

ANNOUNCEMENT
OF ERMES DEPARTMENT STORES PLC (the “Company”)

Further to the Company’s announcement dated 9 May 2025 regarding the disposal of the ERA Department Stores business to Gencom Ltd, the Company wishes to announce the following:

- 1) The business activities in which the Company continues to operate include the management of the retail stores Next, OVS, Springfield, Women’secret, Glow, as well as the food and beverage **(F&B)** outlets Ergon Deli + Café and Ergon To Go.
- 2) The Company’s main assets that remain under its ownership are the ongoing business operations, inventory, and equipment necessary for the operation of the aforementioned activities, as well as intra-group balances.
- 3) The disposal of the department stores forms part of the Company’s broader restructuring strategy, which primarily aims to liquidate assets and reduce liabilities. This action has a positive impact on the operational profile, reducing operating costs and management complexity. At the same time, it enhances transparency and aligns with the strategic priorities of responsible financial management and compliance towards its obligations. Appropriate measures have been taken to ensure that the disposal is carried out in a manner that does not disrupt the service to customers and partners, thereby ensuring the smooth continuation of operations where required.
- 4) At this stage, the Board of Directors of the Company has not taken any definitive decision regarding new directions or business initiatives.

Providing a comprehensive picture of the Company’s financial affairs necessarily depends on the completion of the department store business disposal and the related processes. As previously announced, this is subject to approval by the Commission for the Protection of Competition.

As noted in our relevant announcement dated 5 May 2025, the completion of the audit and the publication of the audited financial statements for the year ended 31 December 2024 is expected to be concluded within the month of September 2025.

Nicosia, 14 May 2025