



## **INTRACOM DEFENSE S.A.**

### **Annual Financial Report for the year ended December 31, 2025 in accordance with International Financial Reporting Standards**

*These financial statements have been translated from the original statutory financial statements that have been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document.*

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## **A) Certification**

It is certified that the accompanying Financial Statements are those which were approved by the Board of Directors of “INTRACOM DEFENSE S.A.” on 25<sup>th</sup> February 2026 and have been posted on the web site at the address [www.intracomdefense.com](http://www.intracomdefense.com).

**THE CHAIRMAN OF THE BoD**

**THE MANAGING DIRECTOR  
(CEO)**

M. K. TSAMAZ  
ID. No. AP062333/24.03.2022

G. I. TROULLINOS  
ID. No. A01905424 / 22.06.2025

**THE CHIEF FINANCIAL MANAGER**

**THE HEAD OF THE ACCOUNTING  
DEPT.**

K. D. PALMOS  
ID. No. AK 829005 / 11.02.2014  
E.C.G. LICENCE No. 16941/A' CLASS

E. A. DELINIS  
ID. No. A00511262 / 12.05.2024  
E.C.G. LICENCE 91107/A' CLASS

## B) Annual Report of the Board of Directors

**ANNUAL MANAGEMENT REPORT OF THE BOARD OF DIRECTORS  
of the company  
“INTRACOM DEFENSE S.A.”  
DISTINCTIVE NAME: “IDE”  
on the Financial Statements  
for the year from 1 January to 31 December 2025**

To the Annual General Meeting of Shareholders

Dear Shareholders,

We submit for approval the financial statements of the Company for the year from 1 January to 31 December 2025.

The financial statements for the present year, as also those for the previous years have been prepared in accordance with International Financial Reporting Standards, as adopted by the European Union until 31 December 2025.

This Annual Report of the Board of Directors was prepared in accordance with the provisions of article 150 of Law 4548/2018.

### **FINANCIAL RESULTS – ACTIVITY REVIEW**

Company’s sales in fiscal year 2025, amounted to € 77.258 thousand against € 52.580 thousand in fiscal year 2024 increased by 47%.

The company’s earnings before income tax, financing, investing results and total depreciation (EBITDA), amounted to € 7.418 thousand, compared to € 3.777 thousand in 2024, increased by 96%.

In terms of income before taxes (EBT), the Company recorded gains of € 4.325 thousand compared to € 1.774 thousand in year 2024. The increase of 144% is mainly attributable to the higher sales volume achieved during 2025.

Profit after tax amounted to €3.097 thousand compared to €1.246 thousand in the previous year, representing an increase of 149%.

These changes for the year 2025 and 2024 are presented in the following table:

Amounts in euro	1/1-31/12/2025	1/1-31/12/2024	Div (%)
Sales	77.258	52.580	46,9%
Gross profit	25.245	19.174	31,7%
%	32,68%	36,47%	
Earnings Before Interest, Taxes, Depreciation & Amortization (EBITDA)	7.418	3.777	96,4%
%	9,60%	7,18%	
Earnings Before Interest, Taxes (EBIT)	5.410	2.090	158,9%
%	7,00%	3,97%	
Earnings Before Taxes (EBT)	4.325	1.774	143,7%
%	5,60%	3,37%	
Earnings After Taxes (EAT)	3.097	1.246	148,6%
%	4,01%	2,37%	

The inventories amounted to € 44.293 thousand compared to € 39.881 thousand in the previous year, increased by 11%.

Trade and other receivables in fiscal year 2025 amounted to € 18.037 thousands of which € 4.103 thousand relates to advances paid by the company to suppliers in the frame of projects implementation.

Trade payables and other liabilities amounted to € 42.097 thousand, of which an amount of € 29.186 thousand, concerns customers advance payments in the frame of projects implementation.

Selling costs amounted to € 8.327 thousand compared to € 6.753 thousand in the previous year, showing an increase of 23,3%.

Research costs amounted to € 14.001 thousand compared to € 11.116 thousand in the previous year, showing an increase of 26%. The amount of expenses also includes the cost of development granted programs. So, the amount of the grants corresponding to these programs in the year 2025 amounted to € 6.545 thousand and is recorded in the item "Other income" of the statement of comprehensive income.

The administrative expenses amounted to € 4.157 thousand compared to € 2.800 in the previous year, showing an increase of 48,4%.

The interest expenses concerning the loan of € 4.500, which the company received in October 2023 by its Mother Company Israel Aerospace Industries, amounted to € 292,5 thousand. The loan was fully repaid upon its maturity at the end of the reporting period.

Cash and cash equivalents at the end of the year amounted to € 26.054 thousand compared to € 11.136 thousand at the end of the previous year.

The equity of the Company at the end of the year 2025 amounted to € 81.381 thousand against € 69.359 in the year 2024.

The total Assets amounted in 2025 to € 135.235 thousand against € 116.995 in the year 2024, increased by 15,6%.

The basic financial ratios that depict the financial position of the Company in a static format are as follows:

<b>Ratios</b>	<b>31/12/2025</b>	<b>31/12/2024</b>
<b>a. Financial Structure Ratios</b>		
Current Assets / Total Assets	65,4%	61,0%
Total Equity / Total Liabilities	151,1%	145,6%
Total Equity / Fixed Assets	173,7%	152,1%
Current Assets / Short- term Liabilities	242,9%	199,9%
<b>b. Profitability Ratios</b>		
Net Profit / Sales	4,0%	2,4%
Gross Profit / Sales	32,7%	36,5%
Sales / Total Equity	94,9%	75,8%

## MAIN EVENTS

**January 2025:** INTRACOM DEFENSE (IDE) is entering a new era in the defense industry following the election of a new Board of Directors, while simultaneously proceeding with a € 9 million Share Capital increase.

**March 2025:** INTRACOM DEFENSE (IDE) signed a Memorandum of Understanding with ETIMAD Strategic Security Solutions (ESSS) in the sector of Tactical Communication Systems, with the aim to enhance operational availability and efficiency, and elevate service quality towards the Armed Forces of the United Arab Emirates. This agreement focuses initially on providing end-user industrial support and security of supply, related to Tactical Communication and Information Systems of IDE, currently under deployment process at the UAE, as well as to jointly addressing future market opportunities, utilizing ETIMAD’s advanced industrial capabilities.

**May 2025:** INTRACOM DEFENSE (IDE) had a significant presence at the international Defense & Security exhibition “DEFEA 2025”, held in Athens, Greece, on 6-8 of May 2025, under the auspices and support of the Hellenic Ministry of National Defense / General Directorate for Defense Investments and Armaments (GDDIA).

Among the visitors to IDE’s exhibition booth were the Minister of Shipping and Island Policy, the General Director of GDDIA, Chiefs, Deputy Chiefs and official delegations of the General Staffs of the Hellenic Armed Forces, Members of the Parliament and official foreign delegations. Meetings were also held with government representatives and defense industry executives in the context of the implementation of NATO and other international programs of interest. IDE showcased its advanced technology systems in the areas of Secure Tactical Communications and Command & Control, Hybrid Electric Power Systems, Electronic Missile Systems, as well as its participation in European Defense Research & Development programs co-funded by the European Union, in the fields of Unmanned Systems and Tactical Communications.

It is worth noted, that in the context of the exhibition, the company hosted an event with the participation of distinguished guests, including politicians and government officials, Ministry of Defense personnel, representatives of industrial partners and key clients, as well as members of academic and research institutions and journalists.

**June 2025:** INTRACOM DEFENSE (IDE) was selected to participate in the Hellenic Defense Innovation Testing and Demonstration Days, in the frame of the Tactical Exercise IMMEDIATE

RESPONSE-25 (IR25), part of the DEFENDER EUROPE-25 (DE25) Exercise, which is organized and conducted by the US Army Europe-Africa Command (USAR). The IR25 Exercise took place at the Petrochori Exercise Area, in Xanthi, Greece, between June 3-4, 2025, with the participation of units and assets from six allied nations, including the US, France, Spain and Greece.

During the Exercise, IDE deployed the following Hybrid Electric Power Systems, the capabilities of which were demonstrated to the distinguished guests, including the Chargé d' Affaires of the US Embassy in Athens, and military officials of the participating Armed Forces:

- **HGT20K Tactical Hybrid Generator**, in “Silent Operation” to conceal the thermal trace, through its advanced Energy Storage System, and the exploitation of renewable energy sources to extend operational autonomy. The Hybrid Generator supported the equipment and systems of IDE and other participating companies.
- **GENAIRCON Silent Auxiliary Power System (SAPS)**, integrated to an upgraded “M113 Remote Vulcan” armored vehicle of MENGIA S.A., in conditions of thermal and acoustic traces concealment.

**September 2025:** INTRACOM DEFENSE (IDE) had a strong presence at the international Defense & Security exhibition “DSEI 2025,” held in London from September 9 to 12, 2025.

Within this context, IDE’s executives had the honor of welcoming to the company’s exhibition stand the Ambassador of Greece to London, accompanied by the Defense Attaché of the Hellenic Embassy in London, as well as senior officers of the Hellenic Armed Forces. The visitors were briefed on the technological innovations and advanced integrated solutions that IDE develops and delivers to the international market in the fields of:

- Secure Tactical Communications and Information Management Systems,
- Advanced Hybrid Electric Power Systems for vehicles and mobile power applications, and
- Defense & Missile Electronic systems.

These solutions attracted the interest of leading defense organizations and international companies, who had the opportunity to be informed and explore potential cooperation with IDE, within the framework of NATO and other international defense programs. Through its participation in DSEI 2025, INTRACOM DEFENSE highlights its export-oriented character, strengthens its international networking, and reaffirms its position as a reliable partner in the global defense industry.

**October 2025:** INTRACOM DEFENSE (IDE) had a dynamic presence at the Association of the United States Army Annual Meeting & Exposition “AUSA 2025”, held in Washington DC from October 13-15, 2025. The national participation was organized by the American Hellenic Chamber of Commerce (AMCHAM), under the auspices of the Hellenic Ministry of National Defense, with the support of Enterprise Greece. IDE demonstrated its cutting-edge solutions, featured Hybrid Electric Power Systems along with Secure Tactical Communications and Command & Control (C4I) systems, designed to support modern defense missions and complex operational requirements.

**November 2025:** According to the results announced by the European Commission (EC), three (3) new projects in which Intracom Defense participates, were selected for funding within the framework of the European Defense Fund – EDF 2024.

These new projects are:

- SENTINEL - Sustainable Energy Capabilities for Enhanced Military Camps and Operations
- AURIGA - ArmoURed Infantry Ground Assault
- 5G COMPAD 2 - 5G Communications for Peacekeeping and Defence 2.0

The above three new projects are related to strategic product / technology areas of the company, where IDE has a competitive advantage and can contribute significantly with its technology, know-how and expertise. This IDE's new success confirms once again the company's international dynamics and reliability, and follows the positive results already achieved in the frame of the EDF programs.

### NEW CONTRACTS

- **PATRIOT:** during the year 2025 new contracts awarded by the US Company Raytheon, an RTX business, which amounted to \$ 111,5 million, for the manufacturing of key components for the Patriot™ air and missile defense system in support of various global Patriot end users. The new success is coming as a testament to the long-lasting relationship between the companies and proof of confidence in the capabilities, the qualitative services and effective attributes that IDE demonstrates towards the production and support of international Patriot programs, reinforcing its position as a key and competitive supplier in Raytheon's global supply chain.

- **IRIS-T:** IDE extended its co-operation with Diehl Defence with the receipt of new orders during the year 2025, amounted to € 71,1 million, to produce crucial electronic missile components of the IRIS-T family of missile systems. This new success is a result of IDE's continuous efforts and investment in the development and manufacturing of advanced technology products for the most demanding environments.

- **WiSPR:** IDE received the following new orders for its owned-development Communication and Information Systems WiSPR:

- from KNDS Deutschland new orders amounted to € 2,8 mil. Through its valued cooperation with KNDS, IDE is privileged to continue with deliveries of WiSPR, ensuring the advanced operational benefits of high communications eligibility, enhanced situation awareness, hearing safety and dedicated follow-on support for the end-users.
- from the MINISTRY OF NATIONAL DEFENCE OF LITHUANIA new orders amounted to € 2,7 mil.,
- from Diehl Defence new orders amounted to € 0,9 mil.,
- from ISS GmbH new orders amounted to € 0,7 mil.

The new contracts signed by the Company in 2025 amounted to € 186,9 million EUR. Moreover, IDE signed new contracts of € 2,6 million EUR concerning its participation in the granted research & developmental projects of European Commission (EDF programs).

### GOALS – PERSPECTIVES

The company's target, in the context of the policy it will follow the upcoming years, will be to maintain its independency and its Greek identity, and its recognized presence in Greece, NATO & European

Union and to methodize the expansion of its presence in other markets focusing on strengthening its size. The main goals are the:

- Expansion and strengthening of its activity in the field of Missile Systems and Airborne Electronic Systems with main exports to the USA, Germany and Israel.
- Industrial participation in domestic manufacturing and support of systems related to Greek equipment programs, strengthening the Greek added value, but also the domestic know-how in other sectors.
- Promotion of innovative products and systems of own development and manufacture in Greek equipment programs, offering new and advanced operational field capabilities to the Hellenic Armed Forces, in the areas of Tactical Secure Communications and Hybrid Energy for Weapon Systems.
- Continuation and expansion of collaborations with large international defense companies for the integration of products and systems of own development and manufacture into integrated Defense Systems intended for the international market.
- Direct promotion of IDE's own products and systems in the international market, mainly in applications related to military vehicles and tactical energy supply systems.
- Further strengthening of its existing cooperation with its Parent Company (ISRAEL AEROSPACE INDUSTRIES), through the implementation of new joint projects in various sectors, including Hybrid Energy Systems and specialized information and communication technology (ICT) solutions. These initiatives aim to improve operational efficiency, realize synergies and support the Company's long-term growth and business development.
- Continuation of the successful activity in European programs (Horizon, Frontex, EDIDP, EDF, ASAP) significantly strengthening the Greek presence in the field of European Research and Technology concerning the future operational capabilities of the European Armed Forces and further expanding the domestic know-how in specialized areas of high technology.

On 31.12.2025, the backlog of the Company's agreements was worth a total of € 294,4 mil. Concerning the backlog of the granted research & developmental projects was a worth of € 22,3 mil.

## **RESEARCH AND DEVELOPMENT ACTIVITIES**

The Company continuously invests significant funds in research and development both in new innovative products and in the development of integrated solutions. The Company's activities include the development of cutting-edge defense products that will meet the current and future needs of the Defense and Security Sector internationally.

Innovation is at the core of the Company's development model and is consistently supported through significant investments in research & development, but also in maintaining strategic partnerships with internationally renowned companies and educational institutions to jointly conduct research and co-develop products and services.

In order to facilitate the rapid design and development of advanced high-tech products, sophisticated Research and Development laboratories equipped with the most modern infrastructure operate within the company's facilities. Also, the Research & Development department employs highly scientifically trained personnel in the fields of telecommunications, electronics, mechanical engineering and IT.

The aim of the Research & Development Department, guided by market trends and the introduction of new technologies, is the design, development and production of new innovative products, as well as the improvement, development and modernization of existing ones with competitive features.

In this context, the main technological areas in which the Company focuses its interest concern Broadband Tactical Communications Systems, Hybrid Electric Power Systems and Electric Energy Storage Systems, Information Processing and Geographic Imaging Systems for Monitoring and Control in real-time applications, Electronic Missile Subsystems, Unmanned Vehicle (UxV) Systems as well as Artificial Intelligence and Cyber Security Systems.

## **RISKS AND UNCERTAINTIES**

### **Risks associated with the company's activity**

#### **Defense market trend**

The global defense sector is undergoing a period of strong growth and structural transformation, driven by increasing geopolitical instability, regional conflicts and the reassessment of national security strategies. According to international organizations and official studies, global military expenditure exceeded €2.3 trillion in 2024 and is expected to continue to increase, reaching or exceeding €2,5–€2,7 trillion by 2027, reflecting a long-term shift toward enhanced defense capabilities.

The overall defense industry market demonstrates steady growth rates. Market estimates indicate that the global value of the sector is expected to expand at a compound annual growth rate (CAGR) exceeding 3%. Certain studies project even higher growth rates, particularly in high-technology infrastructure, reflecting the increasing demand for advanced systems and modern security services.

This growth is no longer confined to traditional weapons systems. Emphasis is being placed on investments in artificial intelligence (AI), unmanned systems (UAVs), cyber defense, space applications, advanced surveillance systems and network-centric operations, which are expected to shape the future of military capabilities.

The strengthening of the defense industry has a significant economic impact, as it creates highly skilled employment, enhances technological innovation and acts as a multiplier for other industrial sectors. Investments in research and development (R&D) within the defense sector frequently led to the development of dual-use technologies, with applications extending to the civilian economy as well.

#### **Geopolitical Trends and Regional Developments**

Geopolitical developments constitute a key driver of the increase in defense expenditure. NATO member states are systematically increasing their defense budgets, aiming to exceed the threshold of 2% of GDP, while in certain cases even higher long-term spending levels are being considered. At the same time, the European Union is strengthening its defense industrial base through joint programs and dedicated funding instruments, seeking to enhance its strategic autonomy.

In Asia, countries such as China, India, Japan and South Korea are significantly increasing their defense investments, both to address domestic security requirements and to strengthen their export presence in the global defense market.

## Risks and Challenges

Despite the positive outlook, the sector faces several challenges, including its high dependence on government spending, volatility arising from geopolitical developments, as well as sustainability considerations and issues related to social acceptance.

## Economic Environment

A Greek company operating in the defense sector and demonstrating a strong export orientation operates within a complex economic environment shaped by both macroeconomic and microeconomic factors. The interaction of these factors directly affects the Company's growth strategy, competitiveness and long-term sustainability.

At the macroeconomic level, the international environment is characterized by increased defense spending, particularly in Europe, North America and Asia, driven by geopolitical tensions and the reassessment of national security strategies. This trend creates favorable demand conditions for export-oriented defense companies, including those based in Greece. Greece's participation in the European Union and NATO constitutes a significant competitive advantage, as it provides access to European funding programs, joint procurement initiatives and multinational cooperation frameworks (e.g. the EDF, PESCO).

At the microeconomic level, the Company operates in a market characterized by a high degree of concentration, intense international competition and long sales cycles. The ability to establish strategic partnerships with major international groups (Original Equipment Manufacturers – OEMs) and to participate in international value chains constitutes a critical success factor for a Greek export-oriented company.

The quality of human capital, particularly in high-technology fields such as electronics, software and defense systems, has a direct impact on competitiveness. At the same time, dependence on specific suppliers or critical raw materials may increase exposure to supply chain disruptions and adversely affect production costs and delivery schedules.

The Company continuously monitors the development of macroeconomic indicators and their potential impact on its activities and adjusts its operations, accordingly, based on current and anticipated developments. Actions are also taken to mitigate risks at every level. We consider that capital adequacy is such as guaranteeing the uninterrupted activity of the Company.

## Financial Risks

### Foreign Exchange Risk

The Company's foreign exchange risk is relatively limited because in most cases where there are receivables in foreign currency under a contract, the corresponding liabilities in the same currency also exist. Contracts denominated in a foreign currency are almost entirely in USD, as are the corresponding liabilities.

As a rule, physical hedging of foreign exchange risk is employed. If that is not satisfactory due to particularly high liabilities in a foreign currency, the option to use foreign exchange risk hedging mechanisms, via suitable banking products or using a foreign currency loan for the same amount, is examined on a case-by-case basis.

As for cash held in foreign currencies, the Company's policy is to hold the minimum amount required to cover its short-term liabilities in that currency.

#### Cash flow and fair value interest rate risk

The company is in minimal exposure to interest rate risk, due its zero borrowing and the short-term horizon of the cash deposits.

#### Credit risk

The Company's commercial transactions are almost entirely entered into with reliable public and private sector organisations. In many cases there is also a long-term satisfactory trading history. However, in all events -given conditions on the Greek market- the company monitor all customer receivables carefully and if needed promptly to act in or out of court to ensure the receivables can be collected, thereby minimising any credit risk. Consequently, the risk of bad debt is particularly limited.

As far as credit risk associated with the placement of cash assets is concerned, note that the Company only collaborates with financial organisations that have a high credit rating.

#### Liquidity risk

The Company holds sufficient liquidity in cash and cash equivalents and could use available undrawn borrowing facilities.

### **ENVIRONMENTAL & ENERGY RESPONSIBILITY**

Intracom Defense S.A. places as a priority the adherence to the values of Environmental and Energy responsibility and systematically seeks the smallest possible impact on the environment, the rational management of the energy used for the Company's processes, and its transition to the principles of sustainable development and the circular economy.

For this purpose, IDE has developed and implements Environmental and Energy Management Systems (EN ISO 14001:2015 & EN ISO 50001:2018) in order to be able to recognize potential impacts created by its business activity on the natural environment and to ensure the continuous improvement of its environmental and energy performance through the establishment of specific environmental and energy targets. These goals are documented and monitored through programs for their implementation.

All environmental and energy issues arising from the Company's activities have been defined and documented and methods are applied to determine and evaluate their relative effects.

The issues are evaluated based on pre-defined criteria, which include:

- The standard environmental commitments that come with the company's (two) operating licenses,
- The applicable legislative requirements and
- Other regulatory and contractual requirements.

Continuous information on developments and future trends in national and community environmental legislation is achieved by accessing legal databases.

The company is committed to the following in relation to its activities:

- It complies with the current Greek and European environmental and energy legislation as well as with any other environmental and energy requirement signed by the Company, in the context of its business processes and activities.
- Recognizes and evaluates the Environmental Aspects, Energy Uses and Impacts of its processes and activities on the environment and energy, taking the necessary measures to minimize them.
- Monitors and measures Significant Environmental and Energy Impacts.
- Continuously improves its environmental and energy performance.
- Sets clear, measurable, attainable, realistic, and time-bound Goals and Objectives, and takes every necessary action to achieve them.
- Raise awareness among the Company's employees of Environmental and Energy Management issues.
- Determines and ensures the competence and the abilities of the employees to improve their Environmental and Energy Performance.
- It provides the required resources for the implementation of the Environmental and Energy Management Systems, the Protection of the Environment and the achievement of the Environmental and Energy Goals and Objectives.
- Implements and continuously improves the Environmental and Energy Management System.
- To use its resources properly and sustainably.
- To limit the impact and adaptation of climate change.
- To protect biodiversity and ecosystems.

Intracom Defense promotes the following Environmental Actions with a positive impact on both the environment and Energy:

- Rational Management of Hazardous Waste
- Rational Recycling and Circular Economy
- Investment in Technology, Research and Development through Green Product Design (e.g. hybrid energy systems)
- Investment in Renewable Energy Sources in projects
- Replacing its fleet of conventional cars with electric, hybrid or lower polluting cars by 2024
- Production of Green Energy through the PV 500Kva system it has installed in its facilities
- Investment in equipment with low energy requirements such as production line machines, air conditioning units and appliances for daily use.
- Irrigation of green environment areas from licensed drilling
- Saving natural resources and reducing Carbon Footprint (investment in new technologies to reduce energy consumption)
- Collaboration with an electricity provider whose energy generation is primarily derived from Renewable Energy Sources (RES).
- Supply of energy efficient products and services, which positively affect energy efficiency.

## **SOCIAL RESPONSIBILITY**

The company provides a safe working environment in which policies to deal with violence and harassment as well as non-discriminatory policies are applied, and equal opportunities are offered to all employees regardless of gender, age, religion, and nationality. Furthermore, employees' trade union rights are fully respected, health & safety procedures are strictly followed adhered to, and open-door policies as well as the "whistleblowing" system are consistently implemented.

In this context, the Company also issued the Anti-Violence and Anti-Harassment Policy in the Working Environment.

## **BUSINESS ETHICS**

From the beginning of its operations, the Company has applied business practices in all its activities that are governed by integrity, reliability, honesty, transparency, fair conduct in transactions, and full compliance with applicable laws. Additionally, it is committed to applying these values and corporate business principles in every area where it operates. To this end, the Company adheres to certain non-negotiable standards of conduct in key areas that are critical for ethical business behavior worldwide. These ethical business standards pertain to its relationships/transactions with employees, customers, suppliers, contractors, partners, as well as the Company's shareholders, society, governments, and State Authorities wherever it operates.

In this context, the Company has issued and implements, through a whistleblowing system:

- the company's Code of Business Conduct and Ethics,
- the company's Supplier Code of Conduct,
- the company's Combating Trafficking in Persons Compliance Plan,
- the Anti-Corruption Compliance Program

## **PERSONNEL**

The number of company's employees at 31.12.2025 and 31.12.2024 reached 562 and 471 employees respectively.

Directors' remuneration and key management compensation (wages, salaries & other benefits) amounted to € 1.261.044 during the year 2025 in comparison to € 873.082 during the previous year.

Dear Shareholders,

The Board of Directors suggests to the Shareholders General Meeting not to distribute dividends for the current fiscal year 01.01.2025-31.12.2025.

The Board of Directors considers the reported data as a statement of its proceedings and expects that the Annual General Meeting of Shareholders will approve the management according to the company's interests and the financial statements for the year ended on 31/12/2025.

It also expects that the Annual General Meeting of Shareholders by a special resolution will approve the overall management of the Company and will release the Auditors from any liability for the year from 1 January 2025 to 31 December 2025.

In order for the shareholders to be adequately informed, it is stated that the Company has not proceeded to acquire treasury shares.

True copy from the minute book of the Board of Directors

Koropi, 25<sup>th</sup> February 2026

**THE MANAGING DIRECTOR**  
**(CEO)**

**GEORGE TROULLINOS**

## Independent Auditors' Report

To the Shareholders of "INTRACOM DEFENSE S.A."

### **Report on the Audit of the Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of "INTRACOM DEFENSE S.A." (the Company), which comprise the Balance sheet as at 31 December 2025, the statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of "INTRACOM DEFENSE S.A." as at 31 December 2025, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

#### **Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company throughout our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### **Other Matter**

The financial statements of the Company for the previous fiscal year ended 31.12.2024 were audited by another audit firm. For these financial statements, the Certified Public Accountant issued an audit report with an unmodified opinion on 5.3.2025.

#### **Responsibilities of Management for the Financial Statements**

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

In preparing the 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.

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

Our objectives are to obtain reasonable assurance about whether the 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, as incorporated into the Greek Legislation, 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 financial statements.

As part of an audit in accordance with ISAs as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal controls.
- 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the 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 the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with management 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**

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 (part B') of L. 4336/2015, we note that:

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of the article 150 of L. 4548/2018 and its content corresponds with the accompanying financial statements for the year ended 31/12/2025.
- b) Based on the knowledge we obtained during our audit of "INTRACOM DEFENSE S.A." and its environment, we have not identified any material misstatements in the Board of Directors' Report.

Athens, 5 March 2026

**Michail Chatzistavrakis**

Certified Public Accountant Auditor  
Institute of CPA (SOEL) Reg. No. 26581

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*This is a translation into English of the Statutory Auditors' report issued originally in Greek and is provided for the convenience of English speaking readers. This report includes information specifically required by European regulation and Greek law and should be read in conjunction with, and construed in accordance with, Greek law and International Standards on Auditing (ISAs) incorporated into the Greek Legislation.*

## **D) Annual Financial Statements in accordance with IFRS**

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## Balance Sheet

<i>Amounts in euro</i>	Note	31/12/2025	31/12/2024
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	6	34.449.371	33.817.943
Right-of-use assets	7	918.909	596.747
Intangible assets	8	3.277.767	3.054.371
Investment property	9	3.215.922	3.255.907
Investment in subsidiaries	10	30.925	-
Investment in associates	11	14.278	249.663
Deferred income tax assets	12	4.943.524	4.626.091
<b>Total</b>		<b>46.850.695</b>	<b>45.600.722</b>
<b>Current assets</b>			
Inventories	14	44.292.963	39.880.620
Trade and other receivables	13	18.036.883	20.377.948
Cash and cash equivalents	15	26.054.370	11.135.567
<b>Total</b>		<b>88.384.216</b>	<b>71.394.134</b>
<b>Total assets</b>		<b>135.234.912</b>	<b>116.994.857</b>
<b>EQUITY</b>			
Share capital	16	67.197.224	58.197.224
Other reserves	17	9.304.202	9.288.067
Retained earnings		4.879.875	1.873.871
<b>Total equity</b>		<b>81.381.301</b>	<b>69.359.162</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Lease liabilities	7	709.743	452.702
Retirement benefit obligations	19	2.363.118	2.345.600
Government grants	20	300.680	2.254.260
Long-term provisions	21	296.031	218.008
Trade and other payables	22	13.792.217	6.658.618
<b>Total</b>		<b>17.461.789</b>	<b>11.929.188</b>
<b>Current Liabilities</b>			
Trade and other payables	22	28.304.611	24.181.036
Current income tax liabilities		1.296.841	171.406
Loans	18	-	4.846.938
Lease liabilities	7	241.624	156.677
Government grants	20	6.186.930	6.025.673
Short-term provisions	21	361.815	324.778
<b>Total</b>		<b>36.391.822</b>	<b>35.706.507</b>
<b>Total liabilities</b>		<b>53.853.611</b>	<b>47.635.695</b>
<b>Total equity and liabilities</b>		<b>135.234.912</b>	<b>116.994.857</b>

The notes on pages 26 to 59 are an integral part of these financial statements.

## Statement of Comprehensive Income

<i>Amounts in euro</i>	Note	1/1-31/12/2025	1/1-31/12/2024
Sales	23	77.258.120	52.579.853
Cost of goods sold	24	(52.012.825)	(33.405.967)
<b>Gross profit</b>		<b>25.245.295</b>	<b>19.173.886</b>
Selling costs	24	(8.326.566)	(6.753.474)
Research costs	24	(14.000.920)	(11.116.205)
Administrative expenses	24	(4.156.196)	(2.800.002)
Impairment losses on trade receivables and reversals	26	16.450	(54.861)
Other income	27	6.684.808	3.640.750
Other gains/(losses) - net	28	(52.880)	(204)
<b>Operating profit</b>		<b>5.409.990</b>	<b>2.089.890</b>
Finance income	29	313.371	421.354
Finance cost	29	(1.398.526)	(736.779)
<b>Finance costs - net</b>		<b>(1.085.155)</b>	<b>(315.425)</b>
<b>Profit before income tax</b>		<b>4.324.835</b>	<b>1.774.465</b>
Income tax expense		(1.227.787)	(528.742)
<b>Profit for the period</b>		<b>3.097.048</b>	<b>1.245.723</b>
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translating foreign operations		2.596	-
Actuarial gain/(losses)	19	(71.365)	(102.709)
Income Tax Relating to Actuarial gain/(losses)	12	15.700	22.596
<b>Other comprehensive income, net of tax:</b>		<b>(53.069)</b>	<b>(80.113)</b>
<b>Total comprehensive income for the period</b>		<b>3.043.979</b>	<b>1.165.610</b>

The notes on pages 26 to 59 are an integral part of these financial statements.

## Statement of changes in equity

<i>Amounts in euro</i>	Note	Share capital	Other reserves	Retained earnings	Total equity
<b>Balance at 1 January 2024</b>		<b>58.197.224</b>	<b>9.368.180</b>	<b>628.148</b>	<b>68.193.553</b>
Actuarial gains/ (losses), net of tax			(80.113)		(80.113)
Profit for the period				1.245.723	1.245.723
<b>Total comprehensive income for the period</b>			<b>(80.113)</b>	<b>1.245.723</b>	<b>1.165.610</b>
<b>Balance at 31 December 2024</b>		<b>58.197.224</b>	<b>9.288.067</b>	<b>1.873.871</b>	<b>69.359.162</b>
<b>Balance at 1 January 2025</b>		<b>58.197.224</b>	<b>9.288.067</b>	<b>1.873.871</b>	<b>69.359.162</b>
Actuarial gains/ (losses), net of tax			(55.664)	-	(55.664)
Exchange differences on traslating foreign operations			2.596	-	2.596
Profit for the period				3.097.048	3.097.048
<b>Total comprehensive income for the period</b>			<b>(53.069)</b>	<b>3.097.048</b>	<b>3.043.979</b>
Share capital issuance	16	9.000.000	-	-	9.000.000
Share capital issuance expenses	16			(21.840)	(21.840)
Statutory reserves formation			69.204	(69.204)	-
<b>Balance at 31 December 2025</b>		<b>67.197.224</b>	<b>9.304.202</b>	<b>4.879.875</b>	<b>81.381.301</b>

The notes on pages 26 to 59 are an integral part of these financial statements.

## Cash flow statement

<i>Amounts in euro</i>	Note	1/1-31/12/2025	1/1-31/12/2024
<b>Profit for the year</b>		<b>3.097.048</b>	<b>1.245.723</b>
Adjustments for:			
<b>Tax</b>		<b>1.227.787</b>	<b>528.742</b>
Depreciation of property, plant & equipment	6	1.547.905	1.314.972
Depreciation of investment property	9	39.986	39.986
Depreciation of right-of-use assets	7	245.447	172.298
Amortisation of intangible assets	8	175.038	159.480
(Profit)/ Loss on disposal of property, plant & equipment	28	371	2
(Profit)/ Loss on disposal of right-of-use assets	28	1.688	(58)
Interest income	29	(313.371)	(421.354)
Interest expense	29	1.398.526	736.779
Amortisation of government grants	20	(4.975.451)	(2.614.919)
Exchange gains / losses		52.650	(161.461)
Impairment charges on inventories	24	(334.251)	1.491.227
(Profit)/Loss from Investments		103.843	7.252
		<b>2.267.216</b>	<b>2.498.666</b>
<b>Changes in operating assets &amp; liabilities</b>			
(Increase) / decrease in Inventories		(4.078.092)	(6.966.067)
(Increase) / decrease in trade and other receivables		2.192.875	(5.794.464)
Increase/ (decrease) in trade and other payables		11.465.033	7.702.148
Increase/ (decrease) in provisions		115.060	106.770
Increase/ (decrease) in retirement benefit obligations		(53.846)	131.856
		<b>9.641.030</b>	<b>(4.819.757)</b>
<b>Cash generated from operations</b>		<b>11.908.246</b>	<b>(2.321.091)</b>
Financial expenses paid		(1.106.026)	(444.279)
Financial income received		-	151.141
Income tax paid		(404.084)	137.796
<b>Net cash from operating activities</b>		<b>10.398.136</b>	<b>(2.476.432)</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment		(2.226.695)	(2.192.479)
Purchase of intangible assets		(466.360)	(118.261)
Investment on Subsidiaries	10	(124.492)	-
Return of Capital from Related Companies	11	230.300	-
Interest income received	29	289.523	246.965
<b>Net cash used in investing activities</b>		<b>(2.297.724)</b>	<b>(2.063.775)</b>
<b>Cash flows from financing activities</b>			
Proceeds from issue of ordinary shares	16	9.000.000	-
Expenses on issue of share capital		(21.840)	-
Repayments of borrowings	18	(5.139.438)	-
Government grants received	20	3.183.129	6.712.085
Principal elements of lease payments	7	(227.308)	(173.377)
<b>Net cash used in financing activities</b>		<b>6.794.543</b>	<b>6.538.708</b>
<b>Net (decrease) / increase in cash &amp; cash equivalents</b>		<b>14.894.955</b>	<b>1.998.501</b>
Cash and cash equivalents at beginning of the period		11.135.567	9.113.818
Effects of exchange rate changes on cash and cash equivalents		23.848	23.248
<b>Cash and cash equivalents at end of the period</b>		<b>26.054.370</b>	<b>11.135.567</b>

The notes on pages 26 to 59 are an integral part of these financial statements.

## **Notes to the Financial Statements**

### **1. General Information**

INTRACOM DEFENSE S.A. (“IDE”, “the Company”) was founded in Greece and operates mainly in the design, development and manufacturing of defense electronic products, systems and applications and the provision of technical support services and maintenance as well as in the provision of safety systems and related services.

The company operates in Greece and in foreign countries.

The Company’s registered office is at 21 km Markopoulou Ave., Koropi Attikis, Greece. Its website address is [www.intracomdefense.com](http://www.intracomdefense.com).

The major shareholder owned 95,276% of the Company’s share capital is "ISRAEL AEROSPACE INDUSTRIES Ltd." based in ISRAEL.

The Company is fully consolidated in the consolidated financial statements of ISRAEL AEROSPACE INDUSTRIES.

These financial statements have been approved for issue by the Board of Directors on 25<sup>th</sup> February 2025.

### **2. Significant accounting policies**

#### **2.1 Basis of preparation**

The annual financial statements include the financial statements of the company for the year ended 31 December 2025 and have been prepared in accordance with International Financial Reporting Standards as they have been adopted by the European Union.

The financial statements have been prepared under the historical cost convention and the going concern principle.

The preparation of financial statements in accordance with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company’s accounting policies. Moreover, the use of estimates and assumptions is required that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of preparation of financial statements and the reported income and expense amounts during the reporting period. Although these estimates are based on Management’s best possible knowledge with respect to current circumstances and actions, the actual results may eventually differ from these estimates. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 below.

The accounting policies the Company has followed for the preparation of the annual financial statements for year ended 31 December 2025, are consistent with those described in the published financial statements for the year ended 31 December 2024, after being also taken into consideration the

following amendments to standards and the new interpretations, that have been issued by the International Accounting Standards Board (IASB), adopted by the European Union and their application is mandatory for the year ended 31 December 2025.

## **2.2 New standards, amendments to existing standards and interpretations**

### **2.2.1 New Standards and Amendments Adopted by the Company**

The Company adopted certain standards and amendments, compulsorily, for the first time for the fiscal year 2025. The Company has not previously adopted some other standard, interpretation or amendment issued but it is not obligatory to be applied for the fiscal year 2025.

#### **Amendments to IAS 21 The Effects of Changes in Exchange Rates: Lack of Exchangeability**

The amendments require companies to apply a consistent approach to assessing whether a currency can be exchanged for another currency (in the absence of exchangeability between currencies) and, where it cannot, to determining the exchange rate to be used and the disclosures they must provide. The amendments had no impact on the Company's financial statements.

### **2.2.2 Standards and Interpretations mandatory for subsequent periods that have not been earlier applied by the Company**

The following new standards, amendments to standards and interpretations have been issued by the International Accounting Standards Board (IASB), are relevant to the Company's activities, but are mandatory for subsequent periods. The Company has not early adopted the standards listed below. The nature and the expected impact of each new standard or amendment relevant to the Company's activities are described below.

#### **Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures – Amendments to the Classification and Measurement of Financial Instruments**

The amendments issued in May 2024:

- clarify the date of recognition and derecognition of certain financial assets and liabilities, introducing a new exception for certain financial liabilities settled through an electronic cash transfer system,
- clarify and provide additional guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion,
- introduce new disclosures for certain instruments with contractual terms that could change cash flows (such as instruments with ESG-linked features), and
- update disclosures for equity instruments measured at fair value through other comprehensive income.

Upon initial application, an entity is not required to restate comparative information and is permitted to do so only if this is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after 1 January 2026 and are not expected to have an impact on the Company's financial statements.

## **IFRS 18 – Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18, which replaces IAS 1 Presentation of Financial Statements. IFRS 18 will improve the quality of financial reporting by requiring defined subtotals in the statement of profit or loss, disclosures regarding management-defined performance measures and new principles for aggregation and disaggregation of information.

IFRS 18 is effective for annual periods beginning on or after 1 January 2027. The Company is currently assessing the impact of the new Standard on its financial statements.

### **Annual Improvements to IFRS – Volume 11**

On 18 July 2024, the IASB issued limited amendments to IFRS and their accompanying guidance. These amendments, published in a single document titled Annual Improvements to IFRS – Volume 11, include clarifications, simplifications, corrections and minor changes aimed at improving the consistency of several IFRS Standards.

The amendments affect the following standards:

IFRS 1 First-time Adoption of International Financial Reporting Standards,  
IFRS 7 Financial Instruments: Disclosures (application guidance only),  
IFRS 9 Financial Instruments,  
IFRS 10 Consolidated Financial Statements, and  
IAS 7 Statement of Cash Flows.

The amendments are effective for annual reporting periods beginning on or after 1 January 2026 and are not expected to have a material impact on the Company's financial statements.

### **Other amendments**

The following amendments and new standards, which are mandatory for future periods, are not expected to have an impact on the Company's financial statements:

- IFRS 19 – Subsidiaries without Public Accountability: Disclosures (effective for annual periods beginning on or after 1 January 2027).
- Amendments to IFRS 9 and IFRS 7 – Nature-dependent electricity contracts (effective for annual periods beginning on or after 1 January 2026).
- Amendments to IAS 21 – Translation to a Hyperinflationary Presentation Currency (effective for annual periods beginning on or after 1 January 2027).

## **2.3 Summary of significant accounting policies**

### **2.3.1 Foreign Currency Translation**

#### **(a) Functional and presentation currency**

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

## **(b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions during the year and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in the income statement.

Receiving an advance or paying in foreign currency respectively leads to the recognition of a non-monetary item (asset or liability) that is not measured at the balance sheet date. The transaction date for the purposes of initial recognition of the related expense or revenue assets is the date of payment or collection of the relevant advance.

### **2.3.2 Revenue from Contracts with Customers**

The Company recognizes revenue from a contract with a customer when (or as) a performance obligation is satisfied by transferring a promised good or service (i.e., an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. The customer obtains control of a good or a service when it has the ability to direct the use of and obtain substantially all the remaining benefits from it.

As revenue shall be defined the amount of consideration to which the company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. Variable amounts are included in the consideration and are calculated using either the "Expected Value" method or the "Most Likely Amount" method.

The performance obligation of the contract can be fulfilled either at a point in time or over time.

The performance obligation to sell a good or provide a service is satisfied either at a point in time or over time when:

- i) the customer simultaneously receives and consumes the benefit provided by the entity's performance as the entity performs,
- ii) the entity's performance creates or enhances an asset that the customer controls as the asset is created or enhanced,
- iii) the entity's performance does not create an asset with an alternative use to the entity, and the entity has an enforceable right to payment for performance completed to date.

When the company performs the contractual obligations by transferring goods or services to a customer, before the customer pays consideration or before payment is due, the company presents the contract as a contract asset. A contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer.

When the customer pays consideration, or the company has the unconditional right to receive consideration before the Company's contractual obligations for goods or service transfers, then the company presents the contract as contractual liability. The contract liability is derecognized when the contractual obligations are fulfilled, and the revenue is recorded in the statement of comprehensive income.

### **(a) Sales of goods**

Revenue from the sale of the Company's assets includes the construction of parts of electronic units mainly related to missile and telecommunication systems and the construction of integrated electromechanical missile systems, and in the majority include a single performance obligation. Revenue from the sale of equipment is recognized at a point in time when the asset is transferred to the customer, in particular when the goods are transferred to and accepted by the customer.

#### **i) Variable consideration**

The Company's contracts with its customers do not include variable consideration elements due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, penalties or other similar items.

#### **ii) Warranties**

The Company provides two-year repair guarantees for all products sold, in line with industry practice. The guarantees provided by the Company are assurances that the product meets the assurance-type warranties in accordance with IFRS 15 that the Company accounts for in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets and are included in the item "Provisions"(note 21).

#### **iii) Contractual assets and liabilities**

The contractual assets of the Company relate mainly to accrued income and are included in the item "Trade and other receivables" (note 13), while the liabilities refer to deferred income and customer advances and are presented in the item "Trade and other payables" (note 22) respectively in the balance sheet.

### **(b) Sales of services**

Revenue from services mainly concerns maintenance and support contracts, on-site design and development services, and instrument calibration and testing services. They are recognized over a long period of time by the fixed method during the contract as the customers receive and at the same time consume the benefits resulting from the provision of the service on the part of the Company. Primarily, the services include a single enforcement obligation.

### **(c) Rental income**

Rental income arising from operating leases on investment properties is accounted on a straight-line basis during the lease term and is included in other income in the statement of comprehensive income.

## **2.3.3 Government Grants**

Grants from the government are recognized until there is a reasonable assurance that the grant will be received, and all attached conditions will be complied with.

Government grants relating to costs are deferred and recognized in profit or loss over the period necessary to match them with the costs they are intended to compensate. Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities and are credited to profit or loss on a straight-line basis over the expected lives of the related assets.

### **2.3.4 Current and deferred income tax**

The fiscal year taxation includes the current and deferred tax. The taxation is recognized in the results unless it is related to items recognized in the other comprehensive income or directly in equity. In this case, the tax is also recognized in the other comprehensive income or directly in equity, respectively.

#### **Current income tax**

The current income tax is calculated based on the taxation result, according to the taxation laws applied in Greece. The expenditure for the current income tax includes the income tax arising from the Company's profits, as shown in its tax returns and is calculated according to the laid-down or substantially laid-down tax rates.

#### **Deferred income tax**

The deferred income tax arises from the temporary differences between the tax base and the accounting base of the assets and liabilities.

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

The deferred tax is determined considering the tax rates (and tax laws) in force on the financial statements date.

The deferred tax assets are set off with the deferred tax liabilities when settled at the same tax authority.

### **2.3.5 Property, plant and equipment**

Property, plant and equipment ("PPE") is stated at historical cost less depreciation and impairment. Historical 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 Company and the cost of the item can be measured reliably. Repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method over their estimated useful lives, as follows:

- Buildings	33-34 years
- Machinery, Installations & Equipment	10-25 years
- Vehicles	5-7 years
- Other Equipment	5-10 years

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

If the asset's carrying amount is greater than its estimated recoverable amount, the asset's carrying amount is written down to its recoverable amount, and the difference (impairment) is immediately recorded in profit or loss. An impairment reversal is recognized in profit or loss.

When an asset is sold, the difference between the proceeds and its carrying amount is recognized as gains or losses in profit or loss.

Finance charges directly attributable to the construction of PPE assets are capitalized for the period that is required until the completion of the constructed item. All other finance charges are recognized in profit or loss as incurred.

### **2.3.6 Investment Property**

Investment property, principally comprising land and buildings, is held for long-term rental yields and is not owned occupied by the Company. Investment property is measured at cost less depreciation and impairment. The land classified as investment property is not depreciated. Depreciation on buildings is calculated using the straight-line method to allocate the cost of each asset to its residual value over its estimated useful life, which is 33-34 years.

When the carrying amount of the investment property is greater than its recoverable amount, the resulting difference (impairment loss) is recognized immediately as an expense in profit or loss.

### **2.3.7 Investment in subsidiaries & associates**

Subsidiaries are all entities over which control is exercised. Associates are entities over which the Company exercises significant influence but not control.

Investments in subsidiaries and associates are accounted for using the equity method and are initially recognized at cost. Subsequently, the carrying amount is increased or decreased to recognize the Company's share of the profit or loss of the subsidiaries and associates after the acquisition date.

At each reporting date, the Company assesses whether there is any objective evidence that investments in subsidiaries and associates are impaired. If such evidence exists, the Company calculates the impairment loss as the difference between the recoverable amount of the investments in subsidiaries and associates and their carrying amount and recognizes the loss in profit or loss.

The Company, as an intermediate parent, does not publish consolidated financial statements, as its subsidiaries and associates are consolidated in the financial statements of the ultimate parent company (Israel Aerospace Industries) and, furthermore, their balances are immaterial (note 10 & note 11).

### **2.3.8 Leases**

#### **The Company as lessee**

##### Right-of-use assets

The company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. Right-of-use assets are subject to impairment.

The right-of-use assets are presented separately in the balance sheet.

### Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. In calculating the present value of lease payments, the Company uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

For short-term leases and leases in which the underlying asset has a low value, the Lease payments are recognised as expense on a straight-line basis over the lease term according IFRS16 exemptions.

The company doesn't separate non-lease components from lease components and accounting each lease component and any associated non-lease component as a single lease component.

### **The Company as Lessor**

The leases in which the Company is the lessor are categorized as finance or operating lease.

Leases in which all the risks and benefits of ownership are maintained by the Company are classified as operating leases. Revenues from operating leases are recognized in the results using the fixed method during each lease.

The company has not contracted any finance leases.

### **2.3.9 Intangible assets**

#### **Computer Software**

Acquired computer software licenses are measured at cost less accumulated amortization. Amortization is calculated using the straight-line method over the estimated useful lives of the assets, which is 3 to 8 years.

Costs associated with maintaining computer software programs are recognized as an expense as incurred.

#### **Trademarks and licenses**

Trademarks are words, names, symbols or other means used in commerce to indicate the source of a product and to distinguish it from the products of other producers. A license characterizes and distinguishes the source of a service rather than a product. The general marks are used to characterize the Companies' merchandise or goods. Trademarks, trade names, service marks, general marks, and certification marks usually are legally protected through filing with government agencies, continued commercial use, or with other means. As long as a trademark or other mark is legally secured through filing or other means, when it is acquired in a business combination, is an intangible asset that meets the contractual-legal criterion. Trademarks are valued at cost less any accumulated impairment loss. Trademarks are tested for impairment on a yearly basis.

### **2.3.10 Impairment of non-financial assets**

The book values of non-current assets are controlled for impairment purposes when incidents or changes in the conditions denote that the book value may not be recoverable. When the book value of an asset exceeds the recoverable amount an impairment loss is recognized in the results. The recoverable value is determined as the highest value between the fair value minus the sale cost and the use value. The fair value minus the sale cost is the price one would get for the sale of an asset in a normal transaction between market participants after deducting any additional direct sale cost of the asset, while use value is the net present value of the estimated future cash flows expected to be realized from the continuous use of an asset and the expected proceeds from its sale at the end of the estimated useful life. For the determination of the impairment, the assets are compared at the lowest level for which the cash flows can be separately determined.

### **2.3.11 Financial instruments**

#### **a. Financial assets**

##### **i. Initial Recognition and Derecognition**

The Company recognizes a financial asset when it becomes one of the parties of the financial instrument.

A financial asset is derecognised when the contractual rights to the cash flows of the financial asset expire, or the financial asset is transferred, and the transfer qualifies for derecognition.

##### **ii. Classification and Measurement**

Financial assets at initial recognition are measured at their fair value (usually the transaction price, ie the fair value of the consideration given or received) plus transaction costs directly attributable to their acquisition or issue, unless it is for financial assets measured at fair value through profit or loss where transaction, issue, etc. costs are borne by the results.

The trade receivables that do not include a significant portion of funding are measured at the transaction price.

For subsequent measurement purposes, financial assets are classified in accordance with the entity's business model for the management of financial assets and their contractual cash flows.

Financial assets are classified into one of the following three categories, which determines their subsequent measurement:

- Amortised cost,
- fair value through other comprehensive income (fair value through OCI) and
- fair value through profit or loss.

The Company does not hold any other financial assets except trade receivables from customers and cash and cash equivalents. The company has classified trade receivables at amortized cost and measures them subsequently, using the effective interest rate method if they have a long-term share.

##### **iii. Impairment**

For trade receivables, the Company applies the simplified approach of the Standard and calculates the expected credit losses based on the expected credit losses over the whole life of those items.

## **b. Financial liabilities**

### **i. Initial Recognition and Derecognition**

An entity recognizes a financial liability in its statement of financial position when and only when the entity becomes a party to the financial instrument.

All the financial liabilities are initially recognized at their fair value and, in the case of loans, net of the direct costs of the transaction.

A financial liability is written off from the statement of financial position when it is settled.

A material change in the terms of an existing financial liability (difference of at least 10% at present value with the initial interest rate) is accounted for as a repayment of the initial financial liability and recognition of a new financial liability. Any difference is recorded in the results.

### **ii. Classification and Measurement**

The financial liabilities are classified at the initial recognition as financial liabilities measured at amortized cost or financial liabilities that are measured at fair value through profit or loss.

The Company's financial liabilities include trade & other payables and loans.

The Company's financial liabilities are subsequently measured by the amortized cost method using the effective interest rate. The Company has not undertaken liabilities that are measured at fair value through profit or loss.

### **c. Offsetting financial instruments**

Financial assets are set off and the net amount is presented in the balance sheet when there is a legal right to set off amounts that have been recognized and there is also the intention of entering a settlement on a net base or the acquisition of the asset and the settlement of the liability are carried out simultaneously.

## **2.3.12 Inventories**

Inventories are stated at the lower value between the acquisition cost and the net realizable value. The cost is determined using the weighted average method. The cost of finished products and semi-finished inventories includes the cost for materials, the direct labour cost and a proportion of the general production expenses. The net realizable value is estimated based on the current reserve sale prices in the context of the usual activity deducting possible sale expenses and for semi-finished products the estimated expenses for their finishing. An impairment provision for slowly moving or depreciated inventories is formed if necessary. Impairments are recognized in the related profit or loss.

## **2.3.13 Cash and cash equivalents**

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less. Cash and cash equivalents have low risk of changes in value.

## **2.3.14 Share capital**

The share capital includes the Company's ordinary shares. The ordinary shares are included in the equity.

Direct expenses for the issuance of shares are accounted for as a deduction from equity after deducting the relevant income tax.

The acquisition cost of own shares is shown as a deduction of the Company's equity up to when the own shares are sold or cancelled. Each gain or loss from the sale of own shares, net of any expenses and taxes related directly to the transaction, is shown in the retained earnings.

### **2.3.15 Employee Benefits**

#### **(a) Short-term benefits**

Short-term benefits for the personnel in money and kind are recorded as expenses when they become accrued.

#### **(b) Post-employment benefits**

Benefits upon leaving the service include both defined contribution plans (state plans) and defined benefit plans.

The accrued cost of the defined contribution plans is recorded as expense in the related period.

The obligations arising from defined benefit plans for the personnel are calculated at the discounted value of the future benefits for the personnel that have been accrued on the balance sheet date. The obligation of the defined benefit is calculated annually by an independent actuary using the projected unit credit method.

The actuarial profits and losses arising from experiential adjustments and changes in the actuarial assumptions are recognized in the other total revenues in the related period.

The work experience cost is directly recognized in the results.

#### **(c) Termination benefits**

The benefits for employment termination are payable when the Company either terminates the employment of employees before retirement or after the decision of employees to accept an offer of benefits by the Company in exchange for terminating their employment. The Company recognizes the benefits for employment termination as an obligation and expenditure on the earlier among the following dates: a) when the entity cannot withdraw the offer of said benefits; and b) when the entity recognizes the restructuring cost falling within the scope of IAS 37 and meaning the payment of benefits for employment termination. Benefits for employment termination due to be paid 12 months after the balance sheet date are discounted.

### **2.3.16 Provisions**

Provisions are recognised when:

- There is a present obligation (legal or constructive) as a result of past events.
- It is probable that an outflow of resources will be required to settle the obligation.
- The amount can be reliably estimated.

When the effect of the time value of money is material, the amount of the provision is the present value of the expense that is expected to be required to settle the obligation. The discount rate will be a pre-

tax interest rate that reflects the current market estimates for the time value of money and liability-related risks.

### **Warranties**

The Company recognizes a provision that represents the present value of the estimated obligation for the repair or replacement of guaranteed products or concerning the delivery of projects / rendering of services at the balance sheet date. This provision is calculated on the basis of historical facts over repairs and replacements.

### **2.3.17 Dividend distribution**

Dividend distribution to the Company's shareholders is recognized as a liability in the Company's financial statements in the period in which the dividends are approved by the General Meeting of Shareholders.

## **3. Financial risk management**

### **3.1 Financial risk factors**

Intracom Defense is exposed to financial risks such as market risks (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. Risk management of the Company operates within the framework of the general risk management program of the Company and seeks to minimize the potential negative impact of the volatility of the financial markets on its financial performance.

The financial liabilities of the Company consist mainly of trade payables and loans. Additionally, the Company manages financial assets, mainly in the form of short-term deposits, derived from operating activity. The company with its funds finances its needs in working capital as well as its investments in capital equipment. At the end of the current period there are no open positions in financial derivatives. In any case, such products are used solely for the management of interest rate or foreign exchange risk, since according to the approved policy of the Company use thereof is not allowed for speculation.

#### **3.1.1 Market risk**

##### **Foreign Exchange risk**

The Company's currency risk is relatively limited because, in most cases where there are receivables from foreign currency contracts, there are corresponding liabilities in the same currency. Foreign currency contracts are almost all in USD, as are the corresponding liabilities.

In cases where satisfactory natural hedging is not possible due to particularly high foreign currency liabilities, use of forward currency contracts is considered.

With respect to holding reserve assets in foreign currency, the Company's policy is to hold the minimum necessary amount to cover short-term liabilities in that currency.

The following table presents an analysis of the Company's net results sensitivity to possible changes in the exchange rate for the years 2025 and 2024. This analysis considered the Company's cash reserves and trade receivables and liabilities in USD on 31 December 2025 and 2024 respectively.

Change in EUR/USD rate by	Effect on net results 31/12/2025	Effect on net results 31/12/2024
3,00%	2.117	68.784
6,00%	4.234	137.567
9,00%	6.351	206.351
12,00%	8.468	275.134
-3,00%	(2.117)	(68.784)
-6,00%	(4.234)	(137.567)
-9,00%	(6.351)	(206.351)
-12,00%	(8.468)	(275.134)

### Price risk

The company is not exposed to price risk.

### Cash flow and fair value interest rate risk

Interest rate risk for the company is limited. Any risk arises from the company's cash reserves held in interest-bearing placements. The following tables present an analysis of the Company's net results sensitivity to possible interest rate fluctuations for the years 2025 and 2024. This analysis considered the cash reserves of the Company as of 31 December 2025 and 2024 respectively. Regarding the loan received by the Company in October 2024, there is no risk of interest rate changes because the contract provides for a fixed interest rate until maturity.

### Financial instruments in Euro

Interest rates change (base units)	Effect on net results 31/12/2025	Effect on net results 31/12/2024
(100)	(233.099)	(72.291)
(75)	(174.824)	(54.218)
(50)	(116.549)	(36.146)
(25)	(58.275)	(18.073)
25	58.275	18.073
50	116.549	36.146
75	174.824	54.218
100	233.099	72.291

Financial instruments in USD

Interest rates change (base units)	Effect on net results 31/12/2025	Effect on net results 31/12/2024
(100)	(31.276)	(40.459)
(75)	(23.457)	(30.344)
(50)	(15.638)	(20.230)
(25)	(7.819)	(10.115)
25	7.819	10.115
50	15.638	20.230
75	23.457	30.344
100	31.276	40.459

### 3.1.2 Credit risk

The Company's trading takes place almost entirely with highly reputable private or public sector organizations. In many cases, there are many years of good cooperation history. Consequently, it is considered that the risk of bad debts is very limited.

In relation to credit risk associated with cash deposits, it is noted that the Company collaborates only with financial institutions with a high credit rating.

### 3.1.3 Liquidity risk

Liquidity risk is kept at a low level by keeping sufficient cash and sufficient free credit limits.

## 3.2 Capital risk management

The purpose of the Company in managing funds is to safeguard the Company's ability to continue its business to ensure returns for shareholders and the benefits of the other parties that are related to the Company and to maintain an optimal capital structure.

There is no capital risk for the Company. All its liabilities fall far short of its capital. Dividend payments are always covered by the Company's cash and cash equivalents.

## 3.3 Economic environment

A Greek company operating in the defense sector and demonstrating a strong export orientation operates within a complex economic environment shaped by both macroeconomic and microeconomic factors. The interaction of these factors directly affects the Company's growth strategy, competitiveness and long-term sustainability.

At the macroeconomic level, the international environment is characterized by increased defense spending, particularly in Europe, North America and Asia, driven by geopolitical tensions and the reassessment of national security strategies. This trend creates favorable demand conditions for export-oriented defense companies, including those based in Greece. Greece's participation in the European Union and NATO constitutes a significant competitive advantage, as it provides access to European funding programs, joint procurement initiatives and multinational cooperation frameworks (e.g. the EDF, PESCO).

At the microeconomic level, the Company operates in a market characterized by a high degree of concentration, intense international competition and long sales cycles. The ability to establish strategic

partnerships with major international groups (Original Equipment Manufacturers – OEMs) and to participate in international value chains constitutes a critical success factor for a Greek export-oriented company.

The quality of human capital, particularly in high-technology fields such as electronics, software and defense systems, has a direct impact on competitiveness. At the same time, dependence on specific suppliers or critical raw materials may increase exposure to supply chain disruptions and adversely affect production costs and delivery schedules.

The Company continuously monitors the development of macroeconomic indicators and their potential impact on its activities and adjusts its operations, accordingly, based on current and anticipated developments. Actions are also taken to mitigate risks at every level. We consider that capital adequacy is such as guaranteeing the uninterrupted activity of the Company.

#### **4. Critical accounting estimates and Judgements**

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

The Company makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

##### **4.1 Useful life of assets (PPE & Intangible)**

The management makes estimates for the useful life of depreciable fixed assets. More information is given on 2.3.5, 2.3.6 and 2.3.9.

##### **4.2 Estimated net realizable value of inventories**

Under the accounting policy referred to in paragraph 2.3.12, the estimate of the net realizable value of inventories is the Management's best estimate, based on historical sales trends and its view on the quality and volume of inventories, to the extent that available inventories at the balance sheet date will be sold below cost.

##### **4.3 Employee retirement benefit obligations**

Employee retirement benefit obligations are calculated on the basis of actuarial methods that require from the management to assess specific parameters such as the future increase in employee remuneration, the discount rate for these liabilities, the severance rate of employees, etc. The Management tries at each reporting date where this provision is reviewed to best estimate these parameters.

##### **4.4 Income Tax**

The Company recognizes receivables and payables for current and deferred income taxes, as well as the results associated there with, based on estimates of the amounts expected to be collected from or be paid to tax authorities for the current and future fiscal years. Estimates are influenced by factors such as the practical application of the relevant legislation, expectations of future taxable profits and the resolution of any disputes with tax authorities, etc. Future tax audits, changes in tax legislation and the

amount of taxable profits made may result in adjusting the amount of receivables and payables for current and deferred income tax and in the payment of tax amounts other than those recognized in the Company's financial statements. Any adjustments are recognized in the year within which they are finalized.

#### **4.5 Warranties provisions**

The Company recognizes a provision that corresponds to the present value of the estimated liability for the repair or replacement of warranted products or the delivery of projects / services at the balance sheet date. This estimate is calculated on the basis of historical data on repairs and replacements.

#### **4.6 Intangible Asset Impairment Tests with an Indefinite Useful Life**

The Company carries out the relevant impairment test of the intangible assets with an indefinite useful life which have resulted from the purchase of trademarks, at least on a yearly basis or whenever there is an indication of impairment, in accordance with the provisions of IAS 36. In order to be determined if there is reason for impairment, the calculations of value in use and the fair value less any costs of sales are demanded. Commonly used methods are present value of cash flows, valuation based on indexes of similar transactions or companies traded in an active market and there is a stock price. To implement the specific methods, Management is required to use data such as estimated future revenues, business plans as well as market data such as interest rates etc.

### **5. Segmental Information**

Segments are determined on the basis of the internal information received by the Company's Management and presented in the financial statements on the basis of this internal classification.

The Company is active in the field of Defense Electronic Systems. Geographically, the Company is operating in the Greek Territory and sells products and services to EU countries, European countries outside the EU, the United States of America, Middle East and Southeast Asia.

There is only one business sector in which the company is operating, that of defense systems.

#### **Geographical segment**

<i>Amounts in euro</i>	Sales		Non Currents Assets(*)	
	1/1-31/12/2025	1/1-31/12/2024	31/12/2025	31/12/2024
Greece	2.735.027	1.522.245	41.907.172	40.974.631
European Union	30.509.930	25.776.891	-	-
Other European countries	3.380	42.349	-	-
Other countries	44.009.783	25.238.368	-	-
<b>Total</b>	<b>77.258.120</b>	<b>52.579.853</b>	<b>41.907.172</b>	<b>40.974.631</b>

The sales revenue is allocated to the geographical areas based on the country in which the customer is located. The Assets are allocated based on where the assets are located.

*(\*) Financial assets and deferred tax assets are not included.*

## Sales revenue by category

See analysis of revenue by category in note 23 below.

## 6. Property, plant and equipment

<i>Amounts in euro</i>	Land - buildings	Machinery	Furniture & other equipment	Prepayments and assets under construction	Total
<b>Cost</b>					
<b>Balance at 1 January 2024</b>	<b>53.997.832</b>	<b>16.273.610</b>	<b>4.597.304</b>	<b>8.100</b>	<b>75.040.683</b>
Additions	43.928	708.644	225.439	1.651.080	2.629.092
Sales of assets / Write offs	-	(80.345)	(49.764)	-	(130.109)
Reclassifications	165.873	1.429.918	55.389	(1.651.180)	-
<b>Balance at 31 December 2024</b>	<b>54.207.634</b>	<b>18.331.827</b>	<b>4.828.368</b>	<b>8.000</b>	<b>77.539.665</b>
<b>Accumulated depreciation</b>					
<b>Balance at 1 January 2024</b>	<b>23.934.383</b>	<b>14.521.528</b>	<b>3.917.110</b>	-	<b>42.536.858</b>
Depreciation charge	721.228	319.636	274.108	-	1.314.972
Sales of assets / Write offs	-	(80.345)	(49.763)	-	(130.107)
<b>Balance at 31 December 2024</b>	<b>24.655.611</b>	<b>14.760.820</b>	<b>4.141.455</b>	-	<b>43.721.722</b>
<b>Net book amount at 31 December 2024</b>	<b>29.552.022</b>	<b>3.571.007</b>	<b>686.913</b>	<b>8.000</b>	<b>33.817.943</b>
<b>Cost</b>					
<b>Balance at 1 January 2025</b>	<b>54.207.634</b>	<b>18.331.827</b>	<b>4.828.368</b>	<b>8.000</b>	<b>77.539.665</b>
Additions	173.703	908.743	473.618	623.640	2.179.704
Sales of assets / Write offs	-	(367.746)	(45.648)	-	(413.394)
Reclassifications	79.601	-	-	(79.601)	-
<b>Balance at 31 December 2025</b>	<b>54.460.938</b>	<b>18.872.824</b>	<b>5.256.338</b>	<b>552.039</b>	<b>79.305.976</b>
<b>Accumulated depreciation</b>					
<b>Balance at 1 January 2025</b>	<b>24.655.611</b>	<b>14.760.820</b>	<b>4.141.455</b>	-	<b>43.721.722</b>
Depreciation charge	728.642	517.553	301.710	-	1.547.905
Sales of assets / Write offs	-	(367.745)	(45.278)	-	(413.023)
<b>Balance at 31 December 2025</b>	<b>25.384.253</b>	<b>14.910.628</b>	<b>4.397.887</b>	-	<b>44.856.605</b>
<b>Net book amount at 31 December 2025</b>	<b>29.076.685</b>	<b>3.962.196</b>	<b>858.451</b>	<b>552.039</b>	<b>34.449.371</b>

There are no real lines on the above assets.

On 31.12.2025 the Company had no contractual obligations for purchase of PPE assets.

## 7. Right-of-use assets

<i>Amounts in euro</i>	Right-of-use Motor vehicles	Right-of-use Printers	Total	Lease liabilities
<b>Balance at 1 January 2024</b>	<b>202.224</b>	<b>14.520</b>	<b>216.744</b>	<b>230.513</b>
Additions	553.022	-	553.022	553.022
Changes in lease terms	(721)	-	(721)	(779)
Depreciation	(165.038)	(7.260)	(172.298)	-
Interest (note 29)				22.722
Payments				(196.099)
<b>Balance at 31 December 2024</b>	<b>589.487</b>	<b>7.260</b>	<b>596.747</b>	<b>609.379</b>
<b>Balance at 1 January 2025</b>	<b>589.487</b>	<b>7.260</b>	<b>596.747</b>	<b>609.379</b>
Additions	584.256	-	584.256	584.256
Changes in lease terms	(16.647)	-	(16.647)	(14.959)
Depreciation	(238.188)	(7.260)	(245.447)	-
Interest (note 29)			-	56.516
Payments			-	(283.825)
<b>Balance at 31 December 2025</b>	<b>918.909</b>	<b>0</b>	<b>918.909</b>	<b>951.367</b>

The lease liabilities are as follows:

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Current lease liabilities	241.624	156.677
Non-current lease liabilities	709.743	452.702
<b>Total</b>	<b>951.367</b>	<b>609.379</b>

The maturity analysis of lease liabilities based on undiscounted gross cash flows is as follows:

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Not later than one month	24.765	14.017
Later than one month and not later than three months	49.286	32.897
Later than three months and not later than one year	220.350	159.577
Later than one year and not later than five years	778.163	590.362
<b>Total contractual cash flows</b>	<b>1.072.565</b>	<b>796.853</b>

## 8. Intangible assets

<i>Amounts in euro</i>	Trademarks and licences	Software	Prepayments and intangible assets under development	Total
<b>Cost</b>				
<b>Balance at 1 January 2024</b>	<b>2.605.240</b>	<b>4.092.277</b>	<b>15.000</b>	<b>6.712.517</b>
Additions	-	188.669	60.206	248.875
Disposals	-	55.606	(55.606)	-
<b>Balance at 31 December 2024</b>	<b>2.605.240</b>	<b>4.336.553</b>	<b>19.600</b>	<b>6.961.392</b>
<b>Accumulated depreciation</b>				
<b>Balance at 1 January 2024</b>	<b>40.240</b>	<b>3.707.303</b>	-	<b>3.747.542</b>
Depreciation charge	-	159.480	-	159.480
<b>Balance at 31 December 2024</b>	<b>40.240</b>	<b>3.866.782</b>	-	<b>3.907.022</b>
<b>Net book amount at 31 December 2024</b>	<b>2.565.000</b>	<b>469.771</b>	<b>19.600</b>	<b>3.054.371</b>
<b>Cost</b>				
<b>Balance at 1 January 2025</b>	<b>2.605.240</b>	<b>4.336.553</b>	<b>19.600</b>	<b>6.961.392</b>
Additions	-	370.318	28.117	398.435
Reclassifications	-	5.493	(5.493)	-
<b>Balance at 31 December 2025</b>	<b>2.605.240</b>	<b>4.712.364</b>	<b>42.223</b>	<b>7.359.827</b>
<b>Accumulated depreciation</b>	-			
<b>Balance at 1 January 2025</b>	<b>40.240</b>	<b>3.866.782</b>	-	<b>3.907.022</b>
Depreciation charge	-	175.038	-	175.038
<b>Balance at 31 December 2025</b>	<b>40.240</b>	<b>4.041.821</b>	-	<b>4.082.060</b>
<b>Net book amount at 31 December 2025</b>	<b>2.565.000</b>	<b>670.543</b>	<b>42.223</b>	<b>3.277.767</b>

During the fiscal year 2023, the Company acquired the Trademark “Intracom” from its previous mother company Intracom Holdings S.A. This Trademark is non-transferable and non-exclusive. On 31/12/2024, an impairment test for this Trademark was carried out. No impairment loss emerged from the audit that carried out.

The Relief-from-Royalty method was used for the impairment test, based on the assumptions Weighted Average Cost of Capital (WACC) 14,3% and Long-term revenue growth rate 1,5%.

A sensitivity analysis of the recoverable amount to changes in the Weighted Average Cost of Capital (WACC) is as follows:

<i>Amounts in euro</i>	Approach	Valuation Method	Decrease 0,50%	WACC 14,30%	Increase 0,50%
Recoverable amount	Value in use	Relief-from-royalty	3.320.494	3.765.638	4.229.466
Carrying amount			2.565.000	2.565.000	2.565.000

Due to the significant excess of the recoverable amount over the carrying amount as of 31 December 2025, no remeasurement was considered necessary.

## 9. Investment Property

<i>Amounts in euro</i>	31/12/2025	31/12/2024
<b>Cost</b>		
Balance at beginning of year	6.054.790	6.054.790
Balance at end of year	6.054.790	6.054.790
<b>Accumulated depreciation</b>		
Balance at beginning of year	2.798.883	2.758.897
Depreciation charge	39.986	39.986
Balance at end of year	2.838.868	2.798.883
<b>Net book amount at end of year</b>	<b>3.215.922</b>	<b>3.255.907</b>

The carrying value of investment property approximates their fair value.

Rental income for 2025 and 2024 amounted to € 97.505 and € 94.454 respectively (note 27).

The minimum future rental income is as follows:

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Up to 1 year	47.113	78.361
Later than 1 year and no later than 2 years	-	240
<b>Total</b>	<b>47.113</b>	<b>78.601</b>

## 10. Investments in Subsidiaries

In October 2024, IDE announced the establishment of Intracom Defense US LLC, a subsidiary company of IDE in the USA. This subsidiary did not have material operation until the end of 2025.

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Balance at beginning of year	-	-
Capital contribution	124.492	-
(Profit)/Loss recognized in profit or loss from subsidiaries	(96.162)	-
(Profit)/Loss for the period recognized in other comprehensive income from subsidiaries	2.596	-
<b>Balance at end of year</b>	<b>30.925</b>	<b>-</b>

The Company accounts for its investment, in the separate financial statements, using the equity method. In Note 24 (Expenses by Nature – line “Other Expenses”) of the results for the current period, the above loss of €96.162 is included.

The accounts of Intracom Defense US LLC, at 31/12/2025 are:

### Balance Sheet

Cash and cash equivalent: € 27.208

Trade and other receivables: € 3.717

## Statement of Comprehensive Income

Administrative Expenses: € (96.543)

Financial Income: € 381

Other Comprehensive Income (Currency Translation Exchange Differences): € 2.596

## 11. Investments in Associates

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Balance at beginning of year	249.663	256.915
Share Capital Return	(230.300)	-
Gains/(Losses) of fiscal year	(5.085)	(7.252)
<b>Balance at end of year</b>	<b>14.278</b>	<b>249.663</b>

During the fiscal year 2023, the Company participated by 49% in the establishment of Intracom Aviation. Based on its percentage, the Company exercises significant influence over Intracom Aviation and records this investment in associates using the equity method. In Note 24 (Expenses by Nature – line “Other Expenses”) of the financial year results is included a loss amount of € 5.085 which is the Company's share based on its percentage in the results of Intracom Aviation for 2025. On 8 October 2025, by resolution of the universal Extraordinary General Meeting of INTRACOM AVIATION shareholders (held without prior notice), the dissolution of the Company was approved. For this reason, the amount of € 230.300 was returned pending the final liquidation of Intracom Aviation.

## 12. Deferred income tax assets

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority. The offset amounts are as follows:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Deferred tax assets:	6.031.422	5.682.718
Deferred tax liabilities:	(1.087.899)	(1.056.626)
	<b>4.943.524</b>	<b>4.626.091</b>

Most of the deferred tax assets / liabilities are recoverable / payable after 12 months.

The total movement in deferred income tax is as follows:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
<b>Balance at the beginning of the year:</b>	<b>4.626.091</b>	<b>4.877.846</b>
Income statement charge (Note 30)	301.732	(274.351)
Charged/ (credited) to the other Comprehensive income	15.700	22.596
<b>Balance at the end of the year</b>	<b>4.943.524</b>	<b>4.626.091</b>

Deferred tax that is charged directly to equity during the current and prior year relates to the recognition of actuarial gains from re-measurement of the defined benefit plans to employees (note 19).

The movement in deferred tax assets and liabilities during the year, without taking into consideration the offsetting of balances within the same jurisdictions, is as follows:

Deferred tax liabilities:	Accelerated tax depreciation	Total
<b>Balance at 1 January 2024</b>	<b>(1.019.614)</b>	<b>(1.019.614)</b>
Charged / (credited) to the income statement	(37.012)	(37.012)
<b>Balance at 31 December 2024</b>	<b>(1.056.626)</b>	<b>(1.056.626)</b>
<b>Balance at 1 January 2025</b>	<b>(1.056.626)</b>	<b>(1.056.626)</b>
Charged / (credited) to the income statement	(31.272)	(31.272)
<b>Balance at 31 December 2025</b>	<b>(1.087.899)</b>	<b>(1.087.899)</b>

Deferred tax assets:	Impairments of Land	Impairments of inventories	Impairments of receivables	Retirement benefit obligations	Provisions	Tax losses	Other	Total
<b>Balance at 1 January 2024</b>	<b>1.610.150</b>	<b>3.020.549</b>	<b>60.758</b>	<b>464.427</b>	<b>95.924</b>	<b>619.631</b>	<b>26.022</b>	<b>5.897.460</b>
Charged / (credited) to the income statement	-	328.070	-	29.008	23.489	(619.631)	1.725	(237.339)
Charge in the other Comprehensive income	-	-	-	22.596	-	-	-	22.596
<b>Balance at 31 December 2024</b>	<b>1.610.150</b>	<b>3.348.619</b>	<b>60.758</b>	<b>516.032</b>	<b>119.413</b>	<b>-</b>	<b>27.746</b>	<b>5.682.718</b>
<b>Balance at 1 January 2025</b>	<b>1.610.150</b>	<b>3.348.619</b>	<b>60.758</b>	<b>516.032</b>	<b>119.413</b>	<b>-</b>	<b>27.746</b>	<b>5.682.718</b>
Charged / (credited) to the income statement	-	(73.535)	13.855	(11.846)	25.313	-	379.217	333.004
Charge in the other Comprehensive income	-	-	-	15.700	-	-	-	15.700
<b>Balance at 31 December 2025</b>	<b>1.610.150</b>	<b>3.275.083</b>	<b>74.613</b>	<b>519.886</b>	<b>144.726</b>	<b>-</b>	<b>406.964</b>	<b>6.031.422</b>

### 13. Trade and other receivables

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Trade receivables	10.366.156	14.580.751
Less: provision for impairment	(339.149)	(355.599)
<b>Trade receivables - net</b>	<b>10.027.007</b>	<b>14.225.153</b>
Receivables from related parties (note 32)	288.650	785.553
Prepayments to creditors	4.103.338	3.085.535
Other prepayments	815.003	862.551
Accrued income	12.474	4.922
V.A.T. Receivables from Tax Authorities	1.347.254	775.397
Other receivables	1.443.157	638.837
<b>Total</b>	<b>18.036.883</b>	<b>20.377.948</b>
Non-current assets	-	-
Current assets	18.036.883	20.377.948
<b>Total</b>	<b>18.036.883</b>	<b>20.377.948</b>

The change in the amounts of advance payments to suppliers is related to the implementation of the projects undertaken by the Company.

The carrying amounts of receivables approximate their fair value.

The movement in the provision for trade receivables is as follows:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
<b>Opening loss allowance as at the beginning of the period</b>	<b>355.599</b>	<b>300.738</b>
Increase in loss allowance recognised in profit or loss during the period	62.978	79.428
Unused amounts reversed	(79.428)	(24.567)
<b>Balance at the year end</b>	<b>339.149</b>	<b>355.599</b>

Trade and other receivables are denominated in the following currencies:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Euro	6.702.329	12.077.090
US Dollar	11.113.876	8.252.754
GBP	220.679	48.104
<b>Total</b>	<b>18.036.883</b>	<b>20.377.948</b>

## 14. Inventories

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Raw & auxiliary materials	34.352.867	32.920.850
Semi-finished goods	19.715.308	17.145.420
Finished goods	2.327.789	1.818.526
Work in progress	2.780.377	3.213.453
Merchandise	3.364	3.364
<b>Total</b>	<b>59.179.706</b>	<b>55.101.614</b>
Less: Provisions for obsolete inventories		
Raw & auxiliary materials	8.090.238	8.040.590
Semi-finished goods	5.918.627	6.276.322
Finished goods	874.514	900.718
Merchandise	3.364	3.364
<b>Total</b>	<b>14.886.743</b>	<b>15.220.994</b>
<b>Net realisable value</b>	<b>44.292.963</b>	<b>39.880.620</b>

The movement of the provision is as follows:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
At the beginning of the year	15.220.994	13.729.767
Provision for impairment	709.090	2.420.829
Amount of provision reversed during the year	(1.043.342)	(929.603)
<b>At the year end</b>	<b>14.886.743</b>	<b>15.220.994</b>

## 15. Cash and cash equivalent

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Cash in hand	12.827	25.316
Cash at bank	5.239.926	7.805.732
Short-term bank deposits	20.801.617	3.304.519
<b>Total</b>	<b>26.054.370</b>	<b>11.135.567</b>

The effective interest rate on short-term bank deposits in Euro and USD was 1,59% and 3,34% respectively (2024: 2,31% and 3,97% for Euro and USD respectively).

The above amounts are the cash and cash equivalents for the purposes of the cash flow statement.

Cash and cash equivalents are analyzed in the following currencies:

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Euro (EUR)	22.990.576	7.130.099
US Dollar (USD)	3.057.521	3.990.490
UK Pound (GBP)	1.900	6.288
Other	4.372	8.690
<b>Total</b>	<b>26.054.370</b>	<b>11.135.567</b>

## 16. Share capital

<i>Amounts in euro</i>	Number of Shares	Common Shares	Total
Balance at 1 January 2024	25.413.635	2,29	58.197.224
Balance at 31 December 2024	25.413.635	2,29	58.197.224
Issue of Share Capital	3.930.131	2,29	9.000.000
<b>Balance at 31 December 2025</b>	<b>29.343.766</b>	<b>2,29</b>	<b>67.197.224</b>

By virtue of the resolution of the Extraordinary General Meeting of the Company's shareholders dated 20/1/25, the share capital of the Company was increased by the amount of eight million nine hundred ninety-nine thousand nine hundred ninety-nine euros and ninety-nine cents (€ 8.999.999,99), through the issuance of three million nine hundred thirty thousand one hundred thirty-one (3.930.131) new ordinary registered shares, with a nominal value of two euros and twenty-nine cents (€ 2,29) each and an issue price equal to their nominal value, fully paid in cash and at an issue price equal to the nominal value.

Share issue costs amounting to € 21.840 were charged directly to retained earnings.

## 17. Other Reserves

<i>Amounts in euro</i>	Statutory reserves	Tax free reserves	Actuarial gains/ (losses) reserve	Foreign exchange differences	Total
<b>Balance at 1 January 2024</b>	<b>1.029.237</b>	<b>9.095.334</b>	<b>(756.391)</b>	-	<b>9.368.180</b>
Actuarial gains/ (losses)	-	-	(80.113)	-	<b>(80.113)</b>
<b>Balance at 31 December 2024</b>	<b>1.029.237</b>	<b>9.095.334</b>	<b>(836.505)</b>	-	<b>9.288.067</b>
<b>Balance at 1 January 2025</b>	<b>1.029.237</b>	<b>9.095.334</b>	<b>(836.505)</b>	-	<b>9.288.067</b>
Statutory reserve formation	69.204	-	-	-	<b>69.204</b>
Actuarial gains/ (losses)	-	-	(55.664)	-	<b>(55.664)</b>
Foreign currency translation differences of the subsidiary	-	-	-	2.596	<b>2.596</b>
<b>Balance at 31 December 2025</b>	<b>1.098.442</b>	<b>9.095.334</b>	<b>(892.169)</b>	<b>2.596</b>	<b>9.304.202</b>

### (a) Statutory reserve

A statutory reserve is created under the provisions of Greek Company law (Law 4548/18) according to which, an amount of at least 5% of the annual net profit shall be transferred to a statutory reserve until this reserve amounts to one third of the paid-up share capital. This reserve can be used, upon resolution of the Annual General Meeting of shareholders, to offset accumulated losses and therefore cannot be used for any other purpose.

### (b) Tax free reserve

This account includes reserves created from profits, which are regarded as tax-free under special provisions of development laws in force each time. In other words, this reserve is created from profits for which no tax is calculated or paid.

### (c) Actuarial gains/ (losses) reserve

In this reserve are recognized the actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions in measuring the obligation for employee retirement benefits. (note 19).

### (d) Foreign exchange differences

Foreign exchange differences arising from the measurement of investments in subsidiaries and associates accounted for using the equity method are recognized in other comprehensive income.

## 18. Loans

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Balance at beginning of year	4.846.938	4.554.438
Interest expense (note 29)	292.500	292.500
Repayments of borrowings	(5.139.438)	-
<b>Balance at end of year</b>	<b>-</b>	<b>4.846.938</b>

In October 2023, the company received a loan of €4,500,000 from the parent company Israel Aerospace Industries with a fixed annual interest rate of 6.5%. The repayment of the capital as well as

the total interest was made upon the maturity of the loan on 31/12/2025, as was described in the agreement between the two parties.

Reconciliation of liabilities arising from financing activities:

<i>Amounts in euro</i>	31/12/2024	Cash flows from financing activities	Non-cash Changes			31/12/2025
			Lease Additions	Changes in lease terms	Interest for Loans	
Lease liabilities	609.379	(227.308)	584.256	(14.959)		<b>951.367</b>
Loans	4.846.938	(5.139.438)	-	-	292.500	-
Share Capital Increase		8.978.160				<b>0</b>
Government grants received		3.183.129				<b>0</b>
<b>Total liabilities from financing activities</b>	<b>5.456.316</b>	<b>6.794.543</b>	<b>584.256</b>	<b>(14.959)</b>	<b>292.500</b>	<b>951.367</b>

## 19. Retirement benefit obligations Retirement benefit obligations

<i>Amounts in euro</i>	31/12/2025	31/12/2024
<b>Balance sheet obligations for :</b>		
Pension benefits	2.363.118	2.345.600
<b>Total</b>	<b>2.363.118</b>	<b>2.345.600</b>
<b>Income statement charge</b>		
Pension benefits (note 25)	402.255	448.421
<b>Total</b>	<b>402.255</b>	<b>448.421</b>
<b>Actuarial (gains) / losses (Other comprehensive income)</b>		
Pension benefits	71.365	102.709
<b>Total</b>	<b>71.365</b>	<b>102.709</b>

The amounts recognized in the balance sheet are determined as follows:

<i>Amounts in euro</i>	31/12/2025	31/12/2024
Present value of unfunded obligations	2.363.118	2.345.600
<b>Liability in the Balance Sheet</b>	<b>2.363.118</b>	<b>2.345.600</b>

The amounts recognized in Statement of Comprehensive Income are as follows:

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Current service cost	193.638	161.215
Interest cost	68.981	67.713
Losses from settlements	139.636	219.492
<b>Total, included in staff costs (note 25)</b>	<b>402.255</b>	<b>448.421</b>

The total charge is allocated as follows:

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Cost of goods sold	123.401	121.413
Selling costs	40.242	40.198
Research costs	79.931	92.536
Administrative expenses	158.681	194.275
<b>Total</b>	<b>402.255</b>	<b>448.421</b>

The liability change recognized in the balance sheet is as follows:

<i>Amounts in euro</i>	31/12/2025	31/12/2024
<b>Balance at the beginning of the year</b>	<b>2.345.600</b>	<b>2.111.034</b>
Total expense charged / (credited) in the income statement	402.255	448.421
Contributions paid	(456.101)	(316.564)
<b>Total</b>	<b>2.291.753</b>	<b>2.242.890</b>
Actuarial gains/ (losses) from changes in financial assumptions	(37.453)	43.956
Other Actuarial gains/ (losses)	108.817	58.754
<b>Balance at the end of the year</b>	<b>2.363.118</b>	<b>2.345.600</b>

The principal actuarial assumptions used are as follows:

	31/12/2025	31/12/2024
	%	%
Discount rate	3,30%	2,88%
Inflation rate	2,10%	2,10%
Future salary increases	2,80%	2,80%

The average expected maturity of the retirement benefit obligation (plan duration) is as follows:

	31/12/2025	31/12/2024
	years	years
Pension benefits	3,84	4,05

The present value's sensitivity analysis for the changes in principal actuarial assumptions is as follows:

Actuarial Assumption	Assumption Change		Increase / (decrease) in present value of liability in case of increase in assumption		Increase / (decrease) in present value of liability in case of reduction in assumption	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Discount rate	0,50%	0,50%	2% decrease	2% decrease	2% increase	2% increase
Future salary increases	0,50%	0,50%	2% increase	2% increase	2% decrease	2% decrease

## 20. Government Grants

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
<b>Balance at the beginning of the year:</b>	<b>8.279.933</b>	<b>4.182.767</b>
Additions	3.183.129	6.712.085
Charged to the income statement	(4.975.451)	(2.614.919)
<b>Balance at the end of the year</b>	<b>6.487.610</b>	<b>8.279.933</b>
Current liabilities	6.186.930	6.025.673
Non- current liabilities	300.680	2.254.260
<b>Total</b>	<b>6.487.610</b>	<b>8.279.933</b>

Grants are related to Research and Development projects with the European Commission as well as with the Hellenic General Secretariat for Research and Innovation.

## 21. Provisions

<i>Amounts in euro</i>	<b>Warranties</b>	<b>Total</b>
<b>Balance at 1 January 2024</b>	<b>436.016</b>	<b>436.016</b>
Additional provision for the period	382.625	382.625
Unused amounts reversed	(142.694)	(142.694)
Utilised during the year	(133.161)	(133.161)
<b>Balance at 31 December 2024</b>	<b>542.786</b>	<b>542.786</b>
Additional provisions	653.095	653.095
Unused amounts reversed	(185.600)	(185.600)
Utilised during the year	(352.435)	(352.435)
<b>Balance at 31 December 2025</b>	<b>657.846</b>	<b>657.846</b>

Analysis of total Provisions:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Current liabilities	361.815	324.778
Non- current liabilities	296.031	218.008
<b>Total</b>	<b>657.846</b>	<b>542.786</b>

Provisions for repairs or materials replacement concerning projects under warranty period are included in warranties.

## 22. Trade and other payables

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Trade payables	11.264.328	6.344.538
Trade payables-Purchases in transit	(2.249.641)	(894.015)
Amounts due to related parties (note 32)	16.207	-
Accrued expenses	803.282	144.885
Social security and other taxes	1.815.795	1.492.831
Advances from customers	29.185.777	23.732.986
Deferred revenue	1.242.177	-
Other payables	18.903	18.429
<b>Total</b>	<b>42.096.828</b>	<b>30.839.654</b>
Non-current liabilities	13.792.217	6.658.618
Current liabilities	28.304.611	24.181.036
<b>Total</b>	<b>42.096.828</b>	<b>30.839.654</b>

The increase in customer advances is due to new projects undertaken by the company during the fiscal year 2025. The non-current liabilities related to advances from customers.

Trade and other payables are denominated in the following currencies:

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Euro (EUR)	27.675.467	16.104.409
US Dollar (USD)	14.272.891	14.536.029
UK Pound (GBP)	148.470	193.892
Swiss Franc (CHF)	-	5.325
<b>Total</b>	<b>42.096.828</b>	<b>30.839.654</b>

## 23. Sales

Analysis of revenue by category is as follows:

<i>Amounts in euro</i>	<b>1/1-31/12/2025</b>	<b>1/1-31/12/2024</b>
Sales of products	72.190.657	50.263.133
Revenue from services	5.067.462	2.316.720
<b>Total</b>	<b>77.258.120</b>	<b>52.579.853</b>

## 24. Expenses by nature

<i>Amounts in euro</i>	Note	1/1-31/12/2025	1/1-31/12/2024
Employee benefit expense	25	(25.869.731)	(20.141.138)
Inventory cost recognised in cost of goods sold		(31.499.659)	(22.544.875)
Depreciation of property, plant and equipment	6	(1.547.905)	(1.314.972)
Depreciation of right-of-use assets	7	(245.447)	(172.298)
Depreciation of investment property	9	(39.986)	(39.986)
Amortisation of intangible assets	8	(175.038)	(159.480)
Impairment of Inventories	14	(709.090)	(2.420.829)
Reversal of Inventories write down	14	1.043.342	929.603
Subcontractors		(10.639.720)	(2.319.321)
Repair and maintenance expenses of PPE		(939.384)	(842.332)
Short-term leases		(32.733)	(24.035)
Leases of low-value underlying assets		(3.135)	(3.504)
Transportation and travelling expenses		(1.723.525)	(1.477.726)
Telecommunication, lighting & heating		(861.127)	(811.397)
Third party fees		(2.896.593)	(1.269.570)
Hospitality Expenses, conferences, exhibitions, advertising, etc.		(761.539)	(438.710)
Taxes and duties		(144.214)	(22.818)
Other expenses		(1.451.023)	(1.002.262)
<b>Total</b>		<b>(78.496.508)</b>	<b>(54.075.648)</b>

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
<b>Split by function:</b>		
Cost of goods sold	(52.012.825)	(33.405.967)
Selling costs	(8.326.566)	(6.753.474)
Research & Development costs	(14.000.920)	(11.116.205)
Administrative expenses	(4.156.196)	(2.800.002)
<b>Total</b>	<b>(78.496.508)</b>	<b>(54.075.648)</b>

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
<b>Split of depreciation and amortisation by function:</b>		
Cost of goods sold	(974.822)	(690.810)
Selling costs	(328.551)	(251.700)
Research & Development costs	(534.838)	(589.409)
Administrative expenses	(170.165)	(154.815)
<b>Total</b>	<b>(2.008.376)</b>	<b>(1.686.735)</b>

## 25. Employee benefits

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Wages and salaries	(19.640.352)	(15.598.460)
Social security costs	(3.991.755)	(3.325.611)
Other employers' contributions and expenses	(1.835.369)	(768.647)
Pension costs - defined benefit plans (note 19)	(402.255)	(448.421)
<b>Total</b>	<b>(25.869.731)</b>	<b>(20.141.138)</b>

The average number of staff employed in the years 2025 and 2024 was 516 and 452 respectively, while on 31 December 2025 and 31 December 2024 the company employed 562 and 471 people respectively.

## 26. Impairment losses on trade receivables and reversals

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Impairment gains/ (losses) on trade receivables	(62.978)	(79.428)
Reversal of previous impairment losses	79.428	24.567
<b>Total</b>	<b>16.450</b>	<b>(54.861)</b>

## 27. Other income

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Income from grants	6.583.326	3.545.350
Rental income	97.505	94.454
Other	3.977	946
<b>Total</b>	<b>6.684.808</b>	<b>3.640.750</b>

## 28. Other gain / (losses) – net

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Net foreign exchange gains / (losses)	(50.821)	(261)
Gains/ (losses) from disposal of PPE	(371)	(2)
(Profit)/ Loss on disposal of right-of-use assets	(1.688)	58
<b>Total</b>	<b>(52.880)</b>	<b>(204)</b>

## 29. Finance costs – net

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
<b>Finance expenses</b>		
- Interest from loans	(292.500)	(292.500)
- Lease liabilities	(56.516)	(22.722)
- Letters of guarantee	(541.290)	(353.732)
- Advanced Payments Interest	(17.494)	(16.244)
- Other	(60.209)	(51.581)
- Net losses from realized exchange differences	(430.517)	-
<b>Total</b>	<b>(1.398.526)</b>	<b>(736.779)</b>
<b>Finance income</b>		
-Interest income	289.523	246.965
- Net profits from realized exchange differences	-	169.223
- Net profits from exchange rate differences in cash valuation	23.848	5.166
<b>Total</b>	<b>313.371</b>	<b>421.354</b>
<b>Finance costs – net</b>	<b>(1.085.155)</b>	<b>(315.425)</b>

Foreign exchange differences classified in financial income refer to foreign exchange differences arising from the cash and cash equivalents of the Company.

## 30. Income tax expense

<i>Amounts in euro</i>	1/1-31/12/2025	1/1-31/12/2024
Current tax	(1.529.519)	(254.391)
Deferred tax (Note 12)	301.732	(274.351)
<b>Total</b>	<b>(1.227.787)</b>	<b>(528.742)</b>

The tax on the profits before tax of the Company differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the Company as follows:

<i>Amounts in euro</i>	<b>1/1-31/12/2025</b>	<b>1/1-31/12/2024</b>
<b>Profit before tax</b>	<b>4.420.997</b>	<b>1.774.465</b>
Tax calculated at tax rates applicable to Greece (2025: 22%,2024: 22%)	(972.619)	(390.382)
Expenses not deductible for tax purposes	(199.866)	(157.017)
Provision Differences	(22.836)	46.975
Previous years income taxes	(32.465)	(28.318)
<b>Tax charge</b>	<b>(1.227.787)</b>	<b>(528.742)</b>

### **Unaudited tax years**

The company has not been tax audited for fiscal years 2020-2025.

### **Audit Tax Certificate**

From the year ended 31 December 2011 onwards, in accordance with Law 4174/2013 (article 65A), as in force (and as defined by article 82 of Law 2238/1994), Greek limited companies (S.A) and limited liability companies (EPE) whose annual financial statements must mandatorily be audited by statutory auditors, were required until the years starting prior to 1st January 2016 to receive an "Annual Tax Certificate", issued after a relevant tax audit by the statutory auditor or audit firm auditing the annual financial statements. For the years starting from 1 January 2016 onwards, the "Annual Tax Certificate" is optional, but the Company has chosen to receive it.

The Compliance Reports for the years 2020 to 2024 were issued without reservation.

The tax audit by the company's auditors for the year 2025 is in progress and is expected to be completed after the publication of the Financial Statements; however, any additional charges to arise after its completion are not expected to have a material effect on the Financial Statements

According to the Greek tax legislation and the corresponding Ministerial Decisions, companies for which a tax certificate is issued without any indications of breaches of tax legislation are not excluded from the imposition of additional taxes and fines by the Greek tax authorities after the completion of a relevant tax audit in the framework of the law restrictions (as a general principle, 5 years as of the end of the fiscal year in which the tax return should have been submitted). The Company's Management estimates that in the case of tax audit by the tax authorities no additional tax liabilities will arise that may have a material effect beyond those recorded and presented in the financial statements.

### **31. Contingent liabilities/receivables**

The Company has contingent liabilities in respect of banks and other matters arising in the ordinary course of business as follows:

## Guarantees

<i>Amounts in euro</i>	<b>31/12/2025</b>	<b>31/12/2024</b>
Guarantees for advance payments	20.751.748	10.831.341
Guarantees issued to the Customs authorities	6.027.055	3.923.700
Guarantees for good performance	383.919	256.749
Guarantees for participation in contests	150.000	434.677
<b>Total</b>	<b>27.312.723</b>	<b>15.446.468</b>

## Outstanding legal cases

There are no legal or arbitration proceedings and decisions of judges or arbitrators which have or may have a material effect on the financial position or operations of the Company.

## 32. Related party transactions

The affiliated parties of the Company include:

(a) the parent company Israel Aerospace Industries, the entities that are controlled, jointly controlled or significantly affected by it,

(b) the key members of the Company's Management, close relatives, and entities controlled or jointly controlled by such persons; and

The related parties Transactions for the current and prior period are as follows:

<b>Amounts in euro</b>	<b>1/1-31/12/2025</b>	<b>1/1-31/12/2024</b>
<b>Sales of goods / services:</b>		
To parent company ISRAEL AEROSPACE INDUSTRIES	991.110	1.221.675
<b>Total</b>	<b>991.110</b>	<b>1.221.675</b>
<b>Purchases of goods / services:</b>		
From ISRAEL AEROSPACE INDUSTRIES Group Subsidiaries	25.260	19.326
From other related parties	156.840	-
<b>Total</b>	<b>182.100</b>	<b>19.326</b>
<b>Interest expense</b>		
From parent company ISRAEL AEROSPACE INDUSTRIES	292.500	292.500
<b>Total</b>	<b>292.500</b>	<b>292.500</b>

Year-end balances arising from transactions with related parties are as follows:

Amounts in euro	31/12/2025	31/12/2024
<b>Receivables from related parties</b>		
From parent company ISRAEL AEROSPACE INDUSTRIES	288.650	779.955
From ISRAEL AEROSPACE INDUSTRIES Group Subsidiaries	-	5.598
<b>Total</b>	<b>288.650</b>	<b>785.553</b>
<b>Payables to related parties</b>		
To parent company ISRAEL AEROSPACE INDUSTRIES from Loan	-	4.846.938
To other related parties	16.207	-
<b>Total</b>	<b>16.207</b>	<b>4.846.938</b>

Services by and to related parties as well as sales and purchases of goods, take place on the basis of the price lists in force with non-related parties.

### **Key management compensation**

Directors' remuneration and key management compensation (wages, salaries & other benefits) amounted to € 1.261.044 during the year 2025 in comparison to € 873.082 during the previous year.

### **33. Independent auditors' fees**

The statutory auditors' fees of IDE for the audit of the annual financial statements amount to €28.500 (2024: €33.000), and fees for other assurance services amount to €47.000 (2024: €60.000).

No fees were incurred for tax advisory services or for other non-audit services.

### **34. Dividends**

The Board of Directors suggests to the Shareholders General Meeting not to distribute dividends for the current fiscal year 01.01.2025-31.12.2025.

### **35. Events after the financial statements date**

No material events occurred after 31 December 2025 that require disclosure or adjustment to the accompanying financial statements.