible assets	18	21,188	5,483
Gain on disposal of property, plant and equipment and intangible assets	17	-	-
Fair value gains from investment property		(4,161)	(24,373)
Movement in bad debt provision	22	-	10,919
Shared Bases Compensation	26	(12,123)	7,998
Interest income		25	15
Interest expense		151,705	166,141
Foreign exchange gains		(31,274)	(121,527)
<b>Working Capital Adjustments</b>			
Decrease / (Increase) in inventories	21	500,343	(242,567)
Decrease/ (Increase) in trade and other receivables	22,23	10,899	(245,919)
Increase / (Decrease) in trade and other payables	29,30	(40,797)	1,318,871
Increase / (Decrease) in payables for Shareholders		(387,888)	-
<b>Cash generated from operations</b>		<b>2,943,723</b>	<b>4,482,265</b>
Interest paid		(153,419)	(140,709)
Income Tax Paid		(493,962)	(618,075)
Interest received		(25)	(15)
<b>Net cash flows from operating activities</b>		<b>2,296,317</b>	<b>3,723,466</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant, and equipment	17	(654,838)	(571,322)
Acquisition of intangible assets	18	(5,000)	(81,843)
Proceeds from sales of property, plant, and equipment		-	-
<b>Net cash flows used in investing activities</b>		<b>(659,838)</b>	<b>(653,165)</b>
<b>Cash flows from financing activities</b>			
Proceeds of borrowings		396,499	1,041,954
Repayment of borrowings		(703,917)	(1,232,539)
Principal elements of lease payments		(80,057)	(97,864)
Payment of Fees		(10,628)	-
Increase in capital		-	(2,671,627)
Dividend Paid		(1,079,210)	-
<b>Net cash flows used in financing activities</b>		<b>(1,477,313)</b>	<b>(2,960,076)</b>
<b>Net increase in cash and cash equivalents</b>		<b>159,166</b>	<b>110,225</b>
Cash and cash equivalents on 1 January	24	638,916	601,626
Translation effect of foreign exchange currency		(31,324)	(72,938)
<b>Cash and cash equivalents on 31 December</b>	<b>24</b>	<b>766,758</b>	<b>638,913</b>

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**1. GENERAL INFORMATION**

These are the consolidated financial statements prepared in accordance with International Financial Reporting Standards of Antea Cement SH.A. (hereinafter referred as the “**Company**” or “**Antea**”) and its subsidiary (2024: subsidiaries) (hereinafter collectively referred as the “**Group**” or “**Antea Consolidated**”).

The Group’s core activity is the production and trade of cement, bulk and packed in bags and semi-finished products (such as clinker).

The Group is incorporated in the Republic of Albania, with registered address at “Rruga e Durrësit, Pallati prapa RING Center, Kati 1, Tirana, Albania.” The Group has the following subsidiary: (2024: subsidiaries):

<b>Subsidiary 2025</b>	<b>% of shares owned</b>	<b>Location</b>
Cementi Antea SRL	100	Marghera, Italy

<b>Subsidiary 2024</b>	<b>% of shares owned</b>	<b>Location</b>
Cementi Antea SRL	100	Marghera, Italy

The Group’s immediate parent is ALVACIM Ltd registered in Cyprus, which has 100% shareholding in the Group. (31 December 2024; Alvacim Ltd had 100% shareholding in the Group).

The Group’s ultimate parent company and controlling party is **Titan Cement International S.A** (hereinafter referred as “**TITAN Group**”) which is a listed company.

**Presentation currency.** These consolidated financial statements are presented in Albanian Lek (“ALL”). Except as indicated, financial information presented in ALL has been rounded to the nearest thousand.

**2. OPERATING ENVIRONMENT AND CLIMATE CHANGE**

The Group’s management and Supervisory Board acknowledge the critical importance of addressing climate change and environmental impacts within the integrated business environment in which it operates. The commitment to sustainability is woven into the corporate strategy, reflecting a dedication to responsible environmental management that aligns with the Titan Group’s overall business objectives. The environmental policy is designed to reduce greenhouse gas emissions, conserve resources, and minimize waste generation, supporting broader corporate goals.

Operating within the ISO 14001:2015 framework, the Environmental Management System (EMS) ensures that environmental considerations are seamlessly incorporated into operational processes, enabling systematic management of environmental risks. The Group strategically engages with the dynamic business environment, addressing environmental impact through various initiatives while remaining adaptable to broader economic and regulatory changes.

Environmental performance is rigorously monitored and reported annually, demonstrating progress in reducing the carbon footprint and increasing waste diversion. Compliance with environmental regulations and standards remains a cornerstone of the strategy. Management recognizes the importance of stakeholder engagement, working collaboratively with suppliers, communities, and regulators to inform and enhance the environmental strategy. Participation in industry forums allows The Group to contribute to the development of sustainable standards, keeping it at the forefront of change.

In recognizing the interconnected nature of the environment and business, the Group invests in research and development to drive innovation in renewable energy and sustainable materials. Collaborations with academic institutions help advance environmental solutions, ensuring that operations maintain high sustainability standards while adapting to emerging challenges and opportunities.

The Group is committed to ambitious goals such as further decreasing carbon emissions and achieving zero waste to landfill, with strategic plans that include renewable energy projects and expanding sustainable product lines. Management is highly responsive to external factors such as global conflicts, macro-economic trends, and the EU integration of Albania. These elements influence strategies, highlighting the need for resilience and adaptability in the environmental approach. Management remains vigilant regarding regulatory changes related to Albania’s EU integration, ensuring practices evolve in line with new standards and opportunities within the integrated business landscape.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**3. BASIS OF PREPARATION**

These consolidated financial statements (also referred to in this document as the “consolidated financial statements”) have been prepared in accordance with IFRS Accounting Standards under the historical cost convention. The material accounting policies applied in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated. The Group’s functional currency is Albanian Lekë (“ALL”), currency of the primary economic environment in which The Group operates. The preparation of consolidated financial statements in conformity with IFRS Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying The Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in **Note 4**.

**Going concern.** Management prepared these consolidated financial statements on a going concern basis. Even though the Group’s current liabilities exceed its current assets by **ALL 893,952 thousand**, the Group generated **ALL 2,296,317 thousand** net cash from operating activities during the year. Its operating profit resulted to **ALL 1,746,620 thousand**, net earnings amounted to **ALL 1,269,334 thousand**, EBITDA amounted to **ALL 2,904,001 thousand**, therefore The Group is able to meet its obligations as they become due.

**Basis of Consolidation**

The consolidated financial statements comprise the financial statements of The Group and its subsidiary as at 31 December 2025. Subsidiaries are those investees, including structured entities, that the Group controls because the Group (i) has power to direct the relevant activities of the investees that significantly affect their returns, (ii) has exposure, or rights, to variable returns from its involvement with the investees, and (iii) has the ability to use its power over the investees to affect the amount of the investor’s returns. The existence and effect of substantive rights, including substantive potential voting rights, are considered when assessing whether the Group has power over another entity.

For a right to be substantive, the holder must have a practical ability to exercise that right when decisions about the direction of the relevant activities of the investee need to be made. The Group may have power over an investee even when it holds less than the majority of the voting power in an investee. In such a case, the Group assesses the size of its voting rights relative to the size and dispersion of holdings of the other vote holders to determine if it has de-facto power over the investee. Protective rights of other investors, such as those that relate to fundamental changes of the investee’s activities or apply only in exceptional circumstances, do not prevent the Group from controlling an investee. Subsidiaries are consolidated from the date on which control is transferred to the Group (acquisition date) and are deconsolidated from the date on which control ceases.

The acquisition method of accounting is used to account for the acquisition of subsidiaries. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured at their fair values at the acquisition date, irrespective of the extent of any non-controlling interest.

The Group measures non-controlling interest that represents present ownership interest and entitles the holder to a proportionate share of net assets in the event of liquidation on a transaction-by-transaction basis, either at: (a) fair value, or (b) the non-controlling interest’s proportionate share of net assets of the acquiree. Non-controlling interests that are not present ownership interests are measured at fair value.

Goodwill is measured by deducting the net assets of the acquiree from the aggregate of the consideration transferred for the acquiree, the amount of non-controlling interest in the acquiree and the fair value of an interest in the acquiree held immediately before the acquisition date. Any negative amount (“negative goodwill” or a “bargain purchase”) is recognised in profit or loss, after management reassesses whether it identified all the assets acquired and all the liabilities and contingent liabilities assumed and reviews the appropriateness of their measurement.

The consideration transferred for the acquiree is measured at the fair value of the assets given up, equity instruments issued, and liabilities incurred or assumed, including the fair value of assets or liabilities from contingent consideration arrangements, but excludes acquisition related costs such as advisory, legal, valuation and similar professional services. Transaction costs related to the acquisition of and incurred for issuing equity instruments are deducted from equity; transaction costs incurred for issuing debt as part of the business combination are deducted from the carrying amount of the debt and all other transaction costs associated with the acquisition are expensed.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**3. BASIS OF PREPARATION (CONTINUED)**

**Basis of Consolidation (continued)**

Intercompany transactions, balances, and unrealised gains on transactions between Group companies are eliminated; unrealised losses are also eliminated unless the cost cannot be recovered. The Group and all of its subsidiaries use uniform accounting policies consistent with the Group's policies.

Non-controlling interest is that part of the net results and of the equity of a subsidiary attributable to interests which are not owned, directly or indirectly, by the Group. Non-controlling interest forms a separate component of the Group's equity. ANTEA CEMENT SH.A., fully owns its subsidiaries, and there are no non-controlling interests.

**Material accounting policy information**

**Transactions and balances.** Monetary assets and liabilities are translated into each entity's functional currency at the official exchange rate of the Central Bank of Albania ("BoA") at the respective end of the reporting period. Foreign exchange gains and losses resulting from the settlement of the transactions and from the translation of monetary assets and liabilities into each entity's functional currency at year-end official exchange rates of the BoA are recognized in profit or loss as finance income or costs. Translation at year-end rates does not apply to non-monetary items that are measured at historical cost.

**Property, plant, and equipment** are stated at cost, net of accumulated depreciation. Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. Costs of minor repairs and day-to-day maintenance are expensed when incurred. Cost of replacing major parts or components of property, plant and equipment items is capitalized and the replaced part is retired. All other repair and maintenance costs are recognized in the statement of profit or loss and other comprehensive income as incurred.

Infrastructure intervention that increases the useful life of the assets, improves operations and/or cost optimization, is capitalized into the cost of land improvements and/or buildings and depreciated over the useful life applicable to the respective category/class.

Spare parts are considered strategic and recognized as equipment when they are expected to be used for more than one period once available for use and the unit value of the qualifying strategic spare part equals or exceeds the equivalent of Euro 50 thousand in ALL. Strategic spare parts are classified as assets under construction in the note of property plant and equipment. Depreciation starts when these spare parts are installed and available for use in the production process.

**Depreciation.** Land is not depreciated. Construction in progress is also not depreciated until complete and transferred to the relevant classes of property, plant and plant equipment. Land improvements represent internal roads and other infrastructure interventions close to or giving access to its main facilities or quarry lands. Depreciation on other items of property, plant and equipment is calculated using the straight-line method to allocate their depreciable amount over their estimated useful lives:

Land improvements	5 to 20 years
Buildings	5 to 40 years
Plant machinery	5 to 40 years
Vehicles	5 to 20 years
Furniture and fittings	2 to 10 years
Electronic equipment	2 to 10 years

Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss as gains from disposal of fixed assets within other income.

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 3. BASIS OF PREPARATION (CONTINUED)

##### Material accounting policies (continued)

**Right-of-use assets.** The Group leases various lands, terminals, offices, and vehicles. Assets arising from a lease are initially measured at the present value of the amount of lease liabilities and any direct initial costs, unavoidable to enter the lease. Right-of-use assets are generally depreciated over the shorter of the underlying asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the right-of-use asset is depreciated over the underlying assets' useful lives. Depreciation on the items of the right-of-use assets is calculated using the straight-line method over their estimated useful lives as follows:

Land*	40 years
Buildings	5 to 10 years
Motor vehicles	3 to 5 years

\* Useful life of right-of-use of land is limited by contract terms.

The Group's **intangible assets** have definite useful lives and primarily include capitalized computer software, operating licenses, and works in progress (consisting mainly of costs of implementation of computer software). Acquired computer software licenses are capitalized based on the costs incurred to acquire and bring them to use.

Computer software	10 years
Operating licenses	10 years

**Inventories** are stated at the lower of cost and net realizable value. The cost of finished goods and work in progress comprises raw material, direct labour, other direct costs, and related production overheads (based on the normal operating capacity) but excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and selling expenses. At the reporting date, all inventory is at cost as net realizable value is higher.

Costs incurred in bringing each product to its present location and conditions are accounted for as follows:

- Purchase cost on an average cost basis.
- Finished goods and work in progress.
- Cost of direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs.
- Excise tax paid on imports.

**Other non-current assets** comprise repossessed collateral i.e. real estate properties foreclosed by the Group against receivables due from its customers. These assets are initially recorded at the value determined by the execution process (which is the value used against the receivables due) and they are subsequently measured at the lower of that amount and their net realizable value, fair value less costs to sale. Their net realizable value is measured based on external independent licenced property valuation expert reflecting costs to sell the properties in addition to their fair market value.

**Financial instruments - Initial recognition** All financial instruments are initially recorded at fair value adjusted for transaction costs. Fair value at initial recognition is best evidenced by the transaction price. After the initial recognition, an expected credit loss ("ECL") allowance is recognized for financial assets measured at amortized cost ("AC") resulting in an immediate accounting loss.

**Financial assets - Classification and subsequent measurement – measurement categories.** Group's financial instruments are subsequently measured at amortized cost, and they include trade and other receivables (mostly with customers for goods and services) and cash and cash equivalents. The Group's financial instruments are held to be collected and because of their short-term nature, there is no financing component or interests. The business model assessment and test that cash flows from financial assets represent solely payments of principal and interest ("SPPI") is not necessary to be performed to confirm the appropriateness of the subsequent measurement of trade and other receivables.

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 3. BASIS OF PREPARATION (CONTINUED)

##### Material accounting policies (continued)

**Financial assets - Impairment of financial assets – credit loss allowance for ECL.** The Group assesses the ECL for its financial instruments (trade and other receivables) measured at AC. The Group measures ECL and recognizes net impairment charge on financial (and contract assets if the case) at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes and (ii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions, and forecasts of future conditions. Given the nature of the Group's financial instruments consisting in trade and other receivables only, credit loss allowance is recognized using a simplified approach of lifetime ECL. The Group does not assess ECL for trade receivables from related parties considering that the Group has no history of defaults and no LGD and thus their ECL is non-significant.

**Cash and cash equivalents** include cash in hand, current accounts and deposits held at call with banks. Cash and cash equivalents are carried at amortized cost using the effective interest method. The Group does not measure ECL for cash and cash equivalents due to their short-term nature and lack of recorded defaults and thus their ECL is considered as non-significant.

**Share capital.** Ordinary shares are classified as equity.

**Liabilities arising from a lease** are initially measured at the discounted present value of the future lease payments. Lease liabilities include the net present value of lease fixed payments. The lease payments are discounted using the interest rate implicit in the lease. As that rate cannot be readily determined, the Group's incremental borrowing rate is used, being the rate that The Group would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, collateral, and conditions.

The Group uses incremental borrowing rate of Titan Cement International being the same or similar rate that the Group would obtain or which can be directly provided by the Group's financing entities.

Lease payments are allocated between principal and finance costs. The finance costs are charged to profit or loss over the lease period to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. Low-value assets comprise small items with value of ALL 500 thousand or less.

**Financial liabilities - measurement – measurement categories.** Financial liabilities are classified as subsequently measured at AC. The Group's financial liabilities include trade and other payables, loans, and borrowings.

**Income taxes** have been provided for in the consolidated financial statements in accordance with legislation enacted or substantively enacted by the end of the reporting period. The income tax charge comprises current tax and deferred tax and is recognized in profit or loss for the year.

Current tax is the amount expected to be paid to, or recovered from, the taxation authorities in respect of taxable profits or losses for the current and prior periods. Taxable profits or losses are based on estimates if the consolidated financial statements are authorized prior to filing relevant tax returns. Taxes other than on income are recorded within operating expenses.

Deferred income tax is provided using the balance sheet liability method for temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax balances are measured at tax rates enacted or substantively enacted at the end of the reporting period, which are expected to apply to the period when the temporary differences will reverse.

**Value added tax.** Output value added tax related to sales is payable to tax authorities on the earlier of (a) collection of receivables from customers or (b) delivery of goods or services to customers. Input VAT is generally recoverable against output VAT upon receipt of the VAT invoice. The tax authorities permit the settlement of VAT on a net basis. VAT related to sales and purchases is recognized in the consolidated statement of financial position on a net basis and disclosed separately as an asset or liability.

Where provision has been made for the ECL of receivables, the impairment loss is recorded for the gross amount of the debtor, including VAT. Based on the tax legislation, following fulfilment of certain criteria VAT can be recovered/offset, as a result such amounts have been considered for the impairment loss calculation.

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 3. BASIS OF PREPARATION (CONTINUED)

##### Material accounting policies (continued)

**Share-based compensation plans** The Group is included in the Titan Group's cash settled share-based compensation plans which are provided to members of senior management for their service to The Group through Titan share schemes that covers several of its subsidiaries. On 13 May 2019, the Extraordinary General Meeting of Titan Cement International S.A. (TCI) approved a new long-term incentive plan. One year after, **on 14 May 2020**, the Annual General Meeting of TCI **included it in the Remuneration Policy**. The participants of the plan were informed of the program on 14 May 2020 (i.e., the entity and the counterparty have a shared understanding of the terms and conditions of the arrangement), being the grant date.

Currently, Titan Group has the following schemes: (1) the share options plans (2014 and 2017) and (2) the long-term incentive plan introduced in 2021, 2022, 2023, 2024 and 2025, which concerns share awards. The Group was not subject to the first scheme.

**Employee services settled in cash.** The share-based compensation plan is classified from the perspective of each subsidiary. Even though the compensation plan is classified as cash-settled in the consolidated financial statements of the parent company, Titan Cement International S.A., based on which shares the scheme is linked to, it is considered equity-settled in The Group's financial statements as The Group has no obligation to settle the awards to the participants. Obligations are with the parent company. Consequently, The Group recognizes the fair value of the awards measured at grant-date as an employee benefits expense in profit or loss, with a corresponding increase in equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the shares determined at the grant date. The awards have no dividend or voting rights. Each award corresponds to one share. The value of the shadow share is equal to the average TCI share closing price on Euronext Brussels in May of the grant year.

The total expense is recognized over the vesting period, which is the period over which the specified service conditions are to be satisfied. At the end of each period, The Group revises its estimates of the number of awards that are expected to vest based on the service vesting conditions (time with The Group in the relevant role) and forfeiture rate. There are no market-based vesting conditions. It recognizes the impact of the revision to original estimates, if any, in profit or loss, with a corresponding adjustment to equity.

The vesting period of the awards is as follows:

- 50% at the completion of a three-year period and
- 50% at the completion of a four-year period.

Under the plan, participants are granted awards for nil consideration in the form of a conditional grant of TCI shadow shares in April each year. The awards vest at the designated dates from April to March of next year, provided that the participants are still working in TCI or in any other employer company of the Group or are still serving as an executive Director in the Board of Directors of TCI.

Upon vesting, participants may select to receive their vested awards in TCI shares or in cash. The Group as all subsidiaries is invoiced by TCI when the awards are settled to its employees. The Group reclassifies the respective amount classified in equity for the settled shares to liabilities to TCI at this stage. Once awards are vested, The Group is re-charged by its parent company at the fair value of the vested awards at the vesting date. At this moment, The Group derecognizes the amount of share-compensations in equity with the difference as an additional expense (staff costs).

**Revenue** is income arising in the course of the Group's ordinary activities. Revenue is recognized in the amount of the transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties.

Revenue comprises the amount for the sale of goods and services net of value-added tax, and discounts.

**Sales of goods.** Sales are recognized when control of the good has transferred, being when the goods are delivered to the customer through Ex Works and CPT, the customer has full discretion over the goods, and there is no unfulfilled obligation that could affect the customer's acceptance of the goods. Delivery occurs when the goods have been shipped to the specific location (Ex Works) or delivered to the specific location (CPT), the risks of obsolescence and loss have been transferred to the customer.

Revenue from the sales of goods is recognized based on the price specified in the contract, net of the estimated monthly volume rebates. Rebates are calculated monthly based on the volumes delivered to each customer in the specific month.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**3. BASIS OF PREPARATION (CONTINUED)**

**Material accounting policies (continued)**

A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

**Sales of Services.** The Group provides services under fixed-price contracts. Revenue from providing services is recognized in the accounting period in which the services are rendered, over time. For fixed-price contracts, revenue is recognized based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided because the customer receives and uses the benefits simultaneously.

The customer pays the fixed amount based on a payment schedule. If the services rendered by the Group exceed the payment, a contract asset is recognized. If the payments exceed the services rendered, a contract liability is recognized. Customers are invoiced for transportation costs incurred by the Group as a separate performance obligation (CPT).

The Group also provides disposal services for oil sludges using them for fuel in its production process. It is also recognized as a separate performance obligation over time.

**Employee benefits.** Wages, salaries, contributions to the defined contributions plan of the Government's Social Security Fund annual paid leave, paid sick leave, bonuses, and non-monetary benefits (such as health services, transportation, company's vehicles, phone plans) are accrued in the month and year in which the associated services are rendered by the employees of the Group. The Group has no legal or constructive obligation to make pension or similar defined benefit payments beyond the statutory defined contribution scheme.

The Group has a discretionary retention plan in place provided to key personnel based on which, the Group determines the amounts of contributions to be calculated is made available to the employee on termination of their employment proportionate to the employment period. Expenses for the plan are accrued in the month and year associated with the services provided by the employee and the Group has no further obligations beyond the amounts accrued in the plan at the end of each month and year.

**4. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES**

The Group makes estimates and assumptions that affect the amounts recognized in the consolidated financial statements and the carrying amounts of assets and liabilities within the next financial year. Estimates and judgements are continually evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Management also makes certain judgements, apart from those involving estimations, in the process of applying the accounting policies. Judgements that have the most significant effect on the amounts recognized in the consolidated financial statements and estimates that can cause a significant adjustment to the carrying amount of assets and liabilities within the next financial year include:

Useful lives of property, plant and equipment – **Note 17.**

Classification of spare parts to inventory– **Notes 22.**

Measurement of Expected Credit Losses- **Notes 22.**

**Environmental restoration costs - Provisions for Forestation**

The Group performs restoration work of the utilized areas on an ongoing basis following the annual exploitation plan agreed with relevant authorities. The costs are expensed as incurred as they consist of re-forestation on a real time basis on quarries and processing sites. The Group's obligation is only triggered once the exploitation is made. Therefore, re-forestation is not deferred for periods longer than a year. The liability arises as the Group utilizes the planned levels of the quarries area. The Group has no other decommissioning or restoration liabilities for which it needs to raise provisions.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**5. ADOPTION OF NEW OR REVISED STANDARDS AND INTERPRETATIONS**

The following new and amended standards have been adopted as at 1 January 2025. These standards did not have a significant impact on the Group's consolidated financial statements and therefore have not been separately disclosed:

- Lack of Exchangeability (Amendments to IAS 21)

Lack of Exchangeability – Amendments to IAS 21 (issued in August 2023, effective for annual periods beginning on or after 1 January 2025). These amendments clarify how an entity determines whether a currency is exchangeable into another currency and how to determine the exchange rate when exchangeability is lacking. The amendments introduce guidance requiring an entity to assess whether it can obtain the other currency within a timeframe that allows for normal administrative delays and through markets or exchange mechanisms that create enforceable rights and obligations.

Where a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate that reflects the rate at which an orderly exchange transaction would take place between market participants at that date. The amendments also introduce additional disclosure requirements to enable users of financial statements to understand the impact of a lack of exchangeability on the entity's financial performance, financial position, and cash flows, including information about the nature of the restrictions, the currencies affected, and the estimation techniques applied.

Management has assessed the impact of these amendments and concluded that they do not have a material effect on the Group's consolidated financial statements, as the Group operates in environments where currencies are exchangeable and does not have transactions subject to significant foreign exchange restrictions.

**6. NEW ACCOUNTING PRONOUNCEMENTS**

At the date of authorisation of these financial statements, several new, but not yet effective, Standards and amendments to existing Standards, and Interpretations have been published by the IASB or IFRIC. None of these Standards or amendments to existing Standards have been adopted early by the Group and no Interpretations have been issued that are applicable and need to be taken into consideration by the Group at the reporting date.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 'Presentation of Financial Statements'. Although IFRS 18 includes many of the requirements of IAS 1, it introduces new requirements to better structure financial statements and to provide more detailed and useful information to investors, including:

- two new subtotals defined in the statement of profit or loss, namely (1) operating profit and (2) profit or loss before financing and income taxes
- the classification of all income and expenses within the statement of profit or loss in one of five categories
- a new requirement to disclose performance measures defined by management, and
- an improvement in the principles related to the aggregation and disaggregation of information in the financial statements and accompanying notes.

Some of the disclosure requirements previously contained in IAS 1 have been transferred to IAS 8 without any material changes. This applies in particular to disclosures on accounting policies and sources of estimation uncertainty. As a result of these changes, IAS 8 will be renamed 'Basis of Preparation of Financial Statements'.

The publication of IFRS 18 also results in consequential amendments to other IFRS Accounting Standards, including IAS 7.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027, with earlier application permitted. IFRS 18 will be applied retrospectively with specific transitional provisions.

Other Standards and amendments that are not yet effective and have not been adopted early by the Group include:

- Amendments to IFRS 9 and IFRS 7 – Classification and Measurement of Financial Instruments (effective for annual reporting periods beginning on or after 1 January 2026). These amendments clarify specific aspects of the classification of financial assets, including the assessment of contractual cash flow characteristics and the treatment of financial assets with contingent features. The amendments also introduce additional disclosure requirements to enhance transparency regarding investments in equity instruments designated at fair value through other comprehensive income. Management does not expect the amendments to have a material impact on the Group's financial position or performance.

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 6. NEW ACCOUNTING PRONOUNCEMENTS (CONTINUED)

- Amendments to IFRS 9 and IFRS 7 – Contracts Referencing Nature-dependent Electricity (effective for annual reporting periods beginning on or after 1 January 2026). These amendments address the accounting for certain contracts that reference nature-dependent electricity, such as power purchase agreements. The amendments clarify the application of hedge accounting requirements and measurement considerations for such contracts. The Group does not currently enter into contracts of this nature; therefore, no material impact is expected.
- Annual Improvements to IFRS Accounting Standards – Volume 11 (effective for annual reporting periods beginning on or after 1 January 2026). These improvements introduce minor amendments to various IFRS Accounting Standards aimed at clarifying wording, correcting unintended inconsistencies, and updating references. Management does not expect these amendments to have a material effect on the Group's consolidated financial statements.
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures (effective for annual reporting periods beginning on or after 1 January 2027). IFRS 19 permits eligible subsidiaries to apply reduced disclosure requirements while continuing to apply recognition and measurement requirements of IFRS Accounting Standards. The Group is currently assessing whether it meets the eligibility criteria for application of this standard; however, no decision has been made regarding early adoption.

These Standards and amendments are not expected to have a significant impact on the Group's consolidated financial statements in the period of initial application.

#### 7. REVENUES FROM CONTRACTS WITH CUSTOMERS

The revenues reflected in the consolidated statement of profit or loss and other comprehensive income are analysed as follows:

	2025	2024
Sales of own cement	8,575,827	8,955,628
Sales of clinker	459,256	693,264
Sales of imported cement	21,628	4,064
Revenue from freight	220,101	295,984
Revenue from other materials	8,543	1,826
Revenue from services	-	190,341
<b>Total</b>	<b>9,285,355</b>	<b>10,141,107</b>

The sales of products are analysed as follows in terms of domestic and foreign market, as well as per type of product.

	2025	2024
Domestic market	6,201,055	6,981,676
Foreign market (exports) (Note 32a)	3,084,300	3,159,431
<b>Total</b>	<b>9,285,355</b>	<b>10,141,107</b>
<b>Domestic market</b>		
Sales of own cement	5,660,255	5,934,268
Sales of clinker	344,101	693,264
Sales of imported cement	21,628	4,064
Revenues from freight	166,528	157,913
Revenues from other materials	8,543	1,826
Revenues from services	-	190,341
<b>Total</b>	<b>6,201,055</b>	<b>6,981,676</b>
<b>Foreign market</b>		
Sales of own cement	2,915,572	3,021,360
Sales of clinker	115,155	-
Sales of imported cement	-	-
Revenues from freight	53,573	138,071
<b>Total</b>	<b>3,084,300</b>	<b>3,159,431</b>

**ANTEA CEMENT SH.A.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025***(Amounts in ALL thousand unless otherwise stated)***7. REVENUES FROM CONTRACTS WITH CUSTOMERS (CONTINUED)**

The Group derives revenue from the transfer of goods at a point in time. For domestic sales, land exports control is transferred when the goods are made available (ex-works) to the customer for their pick-up, usually directly at the plant and when delivered by a carrier (CPT). For overseas export sales to Italy, control is transferred when the vessel arrives at the destination port.

	<b>2025</b>	<b>2024</b>
Point-in-time	9,056,712	9,652,956
Over time	228,643	488,151
<b>Total</b>	<b>9,285,355</b>	<b>10,141,107</b>

Contracts with customers do not contain a significant financing component as the payment terms are on short-term credit terms between 30 and 90 days. The Group provides no discount for early settlement.

**8. EXPENSES BY NATURE**

	<b>2025</b>	<b>2024</b>
Staff costs and related expenses	655,861	585,903
Raw materials, packing and consumables	1,369,213	1,335,746
Energy cost	2,415,573	2,812,223
Changes in inventory of finished goods and work in progress	257,640	42,251
Cost of trading goods	46,708	6,729
Losses from derivative contracts	-	-
Utilities	17,527	20,281
Distribution expenses	651,941	718,694
Third party services (Notes 9, 12, 13)	760,448	809,859
External audit fees	6,322	6,614
Depreciation, amortization and impairment of tangible, intangible assets & right of use assets (Note 35)	1,157,381	1,089,888
Other expenses	241,193	115,518
<b>Total expenses by nature</b>	<b>7,579,807</b>	<b>7,543,706</b>
<i>Included in:</i>		
Cost of sales (note 9)	6,762,867	6,718,867
Administrative expenses (note 13)	738,949	742,197
Selling and marketing expenses (note 12)	77,990	82,642
<b>Total</b>	<b>7,579,806</b>	<b>7,543,706</b>

Other expenses include insurance, local taxes, donations, and other costs which are allocated as appropriate. The contracted audit fee for the statutory audit of the separate and consolidated Financial Statements as well as audit and review of Group Reporting forms of Titan Cement International S.A. for 2025 is ALL 3,500 thousand. The external auditor did not provide any non-audit services during the year.

**ANTEA CEMENT SH.A.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025***(Amounts in ALL thousand unless otherwise stated)***9. COST OF SALES**

	<b>2025</b>	<b>2024</b>
<b>Variable costs:</b>	<b>4,356,567</b>	<b>4,653,064</b>
Freight and logistic costs	669,410	730,054
Kiln fuel	1,252,465	1,454,224
Electricity	1,163,850	1,167,659
Raw materials and additives	761,809	743,004
Refractories	83,521	107,537
Fuel and oil	-	-
Royalty	50,054	50,576
Packing expenses	297,150	264,389
Cost of imported Cement	43,606	4,430
Cost of materials sold	3,102	2,299
Electricity – Change in FV of derivatives	-	-
Other variable costs	31,600	128,892
<b>Fixed costs:</b>	<b>2,147,885</b>	<b>2,023,553</b>
Plant salaries and related expenses	441,870	373,560
Repair and maintenance – spare parts	128,494	124,523
Services from third parties	394,329	408,509
Rent expenses	276	254
Plant utilities	47,693	47,248
Other fixed cost	91,153	77,281
Depreciation charges	982,312	916,739
Depreciation Right of use Assets	61,758	75,439
<b>Changes in inventory of finished goods and work in progress</b>	<b>258,415</b>	<b>42,250</b>
<b>Total</b>	<b>6,762,867</b>	<b>6,718,867</b>

Overheads are allocated to cost of sales, selling and marketing and administrative expense based on the cost centres they are related to (i.e. based on the cost centre that actually used the service).

Freight and logistic costs are further detailed as follows for year ended 31 December 2025 and 2024:

	<b>2025</b>	<b>2024</b>
Freight and logistic costs related to domestic sales	285,431	279,277
Freight and logistic costs related to exports sales	160,619	185,252
Freight related to overseas transportation	223,360	265,525
<b>Total</b>	<b>669,410</b>	<b>730,054</b>

**10. OTHER OPERATING INCOME**

Other income in the consolidated statement of profit or loss and other comprehensive income are analysed as follows:

	<b>2025</b>	<b>2024</b>
Fair value gains from investment property	4,161	24,373
Reimbursement of excise duties	-	27,109
Other income	62,629	52,537
<b>Total</b>	<b>66,790</b>	<b>104,019</b>

2025: Included in other operating income, the amount of ALL 29,107 thousand (2024: ALL 23,492 thousand) relates to the recharge of employee expenses that arise for their service for affiliated companies.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

(Amounts in ALL thousand unless otherwise stated)

**11. OTHER OPERATING EXPENSES**

	<b>2025</b>	<b>2024</b>
Net Book Value of Fix Assets Sold	-	3,217
Fines and Penalties	1,756	98,998
Other provisions	3,091	4,526
Losses of inventory	4,250	3,555
Other expenses	16,622	8,141
<b>Total</b>	<b>25,719</b>	<b>118,437</b>

Inventory losses are related to disposal of production due to quality issues in the amount of ALL 4,250 thousand consumable materials, (2024: ALL 2,722 thousand trading goods and ALL 1,283 thousand of raw materials). Because of the small value, these were not allocated to cost of sale. (2024: Fines and penalties include a fine imposed by the Competition Authority for alleged abuse of market position in setting prices) (**Note 36**).

**12. SELLING AND MARKETING EXPENSES**

These expenses relate to costs incurred during the main activities of the Group companies for selling and marketing of the primary products.

	<b>2025</b>	<b>2024</b>
Salaries and related expenses ( <b>Note 14</b> )	53,478	59,910
Utilities	11,012	12,387
Depreciation Right of use Assets	1,581	2,126
Other expenses	11,919	8,219
<b>Total</b>	<b>77,990</b>	<b>82,642</b>

**13. ADMINISTRATIVE EXPENSES**

An analysis of general and administrative expenses is presented in the table below:

	<b>2025</b>	<b>2024</b>
Parent company management fees	213,868	206,921
Salaries and related expenses	160,515	152,433
Supplies	85,024	79,148
Depreciation	72,158	72,468
Insurance and taxes	37,576	39,612
IT consulting services	21,861	23,233
Depreciation of right of use assets	18,388	17,633
Utilities	6,515	7,894
Repairs and maintenance	4,955	5,517
Amortization	21,188	5,483
Travel-entertainment	5,896	4,228
Tax consulting services	4,254	3,426
Legal consulting services	21,200	60,916
Audit fees	6,322	6,614
Other administrative expenses	59,229	56,671
<b>Total</b>	<b>738,949</b>	<b>742,197</b>

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

(Amounts in ALL thousand unless otherwise stated)

**13. ADMINISTRATIVE EXPENSES (CONTINUED)**

Other administrative expenses include donations 27,562 thousand and other professional services ALL 17,471 thousand (2024: donations ALL 26,510 thousand and other professional services ALL 24,397 thousand). Management fees are based on the cost of the services that is provided centrally by the group and allocated to the subsidiaries, and it includes a margin which is based on the transfer pricing benchmarking.

**14. EMPLOYEE BENEFIT EXPENSES**

Employee benefit expenses represent costs for salaries and wages incurred during the year.

	2025	2024
Gross salaries	462,614	384,270
Social security (public defined contribution plan)	43,937	40,617
Health contributions	10,631	5,822
Share-based payments	4,594	7,998
Accruals for annual leave	-	1,771
Long-term retention plan	3,091	2,755
Other employee related expenses	134,087	147,196
<b>Total Employee Expenses</b>	<b>658,954</b>	<b>590,429</b>
<i>Allocated to:</i>		
Cost of sales (Note 9)	441,870	373,560
Other operating expenses (Note 11)	3,091	4,526
Selling and marketing expenses (Note 12)	53,478	59,910
Administrative expenses (Note 13)	160,515	152,433
<b>Total</b>	<b>658,954</b>	<b>590,429</b>

**15. FINANCE INCOME AND FINANCE COSTS**

Net finance costs for years ended 31 December 2025 and 2024 are detailed as follows:

	2025	2024
Interest income	(25)	(15)
Foreign exchange gain	153,861	509,793
<b>Finance Income</b>	<b>153,836</b>	<b>509,778</b>
Interest expenses	(151,705)	(166,141)
Interest expenses – leases	(10,195)	(9,423)
Bank Charges	(16,356)	(22,741)
Foreign exchange losses	(122,587)	(388,266)
<b>Finance cost</b>	<b>(300,843)</b>	<b>(586,571)</b>
<b>Total finance cost</b>	<b>(147,007)</b>	<b>(76,793)</b>

**16. INCOME TAX**

a) Components of income tax (expense) / benefit

	2025	2024
Current income tax	(380,851)	(512,815)
Deferred income tax	56,120	86,671
<b>Income tax expense</b>	<b>(324,731)</b>	<b>(426,144)</b>

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

(Amounts in ALL thousand unless otherwise stated)

**16 INCOME TAX (CONTINUED)**

b) Reconciliation between the income tax expense and profit or loss multiplied by applicable tax rate.

The Group determines income tax at the end of the year in accordance with the respective tax legislation currently enacted.

The following is a reconciliation of income taxes calculated at the applicable tax rate to the actual taxation credited in profit or loss.

	2025	2024
<b>Profit before tax</b>	<b>1,599,613</b>	<b>2,517,109</b>
Tax Calculated at domestic rates applicable to profits	250,224	386,635
<i>Tax effect of items which are not deductible or assessable for taxation purposes:</i>		
- Income which is exempt from taxation	-	(1,198)
- Taxable income	-	2,255
- Non-deductible expenses	52,524	45,656
- Unrecognised other potential deferred tax assets	21,983	(7,204)
<b>Income tax expense/(credit) for the year</b>	<b>324,731</b>	<b>426,144</b>
Effective income tax rate	20.3%	16.9%

Current income tax for the years 31 December 2025 and 2024 is calculated as follows based on the income tax law:

	2025	2024
Profit before income tax	<b>1,599,613</b>	<b>2,517,109</b>
<b>Add Back:</b>		
Expenses not deductible for tax purposes	327,068	412,108
Tax depreciation	523,294	450,685
Utilization of taxable losses	-	1,067
<b>Less:</b>		
Non-taxable income	11,241	(29,365)
<b>Taxable profit</b>	<b>2,461,216</b>	<b>3,351,604</b>
<b>Current income tax charge</b>	<b>380,851</b>	<b>512,815</b>

c) Deferred taxes analysed by type of temporary difference

Differences between IFRS and statutory taxation regulations in Albania and Italy give rise to temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and their tax bases. The tax effect of the movements in these temporary differences is detailed below.

Deferred taxes by type of temporary differences are analysed below.

Deferred tax assets	31 December 2023	Charged/ (credited) to profit of loss	31 December 2024	Charged/ (credited) to profit of loss	31 December 2025
Provisions for liabilities and charges	56,848	(2,960)	53,888	3,223	57,111
Losses carried forward	-	-	-	-	-
Right-of-use assets and lease liabilities	3,256	3,356	6,612	(3,900)	2,712
Recognized deferred income tax asset	60,104	396	60,500	(677)	59,823

**ANTEA CEMENT SH.A.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025***(Amounts in ALL thousand unless otherwise stated)***16 INCOME TAX (CONTINUED)**

c) Deferred taxes analysed by type of temporary difference (continued)

Deferred tax liability	31 December 2023	Charged/ (credited) to profit of loss	31 December 2024	Charged/ (credited) to profit of loss	31 December 2025
Difference between tax and accounting value of PPE	(1,085,234)	86,274	(998,960)	56,798	(942,162)
Recognized deferred income tax liability	(1,085,234)	86,274	(998,960)	56,798	(942,162)
<b>Net deferred tax asset/(liability)</b>	<b>(1,025,130)</b>	<b>86,670</b>	<b>(938,460)</b>	<b>56,121</b>	<b>(882,339)</b>

**ANTEA CEMENT SH.A.  
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**17. PROPERTY, PLANT AND EQUIPMENT**

	Land and improvements	Buildings	Plant and machinery	Vehicles	Furniture and Fittings	Electronic Equipment	Assets under construction	Total
<b>Cost</b>								
At 1 January 2024	3,103,955	1,946,968	21,003,316	70,034	43,610	254,590	565,331	26,987,804
Additions	-	-	-	-	1,231	-	570,091	571,322
Disposals	-	(3,963)	(104,599)	-	-	-	-	(108,562)
Transfers	4,841	12,451	812,402	-	-	8,462	(838,156)	-
<b>At 31 December 2024</b>	<b>3,108,796</b>	<b>1,955,456</b>	<b>21,711,119</b>	<b>70,034</b>	<b>44,841</b>	<b>263,052</b>	<b>297,266</b>	<b>27,450,564</b>
<b>Depreciation:</b>								
At 1 January 2024	883,535	677,219	9,467,812	69,617	34,358	225,962	-	11,358,682
Depreciation charge for the year	73,602	51,659	857,076	100	2,245	9,966	-	994,648
Disposal	-	-	(4,923)	-	-	-	-	(4,923)
Transfers	-	-	-	-	-	-	-	-
<b>At 31 December 2024</b>	<b>957,137</b>	<b>728,878</b>	<b>10,319,965</b>	<b>69,717</b>	<b>36,783</b>	<b>235,928</b>	<b>-</b>	<b>12,348,407</b>
<b>Net book value at</b>								
1 January 2024	2,220,420	1,269,749	11,535,504	417	9,072	28,628	565,331	15,629,122
Net book value at								
31 December 2024	2,151,659	1,226,578	11,391,154	317	8,058	27,124	297,266	15,102,157

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**17. PROPERTY, PLANT AND EQUIPMENT (CONTINUED)**

	Land and improvements	Buildings	Plant and machinery	Vehicles	Furniture and fittings	Electronic equipment	Assets under construction	Total
<b>Cost</b>								
At 1 January 2025	3,108,796	1,955,456	21,711,119	70,034	44,841	263,052	297,266	27,450,564
Additions	-	-	-	-	-	4,020	649,960	653,980
Disposals	-	-	-	-	-	-	-	-
Transfers	7,646	92,265	597,647	-	-	3,772	(701,330)	-
<b>At 31 December 2025</b>	<b>3,116,442</b>	<b>2,047,721</b>	<b>22,308,766</b>	<b>70,034</b>	<b>44,841</b>	<b>270,844</b>	<b>245,896</b>	<b>28,104,544</b>
<b>Depreciation:</b>								
At 1 January 2025	957,137	728,878	10,319,965	69,717	36,783	235,927	-	12,348,407
Depreciation charge for the year	73,807	56,630	911,823	75	1,859	10,272	-	1,054,466
Disposal	-	-	-	-	-	(858)	-	(858)
Transfers	-	-	-	-	-	-	-	-
<b>At 31 December 2025</b>	<b>1,030,944</b>	<b>785,508</b>	<b>11,231,788</b>	<b>69,792</b>	<b>38,642</b>	<b>245,341</b>	<b>-</b>	<b>13,402,015</b>
<b>Net book value at 1 January 2025</b>	<b>2,151,659</b>	<b>1,226,578</b>	<b>11,391,154</b>	<b>317</b>	<b>8,058</b>	<b>27,125</b>	<b>297,266</b>	<b>15,102,157</b>
<b>Net book value at 31 December 2025</b>	<b>2,085,498</b>	<b>1,262,213</b>	<b>11,076,978</b>	<b>242</b>	<b>6,199</b>	<b>25,503</b>	<b>245,896</b>	<b>14,702,529</b>

Included under assets under construction are strategic spare parts amounting to ALL 244,154 thousand (31 December 2024: ALL 262,641 thousand). These are held for immediate replacement of critical components of the kiln or other parts production line. No property, plant and equipment have been pledged as a collateral as at 31 December 2025 (2024: Nil). No finance costs qualified as borrowing costs to be capitalised as of 31 December 2025 (2024: Nil).

**Critical accounting estimates and judgments in applying accounting policies**

**Useful lives of property plant and equipment, and intangible assets**

The estimation of the useful lives of items of property, plant and equipment is a matter of judgment based on the experience with similar assets. The future economic benefits embodied in the assets are consumed principally through use. However, other factors, such as technical or commercial obsolescence and wear and tear, often result in the diminution of the economic benefits embodied in the assets. Management assesses the remaining useful lives in accordance with the current technical conditions of the assets and estimated period during which the assets are expected to earn benefits for the Group. The following primary factors are considered: (a) the expected usage of the assets; and (b) the expected physical wear and tear, which depends on operational factors and maintenance program; and (c) the Titan Group's experience with similar classes of assets.

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**18. INTANGIBLE ASSETS**

Group's movements in intangible assets are shown as follows:

	Computer software	Licences	CIP Intangibles	Total
<b>Cost:</b>				
<b>At 1 January 2024</b>	<b>167,867</b>	<b>8,294</b>	-	<b>176,161</b>
Additions	81,101	743	-	81,844
<b>At 31 December 2024</b>	<b>248,968</b>	<b>9,037</b>	-	<b>258,005</b>
Additions	2,751	-	2,249	5,000
Transfers	2,249	-	(2,249)	-
<b>At 31 December 2025</b>	<b>253,968</b>	<b>9,037</b>	-	<b>263,005</b>
<b>Amortization:</b>				
<b>At 1 January 2024</b>	<b>143,302</b>	<b>4,002</b>	-	<b>147,304</b>
Amortization charge for the year	4,593	891	-	5,484
<b>At 31 December 2024</b>	<b>147,895</b>	<b>4,893</b>	-	<b>152,788</b>
Amortization charge for the year	19,632	1,556	-	21,188
<b>At 31 December 2025</b>	<b>167,527</b>	<b>6,449</b>	-	<b>173,976</b>
<b>Net book value:</b>				
<b>At 31 December 2024</b>	<b>101,073</b>	<b>4,144</b>	-	<b>105,217</b>
<b>At 31 December 2025</b>	<b>86,441</b>	<b>2,588</b>	-	<b>89,029</b>

No intangible assets have been pledged as a collateral as at 31 December 2025 and 2024.

**19. RIGHT OF USE ASSETS AND LEASE LIABILITIES**

The balance sheet shows the following amounts relating to leases:

Right of Use Assets (ROUA)	Land and buildings	Motor vehicles	Other	Total
<b>Carrying amount at</b>				
<b>1 January 2024</b>	<b>163,913</b>	<b>38,226</b>	-	<b>202,139</b>
Additions	207,369	7,492	-	214,861
Terminations	(5,317)	(4,028)	-	(9,345)
Depreciation charge	(85,235)	(9,963)	-	(95,198)
Translation difference	170	-	-	170
<b>31 December 2024</b>	<b>280,900</b>	<b>31,727</b>	-	<b>312,627</b>
Additions	-	25,379	1,520	26,899
Terminations	(413)	(4,808)	-	(5,221)
Depreciation charge	(70,552)	(11,149)	(26)	(81,727)
Translation difference	(1,739)	-	-	(1,739)
<b>31 December 2025</b>	<b>208,196</b>	<b>41,149</b>	<b>1,494</b>	<b>250,839</b>

The Group recognised lease liabilities as follows:

Lease Liabilities	31 December 2025	31 December 2024
Current	81,948	68,318
Non-Current	161,425	234,349
<b>Total</b>	<b>243,373</b>	<b>302,667</b>

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**19. RIGHT OF USE ASSETS AND LEASE LIABILITIES (CONTINUED)**

Interest expense included in finance costs of 2025 was ALL 10,195 thousand (2024: ALL 9,423 thousand).

Expenses relating to short-term leases and to leases of low-value assets that are not included in RoU:

	2025	2024
Expense relating to short-term leases	3,526	2,492
Expense relating to leases of low-value assets that are not shown above as short-term leases	1,960	1,847

Total cash outflow for leases in 2025 was ALL 80,057 thousand (2024: ALL 97,864 thousand).

**20. OTHER NON-CURRENT ASSETS**

	31 December 2025	31 December 2024
Other Non-current Assets	32,761	32,761
Provisions	(23,224)	(23,224)
<b>Total</b>	<b>9,537</b>	<b>9,537</b>

Other non-current assets consist of repossessed collateral, i.e. properties foreclosed by the Group against receivables due from its customers. The Group obtained ownership of those assets through bailiff execution and enforcement procedures. These assets are initially recorded at the value determined by the execution process (which is the value used against the receivables due) and they are subsequently measured at the lower of that amount and their net realizable value, fair value less costs to sale.

The Group expects to dispose/sell the assets in the foreseeable future. These assets did not meet the criteria to be classified as assets held-for-sale (i.e. – can be sold within one year; readiness of a market, etc.). Write-down is recorded following a valuation performed by an independent licensed real estate valuation expert in 2019.

**21. INVENTORIES**

	31 December 2025	31 December 2024
Raw materials	484,043	690,926
Spare parts	930,685	900,190
Packing materials	50,495	61,803
Semi-finished goods	107,622	416,788
Finished goods	186,103	135,352
Goods for resale	3,159	40,548
Other materials	169,750	187,446
Inventory write down	(48,364)	(49,217)
<b>Balance as at 31 December</b>	<b>1,883,493</b>	<b>2,383,836</b>

***Critical accounting estimates and judgments in applying accounting policies***

Spare parts classified as inventory consist in materials used in the production process. Spare parts used in the production process are integral to the operation of manufacturing equipment. These components support the continuous function of machinery, preventing downtime and ensuring that production schedules are met. Examples include replacement gears, belts, filters, and other components essential for the functioning of production machinery

Spare parts classified as inventory are measured at the lower of cost or net realizable value. The cost is determined using the weighted average cost method, which includes all expenditures directly attributable to bringing the inventory to its current condition and location.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**  
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**22. TRADE RECEIVABLES**

As at 31 December 2025, trade receivables are composed of the following:

	31 December 2025	31 December 2024
Trade receivables	1,389,510	1,477,140
Less: Credit Loss Allowance	(611,504)	(656,167)
<b>Trade Receivables, Net</b>	<b>778,006</b>	<b>820,973</b>

Movements in the allowance for doubtful receivables are illustrated below. The new model has not impacted the provision for impairment of the Group as the provisioning matrix was not substantially different:

	2025	2024
<b>Balance at 1 January</b>	<b>656,167</b>	<b>673,217</b>
Impairment Charge	-	-
Write Off	(43,643)	-
Translation difference	(1,020)	(7,137)
Transferred from Alba Cemento	-	(9,913)
<b>Balance at 31 December</b>	<b>611,504</b>	<b>656,167</b>

Trade receivables are non-interest bearing and are generally on 30-120 credit terms.

**Critical accounting estimates and judgments in applying accounting policies**

Management maintains an allowance for doubtful receivables to account for estimated losses resulting from the inability of customers to make required payments.

Measurement of ECLs is a significant estimate that involves determination methodology, models, and data inputs. The expected credit loss would normally be the product of the exposure of default, loss given default and probability of default, however The Group has calculated ECL based on the historical probability of default considering 100% loss given default.

The Group assesses individually all court cases and receivables due more than 365 days and usually applies 100% ECL while it assesses them for potential recoverability of VAT and deductibility for income tax purposes thereby recognizing deferred income tax asset as appropriate.

The Group does not calculate ECL from receivables from Related Parties as it considers their credit risk to be low and it has no history of default.

The credit loss allowance for trade receivables as well as an aging of the trade receivables is determined according to the provision matrix presented in the table below.

<i>In % of gross value</i>	31 December 2025			31 December 2024		
	Loss rate	Gross carrying amount	Lifetime ECL	Loss rate	Gross carrying amount	Lifetime ECL
- 0 to 30 days	5.7%	658,117	(37,319)	4.4%	690,340	(30,466)
- 31 to 90 days	4.9%	37,051	(1,822)	6.1%	138,560	(8,521)
- 91 to 180 days	5.4%	54,097	(2,944)	6.4%	21,705	(1,396)
- 181 to 365 days overdue	50.0%	71,545	(35,773)	73.1%	3,010	(2,200)
- over 365 days overdue	93.8%	568,700	(533,646)	98.4%	623,525	(613,584)
<b>Gross receivables</b>		<b>1,389,510</b>			<b>1,477,140</b>	
Credit loss allowance			(611,504)			(656,167)
<b>Total trade receivables from customers (carrying amount)</b>			<b>778,006</b>			<b>820,973</b>

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**22. TRADE RECEIVABLES (CONTINUED)**

As at 31 January 2025, the Group has collected a total of 385,255 thousand. Please refer to the following table for a breakdown of amounts collected based on days past due:

<b>Days past due at the reporting date</b>	<b>Amounts collected by The Group</b>
- 0 to 30 days	243,452
- 31 to 90 days	136,085
- 91 to 180 days	987
- 181 to 365 days overdue	3,879
- over 365 days overdue	852
<b>Total</b>	<b>385,255</b>

**23. OTHER RECEIVABLES**

Other receivables are composed of the following:

	<b>31 December 2025</b>	<b>31 December 2024</b>
Deferred expenses	67,579	59,597
Sundry debtors	20,724	27,653
Prepayments for supplies	14,541	1,244
Other Tax Receivables	3,486	1,991
<b>Total other receivables</b>	<b>106,330</b>	<b>90,485</b>

Deferred expenses represent consumables and/or prepaid expenses, which are deferred for a period and are expensed based on their respective consumption rate.

**24. CASH AND CASH EQUIVALENTS**

	<b>31 December 2025</b>	<b>31 December 2024</b>
Cash on hand in domestic currency	31	39
Cash on hand in foreign currency	302	366
Cash at bank in domestic currency	78,560	59,519
Cash at bank in foreign currency	687,865	578,989
<b>Total cash and cash equivalents</b>	<b>766,758</b>	<b>638,913</b>

Cash and cash equivalents consist of current accounts held with 9 commercial banks operating in Albania and one commercial bank in Italy. Most banks are part of international banking groups. Local banks that are not rated by international credit rating agencies do not show problems with liquidity according to the Bank of Albania. Banks where cash and cash equivalents are held are rated A+-BBB-. No expected credit loss has been calculated by the Group as it would not be significant.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**  
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**25. SHARE CAPITAL**

<i>Authorized, issued, and fully paid</i>	31 December 2025			31 December 2024		
	<i>Number of shares</i>	<i>% Holding</i>	<i>Face Value in ALL' 000</i>	<i>Number of shares</i>	<i>% Holding</i>	<i>Face Value in ALL' 000</i>
ALVACIM ltd –ordinary shares of ALL 1,500 each	5,343,255	100%	8,014,883	5,343,255	100%	8,014,883
	<b>5,343,255</b>	<b>100%</b>	<b>8,014,883</b>	<b>5,343,255</b>	<b>100%</b>	<b>8,014,883</b>

**26. SHARE-BASED COMPENSATION**

**2021 Plan** On 14 May 2021, the Annual General Meeting of TCI, approved the following plan.

On 31 December 2022, the number of the awards granted to the employees of Antea Cement was 4,410 (each award corresponding to one share). The fair value of the award was calculated based on the closing price of the TCI share on 13.5.2021, €17.14 (ALL 2,106) in Euronext Brussels. The calculation of the un-forfeited awards resulted in the recognition of an expense of ALL 4,389 thousand with a corresponding increase in equity.

**2022 Plan** On 12 May 2022, the Annual General Meeting of TCI, approved the following plan.

On 31 December 2022, the number of the awards granted to the employees of Antea Cement was 5,431. The fair value of the award was calculated based on the closing price of the TCI share on 13.5.2022, €11.90 (ALL 1,435) in Euronext Brussels. The calculation of the un-forfeited awards resulted in the recognition of an expense of ALL 5,156 thousand with a corresponding increase in equity.

**2023 Plan** On 11 May 2023, the Annual General Meeting of TCI, approved the following plan.

On 31 December 2023, the number of the awards granted to the employees of Antea Cement was 5,316. The fair value of the award was calculated based on the closing price of the TCI share on 13.5.2023, €14.64 (ALL 1,686) in Euronext Brussels. The calculation of the un-forfeited awards resulted in the recognition of an expense of ALL 3,920 thousand with a corresponding increase in equity.

**2024 Plan** On 9 May 2024, the Annual General Meeting of TCI, approved the following plan.

On 31 December 2024, the number of awards granted to the employees of Antea Cement was 3,068 restricted stock and 1,312 performance shares. The fair value of the award was calculated based on the closing price of the TCI share on 30.6.2024, €29.10 (ALL 2,930) in Euronext Brussels. The calculation of the un-forfeited awards resulted in the recognition of an expense of ALL 1,501 thousand with a corresponding increase in equity.

**2025 Plan** On 8 May 2025, the Annual General Meeting of TCI, approved the following plan.

On 31 December 2025, the number of awards granted to the employees of Antea Cement was 1,296 restricted stock and 556 performance shares. The fair value of the award was calculated based on the closing price of the TCI share on 31.03.2025, €37.40 (ALL 3,714) in Euronext Brussels. The calculation of the un-forfeited awards resulted in the recognition of an expense of (ALL 1,193) thousand with a corresponding decrease in equity.

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 26. SHARE-BASED COMPENSATION(CONTINUED)

	2025 Plan	2024 Plan	2023 Plan	2022 Plan	2021 Plan
<b>At 31 December 2021</b>	-	-	-	-	-
Granted	-	-	-	-	4,080
<b>At 31 December 2021</b>	-	-	-	-	4,080
Granted	-	-	-	5,043	-
Cancelled	-	-	-	-	(460)
<b>At 31 December 2022</b>	-	-	-	5,043	3,620
Granted	-	-	4,966	-	-
Cancelled	-	-	-	-	-
<b>At 31 December 2023</b>	-	-	4,966	5,043	3,620
Granted	-	4,152	-	-	-
Vested	-	-	-	-	(1,745)
Transferred	-	-	(210)	(155)	(130)
<b>At 31 December 2024</b>	-	4,152	4,756	4,888	1,745
Granted	1,852	-	-	-	-
Vested	-	-	-	(2,445)	(1,745)
Transferred	-	-	-	-	-
<b>At 31 December 2025</b>	1,852	4,152	4,756	2,443	-

Refer to Note **Error! Reference source not found.** for expenses incurred during the year.

#### 27. BORROWINGS

The Group's borrowings as at 31 December 2025 and 31 December 2024 are as follows:

	31 December 2025	31 December 2024
<b>Borrowings from Related Parties</b>		
Term loans	1,757,286	1,778,172
<b>Borrowings from Financial Institutions</b>		
Revolving credit facility	1,232,112	1,390,299
Term loans	3,438	174,724
<b>Total borrowings</b>	<b>2,992,836</b>	<b>3,343,195</b>

More detailed information on the borrowings from related parties / shareholders are disclosed in **Note 32e**.

The maturities of the non-current portion of borrowings which are due to Titan Global Finance are as follows:

	31 December 2025	31 December 2024
After one year but not more than two years	961,632	1,366,496
After two years but not more than five years	-	-
More than five years	-	-
<b>Total</b>	<b>961,632</b>	<b>1,366,496</b>

Term loans and revolving credit lines are secured by a corporate guarantee from Titan Cement Company S.A. No Group's assets are pledged as a collateral against these borrowings. These borrowings (financial institutions – banks) - mature until the end of 2025. The Group's borrowings are denominated in the following currencies:

	31 December 2025	31 December 2024
Term loans		
ALL	3,439	174,724
EUR	1,757,285	1,778,172
Revolving credit facility		
ALL	1,232,112	1,390,299
EUR	-	-
<b>Total borrowings</b>	<b>2,992,836</b>	<b>3,343,195</b>

The Group's covenants on the term borrowings with commercial banks include senior net debt to equity less than 0.95 and senior net debt to EBITDA less than 4.0. The Group was in line with both limits at the reporting date (2024: below both limits).

**ANTEA CEMENT SH.A.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025***(Amounts in ALL thousand unless otherwise stated)***28. RECONCILIATION OF LIABILITIES ARISING FROM FINANCING ACTIVITIES**

The table below sets out an analysis of liabilities from financing activities and the movements in the Group's liabilities from financing activities for each of the periods presented. The items of these liabilities are those that are reported as financing in the statement of cash flows:

	Year ended 31 December 2025			Year ended 31 December 2024		
	Borrowings	Lease Liabilities	Total	Borrowings	Lease Liabilities	Total
<b>Liabilities from financing activities at 1 January</b>	<b>3,343,195</b>	<b>302,667</b>	<b>3,645,862</b>	<b>3,628,896</b>	<b>199,003</b>	<b>3,827,899</b>
<b>Cash Flows:</b>						
Loan drawdowns	396,499		<b>396,499</b>	1,041,954		<b>1,041,954</b>
Principal repayments	(703,917)		<b>(703,917)</b>	(1,232,539)		<b>(1,232,539)</b>
Interest payments	(153,419)		<b>(153,419)</b>	(140,709)		<b>(140,709)</b>
Loan Fees Paid	(10,628)		<b>(10,628)</b>			
Principal Elements of Lease Payments		(80,057)	<b>(80,057)</b>	-	(97,864)	<b>(97,864)</b>
<b>Non-cash changes</b>						
Interest accrual	151,705		<b>151,705</b>	166,141	-	<b>166,141</b>
New leases		26,899	<b>26,899</b>	-	214,861	<b>214,861</b>
Foreign exchange effect	(30,599)	(915)	<b>(31,514)</b>	(117,680)	(3,988)	<b>(121,668)</b>
Lease termination and withholding taxes	-	(5,222)	<b>(5,222)</b>	(2,868)	(9,345)	<b>(12,213)</b>
<b>Liabilities from financing activities at 31 December</b>	<b>2,992,836</b>	<b>243,372</b>	<b>3,236,208</b>	<b>3,343,195</b>	<b>302,667</b>	<b>3,645,862</b>

**29. TRADE PAYABLES**

Trade payables are non-interest-bearing liabilities with domestic and foreign suppliers and are normally settled on a period ranging from 30 days to 90 days.

	31 December 2025	31 December 2024
Trade creditors third parties	1,094,302	1,385,270
Accruals for supplies	92,240	16,173
<b>Total</b>	<b>1,186,542</b>	<b>1,401,443</b>

**ANTEA CEMENT SH.A.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025***(Amounts in ALL thousand unless otherwise stated)***30. OTHER LIABILITIES**

Other payables are composed of the following balances.

	31 December 2025	31 December 2024
Contract liabilities - advances from customers	30,493	16,885
Other taxes	9,266	104,754
Provisions and accruals for employee benefits	32,424	34,169
Social security	9,664	6,594
Other payables	23,780	22,885
Payroll taxes	11,994	5,624
Due to employees	644	951
VAT payable	22,557	42,541
<b>Total</b>	<b>140,822</b>	<b>234,403</b>

Contract liabilities are related to delivery of goods (cement) to customers to whom cement is sold based on prepayments. There are no unsatisfied performance obligations for long-term contracts (nor long-term contracts).

Accruals for employee benefits relate to unused days of vacation, other additional personnel costs, as well as other operational items. The movements are as follows:

	2025	2024
<b>Balance on 1 January</b>	<b>34,169</b>	<b>32,519</b>
Provision for Un-Used Days of Vacations	4,166	1,772
Provision for Additional Personnel Costs	3,091	2,755
Utilization	(9,002)	(2,877)
<b>Balance on 31 December</b>	<b>32,424</b>	<b>34,169</b>

**31. TRANSLATION OF FOREIGN OPERATIONS**

During 2010, the Group established a fully owned subsidiary Cementi Antea Srl, which is operating in Italy. Cementi Antea Srl has EURO as its functional currency. To be consolidated with Antea Group, the subsidiary's financial statements line items are translated into these consolidated financial statements presentation currency which is Albanian Lek. An amount of **ALL 86,761 thousand** loss (31 December 2024: **ALL 81,213 thousand** loss) has resulted from the translation and the difference between opening balance rates as well as profit or loss rates which is recognized as translation unrealised gains in other comprehensive income.

**32. RELATED PARTY TRANSACTIONS**

The Group is controlled by Alvacim Ltd which is in turn a fully owned subsidiary of Titan Cement International S.A. The Group considers as related parties all the companies that are controlled by Titan Cement International S.A. as well as key management, key management's close family members and those entities where key management or their close family members, have significant influence, control and/or serve as key management. For 2025 and 2024 there are no such cases. The following tables provide the total amount of transactions that have been entered into with the related parties for the relevant financial years. All entities are fellow subsidiaries of Titan Cement International S.A.

**a) Sales of goods and services.**

	2025	2024
TCK MONTENEGRO (Sales of Cement)	763,004	793,092
SHARRCEM (Sales of Cement)	811,248	511,601
SHARRCEM - (Sales of Clinker)	115,155	-
SHARRCEM (Recharge employee cost)	25,883	21,512
ZLATNA PANEGA CEMENT (Other)	-	101,187
CEMENT PLUS FOR BUILDING MATERIALS	4,105	-
TITAN CEMENT COMPANY SA (Other)	3,763	2,548
<b>Total</b>	<b>1,723,158</b>	<b>1,429,940</b>

The major transactions during the year are related with TCK Montenegro and Sharrcem for sales of cement both for 2025 and 2024.

**ANTEA CEMENT SH.A.****NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025***(Amounts in ALL thousand unless otherwise stated)***32. RELATED PARTY TRANSACTIONS (CONTINUED)**

Outstanding balances arising from the transactions mentioned above are presented below:

**b) Receivables from related parties**

	31 December 2025	31 December 2024
TITAN CEMENT COMPANY SA	3,706	1,831
TCK MONTENEGRO	25,468	39,576
SHARRCEM	90,991	31,354
ZLATNA PANEGA CEMENT	471	96,149
USJE CEMENTARNICA AD	1,684	-
<b>Total</b>	<b>122,320</b>	<b>168,910</b>

**c) Purchases of goods and services.**

	2025	2024
TITAN CEMENT COMPANY SA - GOODS	3,142	3,014
TITAN CEMENT COMPANY SA - SERVICES	404,284	560,143
TITAN CEMENT INTERNATIONAL SA	16,703	12,787
FINTITAN	1,181	1,197
SHARRCEM SH.P.K	95,459	-
CEMENTARNICA USJE AD – SERVICES	-	7,743
ZLATNA PANEGA CEMENT	366	-
TITAN CEMENTARA KOSJERIC	11,121	9,012
<b>Total</b>	<b>532,256</b>	<b>593,896</b>

**d) Payables to related parties**

Outstanding balances arising from the transactions mentioned above are presented below:

	31 December 2025	31 December 2024
TITAN CEMENT COMPANY SA	731,482	550,293
TITAN CEMENTARA KOSJERIC	5,953	9,012
SHARRCEM SH.P.K	30,738	-
FINTITAN	1,010	3,043
CEMENTARNICA USJE AD	-	11,128
ZLATNA PANEGA CEMENT	358	-
<b>Total</b>	<b>769,541</b>	<b>573,476</b>

**e) Loans from related parties/shareholders**

<b>Titan Global Finance plc</b>	<b>31 December 2025</b>	<b>31 December 2024</b>
Non-current portion of principal	(967,700)	1,374,100
Current portion of principal	774,160	392,600
Accrued interest	15,425	17,210
<b>Total term loan</b>	<b>1,757,285</b>	<b>1,783,910</b>
	<b>2025</b>	<b>2024</b>
Interest expense	81,062	101,195

During 2025 the Group has repaid TGF loan principal in the amount of Euro 4,000 thousand or the equivalent of ALL 390,730 thousand (2024: loan principal in the amount of Euro 4,000 thousand or the equivalent of ALL 400,730 thousand) and the respective interests and related fees in the amount of Euro 660 thousand or the equivalent of ALL 64,792 thousand (2024: respective interests and related fees in the amount of Euro 832 thousand or the equivalent of ALL 83,871 thousand).

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 32. RELATED PARTY TRANSACTIONS (CONTINUED)

Key management includes Directors (executive and non-executive), members of the Management Committee. Key management compensations are detailed below.

	2025		2024	
	Expense	Accrued liability	Expense	Accrued liability
<b>Short-term benefits:</b>				
- Salaries	50,495	-	41,247	-
- Short-term bonuses	30,017	-	7,093	-
- Benefits in-kind	4,629	-	12,849	-
<b>Post-employment benefits:</b>				
- State pension and social security costs	2,547	-	2,351	-
- Retention plan	-	3,091	-	2,755
<b>Share-based compensation:</b>				
- Equity-settled share-based compensation	4,594	-	7,998	-
<b>Total key management compensation</b>	<b>92,282</b>	<b>3,091</b>	<b>71,538</b>	<b>2,755</b>

Short-term bonuses fall due wholly within twelve months after the end of the period in which management rendered the related services.

#### **Terms and conditions of transactions with related parties**

Goods are sold based on the price lists in force and terms that would be available to third parties. Purchased goods and services are bought on normal commercial terms and conditions based on transfer pricing benchmarking studies that are carried out on a regular basis. Management services are bought from Titan Cement International based on the value of the services rendered. The receivables from related parties arise mainly from sale transactions and are due 2 months after the date of sales. The receivables are unsecured in nature and bear no interest. No provisions are held against receivables from related parties (2024: Nil). The payables to related parties arise mainly from purchase transactions and are due 2 months after the date of purchase. The payables bear no interest.

#### 33. FINANCIAL RISK MANAGEMENT

##### **Policies and objectives**

The Group has exposure to credit risk, liquidity risk and market risk from the use of financial instruments. This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies, and processes for measuring and managing risk, and the Group's management of capital.

The Supervisory Council has overall responsibility for the establishment and oversight of the Group's risk management framework. The Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The principal financial instruments of the Group consist of cash on hand and at banks, trade accounts receivable and payable, other receivables and liabilities.

The main risks arising from the Group's financial instruments are liquidity risk, credit risk and market risk which consists of foreign currency risk and interest rate risk as well as other price risk. Management reviews and agrees policies for managing each of these risks which are summarized below.

## ANTEA CEMENT SH.A.

### NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025

(Amounts in ALL thousand unless otherwise stated)

#### 33. FINANCIAL RISK MANAGEMENT (CONTINUED)

##### Market risk

##### a) Interest risk

The Group's exposure to the risk for changes in market interest rates relates primarily to the Group's long-term debt obligations with a floating interest rate. At 31 December 2025 Nil (31 December 2024: Nil) no interest rate swaps were agreed, which makes 100% of the Group's borrowings to be at a variable rate of interest.

	31 December 2025	31 December 2024
<b>Fixed rate instruments</b>		
Financial assets	778,007	820,972
Financial Liabilities	1,186,541	1,401,444
<b>Variable rate instruments</b>		
Financial assets	-	-
Financial Liabilities	3,236,209	3,645,862

The Group's income and operating cash flows are substantially independent of changes on market interest rates, nevertheless the effect that a change in interest rates on the Group's Long-Term Debt might have on the Group results is shown as follows:

In ALL'000	31 December 2025		31 December 2024	
	Increase/ Decrease in Basis/Point	Effect on Profit Before Tax	Increase/ Decrease in Basis/Point	Effect on Profit Before Tax
EURO	20	1,935	20	2,737
ALL	100	(61)	100	(19)
EURO	(20)	(1,935)	(20)	(2,737)
ALL	(100)	61	(100)	19

##### b) Foreign currency risk

The Group enters into transactions denominated in foreign currencies related to the sales of its products and purchase of fixed assets and raw materials. The Group does not use any special financial instruments to hedge against these risks, since no such instruments are in common use in the Republic of Albania. Therefore, the Group is potentially exposed to market risk related to possible foreign currency fluctuations.

	31 December 2025			
	Lekë	USD	Euro	Total (Lekë)
<b>Financial assets</b>				
Trade receivables	-	-	778,006	778,006
Other receivables	-	-	35,265	35,265
Trade receivables from related parties	-	-	122,320	122,320
Cash and cash equivalents	78,591	14,291	673,876	766,758
<b>Total financial assets</b>	<b>78,591</b>	<b>14,291</b>	<b>1,609,467</b>	<b>1,702,349</b>
<b>Financial liabilities</b>				
Borrowings	(1,235,551)	-	(1,757,285)	(2,992,836)
Trade payables	(323,168)	(196,040)	(667,334)	(1,186,542)
Lease liabilities	-	-	(243,373)	(243,373)
Trade payables to related parties	-	-	(769,541)	(769,541)
<b>Total financial liabilities</b>	<b>(1,558,719)</b>	<b>(196,040)</b>	<b>(3,437,533)</b>	<b>(5,192,292)</b>
<b>Net position</b>	<b>(1,480,128)</b>	<b>(181,749)</b>	<b>(1,828,066)</b>	<b>(3,489,943)</b>

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

(Amounts in ALL thousand unless otherwise stated)

**33. FINANCIAL RISK MANAGEMENT (CONTINUED)**

	31 December 2024			
	Lekë	USD	Euro	Total (Lekë)
<b>Financial assets</b>				
Trade receivables	-	-	820,973	<b>820,973</b>
Other receivables	-	-	28,897	<b>28,897</b>
Trade receivables from related parties	-	-	168,910	<b>168,910</b>
Cash and cash equivalents	59,558	2,187	577,168	<b>638,913</b>
<b>Total financial assets</b>	<b>59,558</b>	<b>2,187</b>	<b>1,595,948</b>	<b>1,657,693</b>
<b>Financial liabilities</b>				
Borrowings	(1,565,024)	-	(1,778,171)	<b>(3,343,195)</b>
Trade payables	(476,505)	(224,093)	(700,845)	<b>(1,401,443)</b>
Lease liabilities	-	-	(302,667)	<b>(302,667)</b>
Trade payables to related parties	-	-	(573,476)	<b>(573,476)</b>
<b>Total financial liabilities</b>	<b>(2,041,529)</b>	<b>(224,093)</b>	<b>(3,355,159)</b>	<b>(5,620,781)</b>
<b>Net position</b>	<b>(1,981,971)</b>	<b>(221,906)</b>	<b>(1,759,211)</b>	<b>(3,963,088)</b>

The above analysis includes only monetary assets and liabilities. Non-monetary assets do not give rise to any currency risk.

The following significant exchange rates applied during the year:

	Average rate		Reporting date spot rate	
	2025	2024	2025	2024
<b>EUR/ALL</b>	97.84	100,69	96.77	98,15
<b>USD/ALL</b>	86.89	93,04	82.46	94,26

The Group's main exposure is toward the Euro as such a change of +/- 5% in exchange rate of Euro to ALL at the reporting date would have increased/(decreased) equity and profit/(loss) by ALL 91,403 thousand (2024 – ALL 87,961 thousand).

**c) Other price risk**

The Group has limited exposure to equity price risk. Transactions in equity products are monitored and authorized by the Titan Group's treasury.

**Liquidity risk**

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The Group is exposed to daily calls on its available cash resources. Liquidity risk is managed by the Finance function of the Group. Management monitors monthly rolling forecasts of the Group's cash flows. Prudent liquidity risk management implies maintaining enough cash and availability of funds through an adequate amount of committed credit facilities. The Group seeks to maintain a stable funding base primarily consisting of borrowings, trade and other payables.

The table below shows liabilities at 31 December 2025 by their remaining contractual maturity. The amounts disclosed in the maturity table are the contractual undiscounted cash flows, including gross finance lease obligations (before deducting future finance charges), gross loan commitments and financial guarantees. Financial derivatives are included at the contractual amounts to be paid or received, unless the Group expects to close the derivative position before its maturity date in which case the derivatives are included based on the expected cash flows. For the purposes of the maturity analysis, embedded derivatives are not separated from hybrid (combined) financial instruments.

When the amount payable is not fixed, the amount disclosed is determined by reference to the conditions existing at the end of the reporting period. Foreign currency payments are translated using the spot exchange rate at the end of the reporting period.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

(Amounts in ALL thousand unless otherwise stated)

**33 FINANCIAL RISK MANAGEMENT (CONTINUED)**

Year ended 31 December 2025 (in 000 ALL)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Long Term Borrowings	-	-	-	961,632	-	961,632
Short Term Borrowings	-	500,682	1,559,934	-	-	2,060,616
Trade and other Payables	-	1,328,622	-	-	-	1,328,622
Trade payables to related parties	-	769,541	-	-	-	769,541
Lease Liabilities	-	20,487	61,461	161,425	-	243,373
Off-balance sheet guarantees (short-term)	-	-	96,770	-	-	96,770
<b>Total future payments, including future principal and interest payments</b>	-	<b>2,619,332</b>	<b>1,718,165</b>	<b>1,123,057</b>	-	<b>5,460,554</b>

Year ended 31 December 2024 (in 000 ALL)

	On demand	Less than 3 months	3 to 12 months	1 to 5 years	More than 5 years	Total
Long Term Borrowings	-	-	-	1,366,496	-	1,366,496
Short Term Borrowings	-	156,170	1,858,831	-	-	2,015,001
Trade and other payables	-	1,637,122	-	-	-	1,637,122
Trade payables to related parties	-	573,476	-	-	-	573,476
Lease liabilities	-	17,079	51,239	196,706	37,643	302,667
Off-balance sheet guarantees (short-term)	-	-	98,150	-	-	98,150
<b>Total future payments, including future principal and interest payments</b>	-	<b>2,383,847</b>	<b>2,008,220</b>	<b>1,563,202</b>	<b>37,643</b>	<b>5,992,912</b>

**Credit risk**

The Group exposes itself to credit risk, which is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to meet an obligation. Exposure to credit risk arises because of the Group's credit and other transactions with counterparties, giving rise to financial assets and off-balance sheet credit-related commitments.

The Group's maximum exposure to credit risk is reflected in the carrying amounts of financial assets in the statement of financial position. For financial guarantees issued, undrawn credit lines, the maximum exposure to credit risk is the amount of the commitment.

**Credit risk management.** Credit risk is the single largest risk for the Group's business; management therefore carefully manages its exposure to credit risk. The estimation of credit risk for risk management purposes is complex and involves the use of models, as the risk varies depending on market conditions, expected cash flows and the passage of time. The assessment of credit risk for a portfolio of assets entails further estimations of the likelihood of defaults occurring, the associated loss ratios and default correlations between counterparties.

**Limits.** The Group structures the levels of credit risk it undertakes by placing limits on the amount of risk accepted in relation to sales of products so that they are made to customers with an appropriate credit history. Limits on the level of credit risk are approved regularly by management. Such risks are monitored on a revolving basis and are subject to an annual, or more frequent, review. In addition, to reduce this risk the Group has required as collateral: bank guarantees and deposits.

With respect to credit risk arising from the other financial assets of the Group, which comprise cash and cash equivalents and other financial assets (non-current), The Group's exposure to credit risk arises from default of the counterparty, with a maximum exposure equal to the carrying amount of these instruments.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

(Amounts in ALL thousand unless otherwise stated)

**33 FINANCIAL RISK MANAGEMENT (CONTINUED)**

	Note	31 December 2025	31 December 2024
Trade receivables	22	778,006	820,973
Other receivables	23	35,265	28,897
Trade receivables from related parties	32b	122,320	168,910
Current accounts with banks	24	766,425	638,508
Undrawn credit commitments	27	267,888	109,701
Financial guarantees received from customers		79,920	68,705
<b>Total</b>		<b>2,049,824</b>	<b>1,835,694</b>

The Group has no commitment to draw undrawn credit lines and this exposure is considered nil.

**34. FAIR VALUES**

Investment property is held to earn rental income. Investment property was initially recognised at cost and subsequently remeasured at fair value updated to reflect market conditions at the end of the reporting period.

Fair value of investment property is the price that would be received from sale of the asset in an orderly transaction, without deduction of any transaction costs. The best evidence of fair value is given by current prices in an active market for similar property in the same location and condition.

Market value of the Group's investment property is determined based on reports of independent appraisers, who hold recognised and relevant professional qualifications and who have recent experience in the valuation of property in the same location and category. The appraiser used level 2 information in determining the fair value.

Earned rental income is recorded in profit or loss for the year within other income. Gains and losses resulting from changes in the fair value of investment property are recorded in profit or loss for the year and also included in other income (Note 10). The fair values of current assets and current liabilities approximate their carrying value due to their short-term nature. The fair value of non-current interest-bearing loans and borrowings also approximate their carrying value due to variable interest rate on the loans.

Set out as a comparison by class of the carrying amounts and fair value of the Group's financial instruments that are carried in the consolidated financial statements.

in ALL'000	Carrying amount		Fair Value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
<b>Financial assets</b>				
Cash and banks	766,758	638,913	766,758	638,913
Trade receivables	778,006	820,973	778,006	820,973
Trade receivables from related parties	122,320	168,910	122,320	168,910
Other receivables	106,330	90,485	106,330	90,485
<b>Total</b>	<b>1,773,414</b>	<b>1,719,281</b>	<b>1,773,414</b>	<b>1,719,281</b>

Financial Liabilities	Carrying amount		Fair Value	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024
Borrowings	2,992,836	3,343,195	2,992,836	3,343,195
Trade accounts payable	1,186,542	1,401,443	1,186,542	1,401,443
Lease Liability	243,372	302,667	243,372	302,667
Trade payables to related parties	1,265,003	1,456,826	1,265,003	1,456,826
<b>Total</b>	<b>5,687,753</b>	<b>6,504,131</b>	<b>5,687,753</b>	<b>6,504,131</b>

The fair value of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**  
*(Amounts in ALL thousand unless otherwise stated)*

**34. FAIR VALUES (CONTINUED)**

The following methods and assumptions were used to estimate the fair values:

- Cash and short-term deposits, trade receivables, trade payables, and other current liabilities approximate their carrying amounts due to the short-term maturities of these instruments.

**Fair Value Hierarchy**

As the fair value of the Group's financial assets and liabilities approximates its carrying value, level 3 inputs are used to arrive at the above conclusions.

**35. CAPITAL MANAGEMENT**

The Group's policy is to maintain a strong capital base to maintain investors, creditors, and market confidence and to sustain future development of the business. The Supervisory Council (Board) monitors the EBITDA which is earnings before interest, taxes, and depreciation. The Board seeks to maintain a balance between the higher returns that might be possible with higher levels of borrowings and the advantages and security afforded by a sound capital position. The Group is not subject to externally imposed capital requirements.

The Group's principal financial instruments comprise bank loans, and cash and short-term deposits. The main purpose of these financial instruments is to fund the Group's operations. The Group has various other financial assets and liabilities such as trade receivables and trade payables, which arise directly from its operations. Risk management is carried out under policies approved by the Management. The primary objective of the Group's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios to support its business and maximize shareholder value.

The Group manages its capital structure and adjusts it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Group may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares, following shareholder's approval. The Group monitors its economic performance using profit before interest, taxes, depreciation, amortization, and impairment (EBITDA), which is not an IFRS measure but rather a measure used by management of the Group and is calculated as follows:

	31 December 2025	31 December 2024
Profit before tax	1,599,613	2,517,109
Finance costs (Note 15)	300,843	586,571
Finance income (Note 15)	(153,836)	(509,778)
Depreciation and amortization expense	1,157,385	1,095,329
<b>EBITDA</b>	<b>2,904,005</b>	<b>3,689,231</b>

A reconciliation of depreciation and amortization expense is provided below:

	31 December 2025	31 December 2024
Depreciation charges (note 9)	982,312	922,180
Depreciation of right of use assets (note 9)	61,758	75,439
Depreciation of right of use assets (note 12)	1,581	2,126
Depreciation charges (note 13)	72,158	72,468
Depreciation of right of use assets (note 13)	18,388	17,633
Amortization (note 13)	21,188	5,483
<b>Depreciation and amortization</b>	<b>1,157,385</b>	<b>1,095,329</b>

The Group is not subject to any externally imposed capital requirements. The structure and management of debt capital is determined at TITAN Group level.

**ANTEA CEMENT SH.A.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - 31 DECEMBER 2025**

*(Amounts in ALL thousand unless otherwise stated)*

**36. COMMITMENTS AND CONTINGENCIES**

**A. Taxation**

Albania's tax and customs legislation which was enacted or substantively enacted at the end of the reporting period, is subject to varying interpretations when being applied to the transactions and activities of the Group. Consequently, tax positions taken by management and the formal documentation supporting the tax positions may be challenged by tax authorities. Fiscal periods remain open to review by the authorities in respect of taxes for five calendar years preceding the year when decisions about the review was made. Under certain circumstances reviews may cover longer periods.

Albania transfer pricing (TP) legislation is generally aligned with the international TP principles developed by the Organization for Economic Cooperation and Development (OECD), although it has specific features. The TP legislation provides for the possibility of additional tax assessment for controlled transactions (transactions between related parties and certain transactions between unrelated parties) if such transactions are not on an arm's-length basis. The management has implemented internal controls to comply with current TP legislation.

Tax liabilities arising from controlled transactions are determined based on their actual transaction prices. It is possible, with the evolution of the interpretation of TP rules, that such prices could be challenged. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the Group's operations.

As tax legislation may not provide definitive guidance in certain areas, the Group adopts, from time to time, interpretations of such uncertain areas that reduce the overall tax rate of the Group. While management currently estimates that the tax positions and interpretations that it has taken can probably be sustained, there is a possible risk that an outflow of resources will be required should such tax positions and interpretations be challenged by the tax authorities. The impact of any such challenge cannot be reliably estimated; however, it may be significant to the financial position and/or the overall operations of the Group.

**B. Legal proceedings**

From time to time and in the normal course of business, claims against the Group may be received. On the basis of its own estimates and both internal and external professional advice, management is of the opinion that no material losses will be incurred in respect of claims in excess of provisions that have been made in these consolidated financial statements.

On 31 December 2025, the Group was involved in litigation proceedings as a defendant with a third-party raising claim in relation to the costs of an entry road utilized by the Group, constructed in 2010. The case was lodged in front of the District Court of Kruja which ruled to partially accept the claim. The total amount of liabilities to be paid by the Group amounted to ALL 68,000 thousand. The Group appealed the decision in front of the Tirana Appeal Court which during 2017 dismissed the Judgement of the Kruja District Court and ruled for a new trial in the Kruja District Court. Against this judgement the Group filed an appeal to the Supreme Court. Based on its own estimates and both external legal advice, management is of the opinion that no material losses will be incurred in respect of this claim and accordingly no provision has been made in these Consolidated Financial statements.

During 2023, Antea Cement was subject to an investigation by the Competition Authority regarding the production and wholesale market for grey and white cement. In June 2024, the Competition Authority imposed a fine on The Group, which Antea Cement has formally appealed. In line with accounting principles, the fine was recognized in The Group's profit and loss statement in June 2024. During 2025 the proceeding in the Administrative Court of Tirana was Finalized ruling in Favor of The Group and Competition Authority appealed the decision. Legal proceedings in the appeal are currently underway. Management continues to monitor the situation closely and based on current assessments, no additional entries have been recorded in these Separate Financial Statements. The Group remains committed to defending its position.

**31. PRINCIPAL SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE**

The Group has participation in the following subsidiaries, which are fully consolidated in these consolidated financial statements. The Group has no participation in associates and join-venture.

Name	Nature of business	Percentage of voting rights	Percentage of ownership	Country of registration
<b>Subsidiaries:</b>				
Cementi Antea SRL	Cement Handling Terminal	100%	100%	Italy