

# ANNUAL REPORT

DECEMBER 31, 2025



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## Algarve at a Glance

### Profile of the Company

The principal activity of Algarve International B.V. (hereinafter referred to as the “Company” or as “Algarve”) is the financing of affiliated companies and the raise of funds, including the issuance of bonds, creating security in connection therewith.

In 2000, Autoestrada do Algarve – Via do Infante – Sociedade Concessionária AAVI, S.A. (formerly known as Euroscut Sociedade Concessionária da Scut do Algarve, S.A.), hereinafter referred to as “Via do Infante”, a group company of Algarve, based in Lisbon, Portugal, was granted the concession with respect to a system toll road in Southern Portugal (hereinafter referred to as the “Concession”), together with other facilities and works constituting a part of the Concession from time to time.

The Company, incorporated in 2001, raised funds through the issuance of loans and bonds that it lends to Via do Infante. Citibank N.A. was appointed as ‘Security Trustee’, and the European Investment Bank, Luxembourg (hereinafter referred to as “EIB”) as credit party. On August 30, 2022 Syncora Guarantee, Inc., was released from its capacity as Guarantor of the issued Bonds and EIB loan from the Finance Documents.

As at 31 December 2025, Algarve is owned by DIF Participations 4 Luxembourg S.à r.l. (“DIF”) since September 2017 for 49%, Fados II B.V. for 48% (28% since December 17, 2020 and 20% since August 30, 2022). On November 12, 2025 DIF and Fados II acquired the shares held by J. Gomes– Sociedade de Construções do Cávado, S.A.

In 2025, Corporate Venture Capital (CVC) DIF began negotiations to sell DIF Participations 4 Luxembourg, S.à r.l. and Fados II, B.V., the majority shareholders of the Via do Infante concessionaire and Algarve International B.V. Among several interested parties, Igneo Infrastructure Partners stood out as the leading candidate. This fund, which is part of the First Sentier Investors group and ultimately owned by Mitsubishi UFJ Financial Group, signed a binding agreement with CVC DIF in October 2025 for the acquisition of all shares in DIF Participations 4 Luxembourg, S.à r.l. and Fados II, B.V., thereby indirectly acquiring the Via do Infante concessionaire and Algarve International B.V. The transaction was notified to the Competition Authority, which raised no objections, and authorization was requested from the Financing Entities and the Portuguese State. The transaction was completed on March 26, 2026. The sales process has been referred as Project Dromos.

## Report of the Board of Directors

### Financial Report

During the current year the Company recorded a net profit of EUR 107,277.

### Annual Report and Dividend Proposal

The Annual Report includes the financial statements as per December 31, 2025 which are accompanied by an unqualified audit opinion from the external auditor, EY Accountants B.V. ("EY"). These financial statements were prepared in accordance with the statutory provisions of section 9 of Book 2 of the Dutch Civil Code.

In 2025, the dividend distribution, in the amount of EUR 325,000, relating to net profits from 2024 and reserves from previous years, was not carried out as planned.

### Overview of the Activities

By a unilateral decision from the Portuguese Government, 10 toll collection points (gantries) were installed on the Via do Infante and tolls were charged as of December 8, 2011.

The "Preliminary Agreement with reference to the Memorandum of Understanding for the adjustment of the Euroscut Algarve Concession Agreement" was signed on July 11, 2014. This agreement specified the revised terms of the current operating conditions of the concession and the amendments to be made to the Concession Agreement. As a result of the negotiations, on July 29, 2015 a Minute of the Conclusion of Negotiation Procedures was signed allowing the Minute of the Concession Agreement to be approved by the Council of Ministers through Resolution number 83-C/2015 on October 1, 2015. The amended Algarve Concession Agreement was formalized on October 2, 2015 specifying the revised terms of the operating conditions of the concession and the new levels of operation on the consigned stretches of motorway from a shadow toll SCUT basis payment regime to an availability payment. The amended agreement became legally binding on November 9, 2015 and prior approval was waived by the Court of Auditors.

The Law 37/2024, enacted on August 7, 2024, approved the abolition of the toll collection in Via do Infante (A22), with effect from January 1, 2025. This Law has not affected the availability payments received by the Concessionaire from the Portuguese State, as these were not amended by the new law.

Currently the Company has two shareholders: DIF Participations 4 Luxembourg, S.à r.l. and FADOS II B.V.

The loan due to EIB of EUR 130,000,000 contracted (Note 8) incurred to finance the construction of road stretches was, as expected repaid on December 15, 2025.

### Financial Analysis

In 2025 the interest income decreased by 23.31% to EUR 3,487,110 compared to EUR 4,547,138 in 2024. Likewise, the interest expense decreased by 22.78% to EUR 3,389,371 compared to EUR 4,389,358 in 2024. These variations were mainly due the repayments of the loan and the bond (both receivable and payable), in accordance with the contracted cash-flows.

The general and administrative expenses increased by 9.92% to EUR 337,525 compared to EUR 307,052 in 2024 mainly due to extraordinary costs related to Project Dromos (Note 14). The total amount of assets decreased by 39.53% to EUR 32,699,148 compared to EUR 54,078,020 in 2024, due to debt repayment according to the schedule established in the agreement.

## Risk Analysis

Algarve has no operations of its own, so holders of the bonds and other creditors depend on Via do Infante to provide Algarve with enough funds to make payments on the notes and any invoices when due.

Via do Infante does not foresee to have liquidity issues since the current agreement with the Portuguese Government guarantees revenues, with a set up payment calendar with no traffic risk, until the term of the concession agreement in 2030.

## Number of Employees

Neither during the year under review, nor in the previous period year did the Company have any employees.

## Future Developments

There are no other known risks or uncertainties that the directors consider would have a significant impact on the performance of the company. The directors do not anticipate that there will be any significant changes to the activities of the company for the foreseeable future.


## Audit Committee


Following the Royal Decree of July 26, 2008, concerning the implementation of Article 41 of EC directive 2006/43, Public Interest Entities are required to have an Audit Committee. The Company established the Audit Committee in 2019 whose current members are Marieke Stéphanie Lely and Raul Barrueco Gonzalez.

One meeting was held during the first semester of 2025 on May 30, regarding the approval of the audited annual financial statements for 2024.

Amsterdam, May 12, 2026

The Board of Managing Directors,

Signed by:  
  
92DE3524DA074A7...  
Alexis Cotadze  
Director

DocuSigned by:  
  
A9244226585F4F2...  
Ilse Marye Alwon  
Director

DocuSigned by:  
  
A9244226585F4F2...  
Ilse Marye Alwon  
Director

Signed by:  
  
08F56F2FD9C84E4...  
Simone Pannekoek-Besse

## Financial Statements

### Balance Sheet as at December 31, 2025

(before appropriation of results)

<b>ASSETS</b>	<i>Notes</i>	<b>2025</b> <i>EUR</i>	<b>2024</b> <i>EUR</i>
<i>Loans to group companies</i>			
Tranche A – Loan @ 6.65% to Via do Infante	(3)	10,498,519	31,487,992
<b>Non-Current Assets</b>		<b>10,498,519</b>	<b>31,487,992</b>
 <i>Loans to group companies</i>			
Tranche A – Loan @ 6.65% to Via do Infante	(3)	21,109,389	19,339,009
Tranche B – Loan @ 6.75% to Via do Infante	(3)	-	2,296,526
Corporate Income Tax Receivable		88,641	76,271
Other Receivables	(4)	182,727	104,493
Deferred tax asset	(5)	1,950	6,119
<b>Total Receivables</b>		<b>21,382,707</b>	<b>21,822,418</b>
 <i>Cash at Banks</i>	(6)	 817,922	 767,610
<b>Current Assets</b>		<b>22,200,629</b>	<b>22,590,028</b>
<b>TOTAL ASSETS</b>		<b>32,699,148</b>	<b>54,078,020</b>
 <b>SHAREHOLDERS' EQUITY AND LIABILITIES</b>			
 <i>Issued and fully paid-up share capital</i>			
		18,000	18,000
<i>Retained earnings</i>			
		872,909	706,146
<i>Net result for the period</i>			
		107,277	166,763
<b>Total Equity</b>	(7)	<b>998,186</b>	<b>890,909</b>
 <i>Debt issued and other borrowed funds - non-current</i>			
Tranche A – Guaranteed 6.40% Bonds	(8)	10,474,740	31,447,473
<b>Non-Current Liabilities</b>		<b>10,474,740</b>	<b>31,447,473</b>
 <i>Debt issued and other borrowed funds - current</i>			
Tranche A – Guaranteed 6.40% Bonds	(8)	21,112,775	19,345,048
Tranche B – European Investment Bank 6.50% Loan	(8)	-	2,297,675
Accounts Payable and Accrued Expenses	(9)	113,447	96,915
<b>Current Liabilities</b>		<b>21,226,222</b>	<b>21,739,638</b>
<b>TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES</b>		<b>32,699,148</b>	<b>54,078,020</b>

## Financial Statements

### Income Statement for the year ended December 31, 2025

	Notes	2025 EUR	2024 EUR
<i>Interest Income</i>	(11)		
Tranche A – Loan 6.65% to Via do Infante		3,337,237	4,001,116
Tranche B – Loan 6.75% to Via do Infante		149,873	546,022
<b>Total Interest Income</b>		<b>3,487,110</b>	<b>4,547,138</b>
<i>Impairment of financial assets</i>	(12)		
Tranche A – Loan 6.65% to Via do Infante		20,524	26,775
Tranche B – Loan 6.75% to Via do Infante		1,378	6,621
Other receivable		44	93
<b>Total Impairment</b>		<b>21,946</b>	<b>33,489</b>
<i>Interest Expense</i>	(13)		
Tranche A – Guaranteed 6.40% Bonds		(3,245,001)	(3,848,803)
Tranche B – European Investment Bank 6.50% Loan		(144,370)	(540,555)
<b>Total Interest Expense</b>		<b>(3,389,371)</b>	<b>(4,389,358)</b>
<b>Operating Income/(Expenses)</b>		<b>119,685</b>	<b>191,269</b>
General and Administrative Expenses	(14)	(337,525)	(307,052)
Income originated on rebilled expenses	(15)	344,173	297,780
Interest Income Bank		13,967	23,524
<b>Other Operating Income/(Expenses)</b>		<b>20,615</b>	<b>14,252</b>
<b>Result before Corporate Income Tax</b>		<b>140,300</b>	<b>205,521</b>
Corporate Income Tax	(16)	(33,023)	(38,758)
<b>NET RESULT FOR THE PERIOD</b>		<b>107,277</b>	<b>166,763</b>

## Financial Statements

### Cash Flow Statement for the year ended December 31, 2025

	Notes	2025 EUR	2024 EUR
Repayment of loans receivable	(3)	21,495,700	15,488,750
Repayment of loans payable	(3)	(21,495,700)	(15,488,750)
Interest received loans receivable		3,528,931	4,564,871
Interest paid loans payable		(3,396,351)	(4,393,569)
Corporate income tax paid		(81,897)	(69,367)
General and administrative expenses		(270,599)	(262,424)
Income originated on rebilled expenses to Via do Infante		256,261	334,297
<b>Cash flow from operating activities</b>		<b>36,345</b>	<b>173,808</b>
Interest income (bank remuneration)		13,967	23,519
Dividend paid	(7)	-	(250,000)
<b>Cash flow from financing activities</b>		<b>13,967</b>	<b>(226,481)</b>
<b>Increase/ (decrease) cash at Banks</b>		<b>50,312</b>	<b>(52,673)</b>
Cash at the beginning of the period		767,610	820,283
Increase/ (decrease) cash		50,312	(52,673)
<b>Cash at the end of the period</b>		<b>817,922</b>	<b>767,610</b>

# Annual Report

## Notes to the Financial Statements

### 1 General

#### a. Group Affiliation and Principal Activities

Algarve International B.V. (hereinafter the "**Company**" or "**Algarve**"), with KVK-number: 34155411, was incorporated on April 23, 2001 and is a private company with limited liability, with its statutory seat in Amsterdam and having its place of business at Schiphol Boulevard 359, 1118 BJ, Amsterdam Schiphol, Netherlands.

The principal activity of Algarve International B.V. is the financing of Via do Infante and the raise of funds, including the issuance of bonds, creating security in connection therewith.

#### b. Group structure

The Company has two shareholders: DIF Participations 4 Luxembourg S.à r.l. (50.5%) and FADOS II, B.V. (49.5%).

#### c. Related-party transactions

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the Company are considered a related party. In addition, statutory directors and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes insofar as they are not transacted under normal market conditions. The nature, extent and other information are disclosed if this is required for to provide the true and fair view.

The funds raised by Algarve are lend to Via do Infante which is a related party, with the same main shareholders as Algarve.

Algarve International B.V. does not have any related party transactions different than transactions with Via do Infante.

#### d. Estimates

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. If necessary, for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes 2.a and 4 to the financial statements.

#### e. Basis of presentation

The Annual Report was prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. The financial statements are denominated in Euro.

The balance sheet and income statement include references to the notes.

The Managing Directors have performed an assessment of the Company's ability to continue as a going concern and is satisfied that the Company has the resources and activities to continue in business for the foreseeable future, amongst others considering the tenure of the notes issued and the end-date of the (underlying) concession. Furthermore, the Managing Director is not aware of any material

uncertainties that may cast significant doubt upon the Company's ability to continue as a going concern. The Shareholders have confirmed their intention to maintain the Company and support its ongoing operations. Therefore, the financial statements continue to be prepared on the going concern basis.

#### **f. Notes to the cash flow statement**

The cash flow statement has been prepared applying the direct method. The cash and cash equivalents in the cash flow statement comprise the balance sheet item cash at banks.

## **2 Accounting Policies for the Balance Sheet and Income Statement**

### **a. Financial Instruments**

#### *Initial recognition*

Financial assets and liabilities are initially recognised on the trade date. The classification of financial instruments at initial recognition depends on their contractual terms and the business model for managing the instruments. Financial instruments are initially measured at their fair value, transaction costs are added to, or subtracted from, this amount.

The Company mainly classifies its financial assets and financial liabilities at amortised cost, based on the business model for managing the instrument and the contractual terms.

#### *Financial assets and liabilities by financial statements line item*

- Loans to group companies (current and non-current including accrued interest): these loans are initially recognised at fair value, and, subsequently measured at amortised cost using the effective interest rate.
- Debt issued and other borrowed funds (current and non-current including accrued interest): after initial measurement, debt issued and other borrowed funds are subsequently measured at amortised cost.

#### *Reclassification of financial assets and liabilities*

The Company does not reclassify its financial assets subsequent to their initial recognition, apart from the exceptional circumstances in which the Company acquires, disposes of, or terminates a business line. Financial liabilities are never reclassified.

#### *Derecognition of financial assets and liabilities*

A financial asset is derecognised when all risks and rewards have been transferred and the rights to receive cash flows from the financial asset have expired.

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

### **b. Impairment of financial assets**

In determining the impairment of financial assets the Company applies Expected Credit Loss methodology which is allowed under Dutch GAAP. The Company records an allowance for expected credit loss (ECL) for all loans in this section in accordance with IFRS 9 - Financial Instruments, ensuring compliance with the relevant accounting standards.

The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit losses or LTECL), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit losses (12mECL). The Company makes use of the low credit risk simplification in the calculation of the ECL.

Based on the above process, the Company groups its loans into Stage 1, Stage 2, Stage 3, as described

below:

- Stage 1: When loans are first recognised, the Company recognises an allowance based on 12mECL. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
- Stage 2: When a loan has shown a significant increase in credit risk since origination, the Company records an allowance for the LTECL. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
- Stage 3: Loans considered credit-impaired. The Company records an allowance for the LTECL.

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

- PD: The Probability of Default is an estimate of the likelihood of default over a given time horizon (See Note 3).
- EAD: The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise, expected drawdowns on committed facilities, and accrued interest from missed payments (See Note3).
- LGD The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time (See Note 3)

The receivables under the current assets are initially measured at fair value plus transaction costs and subsequently carried at amortized cost less impairment when necessary. Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction.

This line item mainly includes the receivables relating to expenses that are re-billed to Via do Infante, based on the agreement between the parties.

#### **c. Cash at banks**

Cash include, bank balances and deposits held at call with maturities of less than twelve (12) months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash are stated at nominal value.

#### **d. Equity**

This annual financial report contains a balance sheet before profit appropriation (as recommended by the Dutch Accounting Standards Board). Profit for the period is recognized as the last item in equity. The presentation of debt versus equity is based on its legal form, which is in conformity with Dutch regulation.

#### **e. Operating Income / (Expenses)**

Interest income / expense of the Loans are recognized on a time-weighted basis and according to the effective interest rate of the corresponding assets and liabilities (amortized cost).

#### **f. Other operating Income / (Expenses)**

This line item includes all fees, expenses and other amounts in reference to the financing that are paid by the Company and entirely re-billed to Via do Infante. Income and expense are recognized in the year they are realized, unless stated otherwise.

#### **g. Dutch Corporate Income Tax**

The Company is subject to Dutch Corporate Income Tax and therefore, the tax payable is calculated by application of the relevant rate to the amount of taxable profit.

**h. Impairment charges**

Impairment charges related to financial instruments held by the Company are presented separately in the Income Statement (Note 12).

**3 Loan to group Companies**

	<b>2025</b>	<b>2024</b>
<b>Tranche A – Loan @ 6.65% to Via do Infante</b>		
<i>Facility: EUR 126,500,000 from July 2, 2001 until June 15, 2027 at a rate of 6.65%.</i>		
Opening balance	31,536,450	50,739,150
Reclassification Current Assets	<u>(21,024,300)</u>	<u>(19,202,700)</u>
Total Nominal Amount	10,512,150	31,536,450
Movement Amortized Cost	(10,228)	(29,288)
Impairment of Financial Fixed Asset	<u>(3,403)</u>	<u>(19,170)</u>
<b>Total non-current Tranche A</b>	<b>10,498,519</b>	<b>31,487,992</b>
Current Tranche A	21,024,300	19,202,700
Impairment of Financial Current Assets – Principal	(6,812)	(11,510)
Interest Tranche A	91,931	147,908
Impairment of Financial Current Asset - Interest	<u>(30)</u>	<u>(89)</u>
<b>Total current Tranche A</b>	<b>21,109,389</b>	<b>19,339,009</b>
<b>Tranche B – Loan @ 6.75% to Via do Infante</b>		
<i>Facility: EUR 130,000,000 from July 2, 2001 until December 15, 2025 at a rate of 6.75%</i>		
Opening balance	-	2,293,000
Reclassification Current Assets	<u>-</u>	<u>(2,293,000)</u>
Total Nominal Amount	-	-
Movement Amortized Cost	-	-
Impairment of Financial Fixed Asset	<u>-</u>	<u>-</u>
<b>Total non-current Tranche B</b>	<b>-</b>	<b>-</b>
Current Tranche B	-	2,293,000
Impairment of Financial Current Assets – Principal	-	(1,374)
Interest Tranche B	-	4,904
Impairment of Financial Current Assets – Interest	<u>-</u>	<u>(4)</u>
<b>Total current Tranche B</b>	<b>-</b>	<b>2,296,526</b>
 <b>Total Non- Current</b>	 <u><b>10,498,519</b></u>	 <u><b>31,487,992</b></u>
 <b>Total Current</b>	 <u><b>21,109,389</b></u>	 <u><b>21,635,535</b></u>

Tranche A

The Company lent to Via do Infante EUR 126,500,000 following the issue of bonds for the same amount. The loan was provided to finance the construction of motorway stretches. Interest is calculated on the same basis as the bonds at 6.40% p.a. (being 365 days) plus a spread of 0.25% (6.65%). Via do Infante shall repay the Tranche A loan in accordance with the Tranche A Amortization Schedule. The final repayment has been scheduled accordingly on June 15, 2027.

The Company received the payment, on December 15, 2025, of EUR 19,202,700 referring to the Principal Value of the Bonds. Future payments will be as follows:

<i>Date</i>	<i>Principal Amount</i>
<i>15/12/2026</i>	<i>21,024,300</i>
<i>15/06/2027</i>	<i>10,512,150</i>

Tranche B

The agreement foresees that the funds which were received from a loan due to the EIB of EUR 130,000,000 may be used to grant the loan to Via do Infante. This loan is incurred to finance the construction of road stretches and bears interest at 6.50% p.a. (being 360 days) plus a spread of 0.25% (6.75%) payable in December each year. Via do Infante shall repay the Tranche B loan in accordance with the Tranche B Amortization Schedule.

The final repayment has been scheduled accordingly on December 15, 2025. Due to the downgrade of Syncora, the Guarantor, the interest has increased by 0.50% as per December 31, 2010, these changes have been reflected in the aforementioned percentages.

The Company received the payment, on December 15, 2025, of EUR 2,293,000, referring to the Principal Value of the EIB Loan.

Impairments of Financial Assets

The expected credit losses (ECL) for these financial instruments are calculated considering: the outstanding balance to obtain the Exposure at Default (EAD) and, other parameters observed in the market to obtain the Probability of Default (PD) and the Loss Given Default (LGD).

The PD of the Portuguese State, which is the main client of Via do Infante was used for the ECL calculation, based on information obtained from the Bloomberg terminal.

The maximum credit risk exposure equals the carrying amount disclosed in the balance sheet.

The financial assets are classified as stage 1, thus no significant increase in credit risk has been observed since initial recognition of the exposures. During the year under audit covered by the annual financial report there has been the following movement in the provision balance:

<i>Loss allowance – Loans and advances to customers at amortised cost</i>	<b>Loan Long Term</b>	<b>Loan Short term</b>	<b>Intercompany</b>	<b>Total</b>
<i>Loss allowance as at January 1, 2025</i>	19,168	12,977	61	<b>32,206</b>
<i>Changes in the loss allowance</i>	<u>(15,768)</u>	<u>(6,135)</u>	<u>(44)</u>	<b><u>(21,946)</u></b>
<b><i>Loss allowance as at December 31, 2025</i></b>	<b><u>3,400</u></b>	<b><u>6,842</u></b>	<b><u>17</u></b>	<b><u>10,260</u></b>

	Loan Long Term	Loan Short term	Intercompany	Total
<i>Loss allowance – Loans and advances to customers at amortised cost</i>				
<i>Loss allowance as at January 1, 2024</i>	50,671	14,871	153	65,695
<i>Changes in the loss allowance</i>	(31,503)	(1,894)	(92)	(33,489)
<b><i>Loss allowance as at December 31, 2024</i></b>	<b>19,168</b>	<b>12,977</b>	<b>61</b>	<b>32,206</b>

#### 4 Other Receivable

	2025	2024
<i>Autoestrada do Algarve – Via do Infante – Sociedade Concessionária AAVI S.A. and other</i>	182,744	104,554
<i>Impairment of financial assets</i>	(17)	(61)
	<b>182,727</b>	<b>104,493</b>

#### 5 Deferred tax asset

	2025	2024
<i>Deferred tax asset</i>	1,950	6,119
	<b>1,950</b>	<b>6,119</b>

Amount due to temporary differences for tax and accounting purposes related to impairment valuation of financial assets.

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits shall be available against which deductible temporary differences can be utilized.

The carrying amount of deferred tax assets is reviewed at each Balance Sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits shall be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset is disposed of based on tax laws and rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax is charged or credited in the Income Statement, except when it relates to items charged or credited in net equity, in which case the deferred tax is also recognized in net equity.

#### 6 Cash at Banks

	2025	2024
<i>Citibank Amsterdam – current account</i>	817,922	767,610
	<b>817,922</b>	<b>767,610</b>

At December 31, 2025 and December 31, 2024 all cash at banks are freely available to the Company. In 2025 EUR 13,967 and 2024 EUR 23,524 were received as interest on the current account held with Citibank Amsterdam. Moody's long-term rating for Citibank N.A. is set to Aa3 (high grade), similar than last year.

## 7 Equity

The authorized share capital of the Company is EUR 90,000 divided into 90,000 shares of EUR 1 each. At balance sheet date a total of 18,000 shares were issued and fully paid.

Currently the Company has two shareholders: DIF Participations 4 Luxembourg S.à r.l. and FADOS II B.V.

The shareholder composition as of December 31, 2025 was:

<b>Shareholders</b>	<b>2025</b>	<b>%</b>	<b>2024</b>	<b>%</b>
<i>DIF Participations 4 Luxembourg S.à r.l.</i>	9,090	50.5%	8,820	49%
<i>FADOS II B.V.</i>	8,910	49.5%	8,640	48%
<i>J. Gomes-Sociedade de Construções do Cávado, S.A.</i>	-	-	540	3%
<b>Total Shares</b>	<b>18,000</b>	<b>100%</b>	<b>18,000</b>	<b>100%</b>

Movements in the equity accounts are as follows:

	<b>2024</b>	<b>Changes for the Period</b>	<b>Dividend</b>	<b>2025</b>
<i>Issued and fully paid-up share capital</i>	18,000	-	-	18,000
<i>Retained earnings</i>	706,146	166,763	-	872,909
<i>Net result for the previous year</i>	166,763	(166,763)	-	-
<i>Net result for the period</i>	-	107,277	-	107,277
<b>Total Equity</b>	<b>890,909</b>	<b>107,277</b>	<b>-</b>	<b>998,186</b>

	<b>2023</b>	<b>Changes for the Period</b>	<b>Dividend</b>	<b>2024</b>
<i>Issued and fully paid-up share capital</i>	18,000	-	-	18,000
<i>Retained earnings</i>	722,812	233,334	(250,000)	706,146
<i>Net result for the previous year</i>	233,334	(233,334)	-	-
<i>Net result for the period</i>	-	166,763	-	166,763
<b>Total Equity</b>	<b>974,146</b>	<b>166,763</b>	<b>(250,000)</b>	<b>890,909</b>

**8 Debt Issued and Other Borrowed Funds**

	<b>2025</b>	<b>2024</b>
<b>Tranche A - Guaranteed 6.40% Bonds</b>		
<i>EUR 126,500,000 from July 2, 2001 until June 15, 2027 at a rate of 6.40%</i>		
Opening balance	31,536,450	50,739,150
Reclassification current liabilities	(21,024,300)	(19,202,700)
Total Nominal Amount	<u>10,512,150</u>	<u>31,536,450</u>
Movement Amortized Cost	(37,410)	(88,977)
<b>Total non-current Tranche A</b>	<b>10,474,740</b>	<b>31,447,473</b>
Current liabilities Tranche A – Principal	21,024,300	19,202,700
Current liabilities Tranche A – Interest	88,475	142,348
<b>Total current Tranche A</b>	<b>21,112,775</b>	<b>19,345,048</b>
<b>Tranche B - European Investment Bank</b>		
<i>Facility: EUR 130,000,000 from July 2, 2001 until December 15, 2025 at a rate of 6.50%</i>		
Opening balance	-	2,293,000
Reclassification current liabilities	-	(2,293,000)
Total Nominal Amount	<u>-</u>	<u>-</u>
Movement Amortized Cost	-	-
<b>Total non-current Tranche B</b>	<b>-</b>	<b>-</b>
Current liabilities Tranche B	-	2,293,000
Current liabilities Tranche B – Interest	-	4,675
<b>Total current Tranche B</b>	<b>-</b>	<b>2,297,675</b>
 <b>Total non-current</b>	 <b>10,474,740</b>	 <b>31,447,473</b>
 <b>Total current</b>	 <b>21,112,775</b>	 <b>21,642,723</b>

The Company has raised funds through loans and bonds. In relation to these raised funds, Citibank N.A. has been appointed as 'Security Trustee' for the bonds listed on the Luxembourg Stock Exchange (Tranche A). The EIB acts as credit party (Tranche B loan provider). Syncora, a New York based stock insurance company, was released from 'Guarantor' on August 30, 2022.

In consideration for the EIB's consent to the cancellation of the EIB financial guaranty, the financial guaranty fee in respect of the EIB financial guaranty payable to EIB pursuant to the Fee Letter (which was assigned by Syncora on 8 November 2011), continued to be paid notwithstanding the release of the EIB financial guaranty. The company recorded the expenses related to the aforementioned guaranty (EIB) in 2024 as general and administrative expenses (Note 14).

Tranche A

The EUR 126,500,000 Guaranteed Bonds of Algarve were issued on July 2, 2001. The bonds mature June 15, 2027, and bear annual interest of 6.40% payable in December of each year and capital is repaid over 18 variable instalments. The first instalment took place on December 15, 2006, and the last will take place on June 15, 2027. The loan was obtained to finance the construction of motorway stretches.

The balance movement of the year for the Tranche A was:

<b>Bond (Tranche A)</b>	<b>2025</b>	<b>2024</b>
Opening Balance	50,792,521	60,604,597
Accrued Interest	3,245,001	3,848,803
Interest paid	(3,247,307)	(3,858,554)
Adjustment (*)	-	(251,575)
Principal paid	(19,202,700)	(9,550,750)
<b>Ending balance</b>	<b>31,587,515</b>	<b>50,792,521</b>

Tranche B

The agreement foresees that the funds which were received from a loan due to EIB of EUR 130,000,000 bearing interest at 6.50% p.a. payable in December of each year, may be transferred to Via do Infante. This loan was incurred to finance the construction of road stretches.

Repayment of capital is expected to take place in 15 annual variable amount instalments, with the first one due December 15, 2011, and the last one due December 15, 2025. Interest increased by 0.50% as per December 31, 2009.

The balance movement of the year for the Tranche B was:

<b>Loan (Tranche B)</b>	<b>2025</b>	<b>2024</b>
Opening Balance	2,297,675	8,454,107
Accrued Interest	144,370	540,555
Interest paid	(149,045)	(535,015)
Adjustment (*)	-	(223,972)
Principal paid	(2,293,000)	(5,938,000)
<b>Ending balance</b>	<b>-</b>	<b>2,297,675</b>

(\*) Include amortized cost adjustment.

<b>Loan tranches repayment schedule (nominal value) 2025</b>	<b>Term 1 year</b>	<b>Term 2-5 years</b>	<b>Term &gt; 5 years</b>
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<i>Tranche A - Guaranteed 6.40% Bonds</i>	21,024,300	10,512,150	-
<i>Tranche B - European Investment Bank 6.50%</i>	-	-	-

<b>Loan tranches repayment schedule (nominal value) 2024</b>	<b>Term 1 year</b>	<b>Term 2-5 years</b>	<b>Term &gt; 5 years</b>
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<i>Tranche A - Guaranteed 6.40% Bonds</i>	19,202,700	31,536,450	-
<i>Tranche B - European Investment Bank 6.50%</i>	2,293,000	-	-

### 9 Accounts Payable and Accrued Expenses

	<b>2025</b>	<b>2024</b>
<i>Accrued audit fees</i>	32,700	31,350
<i>Accrued management fees</i>	25,055	54,310
<i>Accounts payable</i>	55,692	11,255
	<u><b>113,447</b></u>	<u><b>96,915</b></u>

### 10 Fair Value Financial Instruments

The fair value (Financial Instruments) is generally determined based on observable market data such as yield curves to calculate the present value of future cash flows associated with each at the balance sheet date. Those techniques could significantly be affected by the assumptions used, including discount rates, estimates of future cash flows and interest rates. The valuation of financial instruments under analysis is subject to changes in the underlying assumptions.

The Bonds issued by Algarve are listed at the Luxembourg Stock Exchange, however there is no active trading volume for this instrument, therefore it cannot be considered a fair value level 1 instrument.

The fair value of bonds has been determined by reference to market rates of the instruments with similar characteristics as at balance sheet date (observable market data). The loans being guaranteed and equal to the bonds in terms & conditions, was assessed based on similar market rates to the bonds, this is considered as a level 2 of the fair value hierarchy.

The fair value of the loans granted to a group company is based on the discounted cash flows of future loan repayments and interest payments, using the implicit effective fixed rate of the fair value of the bond as determined above, due to the terms and conditions being identical, apart from the margin (i.e. the asset less liability). This is considered the best reflection of the impact on equity changes in the fair value of the asset and liability.

	<b>2025</b>		<b>2024</b>	
	<i>Carrying value</i>	<i>Fair Value</i>	<i>Carrying value</i>	<i>Fair Value</i>
<i>Tranch A</i>	31,607,908	33,106,829	50,827,001	54,654,407
<i>Tranch B</i>	-	-	2,296,526	2,401,746
<b>Asset</b>	<u><b>31,607,908</b></u>	<u><b>33,106,829</b></u>	<u><b>53,123,527</b></u>	<u><b>57,056,153</b></u>
	<i>Carrying value</i>	<i>Fair Value</i>	<i>Carrying value</i>	<i>Fair Value</i>
<i>Tranch A</i>	31,587,515	33,020,229	50,792,521	54,441,899
<i>Tranch B</i>	-	-	2,297,675	2,396,049
<b>Liability</b>	<u><b>31,587,515</b></u>	<u><b>33,020,229</b></u>	<u><b>53,090,196</b></u>	<u><b>56,837,948</b></u>

**11 Interest Income Loans Receivable Tranches A and B**

	<b>2025</b>	<b>2024</b>
<b>Tranche A - Loan 6.65% to Via do Infante</b>		
Facility: EUR 126,500,000 from July 2, 2001 until June 15, 2027 at a effective rate of 6.69%	3,318,176	3,981,917
Movements Amortized cost	<u>19,061</u>	<u>19,199</u>
	<u>3,337,237</u>	<u>4,001,116</u>
	<b>2025</b>	<b>2024</b>
<b>Tranche B - Loan 6.75% to Via do Infante</b>		
Facility: EUR 130,000,000 from July 2, 2001 until December 15, 2025 at a effective rate of 6.73%	148,328	538,892
Movements Amortized Cost	<u>1,545</u>	<u>7,130</u>
	<u>149,873</u>	<u>546,022</u>
	<u><b>3,487,110</b></u>	<u><b>4,547,138</b></u>
<b>Total Interest Income</b>		

**12 Impairment of financial assets**

	<b>2025</b>	<b>2024</b>
Tranche A - Loan 6.65% to Via do Infante	20,524	26,775
Tranche B - Loan 6.75% to Via do Infante	1,378	6,621
Other receivable	<u>44</u>	<u>93</u>
<b>Total Impairment of financial assets</b>	<u><b>21,946</b></u>	<u><b>33,489</b></u>

**13 Interest Expense**

	<b>2025</b>	<b>2024</b>
<b>Tranche A - Guaranteed 6.40% Bonds</b>		
EUR 126,500,000 from July 2, 2001 until June 15, 2027 at a effective rate of 6.50%	(3,193,433)	(3,832,221)
Movements Amortized Cost	<u>(51,568)</u>	<u>(16,582)</u>
	<u>(3,245,001)</u>	<u>(3,848,803)</u>
<b>Tranche B - European Investment Bank 6.50%</b>		
Facility: EUR 130,000,000 from July 2, 2001 until December 15, 2025 at a effective rate of 6.49%	(142,835)	(518,933)
Movements Amortized Cost	<u>(1,535)</u>	<u>(21,622)</u>
	<u>(144,370)</u>	<u>(540,555)</u>
<b>Total Interest Expense</b>	<u><b>(3,389,371)</b></u>	<u><b>(4,389,358)</b></u>

**14 General and Administrative Expenses**

	<b>2025</b>	<b>2024</b>
<i>Fees (EIB)</i>	(6,576)	(23,967)
<i>Audit fees</i>	(61,372)	(54,050)
<i>Management fees</i>	(50,476)	(42,857)
<i>Bank fees</i>	(13,010)	(13,811)
<i>General expenses(a)</i>	(47,414)	(109,077)
<i>Legal &amp; Professional fees (b)</i>	(158,677)	(63,290)
<b>Total General and Administrative Expenses</b>	<b>(337,525)</b>	<b>(307,052)</b>

The amounts are recharged (Note 15) with no material impact to the net result of the company.

(a) In 2024 General expenses includes due to a tax regularization regarding supplementary VAT returns for 2019 to 2022 calendar years, with a total amount of EUR 75,441.

(b) In 2025 Legal & Professional fees were due to the sale process of the main shareholder's shares (Project Dromos). These expenses will be recharged to the shareholders of Algarve International B.V., with a total amount of EUR 103,727. Excluding the expenses in both periods, the remaining amount would be EUR 233,798 in 2025 and EUR 231,611 in 2024. This comparison demonstrates an increase of only 1% year-on-year, indicating stability in the underlying costs.

**15 Income originated on rebilled expenses**

	<b>2025</b>	<b>2024</b>
<i>Fees (EIB)</i>	6,576	23,967
<i>Audit fees</i>	60,022	52,700
<i>Management fees</i>	50,476	42,857
<i>Bank fees</i>	15,742	16,711
<i>General expenses</i>	44,590	106,253
<i>Legal &amp; Professional fees</i>	166,767	55,292
<b>Total Income originated on rebilled expenses</b>	<b>344,173</b>	<b>297,780</b>

Based upon paragraph 7.4 of the July 2, 2001 Loan Agreement between Algarve and Via do Infante all fees, expenses and other amounts in reference to the financing will be on-charged to the borrower of the loan.

Audit fees included are based on the year under audit, irrespective of when the actual procedures were performed.

## 16 Corporate Income Tax

The Corporate Income Tax is based on the fiscal result. The applicable tax rates to calculate de Corporate Income Tax in 2025 are 19% over the first EUR 200,000 and 25,8% over the surplus.

	<b>2025</b>	<b>2024</b>
Current Income Tax	(28,853)	(32,686)
Deferred Income Tax	(4,170)	(6,363)
Other reconciling items	-	291
<b>Corporate Income Tax</b>	<b>(33,023)</b>	<b>(38,758)</b>

	<b>2025</b>	<b>Rate</b>	<b>2024</b>	<b>Rate</b>
Profit before tax	140,300		205,521	
Tax expense (benefit)	26,657	19.00%	39,049	19.00%
<b>Permanent differences</b>				
Step up in tax rate	-	0.00%	-	0.00%
Other reconciling items	6,366	4.54%	(291)	-0.14%
<b>Total tax expense</b>	<b>33,023</b>	<b>23.54%</b>	<b>38,758</b>	<b>18.86%</b>

## 17 Auditor's fee

In accordance with Section 2:382a (1) and (2) of the Dutch Civil Code the audit fee included in the income statement account for the auditors of EY Accountants B.V. is as follows:

	<b>2025</b>	<b>2024</b>
<i>Financial statements current year</i>	32,700	31,350
<i>Interim financial statements current year</i>	28,672	22,700
<b>Total Audit Fee</b>	<b>61,372</b>	<b>54,050</b>

## 18 Post Balance Sheet Events

No major post balance sheet events affecting the financial statements have occurred to date.

## 19 Financial risk management

### Authorization level

The Managing Directors are bound by clear restrictions regarding representative authorization. All agreements and instruments must be approved and signed by two Managing Directors, unless a power of attorney has been issued in this respect.

### Currency Risk

The Company mainly operates in the European Union. The Company has currently no currency risks, almost all of the transactions are in Euros.

### Interest Rate Risk

The Company is exposed to interest rate risk on interest bearing receivables (in particular, those included in financial assets, securities and cash) and on interest bearing non-current and current liabilities (including borrowings).

All the payable and receivable interest are indexed to a fixed interest rate, according to Financial Agreements.

The Company does not incur in any interest rate risk because the Financial Assets and Liabilities have fixed interest rate on the Financial Terms Agreement.

### Credit Risk

The Company has a significant concentration of credit risk, as the Company depends on the sole performance of Via do Infante, who has only one client, the Portuguese Government.

Via do Infante only has one client, being the Portuguese government who, according to the agreement between the parties, has the commitment of providing Via do Infante with sufficient funds to meet its financial obligations.

With respect to exposures to banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted under current financing agreements.

### Liquidity Risk

The Company makes use of only one bank (Citibank) and all the available cash is in current accounts.

The Company does not use several banks in order to avail itself of a range of overdraft facilities. Where necessary, further securities will be furnished to the bank for available overdraft facilities.

The Company and Via do Infante have similar contracts, with equivalent dates and terms, meaning that the collections are matched with the payments resulting in a limited liquidity risk.

In addition, Via do Infante, according to the Financing contracts, has a Debt Service Reserve account with 85% of the amount of debt and interest for the subsequent year of the Contracts consisting of Tranche A- Bond.

### Internal Fraud Risk

The Company applies a transaction monitoring procedure on all its incoming and outgoing transactions, to clearly identify the source and/or destination of funds, including identification of the senders and/or beneficiaries. Besides that, the Company has a payment procedure in place, which includes that payment instructions can only be executed by two Managing Directors acting jointly, unless there is a power of attorney in place that allows attorneys to sign. These measures keep this risk low.

### External Audit

The financial statements of Algarve are audited every six months by an external auditor. These audits take place in accordance with the auditing standards as included in Dutch law. On May 30, 2025 the Shareholders of the Company decided to appoint EY Accountants B.V. as the Company's auditors.

### Advisory Roles

The external auditor (EY Accountants B.V.) does not act in an advisory capacity as it only provides assurance services relating to the financial statements. Professional advice is provided by third party experts, such as tax advisors, Dutch notaries and Civil-Law lawyers.

### In Control Statement and Responsibility Statement

The Board of Managing Directors is responsible for Algarve's Internal Control and Management Procedures. These internal controls and procedures are designed to manage the risks that may prevent Algarve from achieving its objectives. However, these internal controls and procedures cannot provide absolute assurance that material misstatements, fraud and violations of laws and regulations can be avoided. The Board of Managing Directors reviewed and analysed the financial reporting and regulatory and compliance risks, and the design and operating effectiveness of the Internal Control and Management Procedures.

## **20 Directors and Employees**

There are no options granted and no assets are available to the members of the Board of Managing Directors. There are no loans outstanding to the members of the Board of Managing Directors and no guarantees given on behalf of members of the Board of Managing Directors. The Board of Managing Directors did not receive any remuneration from Algarve International B.V. during the year.

The Company has no employees.

## **21 Related Parties**

The related parties' balances and transactions are the ones related to Via do Infante as disclosed in the previous notes. There are no other related parties' balances and transactions.

## **22 Subsequent events**

Following the completion of the sale of DIF Participations 4 Luxembourg, S.à r.l. and Fados II, B.V. on March 26, 2026, the address of the Company was changed from WTC Schiphol Airport, Schiphol Boulevard 359, 1118 BJ, Amsterdam Schiphol, Netherlands to Herikerbergweg 202, Luna ArenA, 5th floor, room 5.68, 1101CM Amsterdam, The Netherlands.

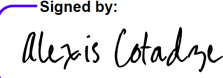
There were no other relevant subsequent events.


The Managing Directors have signed the Annual Financial Report pursuant to their statutory obligations under Article 394 of Book 2 of the Dutch Civil Code and Article 5:25c(2)(c) Financial Markets Supervision Act.

The Managing Directors have signed the Annual Financial Report.

Amsterdam, May 12, 2026

The Board of Managing Directors,

Signed by:  
  
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92DE3524DA074A7...  
Alexis Cotadze  
Director

DocuSigned by:  
  
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A9244226585F4F2...  
Ilse Marye Alwon  
Director

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Ilse Marye Alwon  
TMF Management B.V.  
Director

Signed by:  
  
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## Other information

### **Statutory rules concerning appropriation of the profit**

According to contractual requirements, the net profit for the year is, provided the approval of the Board of Managing Directors is given, at the disposal of the shareholder.

### **Independent Auditor's Report**

Reference is made to the independent auditor's report as included hereinafter.

Algarve International B.V.  
Herikerbergweg 202  
Luna ArenA, 5th floor, room 5.68  
1101CM Amsterdam  
The Netherlands

[www.algarveinternational.eu](http://www.algarveinternational.eu)  
Trade Register number: 34155411