



a Grimaldi Group company

MINOAN LINES SHIPPING S.A.

Annual Financial Report **of the year 2023 (1/1 – 31/12/2023)**

TRANSLATED FROM THE GREEK ORIGINAL

(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)

Shipping Societe Anonyme
Company's No in the General Electronic Commercial Registry: 77083027000
17, 25th August Str.—71 202 Heraklion—Crete

Table of Contents

	Page
Annual Report of the Board of Directors on the financial statements of the year 2023 (1/1 – 31/12/2023)	3
Annual Financial Statements (stand alone and consolidated) as of December 31st, 2023	12
Independent Auditor's Report	46

The amounts of the annual financial report are presented in thousands of € unless explicitly stated otherwise.

Any last digit discrepancies are due to rounding of the figures.

The Annual Financial Report has been approved by the Board of Directors meeting on 22/03/2024.

Annual Report of the Board of Directors on the financial statements of the year 2023 (1/1 – 31/12/2023)

This report refers to the annual consolidated Financial Statements and to the separate financial statements for the year 2023 and has been prepared in accordance with legislation in force (art.150&153 law 4548/2018).

The amounts mentioned are in thousands of euros, unless it is clearly stated differently.

Significant events for the year 2023 – Effect on Financial Statements

The financial year 2023 was characterized by the successful, as has been proven so far, decision of the Group to operate on a line abroad, specifically on the Igoumenitsa - Printezi route with a self owned vessel. The sales that occurred especially from the transportation of trucks were significant.

In addition, the maintenance for a long period of the year stabilizing trends in fuel prices worldwide, combined with the increase in sales, led to profitable results.

In addition, the company expanded its activity by making two very important investments, which are none other than its participation with the parent Italian company, in the 2 schemes of companies that acquired the majority share package of the ports of Heraklion and Igoumenitsa.

Traffic Volumes

The Company for the entire year was active in the "Piraeus-Heraklion" route and for the 1st quarter in "Piraeus-Souda, Chania" route, while it was continued the seasonal route "Heraklion-Cyclades". In addition from March 30th started to operate in line Greece – Italy and specifically in Igoumenitsa – Brindisi route.

Finally, the Company, as to upgrade its services to the passengers, from July to the end of the high touristic season extended the ferry route of Crete by including the island of Milos, Cyclades as an intermediate destination for a certain number of voyages.

At the above mentioned active routes were handled by the Company's fleet 1,050 thousand passengers, 176 thousand cars and 107 thousand trucks, during 2023.

Consolidated Balance Sheet & Financial Results

In the following table are presented the subsidiary company which, together with the Company, is included in the consolidated financial statements and the consolidation method:

<u>Company</u>	<u>Connection</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
				<u>2023</u>	<u>2022</u>
Minoan Italia S.p.A.	Subsidiary	Full	Palermo - Italy	100%	100%
SYMMETOCHEs LIMENOS IRAKLEIOU	Affiliate	N. P.	Heraklion – Greece	40%	-
ETAIREIA SYMMETOCHON LIMENOS IGOUMENITSAS	Affiliate	N. P.	Igoumenitsa – Greece	27%	-

The above subsidiary remains in business inactivity and its share in the sales of the Group is zero, as in the previous year. Its contribution to the consolidated results for the year 2023 is negative and amounts to € 1,197, mainly due to administrative expenses for legal cases, while in 2022 it amounted to negative € 2,956.

The most important items of the consolidated Statement of financial position and Statement of profit or loss and other comprehensive income are presented below:

	<u>2023</u>	<u>2022</u>	<u>Change</u>
			<u>€</u>
<u>Statement of financial position – key figures</u>			
Non – Current Assets	256,496	214,086	42,410

Current Assets	38,835	63,907	-25,072
Equity	224,032	219,000	5,032
Total Liabilities	71,299	58,993	12,306
Statement of comprehensive income – key figures			
Continuing operations			
Revenue	113,055	92,885	20,170
Cost of sales	89,027	90,561	-1,534
Selling and Administrative Expenses	19,500	16,477	3,023
Profit of the year before interest, taxes, depreciation and amortization (E.B.I.T.D.A.)	26,116	2,331	23,785
Net Financial and Investing Results [Expenses]	-589	-1,071	482
(Loss) / profit of the year after taxes from continuing operations	5,044	-18,344	23,388
(Loss) / profit of the year after taxes	5,044	-18,344	23,388

Note: The above financial data derive directly from the Consolidated Financial Statements

- The “Non-Current Assets” reached € 256,496 against € 214,086 on 31/12/2022, increasing by € 42,410 mainly due to the investments to the new 2 affiliates during the year.
- The “Current Assets” decreased by € 25,072 and reached € 38,835 against € 63,907 on 31/12/2022, which is mainly due to the usage of the intra-group loan for investment purposes signed in previous year.
- The “Equity” increased by € 5,032 and reached € 224,032 against € 219,000 on 31/12/2022. This change is due to the current year’s positive result.
- The “Total Liabilities” reached € 71,299 against € 58,993 on 31/12/2022, increasing by € 12,306. The above increase is mainly due to the usage of the 2 credit lines from respective banks, which were both repaid at the end of February 2024.

The Group’s financial performance from continuing operations were mainly affected by its new activity in the foreign line (Greece – Italy) with a self-owned vessel compared to 2022, leading to a significant increase in sales. Analytically :

- The “Revenues” from continuing operations increased by € 20,170 and reached € 113,055 against € 92,885 in year 2022.
- The “Cost of Sales” were decreased by € 1,534 and reached € 89,027 against € 90,561 in year 2022. This change mainly is due to the decrease in fuel prices.
- The “Selling and Administrative Expenses” showed increase of € 3,023, a fact that is mainly due to the group's advertising at exhibitions and in various ways of display and promotion, while at the same time there was an increase in the commissions due to the new activity of the company on the foreign line of Brindisi. They reached € 19,500 compared to € 16,477 of year 2022.
- Due to the reasons mentioned above, the Operating results before tax, depreciation, financing and investing costs (E.B.I.T.D.A.) from continuing operations, they are increased by the amazing amount of € 23,785 compared to 2022 ones, reaching the amount of € 26,116.
- The “Net Financial and Investing Results [Expenses]” show a decrease compared to those of 2022 fiscal year reaching € -589 against € -1,071 (change of € 482).

Taking into consideration all the above, the “Net Results after Taxation” from continuing operations reached earnings of € 5,044 against losses of € 18,344 in previous year, being improved by € 23,392.

Financial Ratios

The main financial ratios of the Group are presented here below:

	2023	2022
General Liquidity	1.00	1.09
<u>Total Current Assets</u>		
Total short term liabilities		
Immediate Liquidity	0.79	0.96
<u>Total Current Assets – Inventories</u>		
Total short term liabilities		
Debt–equity Ratio	3.14	3.71
<u>Equity</u>		
Total Liabilities		

- General Liquidity ratio assesses the entity's capacity to serve its current liabilities and it is derived from Group's balance sheet relevant figures.
- The Quick ratio shows how many times the direct liquidate items covers the current liabilities and arises from the Group's balance sheet relevant figures.
- Debt-Equity Ratio presents the capital structure and the relation between the Equity and Long & Short term liabilities. The said ratio derives from the relevant figures of the Group's balance sheet.

Balance Sheet & Financial Results at Stand Alone basis

The most important items of Company's Statement of financial position and Statement of profit or loss and other comprehensive income, prepared in accordance with I.F.R.S., are presented below:

	2023	2022	Change
			€
<u>Statement of financial position – key figures</u>			
Non – Current Assets	257,160	213,787	43,373
Current Assets	33,591	59,674	-26,083
Equity	219,507	214,917	4,590
Total Liabilities	71,244	58,544	12,700
<u>Statement of comprehensive income – key figures</u>			
<u>Continuing operations</u>			
Revenue	113,055	92,885	20,170
Cost of Sales	89,295	90,807	-1,512
Selling and Administrative Expenses	17,697	15,275	2,422
Profit of the year before interest, taxes, depreciation and amortization (E.B.I.T.D.A.)	27,457	5,309	22,148
Net Financial and Investing Results	-1,832	-4,094	2,262
(Loss) / profit of the year after taxes from continuing operations	4,602	-18,634	23,236
(Loss) / profit of the year after taxes	4,602	-18,634	23,236

Note: The above financial data derive directly from Company's (stand-alone) Financial Statements

Subsequent Events

The subsequent events of the Balance Sheet of 31/12/2023 concerning either the parent Company or the Group, include the company's decision to charter the self-owned catamaran Santorini Palace for a period of 5 years. With this move, the company and the Group estimate that the risk of constantly looking for customers in a line with many

competitors will be practically eliminated, achieving at the same time a certain income. As a consequence of this move, the operation of the ticket issuing branch in Athens is also suspended.

In addition, the Board of Directors of the company decided and approved the granting of a bond loan from other companies of the Grimaldi group for its use for investment purposes.

Finally, it is worth noticing that from 01/01/2024 the company, as a shipping company, is included in the carbon dioxide emission rights trading system.

Prospects for the year 2024

The achievement of the Company's financial results will be affected by the level of economic development of our country, which reflects the current evolution of political and social stability, the intensity of competition between companies in the shipping sector, as well as the course of tourist traffic affected by geostrategic developments.

The evolution of the price of fuel has always played an important role in the achievement of the company's goals, but also of the entire shipping industry in general, and with the high prices observed in the last period, their role has now been upgraded to the No. 1 factor influencing the results. Of course, the company's move to equip its fleet a few years ago with "scrubbers", thus enabling it to consume cheaper fuel compared to the competition, puts it especially these days in a much more favorable position. At the same time, the stabilizing trends that exist at the beginning of 2023 in fuel prices create an optimism, which, accompanied by expert opinions on stability and downward trends in the value of oil at the global level during the year, can have a very positive effect on the results of Group.

The Management of the Company and the Group is closely monitoring all the above in order critical decisions to be taken in time. Based on Management's current estimations, the Company and the Group believe that the estimated cash flows from operations in 2023, together with the liquidity the Company has secured, will be sufficient to enable the Company address the negative effects of all the above factors in the foreseeable future.

Corporate Business Model – Main Strategic Goals

Minoan Lines provides maritime transport services contributing to the development of domestic and international tourism & commerce. Company's fleet is composed with vessels which can transport passengers, cars and also trucks. In addition, the Company provides agency services in Adriatic market. Main concern and absolute priority is the constant improvement of services provided to customers and the building of strong and long term relationships with loyal customers, based on the principles of quality and reliability.

The management of Minoan Lines focuses on the application of the following policies:

- Maintain and enhance the leading position in the markets that the company operates
- Invests in modern vessels technologically advanced.
- Provides high-level quality services giving special importance in matters related to safety, security and comfort.
- Continuous improvement and quality upgrade of services provided, according to market standards and expectations, in order to achieve a high-level customer satisfaction.
- Achievement of strong customer loyalty.
- Pursue new growth expansion opportunities in the Aegean Sea region.

Minoan Lines' main objectives are the following:

- Optimal operational level of the fleet.
- Strong, competitive performance of invested capital
- On-going healthy financial structure
- Long-term corporate value enhancement
- Exploit of arising opportunities for further development of coastal shipping operations.
- Improve competitive position in Greek coastal shipping market.

Quality Policies

The long-lasting presence of Minoan Lines in Passenger Coastal Shipping, the applied strict policies about quality issues, the fully trained personnel as well as the investments in high standard vessels have led the Company to provide high level services. Within this framework, the Company has achieved to excel, receiving critical certifications and accepting important awards from established international and domestic organizations:

ISO 9001:2015, Quality Management System, issued for «Safe and Quality Transport of Passengers and Vehicles" by international classification society RINA.

ISO 22000:2005, Safe Food Management System for storage, process and service of food and beverages in vessels, issued by TÜV Hellas.

ISM-Code (International Safety Management) and ISPS-Code (International Ship and Port Facility Security), issued by certification society RINA.

HACCP certificate (Hazardous Analysis Critical Control Point), issued by TÜV HELLAS (member of RWMTÜV Group) for securing health standards in the storage, production and consumption of food and beverages in ships.

Environmental Management System ISO 14001:2004, issued by certification society RINA.

ISO 27001:2013, Information Security Management System, to manage and secure sensitive Company Information - in final stage for certification.

GDPR.

Minoan Lines is fully complied with the GDPR Regulation (EU Regulation 2016/679).

The above certifications awarded to the Company confirm the strict regulations and procedures followed in the ships and also by Company's staff ashore. It should be stated that these certifications are awarded by independent competent inspectors after thorough relevant on-site inspection.

Environmental Issues

Minoan Lines, alongside its dynamic development in the field of shipping, recognizes its responsibility for environmental protection as well, emphasizing and prioritizing on energy management issues.

In compliance to the requirements of MARPOL, the Regulation (EU) 2015/757 of the European Parliament and of the Council on the monitoring of carbon dioxide emissions and to the Ship Energy Efficiency Management Plan, the company adopted innovative methods of improving the energy efficiency of its ships.

Human Resource

The Company believes that the personality of each employee contributes significantly to its success, as a company of high reputation in coastal shipping sector and it aims to employ persons with suitable skills (talents) intending to keep high standard of the services both on land and on board.

The Company co-operates with the most important educational institutions through their career offices and frequently employs students and provides equal opportunities and fair treatment at the employment irrespective of age, sexual orientation, race, nationality, religion or beliefs.

The promotion of the equality and of equal opportunities in the sector of employment constitutes the main goal of the Company and it is applied on all levels of the administrative pyramid. The candidates for each department, administrative position, or supervisory body should have the suitable skills, qualifications, knowledge and experience in the sector or the department of their employment. Furthermore, the Company invests in the training of its employs with the aim to their continuous improvement as well as their professional development, while the rights of the employees are fully respected and protected.

The promotion of the principle of equality in the work place for all the participants, irrespective of their personality traits or/and choices in combination with the continuous training and the code ethics of the Company which includes, among others, principles such as quality, transparency, responsibility, respect, innovation, contribute to the upgrade of the provided services and the overall optimization of the performance of the human resources of the Company.

The Company believes in handling people with respect and dignity, both as individuals and as part of the human resources.

Personnel Employed in 2023:

Departments in land → 131 employees.

Crew in vessels → 302 seamen.

Health and Safety

Safety in the work place is Minoan Lines' first priority. All necessary measures are taken to prevent and to avoid accidents, and also best practices are implemented as to detect and face any possible dangers for the health and safety of the employees as well as of the customers and partners that visit Company' establishments.

The Company has also implemented mechanisms aiming to improve the work conditions and ensure the health and safety personnel. The Company has been providing employees in administrative services with group life insurance for a number of years, which also includes nursing-medical coverage as well as an annual check-up with high benefits/number of serious examinations. At the same time, the Company in relation to the crews complies with the ISO & ISM regulations etc.

Branches

The Company for effectively conducting its operations, besides the central offices at Heraklion, Crete, it has established branches within the ports of Heraklion, Souda-Chania (for the time being out of service due to the

temporary suspension of routes within 2023), Igoumenitsa and Piraeus, as well as in the cities of Piraeus and Athens (decision to suspend its operation within 2024).

Risks and Uncertainties

The Company and the Group are exposed mainly to the following financial risks which might possibly be affected by the macroeconomic and operating environment as analyzed below.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's and the Group's risk management framework. The Board has delegated authority to the finance division for monitoring of financial risks. The Company's and Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks, adherence to limits and to hedge such risk depending on the prevailing market conditions each period of time. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Cash and cash equivalents are also elements with high credit risk as the current conditions in Greece exert considerable pressure on domestic banks. In order for the risk to be reduced, the Company's and Group's cash and cash equivalents are only deposited for a short amount of time.

Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units and vessels' chartering. Hence, the Company's customer base is analyzed as follows:

a) Those with professional collaboration such as:

- Travel Agents
- Central Agents
- Cargo Companies
- Cargo Owners
- Car rental companies
- Shipping Companies

b) Individuals-Passengers

There are ongoing efforts to attract more potential customers (in all the above categories) in order to enhance sales and develop the Company's customer base. Under the Company's set credit policy, every new customer is analyzed individually for creditworthiness before the Company's standard payment and credit terms and conditions are offered. The Company constantly monitors the balance of its clients and examines the prospect of forming provisions. Hence, a possible failure of the clients to meet their obligations, may affect the Company's results through the creation of relevant provisions.

Liquidity risk

The liquidity risk is referred to the Company's or the Group's ability to meet their financial obligations as they fall due. The approach adopted by the Company and the Group regarding liquidity management is to ensure the necessary liquidity to meet their liabilities when due. Therefore, it has ensured an appropriate combination of cash, cash equivalents and approved bank credits.

On 31/12/2023 the Group's cash and cash equivalents amounted to € 3,149 while on 31/12/2022 amounted to € 34,455. This significant decrease took place due to the investments with the Group's participation in the management companies of the shares of the ports of Igoumenitsa and Heraklion. At the same time, there are credit lines with two cooperating banks with a total grant limit of €15,000. The said open lines of credit, although used at the end of the 2023 fiscal year, were repaid in early 2024 and are thus available again. Their renewal for another year is expected to be completed in the near future. The interest charged on each of the credit line is based on the EURIBOR rate and the bank's margin. Moreover, a lien has been registered on two of the Company's properties. Considering all the above, the Management is in a position to claim the non-existence of liquidity risk in the foreseeable future.

Market conditions risk

A common feature of a perfectly competitive market is the freedom of entry and exit. Thus, the deliberate routes in which the Company operates are highly competitive. The effort for growth and increase of each company's market shares could possibly create an overwhelming competition reflected to the financial results of the sector. In this respect the Company, in cooperation with the overlying parent company's Group, reschedules its itineraries seeking efficiency

and profit while remaining competitive in terms of pricing, and also, maintains branches in Greece and abroad. A possible intensification of the market conditions in the routes the Company operates could lead to adverse impacts on its operating results, cash position and financial performance. The Company, in cooperation with the overlying parent company's Group, monitors closely the above mentioned competition and acts accordingly.

Currency risk

Considering the fact that all transactions performed abroad are mainly in the Euro currency, after the adoption of the common European currency, the company's foreign exchange risk is almost eliminated. Indirectly, the Company is exposed to currency risk from the bunkers supplies.

Interest rate risk

Following the full repayment of the Group's borrowings within 2018, the exposure to interest rate risk has been almost eliminated and exists only for cash and cash equivalents. A short-term bank liability of € 13,999 that appears in the Group's financial statements on 31/12/2023, has already been repaid at the beginning of 2024. Moreover a long term liability exists from an intra – group loan amounting € 32,000 with a due date as of Dec 31, 2031, but with granted rate of 2.58%.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain future development of the business.

The Board of Directors monitors the return on invested capital, aiming to its maximization so as to ensure the distribution of dividends according to the relevant legislation and meeting the Group's commitments.

Supply chain

The Company has developed a supply chain in order to serve both the needs for its marine operation (fuel supplies, spare parts, etc.) as well as the needs of its hotelier business (stores, restaurants and bars). No particular difficulty or delay in the supply of goods and services has been observed. In addition, the long-term cooperation and the trust relationship that has been developed amongst the Company and its suppliers facilitate all parties to overcome any difficulty that may arise.

Fuel prices

The main risk in which the Company is exposed is the sensitivity of fuel prices. Due to the nature of the sector and as fuel cost is the most significant part of cost of sales, the Company is exposed to the said risk. Moreover, the Company considers several financial derivatives' strategies that could be used accordingly in case the proper situation arises. An increase of the ticket prices could decrease the exposure.

Environmental risk

The Company attributes great attention to environmental issues. In this context, being aware of how important it is to safeguard and to protect the environment from human activities, business evolution and technological progress, it has been created an environmental policy, which complies not only with the IMO ISM Code and ISO 14001:2004 but also with the environmental regulatory framework.

Significant transactions among the related parties

The tables below present the most significant transactions among the related parties according to I.A.S. 24 for the year end 2023 and 2022 respectively:

<u>Company</u>	<u>Minoan Lines Shipping S.A.</u>				<u>The Company</u>	<u>Minoan Italia S.p.A.</u>	<u>The Group</u>
	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>	<u>Grimaldi Germany GmbH</u>	<u>Totals</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Totals</u>
Expenses related to the on board sales	-	2,933	-	-	2,933	-	2,933

Minoan Lines Shipping S.A. – Annual Financial Statements (stand alone and consolidated) as of December 31st, 2023
(amounts in thousands of €)

(concession fees etc)

Attributing agency costs	-	-1,687	-	-	-1,687	-	-1,687
Other expenses	31	23	-	1	55	24	79
Expenses related to port dues in Igoumenitsa (Ancona line)	-	420	-	-	420	-	420
Intercompany loan interest	-	591	-	-	591	-	591
Commissions and other expenses in Brindisi line (Kydon Palace)	1,881	-	-	-	1,881	-	1,881
Totals	1,912	2,280	0	1	4,192	24	4,217
Revenue from crew coat reduction	-	518	-	-	518	-	518
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	96	4,896	-	-	4,992	-	4,992
Revenue related to pax freights in Brindisi line (Kydon Palace)	15,003	-452	-	-	14,551	-	14,551
Revenue related to the on board sales	-	374	-	-	374	-	374
Other revenue	-	47	-	-	47	-	47
Totals	15,099	5,383	0	0	20,482	0	20,482

* Grimaldi Tours and Grimaldi Group (Roma) are included

1/1-31/12/2022

<u>Company</u>	<u>The Company</u>				<u>The Group</u>	
	<u>Minoan Lines Shipping S.A.</u>			<u>Totals</u>	<u>Minoan Italia S.p.A.</u>	<u>Totals</u>
	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>		<u>Grimaldi Group S.p.A. *</u>	
Expenses related to the on board sales (concession fees etc)	-	3,747	-	3,747	-	3,747
Attributing agency costs	-	-1,002	-	-1,002	-	-1,002
Other expenses	20	48	1	69	24	94
Proceeds from sale of tangible assets	-	494	-	494	-	494
Totals	20	3,287	1	3,308	24	3,333
Revenue from crew coat reduction	-	534	-	534	-	534
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	62	8,122	-	8,184	-	8,184
Revenue related to the on board sales	-	333	-	333	-	333
Other revenue	-	3	-	3	-	3
Totals	62	8,992	-	9,054	-	9,054

* Grimaldi Tours and Grimaldi Group (Roma) are included

The aforementioned transactions were made at arm's length.

Here below the most significant outstanding balances on 31/12/2023 and on 31/12/2022 between the related parties are presented:

<u>31/12/2023</u>	<u>The Company</u>				<u>The Group</u>
	<u>Minoan Lines Shipping S.A.</u>			<u>Totals</u>	<u>Minoan Italia S.p.A.</u>
	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>		<u>Totals</u>
due from	270	0	0	270	270
payable to	0	-34,651	0	-34,651	-34,651

* Grimaldi Tours and Grimaldi Group (Roma) are included

<u>31/12/2022</u>					<u>The Company</u>	<u>The Group</u>
<u>Minoan Lines Shipping S.A.</u>					<u>Minoan Italia S.p.A.</u>	
<u>company</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>	<u>Totals</u>		<u>Totals</u>
due from	-	-	-	-		-
payable to	-87	-33,711	-10	-33,808		-33,808

* Grimaldi Tours and Grimaldi Group (Roma) are included

Compensations to Directors and members of the Board of Directors

The short-term compensations of the Company to Directors and members of the Board of Directors for the years 2023 and 2022 are presented on the table below:

	2023	2022
Executive directors	339	368
Non – executive directors	339	332
Management	1,629	1,315
Totals	2,307	2,015

Of the total remunerations above, an amount of € 81 remains unpaid as of 31/12/2023, while as of 31/12/2022 the relevant amount was € 87. It is pointed out that the benefits of the managers have included compensations paid as well as cost of settlement effect corresponding to managers due to leaving the Company. Moreover, during the year ended 31/12/2023, the Company concluded commercial transactions with entities owned by BoD members of amount € 3 compared to last year's € 5, while as of 31/12/2023 from such transactions an amount of € 140 was receivable compared to last year's € 152 receivable and of € 1 which was payable. Finally, during the year ended 31/12/2023, transactions with relatives of the management and of executives amounted to € 478, compared to € 199 of previous year, while as of 31/12/2023 it was unpaid the amount of € 10 (the relative amount of 2022 was € 11). The nature of these transactions was mainly labour (payroll/dismissal allowances) and commercial cooperation (compensation for goods and services received).

Structure of the Company's share capital

The Company's share capital amounted € 240,705,112.50 on December 31st, 2023 and it is split into 106,980,050 ordinary shares with a nominal value of € 2.25 each. Each share carries all the rights and obligations set out in law.

Heraklion, March 22nd 2024
For and on Behalf of the Board of Directors

The Chairman
of the B.o.D.

Emanuele
Grimaldi
Pass No IT / YB 2243291

The Managing
Director

Loukas
Sigalas
ID C No AK 043265



a Grimaldi Group company

Annual Financial Statements **(stand alone and consolidated)** **as of December 31st, 2023**

In accordance with International Financial Reporting Standards

TRANSLATED FROM THE GREEK ORIGINAL

(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)

The accompanying Financial Statements on pages below have been approved by the Board of Directors meeting on 22/03/2024.

Table of Contents		Page
Statement of Profit or Loss and Other Comprehensive Income		16
Statement of Financial Position		17
Company Statement of Changes in Equity		18
Consolidated Statement of Changes in Equity		19
Statement of Cash Flows		20
Note		
1	General Company's information	21
2	Basis of preparation of the Financial Statements	21
2.1	Statement of Compliance & Going Concern	21
2.2	Basis of Preparation	22
2.3	Use of estimates	22
3	Material Accounting Policies	22
3.1	Basis of Consolidation	23
3.1.1	Subsidiaries	23
3.1.2	Associates/Affiliates	23
3.1.3	Transactions eliminated on Consolidation	23
3.2	Foreign Currency Transactions and Functional Currency	23
3.3	Financial Instruments	23
3.3.1	Non-derivative financial instruments	23
3.3.1.a	Trade and Other receivables	24
3.3.1.b	Financial assets at fair value either through P&L or through other comprehensive income	24
3.3.1.c	Cash and Cash equivalents	24
3.3.1.d	Interest bearing loans and borrowings	24
3.3.1.e	Trade and other payables	24
3.3.1.f	Offsetting of financial assets and liabilities	24
3.4	Share capital	24
3.5	Tangible and intangible assets	24
3.6	Investment property	25
3.7	Leases	25
3.8	Inventories	25
3.9	Impairment	26
3.9.1	Financial assets	26
3.9.2	Non – Financial assets	26
3.10	Non – Current assets held for sale	26
3.11	Dividends	26
3.12	Employee benefits	26
3.12.1	Defined contribution plans	26
3.12.2	Defined benefit plans	26
3.12.3	Termination benefits	26
3.12.4	Short – term benefits	27
3.13	Provisions	27
3.14	Revenue	27
3.14.1	Operating revenue (fares – chartering – agency services)	27
3.14.2	Revenue from on – board sales	27

Note		Page
3.14.3	Other income	27
3.14.4	Dividend income	27
3.14.5	Government grants	27
3.15	Net Financial Results	28
3.16	Income Tax	28
3.17	New Standards, Interpretations & Amendments of existing standards	28
4	Revenue	30
5	Cost of sales	30
6	Selling expenses	30
7	Administrative expenses	30
8	Other operating income	31
9	Other operating expenses	31
10	Finance income	31
11	Finance expenses	31
12	Personnel expenses	31
13	Income Tax	32
14	Tangible and intangible assets	32
15	Investment property	34
16	Investments in subsidiaries and affiliates	34
17	Financial assets at fair value though P&L	34
18	Other long term assets–receivables	35
19	Inventories	35
20	Trade and Other receivables – Other current assets	35
21	Cash and Cash equivalents	35
22	Share capital	35
23	Reserves	36
24	Dividends	36
25	Employee defined benefit obligations	36
26	Customer advances, Deferred income & Trade payables	37
27	Financial Risk Management	38
27.1	General	38
27.2	Credit risk	38
27.2.1	Credit Risk exposure	38
27.2.2	Ageing Analysis	39
27.3	Liquidity risk	39
27.4	Market conditions risk	40
27.5	Currency risk	40
27.5.1	Interest Rate Risk	40
27.6	Capital management	40
27.7	Supply chains	40
27.8	Fuel prices	40
27.9	Environmental risk	41

Note		Page
28	Fair value estimation	41
29	Related Party transactions	41
29.1	Group of Ultimate Parent Company	42
29.2	Subsidiaries	43
29.3	Members of the Board of Directors and management	44
30	Contingent liabilities	44
31	Audit fees	45
32	Subsequent events	45

The amounts of the annual financial statements are presented in thousands of € unless explicitly stated otherwise.

Any last digit discrepancies are due to rounding of the figures.

STATEMENT OF PROFIT or LOSS and **OTHER COMPREHENSIVE INCOME (amounts in thousands of €)**

		<u>The Group</u>		<u>The Company</u>	
	<u>Note</u>	<u>1/1-31/12/2023</u>	<u>1/1-31/12/2022</u>	<u>1/1-31/12/2023</u>	<u>1/1-31/12/2022</u>
<u>Continuing operations</u>					
Revenue	4	113,055	92,885	113,055	92,885
Cost of sales	5	-89,027	-90,561	-89,295	-90,807
Gross Profit of the year		24,028	2,324	23,760	2,078
Selling expenses	6,25	-12,680	-10,669	-12,680	-10,669
Administrative expenses	7,25	-6,820	-5,808	-5,017	-4,606
Other operating income	8	1,007	2,286	544	1,592
Other operating expenses	9	-173	-5,406	-172	-2,935
Operating (Loss) / profit of the year before financing costs		5,362	-17,273	6,435	-14,540
	14				
Impairment loss on non-current assets	10	0	0	-1,100	-3,000
Finance income	11	575	90	425	72
Finance expenses		-1,164	-1,161	-1,157	-1,166
Net finance results		-589	-1,071	-732	-1,094
Results from associates		271	0	0	0
(Loss) / profit of the year before taxes		5,044	-18,344	4,602	-18,634
Income tax		0	0	0	0
(Loss) / profit of the year after taxes from continuing operations		5,044	-18,344	4,602	-18,634
(Loss) / profit of the year after taxes from discontinued operations		0	0	0	0
(Loss) / profit of the year after taxes		5,044	-18,344	4,602	-18,634
<u>Other comprehensive income of the year (B)</u>					
<u>Items that will not be reclassified subsequently to profit or loss</u>					
Actuarial gain / (Loss)	25	-12	105	-12	105
Total comprehensive income of the year after taxes (A) + (B)		5,032	-18,239	4,590	-18,529
<u>The (Loss) / profit of the year is attributable to :</u>					
Owners of the parent company		5,044	-18,344	4,602	-18,634
Non-controlling Interests		0	0	0	0
(Loss) / profit of the year after taxes		5,044	-18,344	4,602	-18,634
<u>The total comprehensive income of the year is attributable to :</u>					
Owners of the parent		5,032	-18,239	4,590	-18,529
Non-controlling interests		0	0	0	0
Total comprehensive income of the year after taxes		5,032	-18,239	4,590	-18,529

The accompanying notes are integral part of the Annual Financial Statements

STATEMENT OF FINANCIAL POSITION **(amounts in thousands of €)**

		<u>The Group</u>		<u>The Company</u>	
	<u>Note</u>	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
<u>Assets</u>					
<u>Non – current assets</u>					
Property, plant and equipment	14	188,578	201,312	184,342	197,344
Intangible assets	14	124	113	124	113
Investment property	15	945	987	945	987
Investments in subsidiaries and affiliates	16	55,350	0	60,250	6,000
Other non-current financial assets	17	114	109	114	109
Other long term assets - receivables	18	11,385	11,565	11,385	9,234
Total non – current assets		256,496	214,086	257,160	213,787
<u>Current assets</u>					
Inventories	19	8,308	7,771	8,308	7,771
Trade and other receivables	20	26,371	19,802	21,565	18,072
Other current assets	20	1,007	1,879	1,007	1,879
Cash and cash equivalents	21	3,149	34,455	2,711	31,952
Total current assets		38,835	63,907	33,591	59,674
Total Assets		295,331	277,993	290,751	273,461
<u>Equity and liabilities</u>					
<u>Equity</u>					
Share capital	22	240,705	240,705	240,705	240,705
Share premium		25,744	25,744	25,744	25,744
Other reserves	23	14,043	14,055	12,939	12,951
Retained earnings		-56,460	-61,504	-59,881	-64,483
Total Equity attributable to equity holders of the parent		224,032	219,000	219,507	214,917
Non-controlling interests		-	-	-	-
Total Equity		224,032	219,000	219,507	214,917
<u>Non – current liabilities</u>					
Loans		0	0	0	0
Deferred tax liabilities		0	0	0	0
Retirement benefit obligations	25	473	409	473	409
Long – term intragroup loans		32,000	0	32,000	0
Other provisions		0	0	0	0
Total Non – current liabilities		32,473	409	32,473	409
<u>Current liabilities</u>					
Bank overdrafts	27	14,000	6,992	14,000	6,992
Income tax obligations		0	0	0	0
Contractual obligations	26	3,697	7,327	3,697	6,879
Trade and other payables	26	21,129	44,265	21,074	44,264
Total Current liabilities		38,826	58,584	38,771	58,135
Total Liabilities		71,299	58,993	71,244	58,544
Total Equity and Liabilities		295,331	277,993	290,751	273,461

The accompanying notes are integral part of the Annual Financial Statements

Minoan Lines Shipping S.A. – Annual Financial Statements (stand alone and consolidated) as of December 31st, 2023
(amounts in thousands of €)

COMPANY STATEMENT OF CHANGES IN EQUITY

(amounts in thousands of €)

	<u>Note</u>	<u>Share Capital</u>	<u>Share Premium</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total Equity</u>
Balance as at 1/1/2022		240,705	25,744	12,846	-45,849	233,446
Profit of the year after taxes					-18,634	-18,634
Actuarial gain	25			105	0	105
Other comprehensive income of the year						0
Total comprehensive income of the year after taxes				105	-18,634	-18,529
Balance as at 31/12/2022		240,705	25,744	12,951	-64,483	214,917
Balance as at 1/1/2023		240,705	25,744	12,951	-64,483	214,917
Profit of the year after taxes					4,602	4,602
Actuarial gain	25			-12		-12
Other comprehensive income of the year						0
Total comprehensive income of the year after taxes				-12	4,602	4,590
Balance as at 31/12/2023		240,705	25,744	12,939	-59,881	219,507

The accompanying notes are integral part of the Annual Financial Statements

Minoan Lines Shipping S.A. – Annual Financial Statements (stand alone and consolidated) as of December 31st, 2023
(amounts in thousands of €)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY **(amounts in thousands of €)**

<u>(amounts in thousands of €)</u>						
	<u>Note</u>	Attributed to owners of the parent company				
		<u>Share Capital</u>	<u>Share Premium</u>	<u>Other Reserves</u>	<u>Retained Earnings</u>	<u>Total Shareholders' Equity</u>
Balance as at 1/1/2022		240,705	25,744	13,950	-43,160	237,239
(Loss) of the year after taxes					-18,344	-18,344
Actuarial gain	25			105	0	105
Other comprehensive income of the year						0
Total comprehensive income of the year after taxes				105	-18,344	-18,239
Balance as at 31/12/2022		240,705	25,744	14,055	-61,504	219,000
Balance as at 1/1/2023		240,705	25,744	14,055	-61,504	219,000
Profit of the year after taxes					5,044	5,044
Actuarial gain	25			-12		-12
Other comprehensive income of the year						0
Total comprehensive income of the year after taxes				-12	5,044	5,032
Balance as at 31/12/2023		240,705	25,744	14,043	-56,460	224,032

The accompanying notes are integral part of the Annual Financial Statements

STATEMENT OF CASH FLOWS

<u>Indirect Presentation Method</u>	<u>The Group</u>		<u>The Company</u>	
	<u>01/01-31/12/2023</u>	<u>01/01-31/12/2022</u>	<u>01/01-31/12/2023</u>	<u>01/01-31/12/2022</u>
<u>Cash Flows from Operating Activities</u>				
Profit of the year before taxes	5.044	-18.344	4.602	-18.634
<i>Plus / Less adjustments for:</i>				
Net depreciation	20.754	19.604	21.022	19.850
Impairment loss on non-current assets			1.100	3.000
Provisions	-180	1.648	-39	-808
Net Foreign Exchange losses				
(Gain) / loss from disposal of subsidiaries				
(Income), (gains) from investing activities	-424	-16	-424	-16
Interest and other financial expenses	1.157	1.166	1.157	1.166
<i>Adjustments for changes in working capital or operating activities</i>				
Decrease / (Increase) in inventories	-537	-2.043	-537	-2.043
Decrease / (Increase) in trade and other receivables	-5.156	-4.645	-4.552	-3.783
(Decrease) in liabilities other than borrowings	-3.766	2.529	-3.372	3.416
<i>Less :</i>				
Short term liabilities - liabilities to personnel				
Interest and related expenses paid	-1.157	-946	-1.157	-946
Income taxes paid				
Net cash generated by operating activities (a)	15.735	-1.047	17.800	1.202
<u>Cash Flows from Investing activities</u>				
Participation in share capital of affiliates and other investments	-55.350		-55.350	
Repayment from share capital of subsidiaries/affiliates				
Purchase of tangible and intangible assets	-7.989	-2.343	-7.989	-2.343
Interest income	290		290	
Proceeds from sale of tangible and intangible assets				
Proceeds from sale of non-current financial assets				
Advance proceeds for sale of tangible and intangible assets				
Dividends received				
Net cash generated by / (used in) investing activities (b)	-63.049	-2.343	-63.049	-2.343
<u>Cash Flows from Financing activities</u>				
Net proceeds from share capital increase				
Proceeds from intragroup loans	9.000	23.000	9.000	23.000
Repayment of long/short term borrowings		-133		-133
Proceeds from loans/credit lines	7.008	6.992	7.008	6.992
Repayments of liabilities from financial leases (amortization)				
Dividends paid				
Net (used in) financing activities (c)	16.008	29.859	16.008	29.859
Net Increase in cash and cash equivalents(a) + (b) + (c)	-31.306	26.469	-29.241	28.718
Cash and cash equivalents at the beginning of the year	34.455	7.986	31.952	3.234
Cash and cash equivalents at the end of the year	3.149	34.455	2.711	31.952

The accompanying notes are integral part of the Annual Financial Statements

Notes to the annual financial statements of the year 2023 (1/1 – 31/12/2023)

1. General Company's information

The Company was established on May 25th 1972 (FEK 939–25/5/1972), is based in the Municipality of Heraklion–Crete and its discrete name is “MINOAN LINES”. It operates in the Ferry shipping sector both in Domestic and International sea routes.

As at 31/12/2023 and 31/12/2022 the total number of ordinary shares outstanding was 106,980,050. Every share carries one voting right.

From 2008, the majority of the Company's shares are held by “Grimaldi Group S.p.A”, a member of the Grimaldi Group which is based in Palermo – Italy and became overlying parent company which has control of both the Company and the Group.

The General Shareholders' Meeting elects the Board of Directors which consists of 7–9 members. The current structure of the Board of Directors is comprised by nine (9) members, who were elected by the General Shareholders' Meeting held on 22/6/2017. On 31/12/2023, two (2) members of the board were executive, five (5) were non–executive and two (2) were non–executive–independent members.

The Annual Financial Statements for the year ended 31/12/2023 include the Company and consolidated financial statements (the “Financial Statements”) and were approved by the Board of Directors meeting on 22/03/2024, while are subject to the final approval by the Shareholders' Annual General Meeting. The consolidated financial statements include the Company and its subsidiary (the Group).

The subsidiary that is included in the consolidated financial statements and the ownership interest that the parent company holds, directly or indirectly, is outlined in the table below:

<u>Company</u>	<u>Connection</u>	<u>Consolidation Method</u>	<u>Headquarters</u>	<u>% Interest</u>	
				<u>2023</u>	<u>2022</u>
Minoan Italia S.p.A.	Subsidiary	Full	Palermo - Italy	100%	100%
SYMMETOCES LIMENOS IRAKLEIOU	Affiliate	N. P.	Heraklion - Greece	40%	-
ETAIREIA SYMMETOCHON LIMENOS IGOUMENITSAS	Affiliate	N. P.	Igoumenitsa - Greece	27%	-

For this reason, no third party (minority) rights are calculated.

2. Basis of preparation of the Financial Statements

2.1 Statement of Compliance & Going Concern

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and adopted by the European Union.

Going Concern

Despite the continuous losses of the past since the results for the year ended 31/12/2023 are earnings, these financial statements have been prepared on the basis that the Group operates as a going concern which implies that it takes all necessary measures and proceeds to all the necessary actions and negotiations in order to has sufficient financial resources to meet its financial and operating obligations for the foreseeable future. More specifically, the Group through the measures taken by the Management in the previous years as well as in the current year continues to generate positive EBIDTA. The decision made from 2019 to install on all ships of the Group special systems for the retention of harmful substances in the atmosphere / exhaust filters (scrubbers), allowed the consumption of cheaper fuel compared to what Ships that have not installed such filters must consume (according to relevant instruction of the International Maritime Organization (IMO) with validity from 01/01/2020). The historical high levels of fuel prices they were reached recently, upgrade the above mentioned advantage of the Group. Moreover, the Group has sufficient liquidity, a credit line with 2 commercial banks of total amount € 15.000, which are expected to be renewed for 2024, while it fully meets its obligations to the Social Security's Organizations, to the Tax Authorities, to its employees and to its suppliers. This fact enables the Group to secure the continuation of its activities or to reduce the risks of unforeseen events, outside the control of the Company and the Group, as mentioned

below, while on the other hand gives the opportunity to develop new investment plans at the port of Igoumenitsa.

2.2 Basis of Preparation

The financial statements are prepared on the historical cost basis except of financial assets at fair value either through P&L or through other comprehensive income which are measured as indicated in note 3.3.1.b.

The amounts of the annual financial statements are presented in thousands of €, unless explicitly stated otherwise. Any last digit discrepancies are due to the rounding of the figures.

2.3 Use of estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances. The results of the aforementioned estimates form the basis of making decisions about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an on – going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Information about significant estimates and critical judgements in applying accounting policies that have significant effect on the financial statements as well as those which involve potential adjustment risks for the next fiscal year or years are as follows:

- **Tangible and intangible assets (depreciation/impairment):** The Group and the Company must estimate the useful life of property, plant and equipment and intangible assets recognized at acquisition or as a result of a business combination. These estimates are revisited at least on an annual basis taking into account new developments and market conditions.(note 3.5, 14 and 17). A similar estimation is taking place for impairment for potential cases where the recoverable amount is less than the carrying amount in the book records,as formed through the useful life. Effective from January 1, 2021, the Group changed its estimate of the useful lives of its conventional ro-pax vessels (excluding the high speed catamaran), from 35 years to 30 years, mainly as a result of the estimated acceleration in the obsolescence of those vessels, as a consequence of the projected ecological transition, with specific reference to the new fuels used and changes in propulsion systems. This change in estimates is also in compliance with Grimaldi Group policies.
- **Employee Defined Benefit Obligation:** The present value of the liabilities for post-employment benefits depends on a number of factors defined on actuarial basis via the use off a significant number of assumptions. The assumptions used for the determination of the net cost (income) for post-employment benefits include the discount rate. Any changes in the assumption would have material effect on the accounting measurement of the liabilities for post-employment benefits. The Group defines the appropriate discount rate in each reporting period. It is the interest rate applicable for the calculation of the present value of the estimated future payments required for the settlement of the benefit liabilities. For the estimation of the appropriate discount rate the Group takes into consideration the interest rates prevailing in high credit rating corporate bonds denominated in the currency of the benefit payments and with maturity dates similar to the ones of the respective liabilities. Other significant accounting assumptions for post-employment benefit liabilities are based in part on the current market conditions (note 3.12.2 and 25).
- **Financial Risk Management:** For the adequacy of provisions for doubtful and disputed claims, in relation to credit policy, Management conducts an assessment taking documentation, based on historical data, of its legal advisors handling the cases, the existence of debtors' assets and recent developments (note 3.3.1.a, 18, 20 and 27.2).
- **Contingent liabilities:** their existence requires the Management conducting durable assumptions and estimates concerning the likelihood of future events and their relative impact on Group results (note 31).

3. Material Accounting Policies

The material accounting policies presented below, have been consistently adopted in all periods presented in these financial statements by all companies of the Group.

3.1 Basis of Consolidation

3.1.1 Subsidiaries

Subsidiaries are entities managed and controlled directly or indirectly by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently exercisable or convertible are taken into account. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. In the Company's financial statements, investment in subsidiaries is presented at the acquisition cost less any impairment loss.

When the Group sells a subsidiary, this action is measured at its net selling price less cost of disposal, at the date of disposal or when the control is lost, with the change in carrying amount recognized as profit or loss.

3.1.2 Associates/ Affiliates

Associates are those entities in which the Company has significant influence, but not control, over their financial and operating policies and do not meet the requirements to consider them as subsidiaries. Affiliates are those entities in which the Company not only has significant influence, but control too, over their financial and operating policies and thus meet the requirements to consider them as subsidiaries. They are initially recognized at cost plus any goodwill arising on acquisition. In the consolidated financial statements, associates/ affiliates are accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. In the individual consolidated financial statements of the parent company, investments in associates are accounted at cost less any possible impairment.

3.1.3 Transactions eliminated on Consolidation

Intra – group balances and transactions, and any income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. Gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

3.2 Foreign Currency Transactions and Functional Currency

The companies of the Group maintain their books in Euro and the financial statements are presented in Euro (functional currency). Transactions in foreign currencies are translated to Euro at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Euro at the closing exchange rate on that date. Foreign exchange differences arising out of transaction are recognized in the profit or loss and other comprehensive income statement. Non-monetary assets that are accounted for at cost are translated at the exchange rate at the date of the transaction.

3.3 Financial Instruments

3.3.1 Non – derivative financial instruments

Non – derivative financial instruments comprise of: financial instruments at fair value through profit or loss, available for sale securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non – derivative financial instruments are initially recognized at fair value plus (for instruments not at fair value through profit or loss) any directly attributable transaction costs. Subsequent to initial recognition, non-derivative financial instruments are measured as described below.

Non-derivative financial instruments are recognized in the financial statements when the Company and the Group transact as parties with scope these financial instruments. Financial assets are derecognized, when the Group's contractual rights on the financial assets cash flows expire, or the financial assets are transferred to a third party without retaining control or material benefit or risk. The financial assets purchases and sales in the ordinary course of business are recorded in the financial statements at the transaction date

which corresponds to the date of purchasing or selling by the Group. Financial liabilities are derecognized in the financial statements at the time that the contractual obligations of the Group is expired or cancelled.

3.3.1.a Trade and Other receivables

Trade and Other Receivables are stated at amortized cost using the effective interest rate, except of the cases in which indications of impairment exist. In such cases, a provision is determined for the estimated impairment loss. Receivables whose recovery is estimated to take place in a period of less or equal than a year are classified as short term receivables, while those ones with an estimated recovery period of more than a year are classified as long term receivables. Receivables with a short-term duration are not discounted.

3.3.1.b Financial assets at fair value either through P&L or through other comprehensive income

The classification of the financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the business model within which the financial asset is held.

For the purpose of subsequent measurement, financial assets are classified in two categories:

- i. Financial assets at fair value through P&L
- ii. Financial assets at fair value through other comprehensive income (no such elements held as at 31/12/2023)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. Gains or losses arising from changes in the fair value of the financial assets carried at fair value through profit or loss are recognized in the income statement within "Impairment loss on financial assets at fair value through P&L".

3.3.1.c Cash and Cash equivalents

Cash and cash equivalents comprise of cash in hand and in banks, as well as short term investments of high liquidity, such as time deposits maturing within three months.

3.3.1.d Interest bearing loans and borrowings

The interest bearing loans and borrowings are initially measured at their fair value that represents the amount of cash borrowed after reducing any direct transaction costs. Subsequent to initial recognition, the loans are measured at amortized cost using the effective interest rate method.

3.3.1.e Trade and other payables

The trade and other payables are recognized primarily at their fair value. They are subsequently measured at amortized cost using the effective interest method. Payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

3.3.1.f Offsetting of financial assets and liabilities

Financial assets and liabilities are compensated and the net amount reported in the statement of financial position when the Group or the Company has the legal right and intends to offset on a net basis with one another or to require the asset and settle the liability simultaneously.

3.4 Share capital

Ordinary shares are classified as equity. Costs directly attributable to the issuance of ordinary shares are recognized as a deduction from share premium.

3.5 Tangible and intangible assets (investment property characteristics included)

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The carrying amount of the above items is increased by the subsequent expenditures incurred only if there is probability that the future economic benefits embodied within these expenditures will flow to the Group companies and its cost can be measured reliably. All other costs are recognized in the income statement.

Borrowing costs directly attributable to the acquisition or construction of property, for assets that are necessarily required for a substantial period of time to get ready for use are capitalized as part of the cost of ownership of the asset till the time that the assets are substantially ready for use or sale, comes. All other costs are recognized in the profit or loss as incurred.

The net result from the assets disposal is determined by comparing the net sale proceeds reduced with the carrying value of the asset and the gain or loss is recognized in the income statement as other operating income/expense.

Depreciation is recognized in the income statement on a straight-line basis over the estimated useful life of each asset. Land is not depreciated. The residual and useful lives of assets are reviewed on an annual basis.

The depreciation of the vessels is calculated on the cost less the residual value, estimated at 15% of the acquisition cost including any new additions while for the High Speed Catamarans (HSC) is estimated at 20%. Management's estimates that may have an effect in the future on the financial statements relate to the useful lives and the residual value of vessels. The useful lives and the residual value are based on historical data and assumptions that, at the present time, are considered reasonable. The aforementioned assumptions are not expected to change within the next 12 months.

The Group monitors the control of impairment of assets. A fixed asset should not have a carrying amount greater than its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use (expected future cash flows from its holding).

The estimated useful lives are as follows:

<u>Asset</u>	<u>Years</u>
Buildings	33
Vessels	30 from the building year
High Speed Catamarans	25 from the building year
Vessels' equipment	4.16
Drydockings	4 (attributing in proportion to the period of validity)
Transportation Means	6.66
Furniture and relevant equipment	6.66
Computers and Software	4.16
Mobile phones & tablets	2
Operational rights	according to the period of validity

3.6 Investment property

The Investment Property includes assets which are no longer self-own-used by the companies of the Group, is initially recognized and subsequently measured at cost, reduced by the relevant depreciation and increased by the subsequent additions. Depreciation is recorded in the income statement on a straight-line basis over the estimated useful lives of the property (33 years).

3.7 Leases

The Group as a lessee

The Group assesses whether a contract is or contains a lease, at inception of a contract. Accordingly, it recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Leases in terms of which the Company and the Group assume substantially all the risks and rewards of ownership are classified as finance leases. For the property, plant and equipment acquired through a finance lease, the relevant leased asset and liability are initially recognized at an amount equal to the fair value of leased asset or, if lower, the present value of the minimum lease payments that have been agreed to be paid to the lessor at the beginning of the lease. After the initial recognition the leased assets are depreciated over the shorter of the term of the lease agreement or the asset's useful life. The lease payments are apportioned between the finance charge and reduction of the outstanding liability for the duration of the lease agreement. Other leases that do not fulfill the criteria of a finance lease, are operating leases and the leased assets are not recognized in the Company and Group's balance sheet. The lease payments to the lessor are recognized systematically in the income statement over the term of the lease agreement.

Finally, as permitted by IFRS 16, the Group applied the practical expedient according to which a lessee is not required to separate non-lease components, and as such, it accounts for any lease and associated non-lease components as a single arrangement.

The Group as a lessor

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is based on the F.I.F.O. (First In First Out) method. Net realisable value is the estimated selling price in the ordinary course of business, less the selling expenses.

3.9 Impairment

3.9.1 Financial assets

The Group assesses at each reporting date, based on all available data, to determine whether there is objective evidence of impairment of the value of one or a group of financial assets.

The Group recognizes a provision for impairment against expected credit losses on all financial assets that are not carried at fair value through profit or loss. Credit loss is the difference between the contractual cash flows and the expected flows the Group assess to receive.

For trade receivables and any contingent assets, the Group applies the simplified approach to calculate the expected credit losses. The Group at each reporting date assess the financial instruments' credit risk variation. The Group derecognizes a financial asset when there are no reasonable expectations of recovering all or part of the cash flow of the asset.

3.9.2 Non – Financial assets

The carrying amounts of non – financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication that their carrying value is greater than their recoverable amount. The impairment loss of non–financial assets is recognized directly in the income statement.

The recoverable amount of an asset is the greater of its fair value (decreased by selling costs) and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.10 Non – Current assets held for sale

Non–current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. These assets are measured at the lower of their carrying amount and fair value (decreased by selling costs). The Company during the end of current use does not possess such assets.

3.11 Dividends

Dividends payable are recognized as a liability at the time they are approved by the General Shareholder's Meeting of the companies that are included in the consolidation.

3.12 Employee benefits

3.12.1 Defined contribution plans

A defined contribution plan relates to contributions by the Company to independent pension funds for retirement benefits of the employees for which an entity will have no legal or constructive obligation to pay further future amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss on an accrual basis.

3.12.2 Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive a lump sum payment on retirement. The liability recognized in respect of defined benefit pension plans is the present value of the future benefit that employees have earned in return for their service when they are in the last 16 years before the establishment of pension right. The calculation is determined by discounting the expected future cash flows at the weighted average yield of high quality European corporate bonds which have an expiration date approaching the time limits of the obligations of the Company and the Group. The defined benefit obligation is calculated annually based on actuarial valuation performed by independent actuaries using the projected unit credit method.

Actuarial profit or loss are recognized directly in other comprehensive income aggregates for the period in which they occur and not be transferred to the income statement in a subsequent period but are recognized directly in equity of the Company and the Group.

3.12.3 Termination benefits

Termination benefits are payable when the employees leave prior to retirement. The Group recognizes these benefits when committed to either terminating the employment of current employees according to a detailed

formal plan without possibility of withdrawal, or upon provision of these benefits as an incentive for voluntary redundancy. Termination benefits falling due 12 months after the balance sheet date are discounted. Upon termination of employment and in cases where there is inability in determining the number of employees that will make use of these benefits, there is no accounting recording made, however need to be disclosed as a contingent liability.

3.12.4 Short-term benefits

Short-term employee benefits are expensed as incurred.

3.13 Provisions

A provision is recognized when the Company and the Group have a present contractual or legal obligation as a result of a past event and it is probable that an outflow will be required to settle the obligation and the amount can be reliably estimated. Provisions are recognized at a discounted base with the use of a pre-tax rate which reflects current market assessments of the time value of money and the risks associated with the liability. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money. At each reporting period, provisions are re-assessed.

3.14 Revenue

The Revenues consist of the following:

3.14.1 Operating revenue (fares – chartering – agency services)

Income from vessel's services (passengers, vehicles and truck fares) is recognized in the income statement when the trip is realized which coincides with the time the services are rendered.

The Company implements the customer loyalty program "Minoan Lines Bonus Club", according to which each member, from any service rendered by the Company, receives points that can be redeemed as free tickets. The allocation of fares from each sale, in actual and un-realized future services, is based on the fair value of the earned points and calculated by the estimated rate of redemption according to historical data. The fair value amount is recognized as deferred income and recorded in the income statement at the time the points are redeemed. Similarly, depending on the time of the service provided, are recognized in the income statement also the revenue from agency services. Income from chartering is recognized in the income statement on a straight line the chartering period.

3.14.2 Revenue from on – board sales

Revenue from on-board sales (shops, bars and restaurant services) is recognized in the income statement at their fair value less discounts and returns, when the risks and rewards of ownership have been transferred to the buyer and the collection is reasonably assured.

3.14.3 Other income

Other income is recognized in the income statement when the services have been rendered except for revenues from slot machines that are recognized in the income statement at the time that the money is collected. Additionally the income coming from dividends and profit from sale of securities is included.

3.14.4 Dividend income

Dividend income is recognized as income at the date the dividends are approved by the General Shareholder's Meeting.

3.14.5 Government grants

Government grants are recognized in the financial statements if there is reasonable assurance that they will be received and that the companies of the Group will comply with the conditions attaching to them. Grants that compensate the Company and the Group for expenses incurred are recognized as income in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Company and the Group for the acquisition cost of an asset are recognized in the income statement as deferred income on a systematic basis over the useful life of the asset.

3.15 Net Financial Results

Net financial results, comprise of accrued interest expense on borrowings recognized in the income statement using the effective interest rate method, interest income on funds invested and foreign exchange gains and losses.

3.16 Income Tax

Income tax on profits is calculated in accordance with the tax laws established at the date of the publishing of the balance sheet in the countries where the Group of companies are registered and is recognized as an expense in the period in which profits arise. Income tax comprises current and deferred taxes. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax is measured at the tax rates that are applicable to the taxable income of each financial year.

The Company is a shipping company that operates self-owned vessels under Greek flag. According to the article 72 par. 14 of the law 4172/2013, revenue from self-owned vessels operation are income tax exempted, and are subjected to a special fiscal regime related to the law 27/1975. The above exemption also applies to any dividend distribution. For revenues derived apart from the self-owned vessels' operation, (i.e. rental income, interest income, on board stores placed on vessels owned by third parties, agency services etc.), the provisions of the Law 27/1975 apply. In reference to the above, if a domestic or a foreign shipping company, which owns vessels under Greek, E.U. or Eurozone country's flag, operates additionally to other activities, the tax exemption on the net profits or dividends equals to the ratio of vessels' revenue to the total gross revenue of the Company. The tax rate that applies in the computation of the income tax expense for profits other than vessels' operation is 22% (art. 58 of the law 4172/2013). In addition to the above mentioned, according to the art. 48 and 63 of tax law 4172/2013, in any dividend distribution takes place between companies of a group, since January 2014 and then, not only applies an income tax exemption, but a withholding tax exemption too. For all these to be at force, it is absolutely necessary the Company to be involved in the company that distributes the dividend at least 10% for two consecutive years. Deferred income tax is the expected future tax that will be paid or recovered from income or expenses occurred during the closing period and considered deferred taxable income or expenses (temporary differences). Deferred tax is calculated using the tax rates expected to be applied in the period of which the taxable income or expense will be recognized. Temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not accounted for. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the corresponding temporary differences can be deducted. Due to the specific tax regime, no deferred taxes are recognized in the Company's financial statements.

3.17 New standards, interpretations and amendments of existing standards

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 1, 2023.

Standards and Interpretations effective for the current financial year

- **IAS 1 (Amendments) “Presentation of Financial Statements” and IFRS Practice Statement 2 “Disclosure of Accounting policies”:** The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures.
- **IAS 8 (Amendments) “Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates”:** The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.
- **IAS 12 (Amendments) “Deferred tax related to Assets and Liabilities arising from a Single Transaction”:** The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations.

- **IFRS 17 “Insurance contracts” and Amendments to IFRS 17:** IFRS 17 has been issued in May 2017 and, along with the amendments to IFRS 17 issued in June 2020, supersedes IFRS 4. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts within the scope of the Standard and its objective is to ensure that an entity provides relevant information that faithfully represents those contracts. The new standard solves the comparison problems created by IFRS 4 by requiring all insurance contracts to be accounted for in a consistent manner. Insurance obligations will be accounted for using current values instead of historical cost.
- **IFRS 17 (Amendments) “Initial Application of IFRS 17 and IFRS 9 – Comparative Information”:** The amendments add a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendments aim at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements.
- **IAS 12 (Amendments) “Income Taxes”:** The amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements qualified domestic minimum top-up taxes described in those rules. The amendments introduce a temporary exception to the accounting requirements for deferred taxes in IAS 12, so that an entity would neither recognise nor disclose information about deferred tax assets and liabilities related to Pillar Two income taxes. The tax law implementing the Pillar Two model rules is expected to be enacted within 2024 in Greece.

Standards and Interpretations effective for subsequent periods

A number of new standards and amendments to standards and interpretations are effective for subsequent periods and have not been applied in preparing these consolidated and separate financial statements. The Group is currently investigating the impact of the new standards and amendments on its financial statements.

- **IAS 1 (Amendment) “Classification of liabilities as current or non-current”** (effective for annual periods beginning on or after January 1, 2024): The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the “settlement” of a liability.
- **IAS 1 (Amendment) “Non-Current Liabilities with Covenants”** (effective for annual periods beginning on or after January 1, 2024): The amendments specify that only covenants that an entity is required to comply with on or before the end of the reporting period affect the entity's right to defer settlement of a liability for at least twelve months after the reporting date (and therefore must be considered in assessing the classification of the liability as current or non-current). Such covenants affect whether the right exists at the end of the reporting period, even if compliance with the covenant is assessed only after the reporting date. The right to defer settlement is not affected if an entity only has to comply with a covenant after the reporting period. However, if the entity's right to defer settlement of a liability is subject to the entity complying with covenants within twelve months after the reporting period, an entity discloses information that enables users of financial statements to understand the risk of the liabilities becoming repayable within twelve months after the reporting period.
- **IFRS 16 (Amendments) “Lease Liability in a Sale and Leaseback”** (effective for annual periods beginning on or after January 1, 2024): The amendments add subsequent measurement requirements for sale and leaseback transactions that satisfy the requirements in IFRS 15 “Revenue from Contracts with Customers” to be accounted for as a sale. The amendments require the seller-lessee to determine “lease payments” or “revised lease payments” such that the seller-lessee does not recognize a gain or loss that relates to the right of use retained by the seller-lessee, after the commencement date.
- **IAS 7 (Amendments) “Statement of Cash Flows” and IFRS 7 (Amendments) “Financial Instruments: Disclosures”** (effective for annual periods beginning on or after January 1, 2024): The amendments add a disclosure objective to IAS 7 stating that an entity is required to disclose information about its supplier finance arrangements that enables users of financial statements to assess the effects of those arrangements on the entity's liabilities and cash flows and the entity's exposure to liquidity risk. Under the existing Application Guidance in IFRS 7, an entity is required to disclose a description of how it manages the liquidity risk resulting from financial liabilities. The amendments include as an additional factor whether the entity has accessed, or has access to, supplier finance arrangements that provide the entity with extended payment terms or the entity's suppliers with early payment terms. The amendments have not yet been endorsed by the EU.

- **IAS 21 (Amendments) “Lack of Exchangeability”** (effective for annual periods beginning on or after January 1, 2025): The amendments specify when a currency is exchangeable into another currency and how to determine the exchange rate when it is not. Applying the amendments, a currency is exchangeable when an entity is able to exchange that currency for the other currency through market or exchange mechanisms that create enforceable rights and obligations without undue delay at the measurement date and for a specified purpose. However, a currency is not exchangeable into the other currency if an entity can only obtain no more than an insignificant amount of the other currency at the measurement date for the specified purpose. When a currency is not exchangeable at the measurement date, an entity is required to estimate the spot exchange rate as the rate that would have applied to an orderly exchange transaction at the measurement date between market participants under prevailing economic conditions. In that case, an entity is required to disclose information that enables users of its financial statements to evaluate how the currency’s lack of exchangeability affects, or is expected to affect, the entity’s financial performance, financial position and cash flows. The amendments have not yet been endorsed by the EU.

4. Revenue

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Revenue from Vessel Operations (fares-chartering)	91,387	67,959	91,387	67,959
Revenue from restaurant – bars	9,827	10,195	9,827	10,195
Revenue from shops on board	4,455	3,874	4,455	3,874
Revenue from agency services	7,386	10,857	7,386	10,857
Totals	113,055	92,885	113,055	92,885

5. Cost of sales

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Payroll cost	17,266	15,788	17,266	15,788
Bunkers and lubricants	30,385	35,703	30,385	35,703
Port expenses – Maintenances – Consumables	5,617	4,313	5,617	4,313
Food – Beverages – Shops merchandise	7,174	6,619	7,174	6,619
Various other costs	8,340	9,077	8,340	9,077
Depreciation	20,245	19,061	20,513	19,307
Totals	89,027	90,561	89,295	90,807

6. Selling expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Payroll cost	3,540	3,357	3,540	3,357
Commissions paid	6,456	4,410	6,456	4,410
Advertising and promotion expenses	1,316	1,622	1,316	1,622
Various other expenses	1,261	1,173	1,261	1,173
Depreciation	107	107	107	107
Totals	12,680	10,669	12,680	10,669

7. Administrative expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Payroll cost	2,404	2,117	2,404	2,117
Third parties fees and expenses	2,872	2,178	1,097	1,003
Various other expenses	1,142	1,077	1,114	1,050

Depreciation	402	436	402	436
Totals	6,820	5,808	5,017	4,606

8. Other operating income

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Income from services rendered	350	578	350	578
Income from government grants	91	518	91	518
Rental income	10	10	10	10
Reversal of provisions for contingent liabilities	0	96	0	96
Income from reversal of impairment loss due to debt recovery	91	364	91	364
Other income	465	720	2	26
Totals	1,007	2,286	544	1,592

The income from government grants for 2022 consists of state subsidies due to covid-19, while for 2023 of state subsidies due to seamen students.

9. Other operating expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Impairment loss on trade receivables	0	2,582	0	111
Various other expenses	172	2,824	172	2,824
Totals	172	5,406	172	2,935

10. Finance income

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Income from investments in affiliates	271	0	0	0
Income from time deposits	338	6	330	6
Interest and other related income	205	79	63	61
Foreign exchange gains	32	5	32	5
Totals	846	90	425	72

11. Finance expenses

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Commissions - Bank charges and other expenses	912	834	905	839
Commissions on Letters of Guarantee and Credit Cards	251	266	251	266
Foreign exchange losses	1	61	1	61
Totals	1,164	1,161	1,157	1,166

12. Personnel expenses

The number of personnel employed at the end of the years ended 31/12/2023 and 31/12/2022 was 387 and 364, respectively.

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Salaries and wages	20,253	18,920	20,253	18,920
Social security contributions	2,566	1,985	2,566	1,985

Other personnel benefits	290	219	290	219
Employee Defined Benefit obligations (note 25)	101	138	101	138
Totals	23,210	21,262	23,210	21,262

13. Income Tax

The current fiscal framework for the Company is described in note 3.16. Regarding the foreign Group Company, the tax rate applicable in the country that operates and for the purpose of its activity is 4.80%.

	The Group		The Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Income tax expense	-	-	-	-
Deferred tax	-	-	-	-
Totals	-	-	-	-

Due to the special tax regime there are no deferred taxes for Company (note 3.16).

14. Tangible and intangible assets

	Land	Buildings Technical works	Transportation equipment	The Group Vessels – Spare parts = Drydockings – Vessels' other equipment	Furniture – Computers – Other equipment – Mobile phones & tablets	Computer Software – Operational rights	Totals
Cost at 1/1/2022	2,110	6,322	8	341,957	4,117	7,716	362,230
Acquisitions and additions 1/1 – 31/12/2022	0	52	0	2,194	60	42	2,348
Less / (plus) : Disposals – Transfers – Write offs 1/1 – 31/12/2022	0	0	0	11	9	0	20
Costs at 31/12/2022	2,110	6,374	8	344,140	4,168	7,758	364,558
Cost at 1/1/2023	2,110	6,374	8	344,140	4,168	7,758	364,558
Acquisitions and additions 1/1 – 31/12/2023	0	15	0	7,560	346	68	7,989
Less : Disposals – Transfers – Write offs – Impairment loss 1/1 – 31/12/2023	0	0	0	2	8	0	10
Costs at 31/12/2023	2,110	6,389	8	351,698	4,507	7,826	372,538
Accumulated Depreciation at 1/1/2022	0	4,383	8	127,995	3,619	7,581	143,586
Depreciation for the year 1/1 – 31/12/2022	0	245	0	19,023	230	64	19,562
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2022	0	0	0	11	4	0	15
Accumulated Depreciation at 31/12/2022	0	4,628	8	147,007	3,845	7,644	163,132
Accumulated Depreciation at 1/1/2023	0	4,628	8	147,007	3,845	7,644	163,132
Depreciation for the year 1/1 – 31/12/2023	0	246	0	20,216	192	58	20,712
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2023	0	0	0	2	7	0	9
Accumulated Depreciation at 31/12/2023	0	4,874	8	167,221	4,031	7,703	183,836

Net book value at :

Minoan Lines Shipping S.A. – Annual Financial Statements (stand alone and consolidated) as of December 31st, 2023
(amounts in thousands of €)

1/1/2022	2,110	1,939	0	213,962	498	135	218,645
31/12/2022	2,110	1,746	0	197,133	323	113	201,426
31/12/2023	2,110	1,515	0	184,477	476	124	188,701

	<u>Land</u>	<u>Buildings Technical works</u>	<u>Transportation equipment</u>	<u>The Company</u> <u>Vessels – Spare parts</u> <u>=</u> <u>Drydockings</u> <u>– Vessels’</u> <u>other</u> <u>equipment</u>	<u>Furniture – Computers – Other equipment – Mobile phones & tablets</u>	<u>Computer Software – Operational rights</u>	<u>Totals</u>
Cost at 1/1/2022	2,110	6,322	8	299,010	4,118	7,716	319,284
Acquisitions and additions 1/1 – 31/12/2022	0	52	0	2,194	59	41	2,346
Less / (plus) : Disposals / Transfers / Write offs 1/1 – 31/12/2022	0	0	0	11	9	0	20
Costs at 31/12/2022	2,110	6,374	8	301,193	4,168	7,757	321,610
Cost at 1/1/2023	2,110	6,374	8	301,193	4,168	7,757	321,610
Acquisitions and additions 1/1 – 31/12/2023	0	15	0	7,560	346	68	7,989
Less : Disposals – Transfers – Write offs – Impairment loss 1/1 – 31/12/2023	0	0	0	2	8	0	10
Costs at 31/12/2023	2,110	6,389	8	308,750	4,507	7,826	329,590
Accumulated Depreciation at 1/1/2022	0	4,383	8	88,771	3,619	7,581	104,362
Depreciation for the year 1/1 – 31/12/2022	0	245	0	19,269	230	63	19,807
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2022	0	0	0	11	4	0	15
Accumulated Depreciation at 31/12/2022	0	4,628	8	108,029	3,845	7,644	124,154
Accumulated Depreciation at 1/1/2023	0	4,628	8	108,029	3,845	7,644	124,154
Depreciation for the year 1/1 – 31/12/2023	0	246	0	20,484	192	58	20,980
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2023	0	0	0	2	7	0	9
Accumulated Depreciation at 31/12/2023	0	4,874	8	128,510	4,031	7,703	145,125
Net book value at :							
1/1/2022	2,110	1,939	0	210,239	498	135	214,922
31/12/2022	2,110	1,746	0	193,164	323	113	197,457
31/12/2023	2,110	1,515	0	180,240	476	124	184,465

The fair value of the Group’s vessels on 31/12/2023, as determined by independent appraisers, amounted to € 233,000, while the fair value of the property is € 10,989. It was examined whether there are any indications of impairment and no reason for impairment arisen. To secure an approved short-term borrowings two of the Company’s properties have been mortgaged of total undepreciated value €1,001.

The depreciation of property plant and equipment is recorded in the following captions of the statement of profit or loss and other comprehensive income:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Cost of sales	20,246	19,061	20,514	19,307
Administrative expenses	360	395	360	395
Selling expenses	106	106	106	106
Totals	20,712	19,562	20,980	19,808

15. Investment Property

The movement of the above caption is presented on the table below:

	<u>The Group</u>			<u>The Company</u>		
	<u>Land</u>	<u>Buildings</u>	<u>Totals</u>	<u>Land</u>	<u>Buildings</u>	<u>Totals</u>
Cost at 1/1/2022	557	1,214	1,771	557	1,214	1,771
Acquisitions – additions 1/1 – 31/12/2022	0	0	0	0	0	0
Costs at 31/12/2022	557	1,214	1,771	557	1,214	1,771
Cost at 1/1/2023	557	1,214	1,771	557	1,214	1,771
Acquisitions – additions 1/1 – 31/12/2023	0	0	0	0	0	0
Costs at 31/12/2023	557	1,214	1,771	557	1,214	1,771
Accumulated Depreciation at 1/1/2022	0	742	742	0	742	742
Depreciation for the year 1/1 – 31/12/2022	0	42	42	0	42	42
Accumulated Depreciation at 31/12/2022	0	784	784	0	784	784
Accumulated Depreciation at 1/1/2023	0	784	784	0	784	784
Depreciation for the year 1/1 – 31/12/2023	0	42	42	0	42	42
Accumulated Depreciation at 31/12/2023	0	826	826	0	826	826
Net book value at :						
1/1/2022	557	472	1,029	557	472	1,029
31/12/2022	557	430	987	557	430	987
31/12/2023	557	388	945	557	388	945

The property's fair value at 31/12/2023 as determined by independent appraisers is € 1,395 while there was no reason for any impairment of the property. On the mentioned property, net book/undepreciated value is € 945 and to be secured Company's obligations, lien is recorded.

16. Investments in subsidiaries and affiliates

Investments in subsidiaries are as follows :

	<u>Participation Amount</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>
Minoan Italia S.p.A.	4,900	6,000
SYMMETOCES LIMENOS IRAKLEIOU	32,400	0
ETAIREIA SYMMETOCHON LIMENOS IGOUMENITSAS	22,950	0
Σύνολα	60,250	6,000

The Company reduced the value of its investment in Minoan Italia S.p.A. to € 4,900 (impairment by € 1,100) so as to reflect the amount of equity of the subsidiary. Activities that this subsidiary can develop are being considered. Rights (profits) were recognized for the associated companies from the N. P. method in the amount of € 271, which appear in the account short-term receivables from affiliated companies. The ETAIREIA SYMMETOCHON LIMENOS IGOUMENITSAS participates in the share capital of O.L.HG. S.A. with a percentage of 67%. The SYMMETOCES LIMENOS IRAKLEIOU participates in the share capital of O.L.H. with a similar percentage of 67%. These 2 companies are both controlled by the Grimaldi Group.

17. Financial assets at fair value though P&L

The financial assets at fair value though P&L amounting € 113 on 31/12/2023 and € 109 on 31/12/2022. The current period's amount refers to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. Furthermore as at 31/12/2023 it was examined whether there are any signs of impairment of the value of the above and it was found that a

reversal of the impairment that had taken place in the previous year and which justifies the increase presented compared to the year 2022, is required.

18. Other long term assets–receivables

In the other non–current assets, mainly included receivables of value € 23,392 which are expected to be collected in a period of over a year, have been transferred. For these receivables, the Company has respectively recorded provisions and adjustments amounting to € 12,007. The respective amounts for 2022 were for the receivables € 23,714 and for the provisions – adjustments € 12,149.

19. Inventories

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Merchandise	1,784	1,435	1,784	1,435
Consumables	6,524	6,336	6,524	6,336
Totals	8,308	7,771	8,308	7,771

20. Trade and Other receivables–Other current assets

	<u>Trade and Other Receivables</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Customers – Cheques Receivable	19,602	16,706	19,602	16,706
Short -term reports from subsidiaries and associated companies	313	0	41	0
Other Receivables	6,457	3,096	1,922	1,366
Totals	26,372	19,802	21,565	18,072

	<u>Other current assets</u>			
	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Prepaid Expenses	913	985	913	985
Accrued Income	93	894	93	894
Totals	1,006	1,879	1,006	1,879

The Company and the Group's exposure to credit risks, as well as the impairment losses related to trade and other receivables are analyzed in note 27.2. In the net amount of Customers - checks receivable of € 19,602, a provision amount of € 9,842 has been included. The comparative amount for 2022 was €9,928.

21. Cash and Cash equivalents

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Cash on hand	432	305	432	305
Cash in banks and time deposits	2,717	34,150	2,279	31,647
Totals	3,149	34,455	2,711	31,952

Deposits are located mainly in banks with high credit rating index..

22. Share capital

(The amounts of note 22 are presented in €)

The share capital of the Company is divided into 106,980,050 ordinary shares with a nominal value of € 2.25 each. The weighted average number of shares on 31/12/2023 and on 31/12/2022 was 106,980,050. Both the Company and its subsidiary did not held own shares during the year.

23. Reserves

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Statutory reserve	13,883	13,883	12,779	12,779
Accumulated actuarial results recognized in equity	160	172	160	172
Totals	14,043	14,055	12,939	12,951

Statutory reserve: According to the Greek corporate law (art.158 law 4548/2018), the Company is required to transfer an amount equal to at least 5% of its net realized profit to a statutory reserve, until such a reserve equals 1/3 of the issued share capital. This reserve can be used exclusively before any distribution of dividends to off-set a deficit.

Accumulated actuarial results recognized in equity: As defined in IAS 19 are recognized directly in the other comprehensive income of the period in which they occur and not be transferred to the income statement in a subsequent period but are recognized directly in equity of the Company and the Group (note 25).

24. Dividends

According to the Greek Corporate law, companies should distribute as dividend to their shareholders, provided there is a positive balance of retained earnings, at least an amount equal to 35% of the annual net realized profits (after the deduction of the statutory reserve). Nil dividend distribution can be approved by the General Assembly by shareholders representing the 80% of the paid-in share capital. Under the above terms, for the year 2023 the Company, even though the results were profitable is not entitled to distribute dividend.

25. Employee defined benefit obligations

According to the Greek Labour Law, employees upon retirement are entitled to compensation which amounts to 40% of the amount that would become payable upon dismissal.

The table below shows the present value of the employee defined benefit obligations:

	<u>31/12/2023</u>	<u>31/12/2022</u>
Present value of defined benefit obligations	473	409
Total liability	473	409

The amount, recorded as an expense at 31/12/2023 and 31/12/2022 respectively, is analyzed as follows:

	<u>The Group</u>	<u>The Company</u>
Balance as at 1/1/2022	519	519
Current Service Cost	54	54
Interest Cost	4	4
Benefits paid	-145	-145
Cost of settlement	82	82
Actuarial (gain) recognized in the statement of changes in equity	-105	-105
Balance as at 31/12/2022	409	409
Balance as at 1/1/2023	409	409
Current Service Cost	49	49
Interest Cost	15	15
Benefits paid	-153	-153
Cost of settlement	141	141
Actuarial loss recognized in the statement of changes in equity	12	12

Balance as at 31/12/2023

473

473

The amount, recorded as an expense at 31/12/2023 and 31/12/2022 respectively, is analyzed as follows:

	The Group		The Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Current Service Cost	49	54	49	54
Interest Cost	15	4	15	4
Benefits paid	141	80	141	80
Totals	205	138	205	138

	The Group		The Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
Administrative expenses	53	20	53	20
Selling expenses	152	116	152	116
Cost of sales	0	2	0	2
Totals	205	138	205	138

The total amount of Employee Defined Benefit Obligations is unfunded.

The main assumptions used are as follows:

- Discount Rate for 2023 is 3.20% while for 2022 is 3.80%
- Long-term average annual salaries reaches 2.50% for 2023 and 2022
- The average annual long term inflation rate for 2023 is 2.10% while for 2022 is 2.20%

If the discount rate used in the valuation was 0.50% higher, then the defined benefit obligation for staff retirement indemnities for the Company would decrease by 2.80%. If the discount rate used in the valuation was 0.50% lower, then the defined benefit obligation for staff retirement indemnities for the Company would increase by 2.93%.

26. Customer advances, Deferred income & Trade payables

	The Group		The Company	
	31/12/2023	31/12/2022	31/12/2023	31/12/2022
<u>Contractual obligations</u> (note 3.19)				
Customer advances	2,124	5,584	2,124	5,584
Deferred income	1,573	1,743	1,573	1,295
Totals	3,697	7,327	3,697	6,879
<u>Trade and other payables</u>				
Suppliers – cheque payables	8,040	7,888	7,984	7,888
Withholding taxes–social security contributions payable	1,735	2,184	1,735	2,184
Sundry creditors	7,916	32,584	7,916	32,583
Accrued expenses	3,439	1,389	3,439	1,389
Totals	21,130	44,045	21,074	44,044

Included in the account “sundry creditors” an intra – group loan (principal), received in 2022 amounting € 23,000. For 2023 the said amount is classified in long term liabilities.

27. Financial Risk Management

27.1 General

The Company and the Group are exposed mainly to the following financial risks which might possibly be affected by the macroeconomic and operating environment as analyzed below.

This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.

The Board of Directors has overall responsibility for the establishment and oversight of the Company's and the Group's risk management framework. The Board has delegated authority to the finance division for monitoring of financial risks. The Company's and Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks, adherence to limits and to hedge such risk depending on the prevailing market conditions each period of time. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Cash and cash equivalents are also elements with high credit risk as the current conditions in Greece exert considerable pressure on domestic banks. In order for the risk to be reduced, the Company's and Group's cash and cash equivalents are only deposited for a short amount of time.

27.2 Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units and vessels' chartering. Hence, the Company's customer base is analyzed as follows:

a) Those with professional collaboration such as:

- Travel Agents
- Central Agents
- Cargo Companies
- Cargo Owners
- Car rental companies
- Shipping Companies

b) Individuals-Passengers

There are ongoing efforts to attract more potential customers (in all the above categories) in order to enhance sales and develop the Company's customer base. Under the Company's set credit policy, every new customer is analyzed individually for creditworthiness before the Company's standard payment and credit terms and conditions are offered. The Company constantly monitors the balance of its clients and examines the prospect of forming provisions. Hence, a possible failure of the clients to meet their obligations, may affect the Company's results through the creation of relevant provisions.

27.2.1 Credit risk exposure

The carrying value of "Trade and Other Receivables" and "Other investments" indicate the maximum exposure to credit risk. In order to secure the aforementioned trade risk exposure, the Company receives letters of guarantee, pre-notations and shares pledged from its customers. The carrying value of "Trade and Other Receivables" along with the received guarantees, are presented below:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Long term receivables	11,344	11,523	11,344	9,193
Short term receivables	26,100	19,801	21,565	18,072
Guarantees received	-5,948	-5,948	-5,948	-5,948

For securing long-term doubtful receivables net amounting to € 8,908 (6,756 in 2022) the Company has received pledges on shares of non-listed companies. Moreover, legal proceedings are in progress against property of the debtors and property pre-notations have received.

27.2.2 Ageing analysis

The ageing of the trade and other receivables, at the balance sheet dates were as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Short term receivables				
Not past due	16,026	10,491	11,491	8,761
Past due 1-30 days	2,061	1,922	2,061	1,922
Past due 31-120 days	6,983	6,649	6,983	6,649
Past due 121-365 days	626	346	626	347
Past due over a year *	404	393	404	393
Totals	26,100	19,801	21,565	18,072
Long term receivables*	11,345	11,524	11,344	9,192
Totals	37,445	31,325	32,909	27,264

* including debtors in litigation and settlement agreements

The Company and the Group made reversed impairment provisions. The movement of the allowance is analysed in the table below:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Opening Balance	19,533	19,786	19,533	19,786
Plus : Impairment loss	0	111	0	111
Less : Transfer of impairment on long-term receivables	0	0	0	0
Less: Reversal of impairment loss due to debt recovery	91	364	91	364
Closing Balance	19,442	19,533	19,442	19,533
Impairment on long-term receivables	0	0	0	0
Closing Balance	19,442	19,533	19,442	19,533

The allowance for impairment is used to record impairment losses, unless the Company estimates that no recovery of the pending amount is expected, where in such cases the non-recoverable amounts are directly written-off against the receivables.

27.3 Liquidity risk

The liquidity risk is referred to the Company's or the Group's ability to meet their financial obligations as they fall due. The approach adopted by the Company and the Group regarding liquidity management is to ensure the necessary liquidity to meet their liabilities when due. Therefore, it has ensured an appropriate combination of cash, cash equivalents and approved bank credits.

On 31/12/2023 the Group's cash and cash equivalents amounted to € 3,149 while on 31/12/2022 amounted to € 34,455. This significant decrease took place due to the investments with the Group's participation in the management companies of the shares of the ports of Igoumenitsa and Heraklion. At the same time, there are credit lines with two cooperating banks with a total grant limit of €15,000. The said open lines of credit, although used at the end of the 2023 fiscal year, were repaid in early 2024 and are thus available again. Their renewal for another year is expected to be completed in the near future. The interest charged on each of the credit line is based on the EURIBOR rate and the bank's margin. Moreover, a lien has been registered on two of the Company's properties. Considering all the above, the Management is in a position to claim the non-existence of liquidity risk in the foreseeable future. The contractual expiry dates of the Company's financial liabilities based on the agreements effective on the balance sheet date and also based on the negotiations with the lending banks are as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Within 1 year				
Contractual obligations & Trade and other payables	23,092	49,188	23,036	48,739
Credit lines	14,000	6,992	14,000	6,992

37,092 56,180 37,036 55,731

27.4 Market conditions risk

A common feature of a perfectly competitive market is the freedom of entry and exit. Thus, the deliberate routes in which the Company operates are highly competitive. The effort for growth and increase of each company's market shares could possibly create an overwhelming competition reflected to the financial results of the sector. In this respect the Company, in cooperation with the overlying parent company's Group, reschedules its itineraries seeking efficiency and profit while remaining competitive in terms of pricing, and also, maintains branches in Greece and abroad. A possible intensification of the market conditions in the routes the Company operates could lead to adverse impacts on its operating results, cash position and financial performance. The Company, in cooperation with the overlying parent company's Group, monitors closely the above mentioned competition and acts accordingly.

27.5 Currency risk

Considering the fact that all transactions performed abroad are mainly in the Euro currency, after the adoption of the common European currency, the company's foreign exchange risk is almost eliminated. Indirectly, the Company is exposed to currency risk from the bunkers supplies.

27.5.1 Interest rate risk

At the balance sheet date, the financial instruments of the Company and the Group, subject to interest rate fluctuations, were as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Fixed rate instruments				
Cash and cash equivalents	3,149	34,455	2,711	31,952
Floating rate instruments				
Long term borrowings and bank overdrafts	14,000	6,992	14,000	6,992

A bank liability of € 13,999 that appears in the Group's financial statements on 31/12/2023, has already been repaid at the beginning of 2024.

27.6 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.

The Board of Directors monitors the return on invested capital, aiming to its maximization so as to ensure the distribution of dividends according to the relevant legislation and meeting the Group's commitments.

27.7 Supply chain

The Company has developed a supply chain in order to serve both the needs for its marine operation (fuel supplies, spare parts, etc.) as well as the needs of its hotelier business (stores, restaurants and bars). No particular difficulty or delay in the supply of goods and services has been observed. In addition, the long-term cooperation and the trust relationship that has been developed amongst the Company and its suppliers facilitate all parties to overcome any difficulty that may arise.

27.8 Fuel prices

The main risk in which the Company is exposed is the sensitivity of fuel prices. Due to the nature of the sector and as fuel cost is the most significant part of cost of sales, the Company is exposed to the said risk. Moreover, the Company considers several financial derivatives' strategies that will be used accordingly in case the proper situation arises.

An important factor in the level of fuel prices was the installation on all ships of the Group of special systems for the retention of harmful substances in the atmosphere / exhaust filters (scrubbers) in 2019, which allowed the consumption of cheaper fuel compared to what Ships that have not installed such filters must consume (according to relevant instruction of the International Maritime Organization (IMO) with validity from

01/01/2020). Moreover the recent large increase in fuel prices in the context of the wider energy crisis that exists worldwide, has led to an even greater opening of the price gap between the types of fuel that can be consumed by the Group's vessels in relation to respectively what the competition is obliged to consume on vessels they have not installed these scrubbers, thus strengthening the Group's position in the competition.

27.9 Environmental risk

The Company attributes great attention to environmental issues. In this context, being aware of how important it is to safeguard and to protect the environment from human activities, business evolution and technological progress, it has been created an environmental policy, which complies not only with the IMO ISM Code and ISO 14001:2004 but also with the environmental regulatory framework.

28. Fair value estimation

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: other techniques for which all data with significant effect on the recorded fair value are visible, either directly or indirectly.

Level 3: techniques using data with significant effect on the recorded fair value and based on apparent market data.

On 31/12/2023 and 31/12/2022 respectively, the Group and the Company held the following financial instruments measured at fair value:

	<u>Level</u>	<u>The Group</u>		<u>The Company</u>	
		<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
Financial instruments					
Other Financial assets on fair value through P&L	3	113	109	113	109

The financial assets of Level 3 are related to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. Their valuation is based on their financial statements, which reflect the assets at fair value.

Finally, the fair value of the following financial assets and liabilities is reflected in their book value:

- Trade and other receivables
- Other current assets
- Cash and cash equivalents (other than bank overdrafts)
- Trade and other payables
- The following assets and liabilities of the Group are held for sale:
 - Cash and cash equivalents
 - Other current assets
 - Trade and other payables
 - Other current liabilities

29. Related Party transactions

During 2008, the company "Grimaldi Group S.p.A." having its registered address in Palermo Italy, acquired the majority of the Company's shares, and thus became the ultimate controlling party exercising control on the Company and the Group.

Related parties are considered the Group of the ultimate parent company, the members of the Board of Directors and management of subsidiaries of the Group, as well as the financially dependent members and first-degree relatives of the members of the Board of Directors and Management, and the associate companies.

Presented in the tables below are the receivable and payable balances between the related parties on 31/12/2023 and 31/12/2022, as well as purchases (services received) and sales (services provided) for the years 2023 and 2022:

29.1 Group of Ultimate Parent Company

<u>31/12/2023</u>	<u>The Company</u>			<u>The Group</u>
	<u>Minoan Lines Shipping S.A.</u>			<u>Minoan Italia S.p.A.</u>
<u>company</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>	<u>Totals</u>
due from	270	0	0	270
payable to	0	-34,651	0	-34,651

* Grimaldi Tours and Grimaldi Group (Roma) are included

<u>31/12/2022</u>	<u>The Company</u>			<u>The Group</u>
	<u>Minoan Lines Shipping S.A.</u>			<u>Minoan Italia S.p.A.</u>
<u>company</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>	<u>Totals</u>
due from	-	-	-	-
payable to	-87	-33,711	-10	-33,808

* Grimaldi Tours and Grimaldi Group (Roma) are included

<u>1/1-31/12/2023</u>	<u>The Company</u>				<u>The Group</u>
	<u>Minoan Lines Shipping S.A.</u>				<u>Minoan Italia S.p.A.</u>
<u>company</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>	<u>Grimaldi Germany GmbH</u>	<u>Grimaldi Group S.p.A. *</u>
Expenses related to the on board sales (concession fees etc)	-	2,933	-	-	-
Attributing agency costs	-	-1,687	-	-	-
Other expenses	31	23	-	1	24
Expenses related to port dues in Igoumenitsa (Ancona line)	-	420	-	-	-
Intercompany loan interest	-	591	-	-	-
Commissions and other expenses in Brindisi line (Kydon Palace)	1,881	-	-	-	-
Totals	1,912	2,280	0	1	24
Revenue from crew coat reduction	-	518	-	-	-
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	96	4,896	-	-	-
Revenue related to pax freights in Brindisi line (Kydon Palace)	15,003	-452	-	-	-
Revenue related to the on board sales	-	374	-	-	-
Other revenue	-	47	-	-	-
Totals	15,099	5,383	0	0	0

* Grimaldi Tours and Grimaldi Group (Roma) are included

<u>1/1-31/12/2022</u>	<u>The</u>	<u>The</u>
-----------------------	------------	------------

	<u>Company</u>			<u>Group</u>	
	<u>Minoan Lines Shipping S.A.</u>			<u>Minoan Italia S.p.A.</u>	
<u>company</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Grimaldi Euromed S.p.A.</u>	<u>Grimaldi Deep Sea S.p.A.</u>	<u>Grimaldi Group S.p.A. *</u>	<u>Totals</u>
Expenses related to the on board sales (concession fees etc)	-	3,747	-	-	3,747
Attributing agency costs	-	-1,002	-	-	-1,002
Bunkers cost	-	-	-	-	0
Other expenses	20	48	1	24	94
Proceeds from sale of tangible assets	-	494	-	-	494
Totals	20	3,287	1	24	3,333
Revenue from crew coat reduction	-	534	-	-	534
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	62	8,122	-	-	8,184
Revenue related to the on board sales	-	333	-	-	333
Other revenue	-	3	-	-	3
Totals	62	8,992	-	-	9,054

* Grimaldi Tours and Grimaldi Group (Roma) are included

29.2 Subsidiaries and affiliates

31/12/2023

company

**Minoan
Italia S.p.A.**

Minoan Lines Shipping S.A.

due from / payable to

-

31/12/2022

company

**Minoan
Italia S.p.A.**

Minoan Lines Shipping S.A.

due from / payable to

-

1/1-31/12/2023

Group

**Minoan
Italia S.p.A.**

**SYMMETOCHEs
LIMENOS
IRAKLEIOU**

**ETAIREIA
SYMMETOCHON
LIMENOS
IGOUMENITSAS**

Minoan Lines Shipping S.A.

due from / (payable to)

0

21

250

Σύνολα

0

21

250

1/1-31/12/2022

Group

**Minoan
Italia S.p.A.**

**SYMMETOCHEs
LIMENOS
IRAKLEIOU**

**ETAIREIA
SYMMETOCHON
LIMENOS
IGOUMENITSAS**

Minoan Lines Shipping S.A.

due from / (payable to)	0	0	0
Σύνολα	0	0	0

All the above transactions, as referred in notes 30.1 and 30.2, were entered into at arm's length. At the end of fiscal year 2023, the Company was retaining an intragroup loan of € 32,000 for business investment in 2023 which is classified as long term liability. This loan includes an initial short term also intercompany loan of € 9,000 from 2023 and another intercompany loan of € 23,000 from 2022.

29.3 Members of the Board of Directors and Management

The remuneration to the Members of the Board of Directors and the Company's management are analysed as follows:

	<u>31/12/2023</u>	<u>31/12/2022</u>
Executive directors	339	368
Non – executive directors	339	332
Management	1.629	1.315
Totals	2.306	2.015

Of the total remunerations above, an amount of € 81 remains unpaid as of 31/12/2023, while as of 31/12/2022 the relevant amount was € 87. It is pointed out that the benefits of the managers have included compensations paid as well as cost of settlement effect corresponding to managers due to leaving the Company. Moreover, during the year ended 31/12/2023, the Company concluded commercial transactions with entities owned by BoD members of amount € 3 compared to last year's € 5, while as of 31/12/2023 from such transactions an amount of € 140 was receivable compared to last year's € 152 receivable and of € 1 which was payable. Finally, during the year ended 31/12/2023, transactions with relatives of the management and of executives amounted to € 478, compared to € 199 of previous year, while as of 31/12/2023 it was unpaid the amount of € 10 (the relative amount of 2022 was € 11). The nature of these transactions was mainly labour (payroll/dismissal allowances) and commercial cooperation (compensation for goods and services received).

30. Contingent liabilities

The contingent liabilities are the following:

(a) By letter dated 15/6/2015, the Greek Capital Market Commission informed the Company, that as a consequence of its shareholding structure as of 31/12/2014, falls under par. 4 of article 7 of the Ministerial Decision 54138/B' 2197 (Government Gazette 1913B'–09/12/2010) provided an increased periodical contribution, amounting, for the year 2015, to € 252. The Company, by calling into question that the conditions for being subject to the said provisions are met, has taken legal steps against this decision before the competent Administrative Courts. The Company is convinced that the Courts will rule in its favor, and for that reason no relevant provision has been established.

(b) The companies of the Group, which are either consolidated or integrated by the equity method in the financial statements, have not been audited and consequently their tax obligations have not yet been finalized by the tax authorities, for the financial years presented below:

<u>Company</u>	<u>Unaudited tax years</u>
Minoan Lines Shipping S.A.	2018–2023
Minoan Italia S.p.A.	2018–2023

The Company has not been audited by the tax authorities for the financial year 2018 and onwards. Respectively, the Italian subsidiary Minoan Italia S.p.A. has not been audited for the years 2018 to 2023. On 12/6/2017, the audit of the subsidiary by the Italian tax authorities for the years 2012–2014 started. Until the approval date of the annual financial report, this audit is in progress and has not been finalized. Concerning the opinion of its Tax Advisors, the company's management assesses that no additional taxes and surcharges will be imposed. On the contrary, in October 2023, for the Italian subsidiary Minoan Italia S.p.A. that had a tax ruling on revenues from bare-boat charter contracts for vessels registered in the "International

Register”, which was generated from the Revenue Agency of Palermo, there has been a positive recommendation from the Central Directorate of the Italian Tax Agency, which justifies the operations of the subsidiary. The final settlement of the matter may still be pending, however everything indicates that any sanctions that have already been imposed will be cancelled. An amount of approximately €1.5 million has been deposited with the authorities as security for the case to progress, and is presented under current assets in the Group’s financial statements.

For the year 2011 onwards, the Company receives annually a "Tax Compliance Report ". The "Tax Compliance Report" is issued by the statutory auditor that audits the annual financial statements. Following the completion of a tax audit, the auditor issues the "Tax Compliance Report" which submits electronically to the Ministry of Finance.

For the Company the “Tax Compliance Report” for the unaudited by the tax authorities years 2018–2022 has been issued by the statutory auditors and no adjustments with respect to the tax expense and corresponding tax provision as reflected in the annual financial statements of those years has arisen.

The aforementioned audit for the year 2023 is still in progress by Deloitte Certified Public Accountants SA. The related «Tax Compliance Report» will be provided after the publication of 2023 Annual Report. If the completion of the tax audit bring additional tax liabilities the Company's management considers that these will have no material impact on the financial statements.

31. Audit fees

The auditing and other fees of the statutory audit firms referred to the years 2023 and 2022 respectively are analyzed as follows:

	<u>The Group</u>		<u>The Company</u>	
	<u>31/12/2023</u>	<u>31/12/2022</u>	<u>31/12/2023</u>	<u>31/12/2022</u>
For auditing services	71	71	71	71
For the Annual Tax Certificate	31	31	31	31
For other services	6	6	6	6
Totals	108	108	108	108

32. Subsequent events

The subsequent events of the Balance Sheet of 12/31/2023 concerning either the parent Company or the Group, include the company's decision to charter the self-owned catamaran Santorini Palace for a period of 5 years. With this move, the company and the Group estimate that the risk of constantly looking for customers in a line with many competitors will be practically eliminated, achieving at the same time a certain income. As a consequence of this move, the operation of the ticket issuing branch in Athens is also suspended.

In addition, the Board of Directors of the company decided and approved the granting of a bond loan from other companies of the Grimaldi group for its use for investment purposes.

Finally, it is worth noticing that from 01/01/2024 the company, as a shipping company, is included in the carbon dioxide emission rights trading system.

Heraklion, March 22nd 2024

The Chairman
of the B.o.D.

The Managing
Director

The Accounting
Manager

Emanuele
Grimaldi

Pass No IT / YB 2243291

Loukas
Sigalas

ID C No AK 043265

Giorgos
Karouzos

ID C No AK 744272

H.E.C. ID No 101758 – A' Class

Independent Auditor's Report

To the Shareholders of "Minoan Lines Shipping Company S.A."

Report on the Audit of Separate and Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying separate and consolidated financial statements of Minoan Lines Shipping Company S.A. (the "Company") which comprise of the separate and consolidated statement of financial position as of 31 December 2023, and the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the separate and consolidated financial statements including material accounting policy information.

In our opinion, except for the possible effects of the matter discussed in the paragraph "Basis for Qualified Opinion" the separate and consolidated financial statements present fairly, in all material respects, the financial position of Minoan Lines Shipping Company S.A. and its subsidiary (the "Group") as of 31 December 2023, its financial performance and cash flows for the year then ended in accordance with the provisions of International Financial Reporting Standards as adopted by the European Union.

Basis for Qualified Opinion

Included in Other long term assets- receivables on the face of the separate and consolidated statement of financial position are certain assets with a gross carrying amount of K€ 19.149 as at 31 December 2023, against which a provision has been recorded of K€ 10.240. During the course of our audit, we were not provided with sufficient appropriate audit evidence to support the reasonableness of the provision Recorded as at 31 December 2023. As a result, we are unable to assess whether such a provision is adequate as at 31 December 2023 and have therefore, qualified our report in this respect for the possible effects on the profit or loss and equity.

We conducted our audit in accordance with the International Standards of Auditing as these have been adopted by Greek Legislation. Our responsibilities, according to these standards are described further under the paragraph of our report "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements". We have been independent of the Company and its subsidiary during the whole period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, as adopted by Greek Legislation and the ethical requirements related to the audit of financial statements in Greece. We have fulfilled our ethical obligations in accordance with the requirements of the applicable law and the aforementioned Code of Conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Other Information

Management is responsible for the other information. The other information is included in the Management Report of the Board of Directors, for which relevant reference is made in the "Report on other Legal and Regulatory Requirements", but does not include the separate and consolidated financial statements and the related audit report.

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

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or the knowledge obtained during the audit or otherwise appears to be materially incorrect. If, based on the work we have performed, we conclude that there is a material error in this other information, we are required to report that fact. We have nothing to report on this matter.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards as those have been adopted by the European Union and for such internal control system as management determines is necessary to enable the preparation and fair presentation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

During the preparation of the separate and consolidated financial statements, management is responsible for the assessment of the Company's and Group's ability to continue as a going concern by disclosing, when required, the matters related to the going concern and the use of going concern's accounting principle, unless the management either intends to liquidate the Company or the Group or to cease their activity or does not have any other realistic option than to proceed with these actions.

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

Our objective is to obtain reasonable assurance that the separate and consolidated financial statements, as a whole, are free from material misstatement, due to fraud or error and to issue an auditor's report, which includes our opinion.

Reasonable assurance is a high level of assurance, however it is not a guarantee that the audit which is performed in accordance with the ISAs as adopted by the Greek Legislation will always detect a material misstatement, in case it exists. Misstatements may result from fraud or error and are considered as material when individually or cumulatively could reasonably be expected to influence the financial decisions of users taken on the basis of these separate and consolidated financial statements.

Auditor's Responsibility for the Audit of the Separate and Consolidated Financial Statements- Continued

As part of the audit, according to the ISAs as adopted by the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit.

In addition:

- We identify and evaluate the risk of material misstatements in the separate and consolidated financial statements, due to fraud or error, by designing and performing audit procedures that address these risks and we obtain audit evidence that is sufficient and appropriate to be the basis of our opinion. The risk of not detecting a material misstatement due to fraud is higher than that due to error, as fraud may involve collusion, forgery, deliberate omissions, false representations or bypassing of internal controls.
- We understand the internal control procedures that are related to audit in order to design audit procedures appropriate to the circumstances, but not to express an opinion on the effectiveness of the Company's and the Group's internal controls.
- We assess the appropriateness of the accounting policies and methods used and the reasonableness of accounting estimates and relevant disclosures made by the management.
- We conclude on the appropriateness of the use by the management of the going concern principle and based on the audit evidence obtained whether there is material uncertainty on the Company's and the Group's ability to continue as a going concern. If we conclude that there is material uncertainty, we are obliged to draw the attention in the audit report on the disclosures in the separate and consolidated financial statements or whether these disclosures are insufficient to modify our opinion. Our conclusions are based on audit evidence obtained until the date of the auditor's report. However, future events or conditions may cause the Company and the Group to cease its operation as a going concern.
- We evaluate the overall presentation, the structure and the content of the separate and consolidated financial statements, including disclosures, and whether the separate and consolidated financial statements present the underlying transactions and the events in a manner that it achieves a fair presentation.
- We obtain sufficient and appropriate audit evidence for the financial information of the companies or their business transactions within the group to express an audit opinion on separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and its subsidiary. We remain solely responsible for the audit opinion.

Among other issues, we communicate to the management for the planned scope and the timetable of the audit, as well as for significant audit findings, including any significant deficiencies in internal control that are identified during our audit.

Report on Other Legal and Regulatory Requirements

Taking in consideration that the management has the responsibility for the preparation of Management report of the Board of Directors, in accordance with the requirements of the paragraph 5 of article 2 (part 2) of the law 4336/2015, we note that:

- (a) In our opinion, the Management Report of the Board of Directors has been prepared in accordance with the current legal requirements of the articles 150 and 153 of Law 4548/2018 and its content corresponds to the attached separate and consolidated financial statements for the year ended 31 December 2023.
- (b) Based on our knowledge, we obtained during our audit of the “Minoan Lines Shipping Company S.A.” and its environment, we have not identified material inaccuracies in the Management Report of the Board of Directors.

Translation of the Greek audit report

Athens, 19 April 2024

The Certified Public Accountant

George Balafoutis
Reg.No SOEL: 38911
Deloitte Certified Public Accountants S.A.
3a Fragkoklissias & Granikou str.
151 25 Maroussi
Reg. No. SOEL: E 120



This document has been prepared by Deloitte Certified Public Accountants Societe Anonyme.

Deloitte Certified Public Accountants Societe Anonyme, a Greek company, registered in Greece with registered number 0001223601000 and its registered office at Marousi, Attica, 3a Fragkoklissias & Granikou str., 151 25, is one of the Deloitte Central Mediterranean S.r.l. ("DCM") countries. DCM, a company limited by guarantee registered in Italy with registered number 09599600963 and its registered office at Via Tortona no. 25, 20144, Milan, Italy is one of the Deloitte NSE LLP geographies. Deloitte NSE LLP is a UK limited liability partnership and member firm of DTTL, a UK private company limited by guarantee.

DTTL and each of its member firms are legally separate and independent entities. DTTL, Deloitte NSE LLP and Deloitte Central Mediterranean S.r.l. do not provide services to clients. Please see www.deloitte.com/about to learn more about our global network of member firms.