

# **TANKERSKA PLOVIDBA d.d.**

## **CONSOLIDATED AND SEPARATE ANNUAL REPORT FOR THE YEAR 2024**

*This version of the annual report is translated from the original, which was prepared in Croatian. All possible care has been taken to ensure the translation accurately represents the original. However, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over this translation.*

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# RESPONSIBILITY FOR THE ANNUAL FINANCIAL STATEMENTS

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*The Management Board is responsible for ensuring that the annual consolidated and separate financial statements of TANKERSKA PLOVIDBA d.d. (hereinafter: the Company) and its subsidiaries (hereinafter: the Group) for the year 2024 are prepared in accordance with International Financial Reporting Standards as adopted by the European Union, so as to give a true and fair view of the consolidated and separate financial position as at the reporting date and of the results of operations for that period.*

*Based on the assessments performed, the Management Board has reasonable expectation that the Group and the Company have adequate resources to continue as a going concern in the foreseeable future. For this reason, the Management Board has prepared the annual consolidated and separate financial statements on a going concern basis.*

*In preparing the annual consolidated and separate financial statements, the Management Board is responsible for:*

- *selecting and then consistently applying appropriate accounting policies;*
- *making reasonable and prudent judgments and estimates;*
- *applying applicable financial reporting standards and disclosing and explaining any material departures in the financial statements;*
- *preparing the financial statements on a going concern basis.*

*The Management Board is responsible for maintaining proper accounting records that will, at any time and with reasonable accuracy, reflect the consolidated and separate financial position and performance, as well as their compliance with the Croatian Accounting Act. The Management Board is also responsible for safeguarding the assets of the Group and the Company and for taking reasonable steps to prevent and detect fraud and other irregularities.*

*Signed on behalf of the Management Board:*

Mario Pavić, President



Nikola Koščica, Member



Ivan Pupovac, Member



John Karavanić, Member



Ivica Pijaca, Member



Mate Valčić, Member



Tankerska plovidba d.d.  
Božidara Petranovića 4  
23000 Zadar  
Croatia

30 June 2025



## **Independent Auditors' Report to the shareholders of Tankerska plovdba d.d.**

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

#### ***Opinion***

We have audited the separate financial statements of Tankerska plovdba d.d. ("the Company") and the consolidated financial statements of the Company and its subsidiaries ("the Group"), which comprise the separate and consolidated statements of financial position of the Company and the Group respectively as at 31 December 2024, and their respective separate and consolidated statements of comprehensive income, cash flows and changes in equity for the year then ended, and notes, comprising material accounting policies and other explanatory information (further referred to as "the financial statements").

In our opinion, the accompanying financial statements give a true and fair view of the unconsolidated financial position of the Company and the consolidated financial position of the Group as at 31 December 2024 and of their respective unconsolidated and consolidated financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union ("EU IFRS").

#### ***Basis for Opinion***

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company and the Group in accordance with the ethical requirements that are relevant to our audit of the financial statements in Croatia and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### ***Other Information***

Management is responsible for the other information. The other information comprises the Management Report included in the Annual Report of the Company and the Group but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information.

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

With regard to the Management Report, we also performed procedures required by applicable legal requirements and we report that:

- the information given in the Management Report for the financial year for which the financial statements are prepared, is consistent, in all material respects, with the financial statements;
- the Management Report has been prepared, in all material respects, in accordance with applicable legal requirements.

If, based on the work we have performed above, we conclude that there is a material misstatement, we are required to report that fact. We have nothing to report in this regard.



## **Independent Auditors' Report to the shareholders of Tankerska plovdba d.d. (continued)**

### **Report on the Audit of the Financial Statements (continued)**

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

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

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

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

#### ***Auditors' Responsibilities for the Audit of the Financial Statements***

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

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



## Independent Auditors' Report to the shareholders of Tankerska plovdba d.d. (continued)

### Report on the Audit of the Financial Statements (continued)

#### Auditors' Responsibilities for the Audit of the Financial Statements (continued)

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

*KPMG Croatia d.o.o.*  
**KPMG Croatia d.o.o. za reviziju**  
Croatian Certified Auditors  
Eurotower  
Ivana Lučića 2a  
10000 Zagreb  
Croatia

**KPMG Croatia**  
d.o.o. za reviziju  
Eurotower, 17. kat  
Ivana Lučića 2a, 10000 Zagreb

**30 June 2025**

# CONSOLIDATED AND SEPARATE STATEMENT OF COMPREHENSIVE INCOME

(For the year ended 31 December)

in thousands of euros

		GROUP		COMPANY	
	Note	2024	2023	2024	2023
<b>REVENUE</b>		<b>289,551</b>	<b>291,151</b>	<b>10,789</b>	<b>16,383</b>
Sales revenue	4	247,853	260,480	10,156	10,755
Other income	5	11,934	28,884	633	5,628
Gain on a bargain purchase	32	29,764	1,787	-	-
<b>OPERATING EXPENSES</b>		<b>(189,371)</b>	<b>(148,878)</b>	<b>(10,449)</b>	<b>(11,487)</b>
Cost of materials	6	(43,732)	(45,815)	(179)	(262)
Employee benefits	7	(53,646)	(33,664)	(3,953)	(3,408)
Depreciation and amortisation	8	(38,916)	(25,960)	(1,793)	(2,530)
Impairment on property, plant and equipment	9	(3,756)	-	-	-
Impairment loss on trade receivables	10	(387)	(107)	-	-
Other expenses	11	(48,934)	(43,332)	(4,524)	(5,287)
<b>OPERATING PROFIT</b>		<b>100,180</b>	<b>142,273</b>	<b>340</b>	<b>4,896</b>
<b>NET FINANCE INCOME/COSTS</b>	12	<b>(8,883)</b>	<b>(6,386)</b>	<b>48,699</b>	<b>139,816</b>
Finance income		12,340	10,153	54,724	149,063
Finance costs		(21,223)	(16,539)	(6,025)	(9,247)
Share of profit (loss) of equity-accounted investees, net of tax	17	<b>1,530</b>	<b>(6,700)</b>	-	-
<b>PROFIT BEFORE TAX</b>		<b>92,827</b>	<b>129,187</b>	<b>49,039</b>	<b>144,712</b>
<b>INCOME TAXES</b>	13	<b>(3,475)</b>	<b>(104)</b>	<b>128</b>	<b>(148)</b>
<b>PROFIT FOR THE PERIOD</b>		<b>89,352</b>	<b>129,083</b>	<b>49,167</b>	<b>144,564</b>
<b>Profit for the Period Attributable to:</b>					
Owners of the Company		89,128	129,083	-	-
Non-controlling interests		224	-	-	-
<b>OTHER COMPREHENSIVE INCOME / (LOSS) BEFORE TAX</b>		<b>19,397</b>	<b>(11,290)</b>	<b>(525)</b>	<b>-</b>
Items that may be subsequently reclassified to profit or loss:					
Exchange differences on translation of foreign operations		19,934	(11,380)	-	-
Net change in fair value of financial assets Measured through other comprehensive income		(654)	109	(640)	-
Income tax relating to items of other Comprehensive income		117	(19)	115	-
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>		<b>108,749</b>	<b>117,793</b>	<b>48,642</b>	<b>144,564</b>
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO:</b>					
Owners of the Company		<b>107,737</b>	-	-	-
Non-controlling interests		<b>1,012</b>	-	-	-

*The accompanying notes form an integral part of these financial statements*

# CONSOLIDATED AND SEPARATE STATEMENT OF FINANCIAL POSITION

*in thousands of euros*

		GROUP		COMPANY	
	Note	As at 31 December 2024	As at 31 December 2023	As at 31 December 2024	As at 31 December 2023
<b>ASSETS</b>					
<b>NON-CURRENT ASSETS</b>		<b>763,673</b>	<b>609,939</b>	<b>594,576</b>	<b>430,905</b>
Intangible assets	14	452	47	17	6
Property, plant and equipment	15	743,496	550,882	21,637	22,272
Investment property	16	5,815	2,585	-	-
Investments in subsidiaries and associates	17	-	39,098	502,504	390,482
Other investments	18	13,634	17,294	70,175	18,145
Deferred tax assets	19	276	33	243	-
<b>CURRENT ASSETS</b>		<b>141,473</b>	<b>147,271</b>	<b>15,308</b>	<b>168,608</b>
Inventories	20	9,648	6,488	-	-
Other investments	18	37,028	72,043	15	71,024
Trade and other receivables	21	23,201	12,253	7,331	94,462
Income tax receivables		719	-	109	-
Cash and cash equivalents	22	70,771	56,474	7,840	3,109
Assets held for sale	23	106	13	13	13
<b>TOTAL ASSETS</b>		<b>905,146</b>	<b>757,210</b>	<b>609,884</b>	<b>599,513</b>
<b>EQUITY AND RESERVES</b>	24	<b>576,913</b>	<b>472,500</b>	<b>492,721</b>	<b>456,835</b>
Share capital		44,683	44,683	44,683	44,683
Capital reserves		2,048	2,048	2,048	2,048
Other reserves		26,208	9,880	1,969	2,494
Retained earnings		503,974	415,889	444,021	407,610
<b>NON-CONTROLLING INTEREST</b>		<b>44,289</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NON-CURRENT LIABILITIES</b>		<b>205,066</b>	<b>225,139</b>	<b>95,600</b>	<b>107,854</b>
Loans and borrowings	25	169,921	190,586	95,600	107,854
Provisions	26	1,402	550	-	-
Deferred tax liabilities	19	33,743	34,003	-	-
<b>CURRENT LIABILITIES</b>		<b>78,878</b>	<b>59,571</b>	<b>21,563</b>	<b>34,824</b>
Loans and borrowings	25	45,611	41,047	17,372	17,453
Income tax liabilities	13	-	489	-	148
Trade and other payables	27	20,635	9,747	4,191	17,223
Deferred income	28	8,884	6,649	-	-
Contract liabilities	4	1,607	1,639	-	-
Provisions	26	2,141	-	-	-
<b>TOTAL LIABILITIES</b>		<b>283,944</b>	<b>284,710</b>	<b>117,163</b>	<b>142,678</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>905,146</b>	<b>757,210</b>	<b>609,884</b>	<b>599,513</b>

*The accompanying notes form an integral part of these financial statements*



**CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS**  
(For the year ended 31 December)

in thousands of euros					
		GROUP		COMPANY	
	Note	2024	2023	2024	2023
<b>OPERATING ACTIVITIES</b>					
Profit for the period after tax		89,352	129,083	49,167	144,564
Adjustments for:					
Income tax expense	13	3,475	104	(128)	148
Depreciation and amortisation	8	38,916	25,960	1,793	2,530
Realised gains on financial assets		-	69	-	-
Impairment loss on vessels	9	3,756	-	-	-
Provisions		1,552	351	-	-
Disposal of property, plant and equipment		-	1,362	-	-
Fair value adjustment of previously held interest in associate		(2,564)	(4,591)	-	-
Share of profit / loss of equity-accounted investees		(1,530)	6,700	-	-
Gain on bargain purchase		(29,764)	(1,787)	-	-
Gain on disposal of investments		(122)	-	-	-
Gain on disposal from sale of property, plant and equipment and intangible assets		(90)	(21,012)	-	(4,461)
Interest expense (net)		14,505	11,545	3,579	5,384
Dividend income		-	-	(50,865)	(147,951)
Impairment loss on loans and receivables		880	107	-	-
Capitalised own work and services		(385)	-	-	-
Net foreign exchange differences		(3,572)	(654)	(1,413)	2,752
Increase/decrease in inventories		(2,099)	2,635	-	-
Increase/decrease in current receivables		(3,448)	9,871	14,192	42,299
Increase/decrease in current liabilities		565	(7,062)	(28,646)	(43,929)
Income tax paid		(5,711)	(1,174)	(260)	(1,041)
Interest paid		(16,744)	(14,931)	(4,805)	(4,647)
Interest received		7,067	4,428	2,847	547
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>94,039</b>	<b>141,004</b>	<b>(14,539)</b>	<b>(3,805)</b>

**CONSOLIDATED AND SEPARATE STATEMENT OF CASH FLOWS (continued)**  
(For the year ended 31 December)

in thousands of euros					
		GROUP		COMPANY	
	Note	2024	2023	2024	2023
<b>INVESTING ACTIVITIES</b>					
Acquisition of property, plant and equipment		(2,320)	(23,023)	(1,163)	(12,287)
Proceeds from sale of non-current assets		133	50,679	-	13,424
Net proceeds from sale of financial assets		389	519	-	-
Acquisition of subsidiary (net of cash acquired)		(22,600)	(2,054)	(36,246)	(47,191)
Investment in associate	17	-	(43,413)	-	(43,413)
Dividends received		-	-	45,049	156,957
Loans granted		(163)	(9)	-	-
Repayment of loans granted		55	8	-	-
Proceeds from disposal of subsidiary (net of cash transferred)		85	-	-	-
Proceeds from deposits		84,936	28,545	25,490	908
Payments for deposits		-	(90,147)	-	(83,004)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>60,515</b>	<b>(78,895)</b>	<b>33,130</b>	<b>(14,606)</b>
<b>FINANCING ACTIVITIES</b>					
Proceeds from loans and borrowings		36,900	14,491	42,456	101,425
Repayment of borrowings		(160,700)	(79,618)	(49,338)	(88,603)
Repurchase of treasury shares		-	(604)	-	(604)
Dividends paid		(6,985)	(5,797)	(6,978)	(5,729)
Acquisition of non-controlling interests without change in control		(9,472)	(10,043)	-	-
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>(140,257)</b>	<b>(81,571)</b>	<b>(13,860)</b>	<b>6,489</b>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>14,297</b>	<b>(19,462)</b>	<b>4,731</b>	<b>(11,922)</b>
<b>CASH AND CASH EQUIVALENTS AT 1 JANUARY</b>		<b>56,474</b>	<b>75,936</b>	<b>3,109</b>	<b>15,031</b>
<b>CASH AND CASH EQUIVALENTS AT 31 DECEMBER</b>	22	<b>70,771</b>	<b>56,474</b>	<b>7,840</b>	<b>3,109</b>

*The accompanying notes are an integral part of these financial statements*

## CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY

(For the year ended 31 December 2024)

GROUP

*Attributable to Equity Holders*

*in thousands of euros*

	Share capital	Capital reserves	Treasury shares	Statutory and other reserves	Translation reserves	Fair value reserve of financial assets available for sale	Retained earnings	Total	Non-controlling interest	Total equity
<b>As at 1 January 2023</b>	<b>44,478</b>	<b>2,253</b>	<b>(333)</b>	<b>3,174</b>	<b>16,201</b>	<b>-</b>	<b>295,110</b>	<b>360,883</b>	<b>-</b>	<b>360,883</b>
Profit for the year	-	-	-	-	-	-	128,594	128,594	489	129,083
Other comprehensive loss	-	-	-	-	(11,380)	90	-	(11,290)	-	(11,290)
<i>Total comprehensive income/(loss) for the year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(11,380)</i>	<i>90</i>	<i>128,594</i>	<i>117,304</i>	<i>489</i>	<i>117,793</i>
<b>Transactions with owners of the Company</b>										
Increase in share capital	205	(205)	-	-	-	-	-	-	-	-
Transfer to statutory and other reserves	-	-	-	2,127	-	-	(2,127)	-	-	-
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	-	10,178	10,178
Acquisition of con-controlling interest without change in control	-	-	-	-	-	-	624	624	(10,667)	(10,043)
Treasury shares acquired	-	-	(604)	604	-	-	(604)	(604)	-	(604)
Dividends	-	-	-	-	-	-	(5,707)	(5,707)	-	(5,707)
<i>Total transactions with owners of the Company</i>	<i>205</i>	<i>(205)</i>	<i>(604)</i>	<i>2,731</i>	<i>-</i>	<i>-</i>	<i>(7,814)</i>	<i>(5,687)</i>	<i>(489)</i>	<i>(6,176)</i>
<b>As at 31 December 2023</b>	<b>44,683</b>	<b>2,048</b>	<b>(937)</b>	<b>5,905</b>	<b>4,821</b>	<b>90</b>	<b>415,890</b>	<b>472,500</b>	<b>-</b>	<b>472,500</b>
Profit for the year	-	-	-	-	-	-	89,128	89,128	224	89,352
Other comprehensive income	-	-	-	-	19,146	(536)	-	18,610	788	19,398
<i>Total comprehensive income/(loss) for the year</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>19,146</i>	<i>(536)</i>	<i>89,128</i>	<i>107,738</i>	<i>1,012</i>	<i>108,750</i>
<b>Transactions with owners of the Company</b>										
Effect of merger of subsidiary	-	-	-	(2,474)	-	-	2,474	-	-	-
Disposal of subsidiary	-	-	-	-	-	-	-	-	(123)	(123)
Acquisition of subsidiary with NCI	-	-	-	-	-	-	-	-	56,750	56,750
Acquisition of non-controlling interest without change in control	-	-	-	-	193	-	3,679	3,872	(13,344)	(9,472)
Dividends	-	-	-	-	-	-	(7,197)	(7,197)	(6)	(7,203)
<i>Total transactions with owners of the Company</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>(2,474)</i>	<i>193</i>	<i>-</i>	<i>(1,044)</i>	<i>(3,325)</i>	<i>43,277</i>	<i>39,952</i>
<b>As at 31 December 2024</b>	<b>44,683</b>	<b>2,048</b>	<b>(937)</b>	<b>3,431</b>	<b>24,160</b>	<b>(446)</b>	<b>503,974</b>	<b>576,913</b>	<b>44,289</b>	<b>621,202</b>

## CONSOLIDATED AND SEPARATE STATEMENT OF CHANGES IN EQUITY *(continued)*

(For the year ended 31 December 2024)

### COMPANY

*in thousands of euros*

	Share capital	Capital reserves	Treasury shares	Statutory and other reserves	Fair value reserve of financial assets available for sale	Retained earnings	Total equity
<b>As at 1 January 2023</b>	<b>44,478</b>	<b>2,253</b>	<b>(333)</b>	<b>2,827</b>	-	<b>269,356</b>	<b>318,581</b>
Profit for the year	-	-	-	-	-	144,564	144,564
<i>Total comprehensive income for the year</i>	-	-	-	-	-	144,564	144,564
<b>Transactions with owners of the Company</b>							
Increase in share capital	205	(205)	-	-	-	-	-
Treasury shares acquired	-	-	(604)	604	-	(604)	(604)
Dividends	-	-	-	-	-	(5,706)	(5,706)
<i>Total transactions with owners of the Company</i>	205	(205)	(604)	604	-	(6,310)	(6,310)
<b>As at 31 December 2023</b>	<b>44,683</b>	<b>2,048</b>	<b>(937)</b>	<b>3,431</b>	-	<b>407,610</b>	<b>456,835</b>
Profit for the year	-	-	-	-	-	49,167	49,167
Other comprehensive loss	-	-	-	-	(525)	-	(525)
<i>Total comprehensive income/(loss) for the year</i>	-	-	-	-	(525)	49,167	48,642
<b>Transactions with owners of the Company</b>							
Merger of subsidiary (Note 17)	-	-	-	-	-	(5,559)	(5,559)
Dividends	-	-	-	-	-	(7,197)	(7,197)
<i>Total transactions with owners of the Company</i>	-	-	-	-	-	(12,756)	(12,756)
<b>As at 31 December 2024</b>	<b>44,683</b>	<b>2,048</b>	<b>(937)</b>	<b>3,431</b>	<b>(525)</b>	<b>444,021</b>	<b>492,721</b>

*The accompanying notes are an integral part of these financial statements*

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024

(forming an integral part of the financial statements)

## Note 1: GENERAL INFORMATION

TANKERSKA PLOVIDBA d.d. is a joint stock company incorporated in the Republic of Croatia. The Company's registered office is in Zadar, Božidara Petranovića 4.

As at 31 December 2024, the Group had 1,075 employees, of which 497 were seafarers (31 December 2023: 917 employees, of which 310 were seafarers).

The members of the Supervisory Board from 1 January 2024 until the date of issuance of these financial statements were:

Luka Kolanović	Chairman
Joško Markov	Deputy Chairman
Zlatko Zorić	Member
Šime Budija	Member
Petar Rovis	Member

The members of the Management Board from 1 January 2024 until the date of issuance of these financial statements were:

Mario Pavić	President of the Management Board
Nikola Koščica	Member of the Management Board
Ivan Pupovac	Member of the Management Board
John Karavanić	Member of the Management Board
Ivica Pijaca	Member of the Management Board
Mate Valčić	Member of the Management Board

The ownership structure of TANKERSKA PLOVIDBA d.d. as at 31 December 2024 was as follows:

	Number of shares	Ownership interest %
Tankerska Holding GmbH	534,696	95.73
Tankerska plovdba d.d.	7,037	1.26
Županić Boris	444	0.08
Kovačić Marin	383	0.07
Cicvarić Anka	306	0.05
Lukman Anica	300	0.05
Bogdanović Zoran	274	0.05
Lisica Damir	254	0.05
Pinolić Ivan	250	0.04
Leljak Jerko	220	0.04
Other	14,373	2.58
<b>Total</b>	<b>558,537</b>	<b>100.00</b>

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 1: GENERAL INFORMATION

(continued)

The financial statements for the year ended 31 December 2024 were authorized for issue by a decision of the Management Board. These financial statements are also subject to approval by the Supervisory Board in accordance with the Croatian Companies Act.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

## Note 2: BASIS OF PREPARATION

### Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union ("IFRS").

### Basis of preparation

The Group's consolidated financial statements have been prepared on the historical cost or amortised cost basis, except for certain financial instruments that are measured at fair value through other comprehensive income.

The financial statements have been prepared on a going concern basis.

### Functional and presentation currency

Items included in the financial statements of each Group entity are presented using the currency of the primary economic environment in which the entity operates ("functional currency"). The functional currency of the parent company and subsidiaries not related to shipping is euro, while the functional currency of subsidiaries owning vessels is US dollar. The presentation currency of the consolidated financial statements is euro.

### Use of estimates and judgements

The preparation of financial statements in accordance with IFRS requires management to make judgements, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively, in the period of the change if it affects only that period, or in both the current and future periods if the change has an ongoing impact.

Information about significant sources of estimation uncertainty and critical judgements in applying accounting policies that have a significant effect on the amounts recognised in the financial statements is disclosed in Note 33.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 2: BASIS OF PREPARATION

(continued)

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### **Application of new and amended International Financial Reporting Standards**

For all periods presented in these financial statements, the Group and the Company have consistently applied the accounting policies described below.

#### **(I) Effective standards, amendments to existing standards, and interpretations – adopted during 2024**

In 2024, the following standards, amendments to existing standards, and interpretations became effective:

- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback (issued on 22 September 2022)
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current and Classification of Liabilities as Current or Non-current – Deferral of Effective Date (issued on 23 January 2020, 15 July 2020, and 31 October 2022)
- Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures: Supplier Finance Arrangements (issued on 25 May 2023).

The adoption of these standards did not have a material impact on the amounts recognized in the statement of financial position, the statement of comprehensive income, or on the disclosed accounting policies.

#### **(II) Standards, amendments to existing standards, and interpretations that have been issued but are not yet effective**

Standards, amendments to existing standards, and interpretations that have been issued but are not yet effective as at the date of authorisation of these financial statements are disclosed below. Where applicable, the Group and the Company intend to adopt these standards when they become effective.

As at 31 December 2024, the European Commission had endorsed the following changes to accounting standards applicable to reporting, which were not effective for the preparation of the 2024 financial statements:

- Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (issued on 15 August 2023).

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 *(continued)*

*(forming an integral part of the financial statements)*

## Note 2: BASIS OF PREPARATION

*(continued)*

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### ***Application of new and amended International Financial Reporting Standards (continued)***

#### ***(II) Standards, amendments to existing standards, and interpretations that have been issued but are not yet effective (continued)***

As at 31 December 2024, the International Accounting Standards Board had issued the following standards, amendments, interpretations, and revisions, the application of which is subject to completion of the endorsement process by the relevant European Commission authorities, which is still ongoing:

- *Amendments to Classification and Measurement of Financial Instruments – Amendments to IFRS 9 and IFRS 7 (issued on 30 May 2024)*
- *Annual Improvements to IFRS Standards (issued on 18 July 2024)*
- *Electricity Nature-Dependent Contracts – Amendments to IFRS 9 and IFRS 7 (issued on 18 December 2024)*
- *IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024)*
- *IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024).*

*The Group and the Company anticipate that the adoption of these new accounting standards, as well as the amendments and revisions to existing standards, will not have a material impact on the Group's and the Company's financial statements in the period of initial application.*



## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (*continued*)

(forming an integral part of the financial statements)

# Note 3: MATERIAL ACCOUNTING POLICIES

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### **a) Foreign currencies**

*Transactions in foreign currencies are translated into the functional currency of each Group entity at the Croatian National Bank's middle exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into euros at the Croatian National Bank's middle exchange rate prevailing at the reporting date. Exchange gains or losses arising from changes in exchange rates after the transaction date are recognised in profit or loss as finance income or expense.*

*Business transactions of foreign operations, denominated in foreign currencies, are translated into the entity's functional currency at the exchange rate prevailing at the date of the transaction. At each reporting date, monetary assets and liabilities denominated in foreign currencies are translated into the entity's functional currency at the exchange rate prevailing at the reporting date. Exchange gains or losses arising from changes in exchange rates after the transaction date are recognised in profit or loss as finance income or expense.*

*Assets and liabilities of foreign operations are translated into the presentation currency at the Croatian National Bank's middle exchange rate prevailing at the reporting date, while income, expenses, and cash flows are translated at the Croatian National Bank's middle exchange rate prevailing at the dates of the transactions. All resulting exchange differences are recognised in a separate component of equity.*

*Exchange differences arising from the translation of net investments in foreign operations are recognised within equity as translation reserves. Upon disposal of a foreign operation, such exchange differences are recognised in profit or loss.*

### **b) Intangible assets**

*Intangible assets acquired by the Group and the Company with finite useful lives are measured at cost less accumulated amortisation and impairment losses. Intangible assets consist of software, with an estimated useful life of 5 years. Subsequent expenditure is capitalised only if it increases the future economic benefits associated with the asset. All other expenditure is recognised as an expense in profit or loss in the period in which it is incurred.*

*Amortisation expense is recognised in profit or loss on a straight-line basis over the estimated useful life of each item of intangible assets, commencing from the first day of the month following the month in which the intangible asset is available for use.*

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

#### c) Property, plant and equipment

Individual items of property, plant and equipment, including vessels, that meet the recognition criteria as assets are measured at cost. Cost includes all expenditures directly attributable to bringing the asset to the location and condition necessary for its intended use.

Items of property, plant and equipment are recognised as non-current assets if their useful life exceeds one year and their individual value is greater than EUR 464.53.

After initial recognition as an asset, each item of property, plant and equipment is carried at cost less accumulated depreciation and accumulated impairment losses.

Gains and losses on the disposal of property, plant and equipment are recognised within other income or expenses in the statement of comprehensive income, depending on the result realised.

Subsequent expenditure relating to an already recognised item of property, plant and equipment is capitalised as an increase in the carrying amount of the asset if it is probable that additional future economic benefits will flow to the entity and when such expenditure improves the condition of the asset beyond its originally assessed standard of performance. All other subsequent expenditure is recognised as an expense in the period in which it is incurred.

Depreciation is calculated individually for each significant asset (vessels), whereas depreciation for assets of low value is calculated on a group basis.

For vessels exceeding 1,000 GT, a residual value is determined (the value of the vessel at the end of its useful life as scrap material), which is calculated as the product of the weight of the fully equipped light vessel and the estimated value of scrap steel. The estimated value of scrap steel is determined by reference to the most recent price of scrap iron on the Indian market for the year preceding the year of application. This estimate is reviewed annually and updated as necessary.

Depreciation is charged on a straight-line basis over the estimated useful lives of assets, with rates determined based on asset categories and subcategories, as follows:

	2024	2023
Buildings	40 - 50 years	40 - 50 years
Vessels under 1,000 GT	10 years	10 years
Vessels over 1,000 GT	25 years	25 years
Equipment, furniture and tools	4 – 10 years	4 - 10 years

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### **c) Property, plant and equipment (continued)**

Depreciation is charged from the first day of the month following the month in which the asset is put into use.

Land is not depreciated as it is considered to have an indefinite useful life. Assets under construction represent unfinished assets and are stated at cost.

#### **d) Dry-docking of vessels**

Vessels over 1,000 GT are required to undergo scheduled dry-docking for the replacement of certain parts, major repairs, and maintenance of other components that cannot be performed while the vessel is in operation, every 60 months (or, exceptionally, every 30 months for vessels older than 15 years), depending on the nature of the work and external conditions. Scheduled dry-docking includes dry-docking costs and special survey costs.

Dry-docking costs and special survey costs are capitalised when incurred as part of the carrying amount recognised by the shipowner and are amortised on a straight-line basis over a five-year period, or two and a half years for vessels older than 15 years, until the next scheduled dry-docking.

Amortisation is calculated monthly, commencing from the first day of the month following the month in which the dry-docking is completed, based on the final settlement of costs. If dry-docking occurs before the expiry of the 60-month period, or 30 months for vessels older than 15 years, the remaining unamortised cost is fully expensed in the period in which the dry-docking takes place. The cost of dry-docking includes direct costs incurred as part of the dry-docking to meet regulatory requirements, costs that may extend the vessel's economic life, increase its revenue-generating capacity, or improve its efficiency. Direct costs include shipyard costs, hull preparation and painting, inspection of the hull and mechanical components, steel structures, and mechanical and electrical works.

Routine maintenance and repair costs of vessels, whether incurred as part of dry-docking or not, are expensed in profit or loss in the period in which they are incurred.

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### **e) Impairment of dry-docking costs**

The Group evaluates whether there are any indicators of impairment in respect of its vessels, including the dry-docking components, when events or changes in market conditions suggest that the carrying amount of these assets, or associated elements such as time charter agreements, where applicable, may no longer be recoverable.

#### **f) Investment property**

Investment property is stated in the statement of financial position at historical cost, less accumulated depreciation and any impairment losses. Historical cost includes expenditures directly attributable to the acquisition of the asset. Depreciation of investment property is calculated using the straight-line method to allocate the cost of the asset over its estimated useful life of 45 years.

#### **g) Assets held for sale**

Assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. An asset is classified as held for sale when its carrying amount is expected to be recovered principally through a sale transaction rather than through continuing use.

This condition is considered met only when the sale is highly probable and the asset is available for immediate sale in its present condition.

Assets classified as held for sale are no longer depreciated.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### **h) Basis of consolidation**

The consolidated financial statements include the financial statements of Tankerska plovdba d.d. and entities controlled by the Group (subsidiaries) as at and for the year ended 31 December 2024. The Company and its subsidiaries together are referred to as the Group.

#### **(i) Business combinations**

The Group applies the acquisition method for accounting for business combinations. The consideration transferred for the acquisition of a subsidiary represents the fair value of the assets transferred, liabilities incurred, and equity interests issued by the Group. The consideration transferred includes the fair value of any asset transferred or liabilities assumed. Acquisition-related costs are expensed in the statement of comprehensive income as incurred. Identifiable assets acquired, liabilities assumed, and contingent liabilities in a business combination are initially measured at their fair value at the acquisition date. The Group recognises non-controlling interests in the acquired subsidiary either at fair value or at the non-controlling interests' proportionate share of the acquiree's net identifiable assets.

Any excess of the consideration transferred, the amount of any non-controlling interest in the acquired subsidiary, and the fair value of the acquirer's previously held equity interest in the acquiree at the acquisition date over the fair value of the identifiable net assets acquired is recognised as goodwill. If the total of the consideration transferred, non-controlling interest, and previously held equity interest is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in the statement of comprehensive income as other income.

#### **(ii) Business combinations and transactions with entities under common control**

Business combinations under common control are accounted for using the book value method. Under this method, the assets and liabilities of the predecessor entity under common control are transferred at their carrying amounts to the successor entity. Any goodwill relating to the original acquisitions of the predecessor entity is also recognised in these financial statements. The difference between the carrying amount of the net assets and the consideration paid is recognised in these financial statements as an equity adjustment.

#### **(iii) Subsidiaries**

Subsidiaries are all entities (including special purpose entities) over which the Group has control over financial and operating policies. The Group controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are excluded from consolidation from the date on which control ceases.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 *(continued)*

*(forming an integral part of the financial statements)*

## Note 3: MATERIAL ACCOUNTING POLICIES *(continued)*

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### **h) Basis of consolidation *(continued)***

*(iv) Changes in ownership interests in subsidiaries without loss of control*

*The Group applies a policy whereby transactions with non-controlling interests that do not result in a loss of control are accounted for as equity transactions – that is, as transactions with owners in their capacity as owners. In the case of purchases of shares from minority shareholders, the difference between the consideration paid and the relevant share of the net assets of the subsidiary is recognised in equity. Gains or losses related to the sale of minority interests are also recognised in equity.*

*(v) Transactions eliminated on consolidation*

*Balances and transactions between Group entities, as well as all unrealised gains arising from such transactions, are eliminated in the preparation of the consolidated financial statements*

### **i) Financial assets**

*The Group and the Company classify their financial assets into the following categories:*

- Financial assets at amortised cost*
- Financial assets at fair value through profit or loss*
- Financial assets at fair value through other comprehensive income (OCI)*

*The classification depends on the purpose for which the financial assets were acquired. Management determines the classification of financial assets at initial recognition.*

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### i) Financial assets (continued)

#### Financial assets at amortised cost

The Group and the Company measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified, or impaired.

Financial assets at amortised cost include trade receivables, other receivables, loans granted, and deposits.

If the contractual terms of a financial asset are substantially modified, or if there is a partial or full write-off of the contractual cash flows, the financial asset is derecognised and a new financial asset is recognised and subject to a new assessment.

The significance of a modification to the contractual terms is determined by applying the original effective interest rate to the cash flows resulting from the modification. Any difference arising between the original contractual cash flows and the recalculated cash flows is recognised in the statement of comprehensive income if it is insignificant, while in the case of a significant difference, derecognition is applied as previously described. The Group and the Company assess the significance of modifications to contractual terms on both a qualitative and quantitative basis for each individual contract modification.

#### Financial assets at fair value through profit or loss

This category includes financial assets held for trading. Financial assets are classified in this category if they are acquired principally for the purpose of selling in the short term. Assets in this category are classified as current assets, except for derivative financial instruments.



# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### i) Financial assets (continued)

#### Financial assets at fair value through other comprehensive income (OCI)

The Group and the Company measure financial assets at fair value through other comprehensive income if both of the following conditions are met:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows or to sell the assets
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For debt instruments measured at fair value through other comprehensive income, interest income, foreign exchange gains and losses, and impairment gains or losses are recognised in profit or loss and are calculated in the same manner as for financial assets measured at amortised cost. All other changes in fair value are recognised in other comprehensive income. Upon derecognition, the cumulative fair value change previously recognised in other comprehensive income is reclassified to profit or loss.

Financial assets at fair value through other comprehensive income are classified as non-current assets, unless management intends to sell the investment within 12 months of the reporting date.

Financial assets at fair value through other comprehensive income are measured at fair value. Investments in equity instruments are carried at fair value by adjusting the acquisition cost to reflect their market value.

All purchases and sales of financial assets are recognised on the trade date, that is, the date on which the Group and the Company commit to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not measured at fair value through profit or loss. Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred, and the Group and the Company have transferred substantially all the risks and rewards of ownership.

When the fair value of monetary securities denominated in a foreign currency and classified within a business model of holding to collect and sell is remeasured, foreign exchange differences arising from changes in the amortised cost of the securities and other changes in their carrying amount are analysed.

Interest income and foreign exchange differences are recognised in profit or loss, while other changes in the carrying amount are recognised in other comprehensive income. Changes in the fair value of financial assets allocated to a business model of holding to collect and sell are measured at fair value through other comprehensive income.



## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### i) Financial assets (continued)

##### Financial assets at fair value through other comprehensive income (OCI) (continued)

The fair value of investments quoted on an active market is determined based on current bid prices. If an active market for a particular financial instrument does not exist, the Group and the Company determine fair value using valuation techniques that take into account recent arm's length transactions, comparison with similar instruments, discounted cash flow analysis, and option pricing models, maximising the use of market-observable inputs and minimising reliance on entity-specific information.

The Group and the Company recognise an allowance for expected credit losses (ECL) for all debt instruments not measured at fair value through profit or loss. Expected credit losses are based on the difference between the contractual cash flows due in accordance with the contract and all cash flows that the Group and the Company expect to receive.

Expected credit losses are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, expected credit losses are recognised for losses arising from default events that are possible within the next 12 months (12-month expected credit losses). For credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for expected credit losses over the remaining lifetime of the exposure, regardless of the timing of default (lifetime expected credit losses). For trade receivables and contract assets, the Group and the Company apply the simplified approach in calculating expected credit losses and therefore do not track changes in credit risk but instead recognise a loss allowance based on lifetime expected credit losses at the end of each reporting period. A financial asset is written off when there is no reasonable expectation of recovery.

#### j) Inventories

Inventories are measured at the lower of cost and net realisable value. Cost includes the purchase price of inventories as well as costs incurred in bringing them to their present location and condition.

Cost is determined using the FIFO method.

Participation in the European Union Emissions Trading System (EU ETS) forms part of the European Union's regulatory framework for reducing greenhouse gas emissions. Under the EU ETS, entities subject to regulation are required to hold a sufficient number of emission allowances to cover their greenhouse gas emissions. Emission allowances intended for the settlement of future obligations are recognized as inventories in the financial statements. Emission allowances purchased on the EU ETS trading platform are initially measured at cost. After initial recognition, inventories of emission allowances are measured at the lower of cost and net realisable value. Upon settlement of emissions, the cost of emission allowances is determined using the FIFO method.

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### **k) Receivables**

Receivables represent rights to collect specific amounts from customers or other debtors as a result of the Group's and the Company's operations. Trade receivables are initially recognized at the transaction price and subsequently measured at amortised cost, less an allowance for expected credit losses, as described in note (i).

#### **l) Impairment of non-financial assets**

The carrying amount of assets is reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the recoverable amount of the asset is estimated.

Assets that are subject to depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable.

Right-of-use assets, in accordance with IFRS 16, are considered non-financial assets and are therefore within the scope of IAS 36.

An impairment loss is recognized in the statement of profit or loss when the carrying amount of an asset or a cash-generating unit to which the asset belongs exceeds its recoverable amount.

The recoverable amount of goodwill, intangible assets with indefinite useful lives, and intangible assets not yet available for use is assessed at each reporting date.

Recognized impairment losses relating to individual cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the cash-generating unit (or group of units), and then to reduce the carrying amount of the other assets in the unit (or group of units) on a pro rata basis.

Impairment losses relating to goodwill cannot be reversed.

An impairment loss recognized in respect of other assets is reversed if there are indications that the impairment losses (assessed at each reporting date) recognized in prior periods have decreased or no longer exist. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

A reversal of an impairment loss is recognized only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognized.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### **m) Cash and cash equivalents**

*In the statement of financial position and the statement of cash flows, cash and cash equivalents include cash on hand and balances with banks, as well as highly liquid investments that are readily convertible to known amounts of cash with original maturities of three months or less, and which are subject to an insignificant risk of changes in value.*

### **n) Share capital**

*Share capital consists of ordinary shares. Directly attributable transaction costs related to the issuance of ordinary shares are recognized as a deduction from equity.*

*The consideration paid for the repurchase of share capital, including any directly attributable transaction costs, is recognized as a deduction from equity and reserves. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity and reserves.*

### **o) Loans and borrowings**

*Loans and borrowings are initially measured at the fair value of the proceeds received, net of directly attributable transaction costs. In subsequent periods, they are carried at amortised cost using the effective interest rate method. Any differences between the proceeds (net of transaction costs) and the redemption amount are recognised in profit or loss over the term of the borrowings using the effective interest rate method. For modifications of the contractual terms of loans and borrowings, the same accounting policy is applied as for modifications of financial assets, in the case of a substantial modification, using the original effective interest rate.*

### **p) Provisions**

*A provision is recognized only when the Group and the Company have a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate of the amount of the obligation can be made.*

*Provisions are measured by discounting the expected future cash flows using a pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.*

### **r) Trade and other payables**

*Trade payables are initially measured at fair value and subsequently at amortised cost.*

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### **s) Employee benefits**

Obligations for contributions to mandatory pension funds are included as an expense in the statement of profit or loss in the period in which they are incurred.

Obligations for short-term employee benefits are not discounted and are recognized as an expense when the service is rendered.

The Group and the Company recognize a provision for jubilee awards and severance payments when there is a contractual obligation or past practice that has created a constructive obligation.

### **t) Revenue recognition**

In accordance with IFRS 15, the Group and the Company recognize revenue when (or to the extent that) they satisfy a performance obligation by transferring the promised good or service (i.e., asset) to the customer. An asset is transferred when (or to the extent that) the customer obtains control of that asset. Control of an asset refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, the asset. Control also includes the ability to prevent other entities from directing the use of, and obtaining the benefits from, the asset. Control may be transferred over time or at a point in time.

Revenue is measured at the fair value of the consideration received or receivable for goods sold, merchandise or services rendered in the ordinary course of business of the Group and the Company. Revenue is presented net of value added tax, returns, rebates, and discounts.

The Group and the Company recognize revenue when the amount of revenue can be measured reliably, it is probable that future economic benefits will flow to the entity, and when specific criteria have been met for each of the activities described below.

#### Freight revenue

Freight revenue is generated from operations under time charter agreements and voyage charter agreements.

#### Voyage charter agreements

For voyage charter arrangements, the vessel is contracted for a single voyage. The Group transfers control of the service over time and therefore satisfies the performance obligation and recognises revenue over time, because the customer simultaneously receives and consumes the benefits that arise from the Group's performance as the service is rendered. The performance obligation under a voyage charter starts to be satisfied when the vessel commences loading the cargo.

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### t) Revenue recognition (continued)

##### *Voyage charter agreements (continued)*

*The Group has determined that its voyage charter agreements comprise a single performance obligation to transport cargo within a specified period. Accordingly, the performance obligation is satisfied evenly as the voyage progresses and, as a result, revenue is recognised on a straight-line basis over the days of the voyage, from the commencement of cargo loading to the completion of cargo discharge.*

*The Group applies an output method to measure progress towards complete satisfaction of the performance obligation, based on elapsed time. Under output methods, revenue is recognised based on the direct measurement of the value transferred to the customer to date, relative to the remaining goods or services promised under the contract.*

*The Group applies the practical expedient in IFRS 15.B16, as it has a right to consideration from the customer in an amount that corresponds directly with the value to the customer of the service provided to date and therefore recognises revenue in the amount to which it has a right to invoice.*

*Commission costs incurred to obtain a contract are amortised over the term of the contract, unless the amortisation period is one year or less, in which case such costs are expensed as incurred.*

*Costs incurred from the discharge port of the previous voyage charter to the loading port of the next voyage charter (so-called ballast leg), as well as voyage costs incurred in fulfilling a voyage charter, are capitalised as costs to fulfil a contract and are amortised over the term of the contract, starting from the date of cargo loading until the date of cargo discharge, on a systematic basis consistent with the transfer of the service to which those costs relate. If the amortisation period is one year or less, such costs are expensed as incurred. Costs are deferred only if they (i) relate directly to a concluded or anticipated voyage charter, (ii) generate or enhance resources that will be used to satisfy performance obligations under the contract, and (iii) it is expected that the costs will be recoverable.*

*Voyage charter agreements include terms regarding the time allowed for loading and discharging. Demurrage represents a form of variable consideration that increases or decreases the consideration promised by the contract. This variable consideration must be estimated at the inception of the contract using either the expected value method or the most likely amount, and the estimate of variable consideration is updated throughout the contract period.*

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

# Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### t) Revenue recognition (continued)

#### *Voyage charter agreements (continued)*

Voyage charter revenues may be fixed or based on freight calculated as the product of the quantity of cargo loaded and a freight rate per ton, for a specified load and discharge port. Based on this, at the inception of the contract, the carrier can reliably estimate the expected amount of consideration to which it will be entitled in exchange for fulfilling its performance obligation, using either the expected value method or the most likely amount method.

#### *Time charter agreements*

A time charter arrangement involves making a vessel available to the charterer for a specified period, during which the charterer uses the vessel in exchange for payment of a fixed daily hire rate.

The performance obligation under a time charter contract is satisfied over time, starting from the moment the vessel is delivered to the charterer and continuing until redelivery to the Group. Time charter contracts are considered operating leases and therefore fall outside the scope of IFRS 15, as (i) the vessel is an identified asset, (ii) the Group does not have a substantive substitution right, and (iii) the charterer has the right to control the use of the vessel throughout the lease term and obtains substantially all of the economic benefits from its use.

Freight revenue under time charter agreements is generally fixed for the duration of the contract. The structure of the hire under a time charter consists of a pre-agreed fixed daily rate for the use of the vessel, which is paid to the shipowner semi-monthly or monthly in advance over the specified period.

#### Revenue from the provision of liner transport services

Sales revenue is recognised at the invoiced amount and relates to revenue from the provision of liner transport services for passengers and cargo by sea and along the coast.

#### Revenue from retail sales of goods

Revenue from retail sales of goods is recognised at the point in time when control of the goods is transferred to the customer.

#### Revenue from services

Revenue from services rendered, including accommodation services provided, is recognised in the period in which the services are performed. In cases where payment is received or the right to payment arises before the corresponding service is performed, such amounts are recognized as a contract liability. The contract liability is recognised as revenue when the performance obligation to the customer is satisfied, that is, when the service is provided in accordance with the contract.



## **Note 3: MATERIAL ACCOUNTING POLICIES** *(continued)*

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### **u) Commissions and voyage-related expenses**

*Commissions arise in two ways: as commissions to the charterer and as brokerage commissions.*

*A commission to the charterer is a commission paid by the shipowner to the charterer, regardless of the type of charter party, calculated as a certain percentage of the freight. This commission represents compensation for the charterer's costs incurred in making the vessel available to third-party intermediaries or for the costs of the charterer's own shipping department. Brokerage commissions are recognized as an expense in the statement of profit or loss. The commission to the charterer is recognized net of revenue, in accordance with IFRS 15 – Revenue from Contracts with Customers.*

*Brokerage commissions are paid under time charter agreements in addition to the freight.*

*Commissions payable under voyage charter agreements are calculated on the freight, as well as on dead freight and demurrage*

*Voyage-related expenses are generally borne by the shipowner under voyage charter agreements, whereas under time charter agreements, such expenses are borne by the charterer. The Group distinguishes between major and minor voyage expenses. Most voyage-related expenses relate to the operation of the fleet in the spot market and under long-term contracts of affreightment (COA). Major voyage expenses include bunker fuel, port charges, cargo loading and discharging costs, canal transit fees, agency fees, war risk insurance premiums, and other cargo-related costs, which are typically borne by the customer. Minor voyage expenses include draft survey costs, tank preparation costs, postage, and other miscellaneous minor expenses incurred during the voyage, which are generally borne by the Group.*

### **v) Leases**

*At the inception of a contract, the Group and the Company assess whether the contract contains, or is, a lease. A contract contains or is a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. In assessing whether a contract conveys the right to control the use of an identified asset, the Group and the Company apply the definition of a lease in accordance with IFRS 16.*

*At the commencement date or upon modification of a contract that contains a lease, the Group and the Company allocate the consideration in the contract to each lease component based on its relative standalone price.*

*The Group and the Company do not apply this standard to short-term leases and leases of low-value assets.*

*For short-term leases (lease term of 12 months or less) and leases of low-value assets, the Group and the Company have elected to recognize lease expenses on a straight-line basis over the lease term, as permitted by IFRS 16. Such expenses are presented under "Other expenses" in the statement of profit or loss.*

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### **v) Leases (continued)**

##### Group and Company as Lessors

For leases in which the Group and the Company act as lessors, a distinction is made between finance leases and operating leases in accordance with IFRS 16. Leases are classified as finance leases if they transfer substantially all the risks and rewards incidental to ownership of the underlying asset to the lessee over the lease term. All other leases are classified as operating leases.

Income from operating lease services is recognized over the period in which the services are rendered, using the straight-line method over the term of the contract with the lessee, and is presented in the statement of profit or loss within other operating income. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and are recognized as an expense over the lease term on the same basis as lease income.

#### **z) Net finance (costs)/income**

Net finance (costs)/income comprise accrued interest on borrowings and loans, interest income on invested funds, dividend income, and gains and losses arising from foreign exchange differences.

Interest income is recognized in the statement of profit or loss using the accrual method, taking into account the effective yield on the asset. Dividend income is recognized in the statement of profit or loss on the date when the Group and the Company's right to receive payment is established.

Interest income arising from term deposits with banks, loans granted, and interest from customers is recognized on a time-proportionate basis using the effective interest rate method.



# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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### aa) Taxation

Corporate income tax is calculated in accordance with the laws and regulations of the country in which the Group company is registered.

#### Non-shipping activities

Income tax for the year consists of current and deferred tax. Income tax is recognized in the statement of profit or loss, except for amounts relating to items recognized directly in equity and reserves, in which case the tax expense is recognized in equity and reserves.

Current tax represents the expected tax liability calculated on the taxable profit for the year, using the tax rate enacted or substantively enacted at the reporting date, as well as any adjustments to tax liabilities in respect of previous periods. Deferred tax is calculated using the balance sheet liability method, based on temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using the tax rates that are enacted or substantively enacted at the reporting date.

Deferred tax assets are recognized to the extent that it is probable that future taxable profit will be available against which the assets can be utilized. Deferred tax assets are reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax asset to be utilized.

#### Shipping activities – Tonnage tax

The Group meets the requirements prescribed by the Maritime Code and has elected the tonnage tax regime for its shipping activities. Tonnage tax is a tax determined and paid on the maritime navigation activities of vessels owned or chartered-in, instead of corporate income tax, regardless of the actual profit or loss generated during the tax period. Tonnage tax is payable for each vessel whose net tonnage is included in the tonnage tax calculation. The amount of tax is calculated in accordance with Article 429.e of the Maritime Code and is presented under "Other operating expenses." By decision of the Ministry of the Sea, Transport and Infrastructure, Tankerska plovdba d.d. and Atlantska plovdba d.d. have been approved to participate in the tonnage tax regime for a period of 10 years, until 31 December 2033.

### bb) Dividends

Dividends are recognized in the statement of changes in equity and presented as a liability in the period in which they are approved by the shareholders.

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 3: MATERIAL ACCOUNTING POLICIES (continued)

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#### cc) Government grants

Government grants are not recognized until there is reasonable assurance that the conditions for receiving the grant will be met and the grant will be received.

Receivables arising from government grants intended to compensate for expenses already incurred (such as government grants for the co-financing of cadet embarkation on vessels engaged in international navigation) are recognized in profit or loss in the period in which the receivable arises.

Government grants related to assets – acquisition of vessels are presented in the statement of financial position as a deduction in arriving at the carrying amount of the asset. The grant is recognized as income over the useful life of the depreciable asset by reducing the depreciation expense.

Government grants related to assets – acquisition of vessels, which are approved after the acquisition of the vessels, are presented in the statement of financial position as deferred income. The grant is recognized as income over the periods and in the proportions in which depreciation expense on those assets is recognized.

Income from government grants (subsidies) for the provision of public transport services on state non-profitable coastal shipping lines is recognized in profit or loss systematically over the period in which the Group recognizes the related costs as expenses to be covered by the grant.

The subsidy is granted to shipping companies that provide public services in coastal liner maritime transport on routes of general economic interest, where revenue from service provision is insufficient to cover the costs incurred as a result of fulfilling the public service obligation (unprofitable routes). Compensation is awarded for a defined service of general economic interest and may not exceed the amount necessary to cover the operator's costs related to the public service obligation, taking into account the revenue generated and a reasonable profit.

Under the contracts, shipping companies submit a monthly report on completed voyages, certified by the competent port authority, based on which the Coastal Liner Maritime Transport Agency calculates and pays the monthly subsidy. Adjustments to compensation for fuel and mooring/unmooring costs are made monthly. Where actual costs deviate from the planned amounts, the agreed monthly compensation is increased or decreased for the difference, in accordance with the provisions of the public service contract for coastal liner maritime transport.

If the final accounting review determines that the shipping company has received a higher amount of compensation for the provision of public services than the final costs and revenues, the shipping company is required to return the excess compensation for the provision of public services to the state budget.

## **Note 3: MATERIAL ACCOUNTING POLICIES** *(continued)*

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### **cc) Government grants (continued)**

*Government grants related to expenses to be incurred in future periods are recognized in profit or loss on a systematic basis over the periods in which the related expenses are recognized.*

*Receivables arising from government grants intended to compensate for expenses already incurred, losses incurred, or to provide immediate financial support with no future related costs, are recognized as income in the period in which the receivable arises.*

*Government grants in the form of tax incentives are recognized in profit or loss by reducing the current income tax expense.*

### **dd) Deferred revenue**

*Deferred revenue arises from advance payments for time charter contracts, which are typically paid in advance on a monthly or semi-monthly basis.*

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 4: SALES REVENUE

	GROUP		COMPANY	
	2024	2023	2024	2023
Freight revenues on the international market	193,101	215,097	1,632	860
– of which: Time charter contracts	87,384	39,986	-	-
Voyage charter contracts	105,717	175,111	1,632	860
Revenue from accommodation services and related services	28,791	26,453	-	-
Revenue from sale of food and beverages	10,937	8,788	-	-
Revenue from bareboat charter – related parties	-	-	1,773	1,437
Revenue from corporate service fees – related parties	-	-	74	111
Revenue from ship management fees – related parties	-	-	6,677	8,347
Revenue from coastal liner maritime transport services	5,730	4,072	-	-
Revenue from software services	2,169	-	-	-
Revenue from laundry services	7,125	6,070	-	-
<b>TOTAL</b>	<b>247,853</b>	<b>260,480</b>	<b>10,156</b>	<b>10,755</b>

All the above revenue from contracts with customers is recognized in accordance with the requirements of IFRS 15, except for revenue from time charter contracts, which is recognized in accordance with IFRS 16.

The total future undiscounted receipts from time charter contracts, net of the commission to the charterer, which is deducted upon payment, as well as from lease contracts, are as follows:

	GROUP		COMPANY	
	2024	2023	2024	2023
Up to 1 year	42,593	23,632	-	-
From 1 to 5 years	13,531	9,811	-	-
<b>TOTAL</b>	<b>56,124</b>	<b>33,443</b>	<b>-</b>	<b>-</b>

Revenue to be recognized in the next reporting period relates to advances received for accommodation services, presented as a contract liability, in the amount of EUR 1,607 thousand (2023: EUR 1,639 thousand).

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 5: OTHER INCOME

	GROUP		COMPANY	
	2024	2023	2024	2023
Rental income	4,059	2,830	130	578
Rental income – related parties	-	-	6	23
Revenue from claims collected	1,507	35	-	-
Gain on disposal of property, plant and equipment	89	21,091	-	4,458
Government grants – co-financing of trainee seafarers on vessels in international navigation	739	793	431	474
Government grants – for covering state Non-profitable lines	2,659	2,721	-	-
Other income	2,881	1,414	56	76
Other income – related parties	-	-	10	19
<b>Total</b>	<b>11,934</b>	<b>28,884</b>	<b>633</b>	<b>5,628</b>

During the year, a total of EUR 2,659 thousand of government grants was received for public service obligation lines. The grant relates to the compensation of a portion of unrealised revenue for the maintenance of state fast ferry lines: No. 9807 Ubli (Lastovo) – Korčula – Polače (Mljet) – Sobra (Mljet) – Šipanska Luka (Šipan) – Dubrovnik and vice versa, and No. 9808 Ubli (Lastovo) – Korčula – Dubrovnik and vice versa (2023: EUR 2,721 thousand).

Rental income relates to the lease of real estate.

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**

*(forming an integral part of the financial statements)*

## Note 6: COST OF MATERIALS

	<i>in thousands of euros</i>			
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Consumed energy	25,666	32,451	53	60
Consumed raw materials and supplies	17,340	12,471	108	182
Cost of goods sold	1	303	-	-
Cost of small inventory items	725	590	18	20
<b>TOTAL</b>	<b>43,732</b>	<b>45,815</b>	<b>179</b>	<b>262</b>

## Note 7: EMPLOYEE BENEFITS

	<i>in thousands of euros</i>			
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Net salaries of regular employees	11,424	7,150	2,087	1,614
Salaries of seafarers under contract	28,911	17,892	-	-
Taxes and contributions from salaries	4,564	2,714	793	764
Contributions on salaries	2,540	1,543	426	421
Employee benefits (travel expenses, per diems, etc.)	5,773	4,014	646	608
Severance pay and jubilee awards	434	351	1	1
<b>TOTAL</b>	<b>53,646</b>	<b>33,664</b>	<b>3,953</b>	<b>3,408</b>

## Note 8: DEPRECIATION AND AMORTISATION

	<i>in thousands of euros</i>		<i>in thousands of euros</i>	
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Amortisation of intangible assets	588	23	4	12
Depreciation of property, plant and equipment	38,196	25,903	1,789	2,518
Depreciation of investment property	132	34	-	-
<b>TOTAL</b>	<b>38,916</b>	<b>25,960</b>	<b>1,793</b>	<b>2,530</b>

## Note 9: IMPAIRMENT OF PROPERTY, PLANT AND EQUIPMENT

	<i>in thousands of euros</i>		<i>in thousands of euros</i>	
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Impairment loss on vessels	3,756	-	-	-
<b>TOTAL</b>	<b>3,756</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Note 10: IMPAIRMENT LOSS ON TRADE RECEIVABLES

	<i>in thousands of euros</i>		<i>in thousands of euros</i>	
	<b>GROUP</b>		<b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Impairment loss on trade receivables	387	107	-	-
<b>TOTAL</b>	<b>387</b>	<b>107</b>	<b>-</b>	<b>-</b>

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 11: OTHER EXPENSES

	GROUP		COMPANY	
	2024	2023	2024	2023
Donations	387	81	324	71
Emission allowance expenses	1,686	-	-	-
Maintenance services	7,659	5,194	234	341
Agency services	1,579	1,427	-	-
Transport and postal services	3,482	2,349	121	113
Statutory audit services	151	84	98	74
Insurance premium	9,066	4,738	54	100
Lease expenses	59	150	34	43
Lease expenses – related parties	-	-	1,610	860
Tonnage tax /i/	70	48	42	48
Port charges	13,825	17,540	19	22
Banking services	446	326	11	10
Employee training expenses	161	129	127	110
Consulting services	409	1,867	734	1,867
Advertising services	1,043	752	-	-
Concessions	128	503	-	-
Utility charges	497	268	-	-
Brokerage and agency commissions	3,041	2,862	-	-
Fee for approval of a public takeover bid	-	432	-	432
Other expenses	5,245	4,582	937	886
Other expenses – related parties	-	-	179	310
<b>TOTAL</b>	<b>48,934</b>	<b>43,332</b>	<b>4,524</b>	<b>5,287</b>

### /i/ Tonnage tax

All vessels owned by the Group are subject to the Croatian tonnage tax regime for a period of ten years, commencing on 1 January 2014. Upon expiry of this period, the Group continues to participate in the tonnage tax regime for an additional ten-year period, starting from 1 January 2024.

The tonnage tax is paid instead of corporate income tax, regardless of whether the taxpayer operates at a profit or a loss.



## Note 12: NET FINANCE INCOME / (COSTS)

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Finance income</b>				
Interest income	6,204	4,852	2,428	1,111
Interest income – related parties	-	-	18	-
Dividend income	-	1	50,865	147,952
Net foreign exchange differences from translation of foreign operations	-	427	-	-
Fair value adjustment of previously held interest in associate	2,564	4,591	-	-
Unrealized gains from fair value adjustment of financial assets	-	1	-	-
Net positive foreign exchange differences	3,572	281	1,413	-
<b>Total finance income</b>	<b>12,340</b>	<b>10,153</b>	<b>54,724</b>	<b>149,063</b>
<b>Finance costs</b>				
Interest expense	(20,709)	(16,415)	(4,923)	(5,664)
Interest expense – related parties	-	-	(1,102)	(831)
Net negative foreign exchange differences	-	-	-	(2,752)
Losses from fair value adjustment of financial assets	(514)	(124)	-	-
<b>Total finance costs</b>	<b>(21,223)</b>	<b>(16,539)</b>	<b>(6,025)</b>	<b>(9,247)</b>
<b>NET FINANCE INCOME / (COSTS)</b>	<b>(8,883)</b>	<b>(6,386)</b>	<b>48,699</b>	<b>139,816</b>

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 13: INCOME TAXES

	GROUP		in thousands of euros COMPANY	
	2024	2023	2024	2023
Current income tax expense	4,523	769	-	148
Deferred income tax expense	(1,048)	(665)	(128)	-
<b>Total income tax expense</b>	<b>3,475</b>	<b>104</b>	<b>(128)</b>	<b>148</b>

	GROUP		in thousands of euros COMPANY	
	2024	2023	2024	2023
<b>Profit before tax</b>	<b>92,827</b>	<b>129,187</b>	<b>49,039</b>	<b>144,712</b>
Profit before tax from operations subject to tonnage tax	79,600	114,193	41,544	104,394
Profit before tax from operations subject to corporate income tax	13,227	14,994	7,495	40,318
Tax at the rate of 18% (2023: 18%)	2,380	2,699	1,349	7,257
Tax effects of:				
Non-deductible expenses	114	94	23	22
Non-taxable income	(71)	(730)	(1,500)	(7,131)
Tax relief	(2,991)	(1,864)	-	-
Tax losses for which deferred tax asset was not recognized	(420)	(95)	-	-
Changes in estimates from prior periods	4,463	-	-	-
<b>Tax loss</b>	<b>-</b>	<b>-</b>	<b>128</b>	<b>-</b>
<b>Corporate income tax</b>	<b>3,475</b>	<b>104</b>	<b>-</b>	<b>148</b>
<b>Effective tax rate</b>	<b>3.74%</b>	<b>0.56%</b>	<b>0.00%</b>	<b>0.00%</b>

The tax relief relates to the Group member "Turisthotel d.o.o.", which is exempt from corporate income tax in accordance with Article 25 of the Investment Promotion Act.

The change in estimates from prior periods for Turisthotel d.o.o. refers to the expense arising from the loss of tax relief from the previous investment cycle.

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 13: INCOME TAXES *(continued)*

The Group's tax losses expire five years after the year in which they were incurred. Deferred tax assets in the amount of EUR 128 thousand (2023: EUR 0 thousand) have been recognized for tax losses for both the Group and the Company. The availability of gross tax losses in future periods is as follows:

	GROUP		<i>in thousands of euros</i> COMPANY	
	2024	2023	2024	2023
Tax loss from 2019 – expires on 31 December 2024	-	465	-	-
Tax loss from 2020 – expires on 31 December 2025	-	653	-	-
Tax loss from 2021 – expires on 31 December 2026	-	416	-	-
Tax loss from 2022 – expires on 31 December 2027	405	1,445	-	-
Tax loss from 2023 – expires on 31 December 2028	363	-	-	-
Tax loss from 2024 – expires on 31 December 2029	753	-	710	-
<b>Carried forward tax loss value</b>	<b>1,521</b>	<b>2,979</b>	<b>710</b>	<b>-</b>

As at the reporting date, the Group's carried forward tax losses in the amount of EUR 146 thousand (31 December 2023: EUR 536 thousand) have not been recognized as deferred tax assets, as, in the opinion of Management, it is currently not probable that sufficient future taxable profits will be available against which these tax losses could be utilized.

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 13: INCOME TAXES *(continued)*

The breakdown of taxable profit according to the tonnage tax regime and the corporate income tax regime is presented below:

	<i>in thousands of euros</i>				
					<b>2024</b>
	<b>Tonnage tax regime – Tankerska plovdba</b>	<b>Tonnage tax regime – Atlantska plovdba</b>	<b>Income taxes – All Entities</b>	<b>Consolidation effect</b>	<b>Total</b>
<b>REVENUE</b>	<b>152,841</b>	<b>96,200</b>	<b>66,093</b>	<b>(25,583)</b>	<b>289,551</b>
<b>OPERATING EXPENSES</b>	<b>(104,416)</b>	<b>(98,621)</b>	<b>(47,506)</b>	<b>61,172</b>	<b>(189,371)</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>48,425</b>	<b>(2,421)</b>	<b>18,587</b>	<b>35,589</b>	<b>100,180</b>
<b>NET FINANCIAL INCOME/EXPENSE</b>	<b>(6,570)</b>	<b>(3,149)</b>	<b>8,108</b>	<b>(7,272)</b>	<b>(8,883)</b>
<b>Share of Profit (Loss) Of Associates Accounted for Using the Equity Method, Net of Tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,530</b>	<b>1,530</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>41,855</b>	<b>(5,570)</b>	<b>26,695</b>	<b>29,847</b>	<b>92,827</b>

## Note 13: INCOME TAXES *(continued)*

	<i>in thousands of euros</i> <b>2023</b>			
	<b>Tonnage tax regime – Tankerska Plovdba</b>	<b>Income taxes – All companies</b>	<b>Consolidation Effect</b>	<b>Total</b>
<b>REVENUE</b>	<b>241,350</b>	<b>61,162</b>	<b>(11,361)</b>	<b>291,151</b>
<b>OPERATING EXPENSES</b>	<b>(120,379)</b>	<b>(46,317)</b>	<b>17,818</b>	<b>(148,878)</b>
<b>OPERATING PROFIT/(LOSS)</b>	<b>120,971</b>	<b>14,845</b>	<b>6,457</b>	<b>142,273</b>
<b>NET FINANCE INCOME/(COSTS)</b>	<b>29,614</b>	<b>39,392</b>	<b>(75,392)</b>	<b>(6,386)</b>
<b>Share of profit/(loss) of associates accounted for using the equity method, net of tax</b>	<b>-</b>	<b>-</b>	<b>(6,700)</b>	<b>(6,700)</b>
<b>PROFIT/(LOSS) BEFORE TAX</b>	<b>150,585</b>	<b>54,237</b>	<b>(75,635)</b>	<b>129,187</b>

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 14: INTANGIBLE ASSETS

*in thousands of euros*

	GROUP			COMPANY		
	Software	Software under development	Total	Software	Software under development	Total
<b>Cost</b>						
<b>As at 1 January 2023</b>	<b>167</b>	<b>-</b>	<b>167</b>	<b>118</b>	<b>-</b>	<b>118</b>
Additions	-	16	16	-	2	2
Transfer from assets under construction	16	(16)	-	2	(2)	-
<b>As at 31 December 2023</b>	<b>183</b>	<b>-</b>	<b>183</b>	<b>120</b>	<b>-</b>	<b>120</b>
Acquisition of subsidiary	564	-	564	-	-	-
Additions	-	429	429	-	15	15
Transfer from assets under construction	357	(357)	-	15	(15)	-
<b>As at 31 December 2024</b>	<b>1,104</b>	<b>72</b>	<b>1,176</b>	<b>135</b>	<b>-</b>	<b>135</b>
<b>Accumulated amortisation and impairment</b>						
<b>As at 1 January 2023</b>	<b>113</b>	<b>-</b>	<b>113</b>	<b>102</b>	<b>-</b>	<b>102</b>
Charge for the year	23	-	23	12	-	12
<b>As at 31 December 2023</b>	<b>136</b>	<b>-</b>	<b>136</b>	<b>114</b>	<b>-</b>	<b>114</b>
Charge for the year	588	-	588	4	-	4
<b>As at 31 December 2024</b>	<b>724</b>	<b>-</b>	<b>724</b>	<b>118</b>	<b>-</b>	<b>118</b>
<b>Carrying amount</b>						
<b>As at 31 December 2023</b>	<b>47</b>	<b>-</b>	<b>47</b>	<b>6</b>	<b>-</b>	<b>6</b>
<b>As at 31 December 2024</b>	<b>380</b>	<b>72</b>	<b>452</b>	<b>17</b>	<b>-</b>	<b>17</b>

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note15: PROPERTY, PLANT AND EQUIPMENT

GROUP						COMPANY					
						<i>in thousands of euros</i>					
	Land and buildings	Equipment	Vessels	Assets under construction	Total	Land and buildings	Equipment	Vessels	Assets under construction	Total	
<b>Cost</b>											
<b>As at 1 January 2023</b>	<b>3,799</b>	<b>3,094</b>	<b>585,793</b>	<b>8</b>	<b>592,694</b>	<b>3,799</b>	<b>2,961</b>	<b>21,301</b>	<b>-</b>	<b>28,061</b>	
Acquisition of subsidiary	213,078	3,126	-	9,901	226,105	-	-	-	-	-	
Additions	-	-	-	19,788	19,788	-	-	-	12,320	12,320	
Transfer from assets under construction	8,768	1,794	19,638	(26,234)	3,966	-	109	12,211	(12,320)	-	
Disposals	-	(98)	(59,859)	(1,362)	(61,319)	-	(14)	(10,130)	-	(10,144)	
Effects of foreign exchange rate changes	-	-	(19,635)	-	(19,635)	-	-	-	-	-	
<b>As at 31 December 2023</b>	<b>225,645</b>	<b>7,916</b>	<b>525,937</b>	<b>2,101</b>	<b>761,599</b>	<b>3,799</b>	<b>3,056</b>	<b>23,382</b>	<b>-</b>	<b>30,237</b>	
Acquisition of subsidiary	6,645	213	177,563	12,244	196,665	-	-	-	-	-	
Merger of subsidiary	-	-	-	-	-	-	11	-	-	11	
Additions	-	-	-	15,204	15,204	-	-	-	1,152	1,152	
Transfer from assets under construction	2,942	3,431	343	(6,716)	-	-	148	95	(243)	-	
Effects of foreign exchange rate changes	-	-	35,284	-	35,284	-	-	-	-	-	
<b>As at 31 December 2024</b>	<b>235,232</b>	<b>11,560</b>	<b>739,127</b>	<b>22,833</b>	<b>1,008,752</b>	<b>3,799</b>	<b>3,215</b>	<b>23,477</b>	<b>909</b>	<b>31,400</b>	
<b>Accumulated depreciation and impairment</b>											
<b>As at 1 January 2023</b>	<b>1,821</b>	<b>2,781</b>	<b>218,623</b>	<b>-</b>	<b>223,225</b>	<b>1,821</b>	<b>2,722</b>	<b>2,086</b>	<b>-</b>	<b>6,629</b>	
Charge for the year	3,386	671	21,846	-	25,903	68	90	2,360	-	2,518	
Disposals	-	(54)	(30,470)	-	(30,524)	-	(14)	(1,168)	-	(1,182)	
Effects of foreign exchange rate changes	-	-	(7,887)	-	(7,887)	-	-	-	-	-	
<b>As at 31 December 2023</b>	<b>5,207</b>	<b>3,398</b>	<b>202,112</b>	<b>-</b>	<b>210,717</b>	<b>1,889</b>	<b>2,798</b>	<b>3,278</b>	<b>-</b>	<b>7,965</b>	
Charge for the year	6,068	1,567	30,561	-	38,196	68	98	1,623	-	1,789	
Merger of subsidiary	-	-	-	-	-	-	9	-	-	9	
Impairment	-	-	3,756	-	3,756	-	-	-	-	-	
Write-off	-	-	-	-	-	-	-	-	-	-	
Effects of foreign exchange rate changes	-	-	12,587	-	12,587	-	-	-	-	-	
<b>As at 31 December 2024</b>	<b>11,275</b>	<b>4,965</b>	<b>249,016</b>	<b>-</b>	<b>265,256</b>	<b>1,957</b>	<b>2,905</b>	<b>4,901</b>	<b>-</b>	<b>9,763</b>	
<b>Carrying amount</b>											
<b>As at 31 December 2023</b>	<b>220,438</b>	<b>4,518</b>	<b>323,825</b>	<b>2,101</b>	<b>550,882</b>	<b>1,910</b>	<b>258</b>	<b>20,104</b>	<b>-</b>	<b>22,272</b>	
<b>As at 31 December 2024</b>	<b>223,957</b>	<b>6,595</b>	<b>490,111</b>	<b>22,833</b>	<b>743,496</b>	<b>1,842</b>	<b>310</b>	<b>18,576</b>	<b>909</b>	<b>21,637</b>	

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**

*(forming an integral part of the financial statements)*

## **Note 15: PROPERTY, PLANT AND EQUIPMENT** *(continued)*

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*A mortgage lien has been registered over the Group's property, plant and equipment (land and vessels) in the total net carrying amount of EUR 377,470 thousand (2023: EUR 393,194 thousand). A mortgage lien has also been registered over the Company's property, plant and equipment in the total net carrying amount of EUR 18,576 thousand (2023: EUR 19,465 thousand).*

*Following the acquisition of control over a subsidiary, the Group recognised an investment in the development of a residential and commercial building in Dubrovnik as part of assets under construction. The project is expected to be completed in July 2025, and finishing works are currently in progress.*

*As at 31 December 2024, the majority of assets under construction relate to investments in tourism facilities amounting to EUR 4,037 thousand and the construction of the residential and commercial building in Dubrovnik amounting to EUR 17,787 thousand.*



# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 16: INVESTMENT PROPERTY

in thousands of euros

	GROUP			COMPANY		
	Land	Buildings	Total	Land	Buildings	Total
<b>Cost</b>						
<b>As at 1 January 2023</b>	-	-	-	-	-	-
Acquisition of subsidiary	500	2,119	2,619	-	-	-
<b>As at 31 December 2023</b>	<b>500</b>	<b>2,119</b>	<b>2,619</b>	-	-	-
Acquisition of subsidiary	774	2,632	3,406	-	-	-
Disposals	(10)	(34)	(44)	-	-	-
<b>As at 31 December 2024</b>	<b>1,264</b>	<b>4,717</b>	<b>5,981</b>	-	-	-
<b>Accumulated depreciation and impairment</b>						
<b>As at 1 January 2023</b>	-	-	-	-	-	-
Charge for the year	-	34	34	-	-	-
<b>As at 31 December 2023</b>	-	<b>34</b>	<b>34</b>	-	-	-
Charge for the year	-	132	132	-	-	-
<b>As at 31 December 2024</b>	-	<b>166</b>	<b>166</b>	-	-	-
<b>Carrying amount</b>						
<b>As at 31 December 2023</b>	<b>500</b>	<b>2,085</b>	<b>2,585</b>	-	-	-
<b>As at 31 December 2024</b>	<b>1,264</b>	<b>4,551</b>	<b>5,815</b>	-	-	-

Rental income generated from investment properties leased out under operating leases amounts to EUR 350 thousand (2023: EUR 154 thousand).

Investment property relates to commercial premises located in Dubrovnik and Zadar. The Group has determined that the fair value of these properties is approximately equal to their net carrying amount. The fair value of the properties in Dubrovnik was determined using the income approach, which involves estimating net operating income based on market rental rates, operating expenses, and expected occupancy, and capitalising that income using an appropriate capitalisation rate. The fair value of the properties in Zadar was determined using the market comparison approach, based on prices achieved in the sale of similar properties within a recent period.

## Note 17: INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

The net carrying amount of investments in subsidiaries includes:

	<i>in thousands of euros</i>			
	<b>31 December 2024</b>		<b>31 December 2023</b>	
	<b>Amount in EUR</b>	<b>Ownership interest %</b>	<b>Amount in EUR</b>	<b>Ownership interest %</b>
„Tankerska Next Generation d.d.”, Zadar, Croatia	-	-	81,346	100.00
„TP Line d.o.o.”, Zadar, Croatia	2,718	100.00	2,718	100.00
„Turisthotel d.o.o.”, Zadar, Croatia (formerly „Turisthotel d.d.”)	223,930	100.00	223,930	100.00
„Atlantska plovdba d.d.”, Dubrovnik, Croatia	79,659	72.46	-	-
„Riva N. Shipping Limited Company”, Monrovia, Liberia	2	100.00	-	-
„Ravni Kotari Shipping Ltd.”, Majuro, Marshall Islands	10,150	100.00	-	-
„Tankerska plovdba International Ltd”, Majuro, Marshall Islands	69,643	100.00	22,881	100.00
„Ugljan Shipping Ltd.”, Majuro, Marshall Islands	1,468	100.00	-	-
„Donat Maritime Corporation”, Monrovia, Liberia	16,194	100.00	16,194	100.00
„Obrovac Shipping Ltd.”, Majuro, Marshall Islands	8,962	100.00	-	-
„Idassa Maritime Ltd.”, Monrovia, Liberia	77	100.00	-	-
„Dugi otok Shipping LLC”, Majuro, Marshall Islands	2,095	100.00	-	-
„Frankopan Shipping LLC”, Majuro, Marshall Islands	17,900	100.00	-	-
„Olib Shipping LLC”, Majuro, Marshall Islands	3,708	100.00	-	-
„Rava Shipping LLC”, Majuro, Marshall Islands	798	100.00	-	-
„Tankerska Next Generation International Ltd.”, Majuro, Marshall Islands	65,200	100.00	-	-
<b>TOTAL</b>	<b>502,504</b>		<b>347,069</b>	

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

# Note 17: INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

(continued)

### Merger of a subsidiary

On 1 July 2024, Tankerska Next Generation d.d. was merged into Tankerska Plovidba d.d., the acquiring company. The merger was accounted for at carrying amount.

	<i>in thousands of euros</i>
	<b>As at and for the period ended 30 June 2024</b>
Assets	75,795
Liabilities	8
<b>Net assets</b>	<b>75,787</b>
Merger of a subsidiary	(81,346)
<b>Net assets acquired through merger</b>	<b>(5,559)</b>

In 2023, TANKERSKA PLOVIDBA d.d. acquired 818,563 no-par value shares of "Atlantska plovidba d.d." Dubrovnik, representing 39.19% of the company's share capital.

Following the completion of a takeover bid in February 2024, TANKERSKA PLOVIDBA d.d. acquired an additional 523,534 ordinary shares of Atlantska plovidba d.d., representing 25.06% of the company's share capital. As a result, TANKERSKA PLOVIDBA d.d. increased its holding to a total of 1,342,097 ordinary shares of Atlantska plovidba d.d., which constitutes 64.25% of the company's share capital (see Note 32).

After the completion of the voluntary takeover bid, which concluded on 2 July 2024, and subsequent additional share acquisitions, TANKERSKA PLOVIDBA d.d. holds a total of 1,494,611 ordinary shares of Atlantska plovidba d.d., representing 72.46% of the company's share capital.

As of the date of registration of the legal transformation in the court register, 1 March 2024, TURISTHOTEL d.o.o. changed its legal form from a joint stock company to a limited liability company.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 17: INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

(continued)

The carrying amount of the Company's investments in associates includes:  
in thousands of euros

	As at 31 December 2024 Amount in EUR	Ownership interest (%)	As at 31 December 2023 Amount in EUR	Ownership interest (%)
„Atlantska plovdba d.d.”, Dubrovnik, Croatia	-	-	43,413	39.19
<b>TOTAL</b>	-		<b>43,413</b>	

A summary of the financial information of the associate “Atlantska plovdba d.d.” for the period from 1 January 2024 to 20 February 2024 (when “Atlantska plovdba d.d.” became a subsidiary), and for the comparative period from 16 October 2023 to 31 December 2023, when the Company had significant influence over the associate:

	in thousands of euros	
	2024	2023
Non-current assets	-	188,216
Current assets	-	61,395
Non-current liabilities	-	72,268
Current liabilities	-	28,784
Non-controlling interest	-	-
<b>Net assets (100%)</b>	-	<b>148,559</b>
<b>Group's share of profit (39.19%)</b>	-	<b>58,087</b>
Revenue	10,367	10,931
Profit/(loss)	3,903	(8,606)
<b>Group's share of profit (39.19%)</b>	<b>1,530</b>	<b>(3,365)</b>
Other comprehensive income/(loss)	1,774	(2,429)
Total comprehensive income/(loss)	5,677	(11,035)
<b>Group's share of comprehensive income/(loss) (39.19%)</b>	<b>2,225</b>	<b>(4,315)</b>

The following table presents the movements in the Group's investment in the associate Atlantska plovdba d.d.:

	in thousands of euros	
	20 February 2024	31 December 2023
<b>Carrying amount at the beginning of the period</b>	<b>39,098</b>	-
Acquisition of associate	-	43,413
Share of profit/(loss) for the current period	1,530	(3,365)
Share of other comprehensive income/(loss)	695	(950)
<b>Carrying amount at the end of the period</b>	<b>41,323</b>	<b>39,098</b>

## Note 17: INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

(continued)

A summary of the financial information of the associate "Turisthotel d.d." for the period from 1 January 2023 to 12 June 2023 (when "Turisthotel d.d." became a subsidiary):

	<b>2023</b>
Revenue	6,560
Loss	(5,371)
<b>Group's share of loss incurred up to the date of obtaining control, Total</b>	<b>(3,335)</b>
- Share of loss incurred from 1 January 2023 to 31 January 2023 (24.88%)	(1,042)
- Share of loss incurred from 31 January 2023 to 30 April 2023 (39.68%)	(1,279)
- Share of loss incurred from 30 April 2023 to 12 June 2023 (95.48%)	(1,014)
Total comprehensive income/(loss)	(5,371)
<b>Group's share of comprehensive income/(loss) incurred up to the date of obtaining control</b>	<b>(3,335)</b>

## Note 18: OTHER INVESTMENTS

			<i>in thousands of euros</i>	
	<b>GROUP</b>		<b>COMPANY</b>	
<b>Long-term</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Investments in securities	139	1,169	-	640
<b>Financial assets at fair value through OCI</b>	<b>139</b>	<b>1,169</b>	<b>-</b>	<b>640</b>
Other loans	68	63	59	63
Other loans to related parties	-	-	59,424	6,750
<b>Total loans granted</b>	<b>68</b>	<b>63</b>	<b>59,483</b>	<b>6,813</b>
Deposits	13,427	16,062	10,692	10,692
<b>Financial assets at amortised cost</b>	<b>13,495</b>	<b>16,125</b>	<b>70,175</b>	<b>17,505</b>
<b>Total other long-term investments</b>	<b>13,634</b>	<b>17,294</b>	<b>70,175</b>	<b>18,145</b>
<b>Short-term</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Investments in securities	15	15	15	15
<b>Financial assets at fair value through OCI</b>	<b>15</b>	<b>15</b>	<b>15</b>	<b>15</b>
Loans granted	815	340	-	-
Impairment of loans granted	(514)	-	-	-
Deposits	36,712	71,688	-	71,009
<b>Financial assets at amortised cost</b>	<b>37,013</b>	<b>72,028</b>	<b>-</b>	<b>71,009</b>
<b>Total other short-term investments</b>	<b>37,028</b>	<b>72,043</b>	<b>15</b>	<b>71,024</b>

*Other loans granted to related parties have been provided to subsidiaries engaged in maritime activities for the purpose of refinancing their liabilities.*

*Long-term deposits primarily relate to cash deposits pledged as collateral for approved loans. These deposits bear an interest rate of 2.55% and mature within a period of up to 6 years.*

*Short-term deposits have been contracted at interest rates ranging from 4.15% to 4.55%.*

## Note 19: DEFERRED TAX ASSETS AND LIABILITIES

*in thousands of euros*

	<b>GROUP</b>						<b>COMPANY</b>					
	<b>Deferred tax assets</b>		<b>Deferred tax liabilities</b>		<b>Net amount</b>		<b>Deferred tax assets</b>		<b>Deferred tax liabilities</b>		<b>Net amount</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Equity instruments	148	31	-	-	148	31	115	-	-	-	115	-
Loans granted	-	2	-	-	-	2	-	-	-	-	-	-
Inventories	-	-	(592)	-	(592)	-	-	-	-	-	-	-
Property, plant and equipment	-	-	(32,884)	(33,693)	(32,884)	(33,693)	-	-	-	-	-	-
Tax loss	128	-	-	-	128	-	128	-	-	-	128	-
Loans and borrowings	-	-	(267)	(310)	(267)	(310)	-	-	-	-	-	-
<b>Total</b>	<b>276</b>	<b>33</b>	<b>(33,743)</b>	<b>(34,003)</b>	<b>(33,467)</b>	<b>(33,970)</b>	<b>243</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>243</b>	<b>-</b>

## Note19: DEFERRED TAX ASSETS AND LIABILITIES *(continued)*

*Movement in deferred taxes*

	<b>GROUP</b>					<i>in thousands of euros</i> <b>COMPANY</b>				
	1 January 2024	Acquisition of subsidiary	Recognised in profit or loss	Recognised in OCI	Net 31 Decemb er 2024	1 January 2024	Acquisition of subsidiary	Recognised in profit or loss	Recognised in OCI	Net 31 December 2024
Equity instruments	31	-	-	117	148	-	-	-	115	115
Loans granted	2	-	(2)	-	-	-	-	-	-	-
Tax loss	-	-	128	-	128	-	-	128	-	128
Inventories	-	(592)	-	-	(592)	-	-	-	-	-
Property, plant and equipment	(33,693)	(70)	879	-	(32,884)	-	-	-	-	-
Loans and borrowings	(310)	-	43	-	(267)	-	-	-	-	-
<b>Total</b>	<b>(33,970)</b>	<b>(662)</b>	<b>1,048</b>	<b>117</b>	<b>(33,467)</b>	<b>-</b>	<b>-</b>	<b>128</b>	<b>115</b>	<b>243</b>



## Note 19: DEFERRED TAX ASSETS AND LIABILITIES *(continued)*

<i>GROUP</i>						<i>COMPANY</i>					<i>in thousands of euros</i>
					<i>Net</i>					<i>Net</i>	
	1 January 2023	Acquisition of subsidiary	Recognised in profit or loss	Recognised in OCI	31 December 2023	1 January 2023	Acquisition of subsidiary	Recogni sed in profit or loss	Recognised in OCI	31 December 2023	
Equity instruments	-	31	19	(19)	31	-	-	-	-	-	
Loans granted	-	2	-	-	2						
Inventories	-	(87)	87	-	-	-	-	-	-	-	
Property, plant and equipment	-	(34,227)	534	-	(33,693)	-	-	-	-	-	
Loans and borrowings	-	(335)	25	-	(310)	-	-	-	-	-	
<b>Total</b>	<b>-</b>	<b>(34,616)</b>	<b>665</b>	<b>(19)</b>	<b>(33,970)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 20: INVENTORIES

	GROUP		COMPANY	
	2024	2023	2024	2023
<i>Fuel and lubricants</i>	8,630	5,006	-	-
<i>Materials</i>	368	433	-	-
<i>Advances for inventories</i>	13	682	-	-
<i>Food items</i>	637	348	-	-
<i>Small inventory</i>	-	19	-	-
<b>TOTAL</b>	<b>9,648</b>	<b>6,488</b>	<b>-</b>	<b>-</b>

*in thousands of euros*

Inventories recognized as an expense in 2024 amounted to EUR 31,519 thousand (2023: EUR 38,703 thousand). The amount is included in material costs (see Note 6).

### Note 21: TRADE RECEIVABLES AND OTHER RECEIVABLES

	GROUP		COMPANY	
	2024	2023	2024	2023
Trade receivables – gross	19,247	10,358	744	238
Impairment of trade receivables	(494)	(107)	-	-
<i>Trade receivables – net</i>	<i>18,753</i>	<i>10,251</i>	<i>744</i>	<i>238</i>
Tonnage tax receivables	11	1	11	5
Receivables for dividends and profit shares – related parties	-	-	6,337	93,414
Prepaid expenses	734	90	13	18
Accrued income	778	596	171	564
Receivables from the state	799	399	-	-
Other receivables	2,126	916	55	223
<b>TOTAL</b>	<b>23,201</b>	<b>12,253</b>	<b>7,331</b>	<b>94,462</b>

*in thousands of euros*

## Note 21: TRADE RECEIVABLES AND OTHER RECEIVABLES *(continued)*

Movements in impairment allowances:

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
As of 1 January	107	-	-	-
Increase in impairment allowance during the year	387	107	-	-
<b>As of 31 December</b>	<b>494</b>	<b>107</b>	<b>-</b>	<b>-</b>

Ageing analysis of trade receivables:

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Not yet due	6,521	4,347	42	8
1–90 days	8,332	4,334	672	200
91–180 days	1,151	895	-	-
181–365 days	1,960	288	-	-
Over 365 days	789	387	30	30
<b>TOTAL</b>	<b>18,753</b>	<b>10,251</b>	<b>744</b>	<b>238</b>

Currency structure of trade receivables:

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
EUR	1,942	1,178	67	39
USD	16,811	9,073	677	199
<b>TOTAL</b>	<b>18,753</b>	<b>10,251</b>	<b>744</b>	<b>238</b>

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**

*(forming an integral part of the financial statements)*

## Note 22: CASH AND CASH EQUIVALENTS

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Cash at bank	69,522	56,156	6,883	3,109
Cash on hand	292	318	-	-
Deposits	957	-	957	-
<b>TOTAL</b>	<b>70,771</b>	<b>56,474</b>	<b>7,840</b>	<b>3,109</b>

## Note 23: ASSETS HELD FOR SALE

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
„Rekreacijsko turistički centar Nin d.o.o.” Nin	3,683	3,683	3,683	3,683
„Atlant kardio d.o.o.” Dubrovnik	93	-	-	-
„Rekreacijsko turistički centar Nin d.o.o. Nin” – Impairment	(3,670)	(3,670)	(3,670)	(3,670)
<b>TOTAL</b>	<b>106</b>	<b>13</b>	<b>13</b>	<b>13</b>

TANKERSKA PLOVIDBA d.d. maintains its intention to sell its 100% ownership interest in 'Rekreacijsko turistički centar Nin d.o.o.'.

In 2024, Atlantska plovdba d.d. reclassified the company "Atlant Kardio d.o.o.", in which it holds an 84.86% ownership interest, as assets held for sale.

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 24: EQUITY AND RESERVES

- (i) On 31 December 2024, the authorised, issued, and paid-in share capital comprised 558,537 ordinary shares (2023: 558,537). Holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share.

The immediate parent company of TANKERSKA PLOVIDBA d.d. is Tankerska Holding GmbH, registered in Austria. The ultimate parent company is Betriebsstiftung Tankerska Plovidba d.d. Privatstiftung, a foundation established in Austria, whose beneficiaries are the employees of TANKERSKA PLOVIDBA d.d.

The Company's share capital has been aligned with the provisions of the Companies Act by increasing it to the extent necessary to comply with the requirements regarding the euro-denominated amounts of share capital and the corresponding share units. Accordingly, the share capital was increased from EUR 44,478,359.55 by EUR 204,600.45 to EUR 44,682,960.00. All shares have a nominal value of EUR 80.00 each.

- (ii) As at 31 December 2024, TANKERSKA PLOVIDBA d.d. held 7,037 treasury shares (31 December 2023: 7,037)

Movements in treasury shares are presented as follows:

	<b>2024</b>	<b>2023</b>
	<b>Number of</b>	<b>Number of</b>
	<b>shares</b>	<b>shares</b>
As at 1 January	7,037	4,022
Acquired during the year	-	3,015
<b>As at 31 December</b>	<b>7,037</b>	<b>7,037</b>

- (iii) As at 31 December 2024, the balance of statutory reserves within legal and other reserves amounted to EUR 2,494 thousand (2023: EUR 4,968 thousand). The statutory reserve was established in accordance with Croatian legislation, which requires that 5% of the profit for the year, reduced by any prior year losses, be allocated to this reserve until it, together with capital reserves, reaches 5% of the issued share capital. Statutory reserves are not distributable

Legal and other reserves include EUR 937 thousand (31 December 2023: EUR 937 thousand) of reserves for treasury shares, which are not available for distribution to shareholders.

- (iv) Translation reserves comprise all foreign exchange differences arising from the translation of the financial statements of foreign operations.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 24: EQUITY AND RESERVES

(continued)

(v) The General Assembly of TANKERSKA PLOVDIBA d.d. adopted a decision in 2024 to distribute dividends to shareholders in the amount of EUR 7,197 thousand from retained earnings for 2008, which represents EUR 13.05 per share (2023: in the amount of EUR 5,707 thousand from retained earnings for 2008, which represents EUR 10.29 per share).

(vi) The movements in non-controlling interests were as follows:

	in thousands of euros	
	2024	2023
As at 1 January	-	-
Acquisition of subsidiary	56,750	10,178
Comprehensive income for the period attributable to non-controlling interests	1,012	489
Disposal of a subsidiary	(123)	-
Dividends paid	(6)	-
Change in ownership structure	(13,344)	(10,667)
<b>As at 31 December</b>	<b>44,289</b>	<b>-</b>

In 2024, the non-controlling interest in the subsidiary Atlantska plovdba d.d. amounted to 27.54% (2023: 0%).

The following table presents information on the non-controlling interest in the subsidiary Atlantska plovdba d.d.:

	in thousands of euros
	2024
Non-current assets	182,134
Current assets	63,997
Non-current liabilities	(57,034)
Current liabilities	(28,281)
<b>Net assets</b>	<b>160,816</b>
<b>Net assets attributable to non-controlling interests</b>	<b>44,289</b>
Revenue	46,470
Profit	508
Other comprehensive income	2,764
<b>Total comprehensive income</b>	<b>3,272</b>
Profit attributable to non-controlling interests	224
Other comprehensive income attributable to non-controlling interests	788
Cash flows from operating activities	10,540
Cash flows from investing activities	11,861
Cash flows from financing activities	(24,091)
<b>Net increase (decrease) in cash</b>	<b>(1,690)</b>

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 24: EQUITY AND RESERVES

(continued)

In 2024, the Company acquired shares of "Atlantska plovidba d.d." for a total cash consideration of EUR 9,472 thousand. The carrying amount of the acquired non-controlling interest at the acquisition date was EUR 13,344 thousand.

	2024
Carrying amount of the acquired non-controlling interest	13,344
Total consideration paid to non-controlling interests	(9,472)
<b>Increase in retained earnings attributable to equity holders</b>	<b>3,679</b>
<b>Increase in translation reserves attributable to equity holders</b>	<b>193</b>

In July 2023, the Company acquired all remaining shares of "Turisthotel d.o.o." for a total cash consideration of EUR 10,043 thousand. The carrying amount of the acquired non-controlling interest at the acquisition date was EUR 10,667 thousand.

	2023
Carrying amount of the acquired non-controlling interest	10,667
Total consideration paid to non-controlling interests	(10,043)
<b>Increase in retained earnings attributable to equity holders</b>	<b>624</b>

## Note 25: LOANS AND BORROWINGS

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Long-term loans and borrowings</b>				
Secured bank loans	169,921	190,586	60,600	77,854
Related parties	-	-	35,000	30,000
<b>TOTAL</b>	<b>169,921</b>	<b>190,586</b>	<b>95,600</b>	<b>107,854</b>
<b>Short-term loans and borrowings</b>	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<i>Current portion of long-term loans and borrowings</i>				
Secured bank loans	45,611	41,047	17,372	17,453
<b>TOTAL</b>	<b>45,611</b>	<b>41,047</b>	<b>17,372</b>	<b>17,453</b>
<b>Total loans and borrowings</b>	<b>215,532</b>	<b>231,633</b>	<b>112,972</b>	<b>125,307</b>



**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 25: LOANS AND BORROWINGS *(continued)*

The maturity of loans and borrowings as at 31 December 2024 is as follows:

	GROUP				COMPANY			
	Total	1 year or less	2–5 years	More than 5 years	Total	1 year or less	2–5 years	More than 5 years
Secured bank loans	215,532	45,611	127,355	42,566	77,972	17,372	59,505	1,095
Unsecured loans – related parties	-	-	-	-	35,000	-	35,000	-
<b>As at 31 December 2024</b>	<b>215,532</b>	<b>45,611</b>	<b>127,355</b>	<b>42,566</b>	<b>112,972</b>	<b>17,372</b>	<b>94,505</b>	<b>1,095</b>

The maturity of loans and borrowings as at 31 December 2023 was as follows:

	GROUP				COMPANY			
	Total	1 year or less	2–5 years	More than 5 years	Total	1 year or less	2–5 years	More than 5 years
Secured bank loans	231,633	41,047	157,176	33,410	95,307	17,452	71,765	6,090
Unsecured loans – related parties	-	-	-	-	30,000	-	30,000	-
<b>As at 31 December 2023</b>	<b>231,633</b>	<b>41,047</b>	<b>157,176</b>	<b>33,410</b>	<b>125,307</b>	<b>17,452</b>	<b>101,765</b>	<b>6,090</b>

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 25: LOANS AND BORROWINGS *(continued)*

*Interest rates and repayment terms as at the reporting date are as follows:*

GROUP						<i>in thousands of euros</i> COMPANY	
	Currency	Interest rate	Maturity	31 December 2024	31 December 2023	31 December 2024	31 December 2023
Secured bank loans	USD	SOFR +1.3% - 4.21%	2025 – 2031	94,351	111,284	-	-
Secured bank loans	USD	Fixed 2.10%	2027	4,777	6,394	-	-
Secured bank loans	EUR	EURIBOR +1.10% - 3.18%	2026 – 2035	75,741	83,188	67,399	83,208
Secured bank loans	EUR	Fixed 1.00% - 2.50%	2026 – 2029	40,663	30,767	10,573	12,099
Unsecured loans	EUR	Fixed 3.25%	2026	-	-	35,000	30,000
<b>Total</b>				<b>215,532</b>	<b>231,633</b>	<b>112,972</b>	<b>125,307</b>

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 25: LOANS AND BORROWINGS

(continued)

Long-term loans are secured by mortgages over vessels, assignment of insurance policies and vessel earnings, business account pledges, pledges over shares of Group subsidiaries, mortgages over real estate and insurance policies of real estate owned by Group subsidiaries, promissory notes, and debentures. For amounts, see Note 15.

The movements in bank loans are as follows:

	GROUP		in thousands of euros COMPANY	
	2024	2023	2024	2023
Balance as at 1 January	231,633	160,879	125,307	36,986
<b>Changes in cash flows</b>				
Proceeds from borrowings	36,900	14,491	42,456	101,425
Repayments of borrowings	(161,186)	(79,618)	(49,338)	(88,603)
<b>Total changes in cash flows</b>	<b>(124,286)</b>	<b>(65,127)</b>	<b>(6,882)</b>	<b>12,822</b>
<b>Other changes</b>				
Non-cash increase in loans	12,256	121,510	(5,600)	121,510
Non-cash decrease in loans	(1,962)	-	-	(44,191)
Acquisition of subsidiary	92,221	20,097	-	-
Foreign exchange differences	2,604	(4,658)	14	(1,432)
Transaction costs	3,066	(1,068)	133	(388)
<b>Total other changes</b>	<b>108,185</b>	<b>135,881</b>	<b>(5,453)</b>	<b>75,499</b>
Balance as at 31 December	215,532	231,633	112,972	125,307

## Note 26: PROVISIONS

Provisions for emission allowances, employee benefits, and legal disputes:

	GROUP		in thousands of euros COMPANY	
	2024	2023	2024	2023
Current	2,141	-	-	-
Non-current	1,402	550	-	-
<b>TOTAL</b>	<b>3,543</b>	<b>550</b>	<b>-</b>	<b>-</b>

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 26: PROVISIONS *(continued)*

*in thousands of euros*  
**2024**

	<b>GROUP</b>			
	<b>Emission allowances</b>	<b>Employee benefits</b>	<b>Legal disputes</b>	<b>Total</b>
Balance as at 1 January 2024	-	550	-	550
Acquisition of subsidiary	-	1,081	360	1,441
Increases / (decreases)	1,686	(158)	24	1,552
<b>Balance as at 31 December 2024</b>	<b>1,686</b>	<b>1,473</b>	<b>384</b>	<b>3,543</b>

	<b>COMPANY</b>			
	<b>Emission allowances</b>	<b>Employee benefits</b>	<b>Legal disputes</b>	<b>Total</b>
Balance as at 1 January 2024	-	-	-	-
Acquisition of subsidiary	-	-	-	-
Increases / (decreases)	-	-	-	-
<b>Balance as at 31 December 2024</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*in thousands of euros*  
**2023**

	<b>GROUP</b>			
	<b>Emission allowances</b>	<b>Employee benefits</b>	<b>Legal disputes</b>	<b>Total</b>
Balance as at 1 January 2023	-	-	-	-
Acquisition of subsidiary	-	199	-	199
Increases	-	351	-	351
<b>Balance as at 31 December 2023</b>	<b>-</b>	<b>550</b>	<b>-</b>	<b>550</b>

	<b>COMPANY</b>			
	<b>Emission allowances</b>	<b>Employee benefits</b>	<b>Legal disputes</b>	<b>Total</b>
Balance as at 1 January 2023	-	-	-	-
Acquisition of subsidiary	-	-	-	-
Increases	-	-	-	-
<b>Balance as at 31 December 2023</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Provisions for employee benefits mainly relate to provisions for jubilee awards and severance pay, which are paid in accordance with the Work Regulations. The key assumptions used in calculating the provisions include a discount rate ranging from 2.267% to 3.17% (2023: 4.00%) and an employee turnover rate ranging from 12% to 18.30% (2023: 10.00%).*

## Note 27: TRADE AND OTHER PAYABLES

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
Trade payables	9,844	4,680	160	188
Trade payables – related parties	-	-	382	16,442
Employee payables	2,574	2,245	210	192
Tonnage tax payables	4	-	4	4
Contributions, taxes and other levies	848	1,137	114	98
Advances received	170	92	-	-
Accrued loan interest	720	683	11	25
Accrued other expenses	2,375	267	-	108
Liabilities from share acquisitions	3,143	-	-	-
Other payables	957	643	3,304	166
Other payables – related parties	-	-	6	-
<b>TOTAL</b>	<b>20,635</b>	<b>9,747</b>	<b>4,191</b>	<b>17,223</b>

## Note 27: TRADE AND OTHER PAYABLES *(continued)*

Structure of trade payables by currency:

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 December 2024</b>	<b>31 December 2023</b>
EUR	2,496	1,451	535	340
USD	7,280	3,171	7	16,290
Other currencies	68	58	-	-
<b>TOTAL</b>	<b>9,844</b>	<b>4,680</b>	<b>542</b>	<b>16,630</b>

## Note 28: DEFERRED INCOME

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
Balance as at 1 January	8,288	6,969	-	-
Net change	596	(320)	-	-
<b>Balance as at 31 December</b>	<b>8,884</b>	<b>6,649</b>	<b>-</b>	<b>-</b>

*Deferred income primarily relates to the deferred recognition of revenue from vessel chartering and freight in the amount of EUR 5,633 thousand (2023: EUR 3,578 thousand), as well as the deferred recognition of government grants in the amount of EUR 2,922 thousand (2023: EUR 3,070 thousand).*

## **Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**

*(forming an integral part of the financial statements)*

# **Note 29: RELATED PARTY TRANSACTIONS**

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### **Key management personnel**

*Key management personnel of TANKERSKA PLOVIDBA d.d. comprise the executive management, which consists of six Management Board members.*

*The total remuneration paid to key management personnel for the year 2024 amounted to EUR 1,102 thousand (2023: EUR 932 thousand). As at year-end, members of the executive management and the Supervisory Board held a total of 193 ordinary shares (2023: 184 shares). During the year, the Supervisory Board received remuneration in the amount of EUR 264 thousand (2023: EUR 156 thousand). The Company did not grant any loans to members of the Supervisory Board*

### **Transactions with associates and jointly controlled entities**

*In 2024, Atlantska plovdba d.d. granted a loan in the amount of EUR 514 thousand to its associate Atlant kardio d.o.o., which remained outstanding as at 31 December 2024.*

## Note29: RELATED PARTY TRANSACTIONS *(continued)*

Subsidiaries and key shareholders	GROUP		<i>in thousands of euros</i> COMPANY	
	2024	2023	2024	2023
<b>Sales to subsidiaries</b>	-	-	<b>8,540</b>	<b>9,937</b>
Tankerska Next Generation d.d., Croatia	-	-	33	72
TP Line d.o.o., Croatia	-	-	2,231	2,004
Tankerska Next Generation International Ltd., Marshall Islands	-	-	2,057	3,448
Tankerska Plovidba International Ltd., Marshall Islands	-	-	4,219	4,413
<b>Purchases from subsidiaries</b>	-	-	<b>1,789</b>	<b>1,170</b>
Donat Maritime Corporation, Liberia	-	-	52	74
Idassa Maritime Ltd., Liberia	-	-	126	210
TP Line d.o.o., Croatia	-	-	-	26
Tankerska Plovidba International Ltd., Marshall Islands	-	-	1,611	860
<b>Receivables from subsidiaries</b>	-	-	<b>7,008</b>	<b>93,621</b>
Tankerska Next Generation International Ltd., Marshall Islands	-	-	6,629	122
Idassa Maritime Ltd., Liberia	-	-	-	81
Rava Shipping LLC, Marshall Islands	-	-	-	802
Riva N. Shipping Company Limited, Liberia	-	-	-	2
Ravni Kotari Shipping Ltd., Marshall Islands	-	-	-	10,456
Dugi Otok Shipping LLC, Marshall Islands	-	-	-	2,104
Ugljan Shipping Ltd., Marshall Islands	-	-	-	1,475
Olib Shipping LLC, Marshall Islands	-	-	-	3,751
Frankopan Shipping LLC, Marshall Islands	-	-	-	17,931
Obrovac Shipping Ltd., Marshall Islands	-	-	-	9,240



## Note 29: RELATED PARTY TRANSACTIONS *(continued)*

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Receivables from subsidiaries (continued)</b>				
Tankerska Plovidba International Ltd., Marshall Islands	-	-	379	47,650
Tankerska Next Generation d.d., Croatia	-	-	-	7
<b>Liabilities to subsidiaries</b>	-	-	<b>388</b>	<b>16,442</b>
Donat Maritime Corporation, Liberia	-	-	59	16,200
Idassa Maritime Ltd., Liberia	-	-	43	71
TP Line d.o.o., Croatia	-	-	-	15
Turisthotel d.o.o., Croatia	-	-	286	156
<b>Loans granted to subsidiaries</b>	-	-	<b>59,424</b>	<b>6,750</b>
Zoilu Shipping, LLC, Marshall Islands	-	-	11,452	-
Teuta Shipping Company Ltd., Marshall Islands	-	-	12,398	-
Vukovar Shipping, LLC, Marshall Islands	-	-	9,296	-
Fontana Shipping Company Limited, Marshall Islands	-	-	12,449	-
Pag Shipping, LLC, Marshall Islands	-	-	6,688	-
Rava Shipping LLC, Marshall Islands	-	-	7,086	6,698
Riva N. Shipping Company Limited, Liberia	-	-	55	52
<b>Loans received from subsidiaries</b>	-	-	<b>35,000</b>	<b>30,000</b>
Turisthotel d.d., Croatia	-	-	35,000	30,000

## Note 29: RELATED PARTY TRANSACTIONS *(continued)*

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>Finance income from transactions with related parties</b>	-	-	<b>50,883</b>	<b>147,952</b>
Tankerska Next Generation d.d., Croatia	-	-	42,531	40,086
Turisthotel d.o.o., Croatia	-	-	8,335	39,617
Tankerska Next Generation International Ltd., Marshall Islands	-	-	2	-
Fontana Shipping Company Limited, Marshall Islands	-	-	9	-
Pag Shipping, LLC, Marshall Islands	-	-	6	-
Tankerska Plovidba International Ltd., Marshall Islands	-	-	-	46,882
Dugi Otok Shipping LLC, Marshall Islands	-	-	-	234
Ravni Kotari Shipping Ltd., Marshall Islands	-	-	-	10,185
Rava Shipping LLC., Marshall Islands	-	-	-	802
Ugljan Shipping Ltd., Marshall Islands	-	-	-	63
Obrovac Shipping Ltd., Marshall Islands	-	-	-	9,240
Frankopan Shipping LLC, Marshall Islands	-	-	-	733
Donat Maritime Corporation, Liberia	-	-	-	27
Idassa Maritime Ltd., Liberia	-	-	-	81
Riva N. Shipping Company Limited, Liberia	-	-	-	2
<b>Finance costs from transactions with related parties</b>	-	-	<b>1,102</b>	<b>831</b>
Tankerska Plovidba International Ltd., Marshall Islands	-	-	10	567
Tankerska Next Generation International Ltd., Marshall Islands	-	-	118	108
Turisthotel d.o.o., Croatia	-	-	974	156

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 30: FINANCIAL INSTRUMENTS

The Group and the Company, as a result of their activities, are exposed to a range of financial risks: market risk (including currency risk, interest rate risk, and price risk), credit risk, and liquidity risk. Exposure to currency, interest rate, and credit risk arises in the course of ordinary business activities.

The risk management policy related to the management of financial assets can be summarized as follows:

### Currency risk

Currency risk represents the risk of changes in the value of financial instruments due to exchange rate fluctuations. The Group and the Company are exposed to transactional currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables, and payables are denominated, and the respective functional currencies of the entities within the Group. Furthermore, the Group and the Company hold a number of investments in foreign subsidiaries, whose net assets are also subject to currency risk.

The following table presents data on the Group's and the Company's exposure to currency risk:

2024

	GROUP			in thousands of euros COMPANY	
	USD	EUR	Other currencies	USD	Other currencies
Monetary assets	161,012	479	92	73,695	16
Monetary liabilities	(29,754)	(2,163)	(68)	(110)	-
Net exposure	131,258	(1,684)	24	73,585	16

2023

	GROUP			in thousands of euros COMPANY	
	USD	EUR	Other currencies	USD	Other currencies
Monetary assets	47,888	187	10	47,888	10
Monetary liabilities	(149)	(303)	-	(149)	-
Net exposure	47,739	(116)	10	47,739	10

## NOTE 30: FINANCIAL INSTRUMENTS *(continued)*

Effect of a 10 % change in the US-dollar exchange rate on USD-denominated monetary items (10 % appreciation / depreciation):

**2024**

		<i>in thousands of euros</i>	
		<b>GROUP</b>	<b>COMPANY</b>
		<b>Effect of change in US dollar</b>	<b>Effect of change in US dollar</b>
		<b>+10%      -10%</b>	<b>+10%      -10%</b>
Impact on:			
Profit / (loss)		13,126    (13,126)	7,359      (7,359)

**2023**

		<i>in thousands of euros</i>	
		<b>GROUP</b>	<b>COMPANY</b>
		<b>Effect of change in US dollar</b>	<b>Effect of change in US dollar</b>
		<b>+10%      -10%</b>	<b>+10%      -10%</b>
Impact on:			
Profit / (loss)		4,774      (4,774)	4,774      (4,774)

### Interest rate risk

Interest rate risk represents the risk of changes in the value of financial instruments due to fluctuations in market interest rates. Cash flow interest rate risk refers to the possibility that interest expenses on financial instruments will vary over time. Since the Group and the Company invest their liquid assets in deposits, this risk is limited to long-term deposits with financial institutions (see Note 18). Interest rate risk primarily arises from long-term borrowings. The Group and the Company are exposed to interest rate risk as the received long-term borrowings have been approved with a variable interest rate (see Note 25).

An increase or decrease of 1 percentage point in the interest rate on variable-rate borrowings as at the reporting date would have decreased or increased the Group's profit before tax by EUR 2,495 thousand (2023: EUR 1,842 thousand), while the Company's profit before tax would have decreased or increased by EUR 789 thousand (2023: EUR 611 thousand). This calculation assumes that all other variables, in particular foreign exchange rates, remain unchanged.

# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 30: FINANCIAL INSTRUMENTS

(continued)

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### Credit risk

Credit risk represents the risk that one party to a financial instrument will fail to discharge its obligation, which could result in a financial loss to the other party. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. The principal financial assets comprise cash, bank balances, trade receivables, and other receivables. Credit risk related to liquid assets is limited, as transactions are conducted with foreign banks that are rated by the international agency S&P with credit ratings ranging from A+ to BBB+ (2023: BBB to BBB+). Credit risk mainly relates to trade receivables, and the amounts of these receivables are disclosed in the statement of financial position, net of impairment allowances for doubtful and disputed receivables.

As at the reporting date, credit risk is considered low, as cash and cash equivalents are held with banks with strong credit ratings, while the majority of customers are established oil companies with whom the Group has maintained long-term business relationships. There has been no significant increase in credit risk, even though contractual payments are overdue by more than 30 days, as delayed payments are common practice in the shipping industry. The Group does not have significant concentrations of credit risk, as its exposure is spread over a large number of counterparties and customers. In accordance with the requirements of IFRS 9, expected credit losses have been assessed for financial assets; however, the amount is not material and therefore has not had an impact on the financial statements of the Group and the Company.

### Liquidity risk

Liquidity risk, which is considered a funding risk, refers to the difficulties that the Group and the Company may encounter in raising funds to meet obligations associated with financial instruments. The Group and the Company have significant long-term liabilities arising from borrowings with variable interest rates, which exposes them to cash flow risk. The Group and the Company maintain adequate reserves and credit lines, continuously compare planned and actual cash flows, and monitor the maturity of receivables and liabilities.

The table below presents an analysis of the Group's and the Company's financial liabilities by contractual maturity dates. The amounts disclosed represent undiscounted cash flows of principal and interest.

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
*(forming an integral part of the financial statements)*

## Note 30: FINANCIAL INSTRUMENTS *(continued)*

**2024**

						<i>in thousands of euros</i>				
<b>GROUP</b>						<b>COMPANY</b>				
	Carrying amount	Contractual cash flows				Carrying amount	Contractual cash flows			
		Total	Up to one year	From 1 to 5 years	Over 5 years		Total	Up to one year	From 1 to 5 years	Over 5 years
Loans and borrowings	215,532	249,809	54,233	159,146	36,430	112,972	120,710	20,756	98,817	1,137
Trade and other payables	21,872	21,872	21,872	-	-	4,191	4,191	4,191	-	-
<b>Total</b>	<b>237,404</b>	<b>271,681</b>	<b>76,105</b>	<b>159,146</b>	<b>36,430</b>	<b>117,163</b>	<b>124,901</b>	<b>24,947</b>	<b>98,817</b>	<b>1,137</b>

**2023**

						<i>in thousands of euros</i>				
<b>GROUP</b>						<b>COMPANY</b>				
	Carrying amount	Contractual cash flows				Carrying amount	Contractual cash flows			
		Total	Up to one year	From 1 to 5 years	Over 5 years		Total	Up to one year	From 1 to 5 years	Over 5 years
Loans and borrowings	231,633	271,156	54,860	182,564	33,732	125,307	138,704	23,111	109,391	6,202
Trade and other payables	9,751	9,751	9,751	-	-	17,220	17,220	17,220	-	-
<b>Total</b>	<b>241,384</b>	<b>280,907</b>	<b>64,611</b>	<b>182,564</b>	<b>33,732</b>	<b>142,527</b>	<b>155,924</b>	<b>40,331</b>	<b>109,391</b>	<b>6,202</b>

## Note 30: FINANCIAL INSTRUMENTS

*(continued)*

### Categories of financial instruments

			<i>in thousands of euros</i>	
	31 December 2024	31 December 2023	31 December 2024	31 December 2023
<i>Financial assets at fair value through OCI:</i>				
Investments in securities	154	1,184	15	655
<i>Financial assets at amortised cost:</i>				
Trade and other receivables	23,201	12,253	7,440	94,462
Loans granted	883	403	59,483	6,813
Cash and cash equivalents	70,771	56,474	7,840	3,109
Deposits granted	50,139	87,750	10,692	81,701
<b>Total financial assets</b>	<b>145,148</b>	<b>158,064</b>	<b>85,470</b>	<b>186,740</b>
<i>Financial liabilities at amortised cost:</i>				
Loans and borrowings	215,532	231,633	112,972	125,307
Trade and other payables	20,635	9,747	4,191	17,223
<b>Total financial liabilities</b>	<b>236,167</b>	<b>241,380</b>	<b>117,163</b>	<b>142,530</b>

*The fair value measurement is categorised as Level 3 for all categories of financial instruments.*

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (*continued*)

(forming an integral part of the financial statements)

# Note 30: FINANCIAL INSTRUMENTS

(*continued*)

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### Fair value of financial instruments

#### Valuation methods and assumptions in determining fair value

The fair values of financial assets and financial liabilities are determined as follows:

- The fair value of financial assets and financial liabilities traded in active and liquid markets under standard conditions is determined based on quoted market prices.
- The fair value of other financial assets and other financial liabilities is determined in accordance with pricing models, based on discounted cash flow analysis, using prices from known market transactions and prices quoted for similar instruments.

#### Fair value indicators recognised in the statement of financial position

The fair value of financial instruments is recognised based on the following indicators:

1. **Level 1** – Fair value indicators are derived from (unadjusted) quoted prices in active markets for identical assets or liabilities.
2. **Level 2** – Fair value indicators are derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
3. **Level 3** – Fair value indicators are derived using valuation techniques in which significant inputs for the asset or liability are not based on observable market data.

As at 31 December 2024, the reported amounts of cash, deposits, receivables, short-term liabilities, accrued expenses, and other financial instruments approximate their fair value.



# Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

## Note 30: FINANCIAL INSTRUMENTS

(continued)

### Capital management

The primary objective of capital management by the Group and the Company is to ensure business support and maximise shareholder value. The Group and the Company manage and adjust their capital structure in light of changes in economic conditions. To maintain or adjust the capital structure, the Group and the Company may modify dividend payments to shareholders, execute capital returns to shareholders, or issue new shares. No changes were noted in the objectives, policies, and processes during the years ended 31 December 2024 and 31 December 2023.

The Group and the Company monitor capital by tracking the gearing ratio, which is calculated as follows:

	<b>GROUP</b>		<i>in thousands of euros</i> <b>COMPANY</b>	
	<b>31 December 2024</b>	<b>31 December 2023</b>	<b>31 Decemb er 2024</b>	<b>31 December 2023</b>
Total loans and borrowings (Long-term and short-term borrowings)	215,532	231,633	112,972	125,307
Less: cash and cash equivalents	70,771	56,474	7,840	3,109
Net debt	144,761	175,159	105,132	122,198
Equity and reserves	576,913	472,500	492,721	456,835
<b>Debt-to-equity ratio</b>	<b>25.09%</b>	<b>37.07%</b>	<b>21.34%</b>	<b>26.75%</b>

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 *(continued)*

*(forming an integral part of the financial statements)*

# Note 31: CONTRACTED AND CONTINGENT LIABILITIES

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### Construction of the Batala residential and commercial Centre

*Atlantska plovidba d.d. has contracted the construction of the Batala Residential and Commercial Centre in two phases (2023–2024), financed by a loan facility. As at 31 December 2024, EUR 7,638 thousand has been utilised out of the total contracted amount of EUR 15,828 thousand. The remaining funds are planned to be utilised by the end of June 2025, which is the scheduled completion date of the project. The entire amount required for completion is secured by the loan facility, with no cost overruns expected.*

### Investments in Ultramax Newbuildings

*In 2024, Atlantska plovidba d.d. initiated a project for the construction of three Ultramax-type vessels (63,500 DWT) at Jiangsu Hantong Ship Heavy Industry shipyard. In 2025, instalments amounting to 10% of the contracted amount for each newbuilding (upon steel cutting) will become due. The total contract value is approximately EUR 84,369 thousand, with a financing plan of 40% from own funds and 60% through bank loans.*

### Contingent liabilities

*As at 31 December 2024 and 2023, the Group and the Company were involved in several disputes related to operations and work-related injuries. Management believes, based on the advice of its legal counsel, that the final outcome of these lawsuits will not have a significant adverse effect on the financial statements.*

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

# Note 32: ACQUISITION OF A SUBSIDIARY

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### Acquisition of subsidiary Atlantska Plovidba d.d.

#### Acquisition of control

The Group acquired control over Atlantska plovidba d.d. on 20 February 2024. During the period from 1 January 2024 to 20 February 2024, the Group acquired 523,534 shares of the company, representing a 25.06% ownership interest. Together with the holding as at 31 December 2023 (a 39.19% ownership interest), this amounts to a total ownership interest of 64.25%.

Atlantska plovidba is a global shipping company, established in 1955 in Dubrovnik, providing international dry bulk cargo transportation services. The Atlantska plovidba fleet consists of eleven vessels with an average age of 12 years. The fleet is diversified and includes the following vessel classes: Panamax (4 vessels), Supramax (4 vessels), Handysize (2 vessels), and Kamsarmax (1 vessel). The total fleet capacity amounts to 700,163 DWT. In 2024, the Company entered into contracts for the construction of three Ultramax vessels with a carrying capacity of 63,500 DWT each, with Jiangsu Hantong Ship Heavy Industry Co., Ltd., with a total investment value of USD 97.5 million. Delivery of the vessels is scheduled for 2026 and 2027. In addition to its core maritime business, within the Atlantska plovidba Group, the Company owns or jointly controls several entities providing services in the fields of travel agencies, real estate management, tourism, IT services, insurance brokerage, and business and other management consulting.

The Group decided to acquire Atlantska plovidba d.d. for several key reasons:

1. **Business diversification** – Tankerska plovidba, traditionally focused on tanker vessels, has significantly strengthened its dry bulk segment through this acquisition, as the Atlantska plovidba fleet consists exclusively of dry bulk carriers. This reduces business risk and dependence on a single market segment.
2. **Fleet growth** – With the acquisition of Atlantska plovidba, the Group's fleet capacity increased by 82% to a total of 1,552,399 DWT, representing a significant step forward in the development of its core maritime business.
3. **Favorable market price** – The acquisition was made at a favorable stock market price compared to other companies in the same segment and relative to transaction prices in the industry.
4. **Ease of integration and increased efficiency** – Due to the complementarity of operations and significant synergy potential in contracting new business, market access, financing, insurance, as well as the reduction of operational and administrative costs.

## Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)

(forming an integral part of the financial statements)

### Note 32: ACQUISITION OF A SUBSIDIARY (continued)

#### Acquisition of the subsidiary Atlantska Plovidba d.d. (continued)

##### Acquisition of control (continued)

The consolidated revenue of Atlantska plovidba d.d. included in the consolidated statement of comprehensive income for the reporting period amounts to EUR 46,470 thousand, while the consolidated profit amounts to EUR 501 thousand. Had the acquisition date been January 1, 2024, the consolidated profit of Atlantska plovidba d.d. included in the consolidated statement of comprehensive income would have amounted to EUR 4,392 thousand, and the revenue would have amounted to EUR 56,837 thousand.

##### Total consideration transferred

The fair value of the total consideration transferred for obtaining control amounts to EUR 28,069 thousand. The Group did not use any other category of consideration for the acquisition apart from cash. The total amount of acquisition-related costs is EUR 147 thousand, which is presented in Note 11 under other expenses.

##### Identifiable assets acquired and liabilities assumed recognised at the acquisition date

The following table presents the amounts of identifiable assets acquired and liabilities assumed as at the acquisition date:

	<i>in thousands of euros</i>
Investment property	3,405
Intangible assets	564
Property, plant and equipment	190,630
Other investments	49,911
Inventories	2,026
Trade and other receivables	1,973
Cash and cash equivalents	5,470
Loans and borrowings	(92,221)
Trade and other payables	(7,185)
Provisions	(1,441)
Deferred tax liability	(662)
<b>TOTAL NET ASSETS ACQUIRED</b>	<b>158,470</b>

## Note 32: ACQUISITION OF A SUBSIDIARY *(continued)*

### Acquisition of the subsidiary Atlantska Plovidba d.d. (continued)

#### Identifiable assets acquired and liabilities assumed recognised at the acquisition date (continued)

*The most significant fair value adjustments to the net assets acquired relate to vessels and assets under construction, which are presented within property, plant and equipment, as well as investment property. The valuation of these assets was performed based on the following approaches:*

- 1. The market approach was used to determine the fair value of vessels, based on an analysis of recent transactions involving similar vessels in an active market. The analysis took into account the vessel type, deadweight, age, condition, and technical characteristics.*
- 2. The income approach was applied to the valuation of real estate and investment property using the direct capitalization method. The valuation included an assessment of net operating income based on market rents, operating expenses, and expected occupancy rates, with capitalization of such income using an appropriate capitalization rate.*
- 3. The residual method was used for valuing assets under construction, whereby the project value was estimated based on the value of the land and construction costs incurred up to the acquisition date.*

#### Gain on bargain purchase

*The gain on bargain purchase recognised at the acquisition date is as follows:*

	<i>in thousands of euros</i>
Consideration transferred for the acquisition of a 25.06% interest	28,069
Non-controlling interest based on the proportionate share of existing equity instruments	56,750
Fair value of the previously held interest in Atlantska Plovidba d.d.	43,887
Fair value of net assets acquired	(158,470)
<b>Gain on bargain purchase</b>	<b>(29,764)</b>

*The remeasurement of the Group's previously held interest in Atlantska plovidba d.d. to fair value resulted in a gain of EUR 2,564 thousand (EUR 43,887 thousand less the carrying amount of the investment in the associate accounted for using the equity method of EUR 41,323 thousand). This amount is included in finance income (see Note 12).*

## Note 32: ACQUISITION OF A SUBSIDIARY *(continued)*

### **Gain on bargain purchase on the acquisition of the subsidiary Turisthotel d.d. recognised in 2023**

*The gain on bargain purchase recognised at the acquisition date is as follows:*

	<i>in thousands of euros</i>
Consideration transferred for the acquisition of a 55.80% interest	123,858
Non-controlling interest based on the proportionate share of existing equity instruments	10,178
Fair value of the previously held interest in Turisthotel d.d.	89,348
Fair value of net assets acquired	(225,171)
<b>Gain on bargain purchase</b>	<b>(1,787)</b>

*The remeasurement of the Group's previously held interest in Turisthotel d.d. to fair value resulted in a gain of EUR 4,591 thousand in 2023 (EUR 89,348 thousand less the carrying amount of the investment in the associate accounted for using the equity method of EUR 84,757 thousand). This amount is included in finance income (see Note 12).*

## **Note 33: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS**

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*In applying accounting policies, Management has made the following judgements, apart from those involving estimations, which have the most significant effect on the amounts recognised in the financial statements:*

### **Depreciation of vessels**

*The estimated residual value of a vessel is calculated by multiplying the vessel's light displacement tonnage (LDT) by the net scrap-steel price for vessels quoted in the Indian demolition market, expressed in USD per LDT. The net scrap-steel price is determined as the quoted market price less 10 %, which represents the estimated costs of disposal, in accordance with IAS 16 – Property, Plant and Equipment.*

*The scrap-steel price for vessels in the Indian market is based on data published on the Clarksons Shipping Intelligence Network website (<https://sin.clarksons.net/>), using the last available price for the year preceding the year of application, according to the following vessel categories:*

- Aframax: 535248 – India Scrap Price (Suezmax/Aframax Tanker)*
- MR: 542058 – India Scrap Price (MR/Handy Tanker)*
- Handysize Bulk: 535252 – India Scrap Price (Handymax/Handysize Bulkcarrier).*

*If the net scrap-steel price in the Indian market increases or decreases compared to the previous year, this is considered a change in the estimate of the residual value. This estimate is reviewed annually and updated as necessary. Following the annual reassessment, the residual value remained unchanged as at 31 December 2024 compared to 31 December 2023.*

### **Vessel valuation**

*Fair value less costs of disposal (FVLCD) is determined for impairment-testing purposes based on quotations obtained from independent shipbrokers. Value in use (VIU) is calculated as the net present value of the vessel's future cash inflows over its remaining useful life.*

*When estimating VIU, certain assumptions are applied, including expected daily charter rates, vessel operating expenses, the discount rate, and the average scrap-steel price. These assumptions, which relate to cash-flow projections, are considered predictable in nature, including revenue estimates from existing contracts. The Company regards each vessel as a separate cash-generating unit (CGU). The recoverable amount of the CGU is based on the present value of the future cash flows expected from the use of the CGU (value in use) over the remaining life of each vessel. Certain assumptions related to the vessel's future cash flow estimates are less predictable, such as expected daily charter rates beyond the period of existing contracts and the vessel's residual value. These assumptions are subject to long-term volatility of factors such as spot and time charter market rates and the expected residual value of the vessel.*

## **Note 33: SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS** *(continued)*

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### **Investments in subsidiaries and associates**

*Investments in subsidiaries and associates are recognized in the Company's financial statements at cost. In determining the recognition and measurement of these investments, Management applies significant accounting judgments, particularly in assessing the existence of objective evidence of impairment.*

*Management regularly reviews whether there are indicators that may suggest a potential impairment of investments, such as negative financial results, deterioration of market conditions, or operational difficulties of related entities.*

*As part of this assessment, the Company also considers its total exposure to subsidiaries, including invested capital, loans granted, outstanding receivables, and other forms of financial support. This comprehensive exposure represents a potential credit and investment risk and is subject to ongoing monitoring to ensure timely identification of possible impairment losses in accordance with the principles of prudence.*

*As at the reporting date, no objective evidence of impairment was identified for any investment in subsidiaries or associates, and therefore, there was no requirement to recognize an impairment loss.*



## **Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**

*(forming an integral part of the financial statements)*

### **Note 34: EVENTS AFTER THE REPORTING DATE**

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*On 17 February 2025, TANKERSKA PLOVIDBA d.d. took delivery of two high-speed passenger vessels, "Majestic Bliss" (renamed "Kolovare") and "Majestic Ultimate" (renamed "Puntamika"), each with a capacity of 312 passengers.*

*In January 2025, Atlantska plovdba d.d. made the initial advance payments for the construction of three Ultramax-type vessels (63,500 DWT) at Jiangsu Hantong Ship Heavy Industry shipyard.*

*At the beginning of 2025, Atlantska plovdba d.d. refinanced the loan facility for six vessels with a bank.*

*In the first quarter of 2025, Turisthotel d.o.o. sold the city hospitality property "Cafe bar Branimir" and acquired a commercial property at 5, Ulica 112. brigade.*

*On 4 April 2025, TANKERSKA PLOVIDBA d.d. took delivery of a high-speed passenger vessel, "Majestic Hope", with a capacity of 320 passengers.*

*On 17 April 2025, TP Line d.o.o. entered into a Public Coastal Liner Transport Agreement with the Coastal Liner Maritime Transport Agency for the state high-speed line no. 9401 (Olib – Silba – Premuda – Zadar and vice versa). The transport will be operated by the vessel "Kalelarga", which is leased from the parent company, for the period from 1 May 2025 to 30 April 2031.*

*On 17 June 2025, TANKERSKA PLOVIDBA d.d. took delivery of a high-speed passenger vessel, "Majestic Inspire", with a capacity of 320 passengers.*

*Other than the above, no other business events or transactions have occurred after 31 December 2024 that would have a material impact on the financial statements of the Group and the Company as at or for the period then ended, nor are there any events of such significance to the operations that would require disclosure in the notes to the financial statements.*

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**  
(forming an integral part of the financial statements)

## Note 35: LIST OF SUBSIDIARIES

The Group comprises the Company and the following subsidiaries over which the Company exercises control:

	31 December 2024	31 December 2023
Tankerska Next Generation d.d., Croatia (merged with Tankerska plovodba d.d. as of 1 July 2024)	0.00%	100.00%
- Tankerska Next Generation International Ltd., Marshall Islands	100.00%	100.00%
- Fontana Shipping Company Limited, Marshall Islands	100.00%	100.00%
- Teuta Shipping Company Ltd., Marshall Islands	100.00%	100.00%
- Vukovar Shipping, LLC, Marshall Islands	100.00%	100.00%
- Pag Shipping, LLC, Marshall Islands	100.00%	100.00%
- Zoilo Shipping, LLC, Marshall Islands	100.00%	100.00%
TP Line d.o.o., Croatia	100.00%	100.00%
Turisthotel d.o.o., Croatia	100.00%	100.00%
- Praonica Plat d.o.o., Croatia (merged with Turisthotel d.o.o. as of 18 December 2024)	0.00%	100.00%
Atlantska plovodba d.d., Croatia (control acquired in 2024)	71.40%	39.10%
- Atlantic Conbulk Maritime Corporation, Liberia	100.00%	100.00%
- Atlant Tramp Corporation, Marshall Islands	100.00%	100.00%
- Atlant Handymax Corporation, Marshall Islands	100.00%	100.00%
- Atlant Ice Panamx Corporation, Marshall Islands	100.00%	100.00%
- Atlant Supramax Corporation, Marshall Islands	100.00%	100.00%
- Atlant Drzic Corporation, Marshall Islands	100.00%	100.00%
- Atlant Revelin Corporation, Marshall Islands	100.00%	100.00%
- Atlant Slano Corporation, Marshall Islands	100.00%	100.00%
- Atlant Dubrava Corporation, Marshall Islands	100.00%	100.00%
- Atlant Kamsarmax Corporation, Marshall Islands	100.00%	100.00%
- Atlant Kamsarmax II Corporation, Marshall Islands	100.00%	100.00%
- Atlant Kamsarmax III Corporation, Marshall Islands	100.00%	100.00%
- Atlantska Plovodba International Ltd., Marshall Islands (established in 2024)	100.00%	
- Atlant Kupari Corporation, Marshall Islands (established in 2024)	100.00%	
- Atlant Zaton Corporation, Marshall Islands (established in 2024)	100.00%	
- Atlant Lapad Corporation, Marshall Islands (established in 2024)	100.00%	

**Notes to the Consolidated and Separate Financial Statements as at 31 December 2024 (continued)**

*(forming an integral part of the financial statements)*

## Note 35: LIST OF SUBSIDIARIES

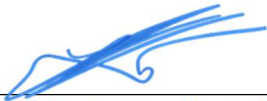
*(continued)*

	31 December 2024	31 December 2023
- AP Shipping Company Limited, Malta	100.00%	100.00%
- Atlant putnička agencija d.o.o., Croatia	80.00%	80.00%
- Atlant poslovni centar d.o.o., Croatia	100.00%	100.00%
- Atlant servisi d.o.o., Croatia	100.00%	100.00%
- Laus CC d.o.o., Croatia	96.00%	96.00%
- Atlant Batala centar d.o.o., Croatia	100.00%	100.00%
- Adriatic Global Brokers d.o.o., Croatia (sold in 2024)	0.00%	76.00%
Donat Maritime Corporation, Liberia	100.00%	100.00%
Riva N. Shipping Company Limited, Liberia	100.00%	100.00%
Idassa Maritime Ltd., Liberia	100.00%	100.00%
Tankerska Plovidba International Ltd., Marshall Islands	100.00%	100.00%
Ugljan Shipping Ltd., Marshall Islands	100.00%	100.00%
Obrovac Shipping Ltd., Marshall Islands	100.00%	100.00%
Ravni Kotari Shipping Ltd., Marshall Islands	100.00%	100.00%
Frankopan Shipping LLC, Marshall Islands	100.00%	100.00%
Dugi Otok Shipping LLC, Marshall Islands	100.00%	100.00%
Olib Shipping LLC, Marshall Islands	100.00%	100.00%
Rava Shipping LLC, Marshall Islands	100.00%	100.00%
Rekreacijsko turistički centar Nin d.o.o., Croatia	100.00%	100.00%

## Note 36: APPROVAL OF THE FINANCIAL STATEMENTS

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The financial statements presented on pages 7 to 92 were approved by the Management Board and authorized for issue on 30 June 2025.



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Mario Pavić, President of the Management Board



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Ivan Pupovac, Member of the Management Board



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Mate Valčić, Member of the Management Board



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Nikola Koščica, Member of the Management Board



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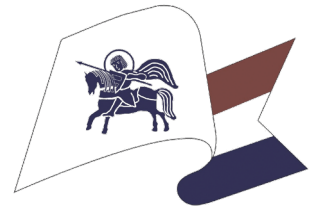
Ivica Pijaca, Member of the Management Board



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John Karavanić, Member of the Management Board

TANKERSKA  
PLOVIDBA Group  
69 years of success at sea



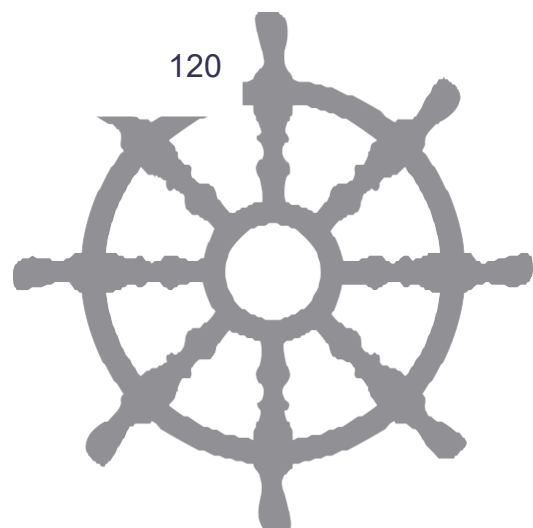
# *Consolidated and Separate Management Report for the Year 2024*





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# Report of the President of the Management Board

***"Following 2023, a year characterized by outstanding financial results and significant strategic acquisitions, Tankerska Plovidba has once again demonstrated its ability to continuously adapt to a dynamic market environment and effectively manage risks while maintaining outstanding business results and upholding a professional relationship with all of its clients.,,"***

Mario Pavić, President of the Management Board,  
Tankerska plovidba d.d.



***"Our diversification into the tourism sector through Turisthotel and the expansion of our operations in the dry bulk segment via Atlantska Plovidba have, thus far, proven to be sound strategic decisions, significantly contributing to the Group's stability and overall profitability."***

The year 2024 was yet another challenging period for the global maritime market. Complex geopolitical circumstances, dynamic market movements, and numerous regulatory challenges—such as the introduction of carbon dioxide emissions trading—required a flexible business model and a high level of operational management efficiency.

Following 2023, a year characterized by outstanding financial results and significant strategic acquisitions, Tankerska Plovidba has once again demonstrated its ability to continuously adapt to a dynamic market environment and effectively manage risks while maintaining outstanding business results and upholding a professional relationship with all of its clients.

On behalf of the Management Board, I would like to extend our congratulations and gratitude to all our seafarers and shore-based employees for their continued dedication, professionalism, and perseverance under highly challenging conditions in 2024.

The tanker market maintained its stability throughout 2024 despite challenging global conditions. Volatility remained present throughout the year, while key segments for Tankerska Plovidba—Aframax and MR tankers—faced changes in demand, trade flows, and geopolitical risks that shaped freight rates and operational conditions.

Aframax crude oil tankers and MR product tankers recorded a slight decrease in freight rates compared to 2023, as global oil demand growth slowed and seaborne oil trade volumes stagnated. Nevertheless, freight rates remained significantly above historical levels—approximately 46% higher than the ten-year average—supported by longer voyage distances due to altered trade flows. Oil prices remained relatively stable in 2024, with the average WTI price at USD 76, which is USD 2 lower than in 2023, and the average Brent price at around USD 81 per barrel, only USD 1 lower than the previous year.

Geopolitical factors significantly altered trade flows. The conflict between Russia and Ukraine reshaped oil trade routes; the European ban on imports of Russian crude oil and oil products meant that replacement cargoes had to be sourced from more distant regions (the Middle East, the United States, West Africa, Asia), resulting in increased tonne-miles. In the Mediterranean and Black Sea markets, war risks and sanctions kept tanker freight rates at elevated levels. Product tankers also changed their routes; Russian diesel was redirected to Latin America and Africa, while Europe imported more fuel from the Middle East and India, which also increased the average voyage length for MR tankers.

Attacks on vessels in the Red Sea diverted trade routes from the Suez Canal around the Cape of Good Hope, and oil traffic in the region decreased by more than half compared to the previous year.



# *Report of the President of the Management Board (continued)*

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With tanker fleet growth remaining below 1% and minimal scrapping of older vessels, the supply of tonnage in 2024 remained constrained. However, the number of contracted newbuildings during 2024 reached a record high of 435 tankers, representing an annual increase of 31%. Overall, Aframax and MR tankers experienced another highly successful year, with freight rates in Tankerska Plovidba's traditional markets—the Mediterranean and the Black Sea—remaining particularly elevated due to geopolitical factors and longer trading routes.

Although overshadowed by the exceptionally high earnings in the tanker sector, the dry bulk market in 2024 showed signs of stabilisation and growth following a challenging previous year. The Handysize segment, in which Tankerska Plovidba participates, also recorded certain improvements. Global dry bulk trade increased by approximately 2.4%, while demand measured in tonne-miles grew by over 6%—the highest increase in the past 15 years—as cargoes were transported over longer distances (e.g., grains and coal from the Atlantic region to Asia). This growth in demand, supported by substantial imports into Asia, lifted freight indices from the very low levels recorded in 2023. Earnings in the Handysize segment strengthened, particularly in the second half of 2024, as trade in grains and minor bulk commodities began to recover.

Tankerska Plovidba continues to apply a conservative vessel employment strategy, combining long-term time charter contracts and spot market exposure in order to optimise revenue and mitigate market volatility.

Effective management is the foundation of any long-term sustainable business. At Tankerska Plovidba, we consistently adhere to the highest ethical standards and principles of corporate social responsibility. Our strategy is focused on maintaining a stable capital structure, low leverage and a secure liquidity position, thereby ensuring long-term value creation for all stakeholders and a positive impact on both the community and the environment.

In 2024, Tankerska Plovidba expanded its operations in the dry bulk segment by increasing its ownership stake in Atlantska Plovidba. Following participation in the capital increase of Atlantska Plovidba in 2023, shares were acquired in 2024 through two public takeover offers. After the completion of the first takeover bid, launched at the beginning of 2024, Tankerska Plovidba increased its shareholding in Atlantska Plovidba to 64.11%, and following the second takeover bid, to 71.16% of Atlantska Plovidba's share capital. Upon completion of the public offers, Atlantska Plovidba was delisted from the Zagreb Stock Exchange.

After acquiring 100% ownership of Turisthotel d.d. in 2023, the company was successfully transformed from a joint stock company into a limited liability company in 2024. The first year under the new structure was satisfactory, and planned investments are ongoing. During 2024, projects were initiated to modernise existing accommodation facilities and enhance amenities within the tourist resort. Investments are also focused on environmental initiatives, continuous staff training, business digitalisation, and improving energy efficiency, all with the aim of increasing competitiveness and supporting sustainable growth in the tourism sector.

In 2024, the merger of Tankerska Next Generation d.d. (TNG) into Tankerska Plovidba was successfully completed, resulting in the dissolution of Tankerska Next Generation d.d. This transaction has simplified the corporate structure and resulted in certain operational and administrative cost savings.





# *Report of the President of the Management Board (continued)*

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TP Line, a wholly owned subsidiary of Tankerska Plovidba, continued to operate successfully by combining two state-subsidised lines and three seasonal commercial lines, generating stable revenues and gradually increasing the number of passengers transported. As of the date of this report, during 2025, the Group has completed the acquisition of five vessels and has submitted bids for five state-subsidised lines. In one case, the tender was successfully awarded to the Group, while for the remaining lines, the results of the appeal procedures and final decisions of the competent authorities are still pending.

In 2024, we continued to apply a consistent and systematic approach to operational risk management, with ongoing investments in crew training, preventive vessel maintenance, and the implementation of advanced systems for monitoring and managing operational parameters. The inclusion of shipping in the EU Emissions Trading System (EU ETS) as of 1 January 2024 represented a significant regulatory challenge. We successfully implemented systems for monitoring and managing CO<sub>2</sub> emissions and developed a strategy for the optimal management of emission allowance procurement costs. Preparations have also continued for compliance with the FuelEU Maritime regulation, which comes into force in 2025, with a focus on strategies for the gradual decarbonisation of our operations.

Security risks, including piracy and regional conflicts, continued to pose significant challenges in 2024. We maintained our policy of avoiding navigation through the Red Sea due to heightened security risks, rerouting vessels around the Cape of Good Hope despite the significantly increased fuel costs.

In West Africa, we have implemented maximum security measures for vessels calling at this region, including the deployment of armed guards and the application of best management practices.

Despite challenging market conditions and a complex regulatory environment, Tankerska Plovidba achieved exceptionally strong results in 2024, confirming our organizational effectiveness, successful business model, and the quality of our strategy.

Our diversification into tourism through Turisthotel and the expansion into the dry bulk segment via Atlantska Plovidba, has so far proven to be sound strategic move that contributes significantly to the Group's stability and profitability.

We have maintained a strong financial position, with conservative leverage and robust liquidity, enabling us to remain flexible in implementing our development strategy and creating long-term value.

We continue to apply the highest standards in environmental protection, social responsibility, and corporate governance, reaffirming our commitment to sustainable business practices.

Given the quality of our fleet, ongoing investment in the training and development of both seafarers and shore-based staff, our diversified business model, and a conservative approach to risk management, we look to the future with optimism and believe we are optimally positioned to continue creating value for all our stakeholders.

# Group Results in 2024

**Sales revenue**  
**247.8 mil. EUR**

**EBITDA**  
**143.2 mil. EUR**

**EBIT**  
**100.2 mil. EUR**

**Net profit**  
**89.4 mil. EUR**





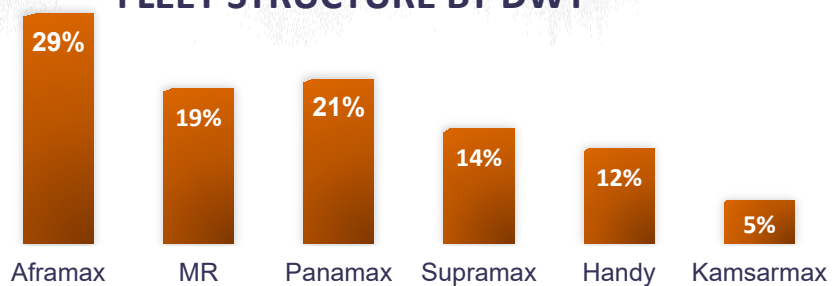


**The average age of the Group's fleet is 12 years**



31/12/2024.

#### FLEET STRUCTURE BY DWT





# Market

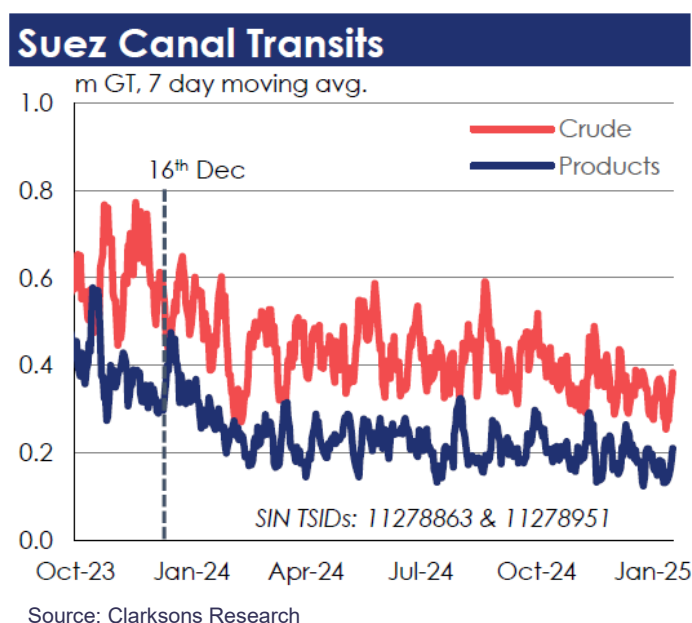
## Crude Oil Tankers

In 2024, Suezmax and Aframax tankers once again achieved earnings significantly above their long-term annual averages, while VLCC tanker revenues were somewhat below the long-term average. All three segments recorded a decline in earnings compared to 2023, despite another year of very low newbuilding deliveries, as the markets faced a series of challenges, including:

- Slower global demand growth, including a decline in crude oil imports into China;
- A decline in refinery margins from the elevated levels seen since 2022;
- Continued OPEC+ production limits, resulting in low overall oil supply growth.

Contrary to historical patterns, the crude tanker market did not benefit significantly from the disruption of shipping through the Red Sea. Suezmax tankers, in particular, were negatively affected, facing reduced flows from the Black Sea to the East and from the Middle East to Europe.

The chart below illustrates the trend in crude oil and oil product traffic through the Suez Canal.



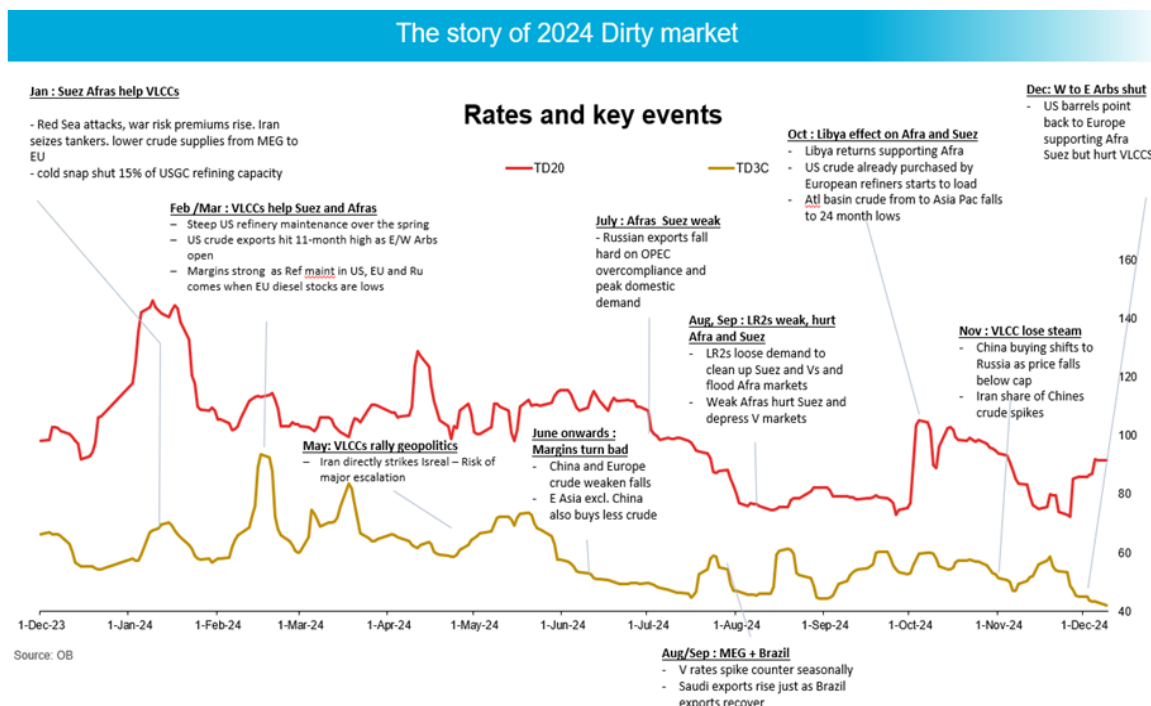
In the first half of the year, earnings remained at high levels, although lower than in the same period of 2023. Suezmax and Aframax tanker earnings in the first quarter were 76% and 120% above the long-term average, but 25% and 29% below Q1 2023 levels. VLCC tanker earnings were 18% above the long-term average, but 19% below Q1 2023 levels, supported by strong activity in the Atlantic basin. The first quarter was the peak of the year, with market conditions softening thereafter as a result of OPEC+ cuts and lower Chinese imports.





# Market

## Crude Oil Tankers (continued)



In the second quarter, earnings experienced a slight decrease, in line with seasonal trends, primarily due to reduced delays and maintenance activities at refineries. Suezmax and Aframax tanker earnings remained 67% and 100% above the long-term average, respectively, but were 11% and 15% below the levels recorded in Q2 2023. VLCC tanker earnings in Q2 were in line with the long-term average, but 16% lower compared to Q2 2023.

In the third quarter, the seasonal decline in earnings persisted, driven by reduced delays and increased direct crude oil consumption in the Middle East. Chinese crude oil imports were particularly low in July, reaching their lowest level since September 2022, when the effects of the pandemic were still evident. The VLCC market experienced a brief spike in mid-August but soon returned to lower levels. Average VLCC tanker earnings in Q3 were 31% below the long-term average and 11% below Q3 2023. Suezmax tankers maintained earnings 17% above the long-term average and 21% above Q3 2023, while Aframax tankers recorded earnings 22% above the long-term average and 16% above Q3 2023.

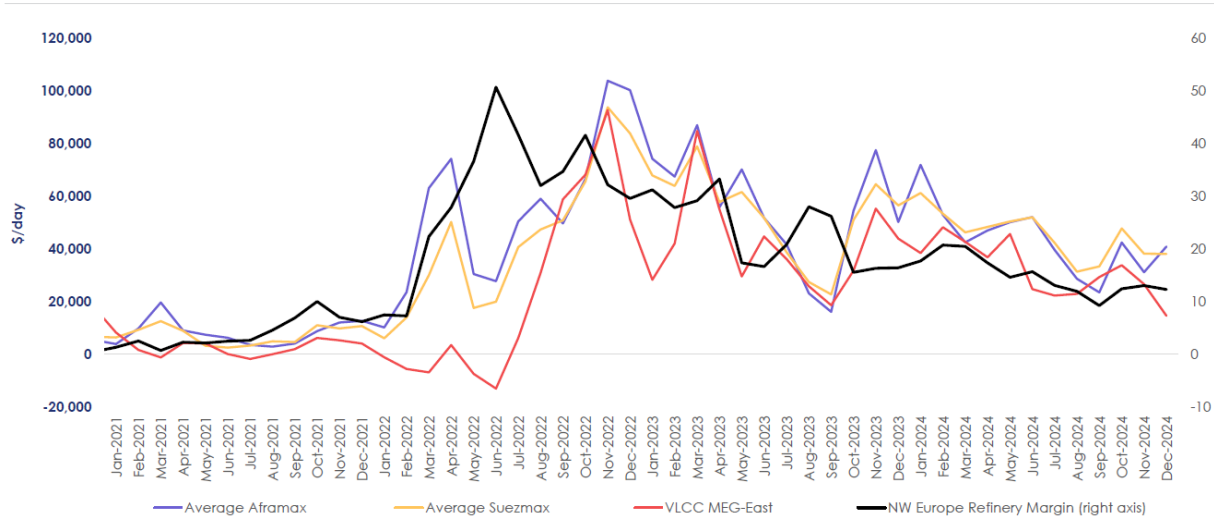


# Market

## Crude Oil Tankers (continued)

### Tanker Earnings vs Refinery Margins

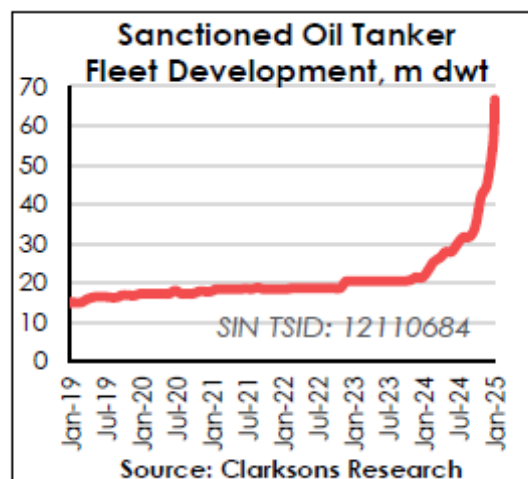
Earnings based on non-eco non-scrubber vessels



Source: Clarksons, LSEG

The relative strength of the market compared to Q3 2023 can be attributed to the decline in earnings during Q3 2023, when reduced Russian exports and the breach of the Urals price cap led to the redirection of tankers from Russian to mainstream markets. This year, Russian exports also declined, but with a less impact on the global market, as the majority of Russian cargoes are now transported outside of this fleet.

The Q4 started positively, with market growth at the beginning of October; however, the peak earnings for VLCC and Suezmax tankers were reached in the first week of October, after which earnings declined, particularly for VLCCs. Suezmax and Aframax tankers experienced higher volatility, with a decrease in mid-November followed by a subsequent recovery. VLCC tankers continued their downward trend.



Source: Clarksons Research



# Market

## Crude Oil Tankers (continued)

The market was further affected by lower-than-expected Brazilian production and reduced crude oil exports from the United States, due to increased processing in domestic refineries. VLCC tanker earnings in Q4 were 28% below the long-term average and 40% below Q4 2023. Suezmax and Aframax tankers achieved earnings 36% and 51% above the long-term average, but 28% and 37% below Q4 2023.

Aframax Average Earnings	Average \$/day		
	2022	2023	2024
Avg. Wtd. By Eco/Scrubber Type	57,946	56,827	44,487
Avg. Spot Earnings c.2010-blft	55,967	55,428	43,125
Scr. Fitted Avg. Earnings c.2010-blft	63,830	59,529	46,192
Eco Avg. Earnings	60,450	58,784	46,521
Eco Scr. Fitted Avg Earnings	66,765	62,101	48,947
1 Year T/C Rate	25,120	41,846	41,072
1 Year T/C Rate (Scr.)	27,380	44,529	43,572
1 Year T/C Rate (Eco)	29,101	46,938	45,029
1 Year T/C Rate (Eco Scr.)	31,361	49,620	47,529
3 Year T/C Rate	21,856	31,188	36,038

Source: Clarksons Research

### CRUDE OIL TANKERS

Total DWT 445,737



Dugi Otok	Olib	Frankopan	Rava
108,414	108,433	114,532	114,358
2008	2009	2017	2017



# Market

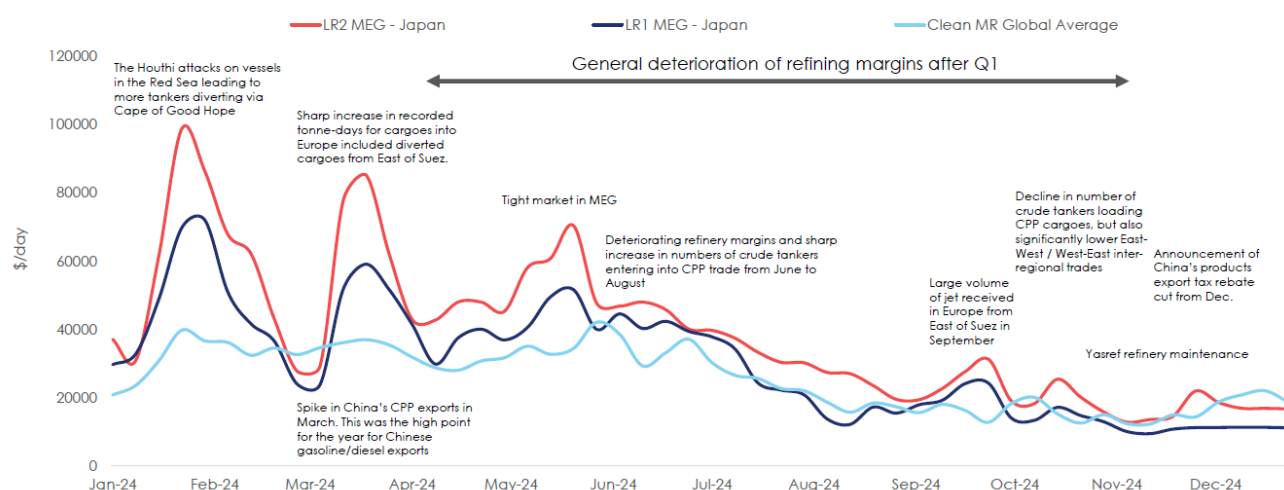
## Product Tankers

The product tanker market once again recorded one of its strongest years. Earnings in the first half of the year were exceptionally high, driven by the rerouting of vessels from the Red Sea / Gulf of Aden and changes in trade flows resulting from the Russia-Ukraine conflict.

In the second half of the year, the market weakened, as high freight rates and a softer crude tanker market led to additional tankers being deployed for the transportation of clean petroleum products. The weakening of refinery margins also contributed to lower refinery utilization rates and a softer freight market.

### Review of Products Tanker Market for 2024

Earnings based on non-eco, non-scrubber fitted tonnage



Source: Clarksons.

In Q1, there was a significant increase in transported volumes on interregional East-West and West-East routes, which particularly benefited LR tankers. LR2 tanker earnings on the MEG-East route were 146% above the long-term annual average, while LR1 tanker earnings were 131% above the long-term annual average. These earnings were also 41% (LR2) and 32% (LR1) higher than in Q1 2023. MR tankers also delivered strong performance, supported by reduced traffic through the Panama Canal and increased exports of middle distillates from the United States to Europe, while South America increased its imports of diesel from Russia.

Average global MR tanker earnings in Q1 were 102% above the long-term average and 13% higher than in Q1 2023.

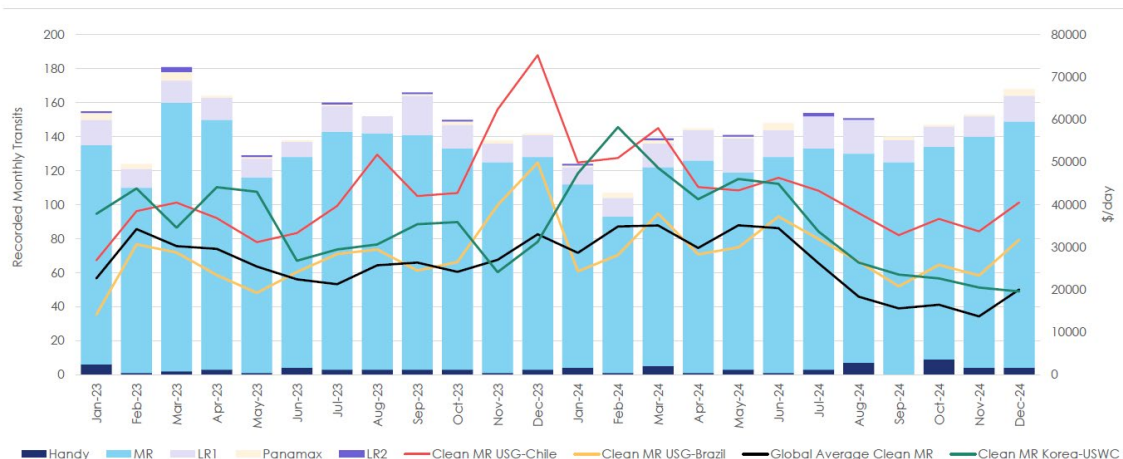




# Market

## Product Tankers (continued)

### Panama Canal Transits

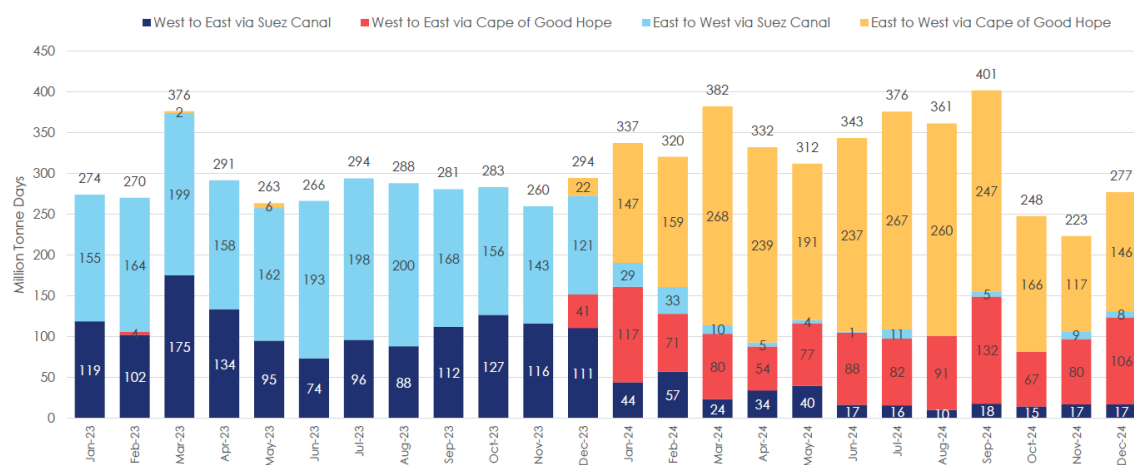


Source: Clarksons

In Q2, the market maintained its strength, with a slight weakening for LR tankers in line with seasonal trends. LR2 tanker earnings on the MEG-East route remained 106% above the long-term average and 44% above Q2 2023, while LR1 tanker earnings were 108% above the average and 33% higher than in Q2 2023.

### CPP Rerouting Volume Jan 23 – Onwards, Tonne Days

Excludes cargoes loading/discharging WAF / South America or in the Red Sea



Source: Clarksons Basis Load Date

In Q3, the market weakened significantly, although earnings remained above the long-term average. LR2 and LR1 tankers on the MEG-East route achieved earnings 18% and 10% above the long-term average. LR2 tanker earnings were 3% higher than in Q3 2023, while LR1 tankers recorded a 3% decrease compared to Q3 2023. Global MR tanker earnings remained 22% above the long-term average, but 19% below Q3 2023.

A significant increase in the deployment of Suezmax and VLCC tankers for the transportation of clean petroleum products on East-West routes during June, July, and August, combined with a decline in refinery margins to their lowest levels since the onset of the Russia-Ukraine conflict, contributed to lower product tanker earnings, despite ongoing geopolitical factors.



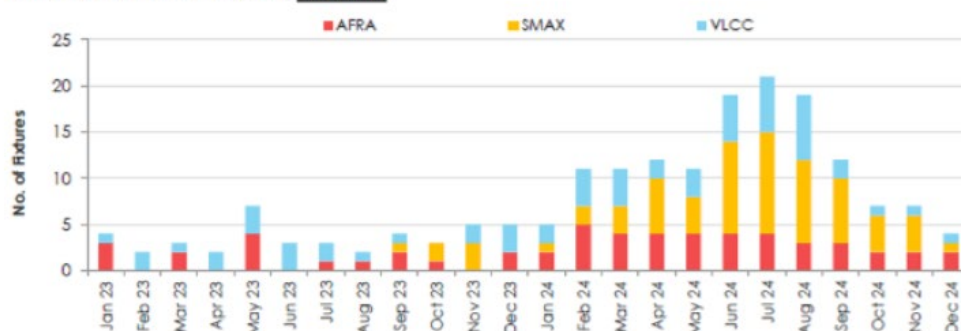
# Market

## Product Tankers (continued)

**Newbuild** Uncoated Tanker CPP Fixtures



Uncoated Tanker CPP Fixtures, **excl. N.B.**

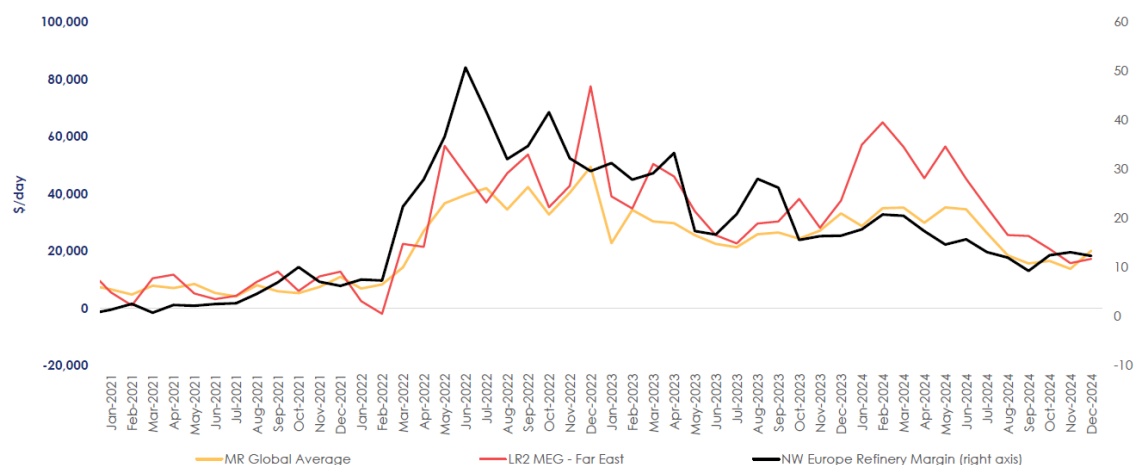


Source: Clarksons Research

In Q4, the market experienced a further decline, with the exception of a strong MR market in the Gulf of Mexico. Although the use of crude tankers for the transportation of clean petroleum products was significantly reduced, there was also a decrease in transported volumes on interregional routes in Q4, reaching levels comparable to or lower than those prior to the disruptions in Red Sea traffic. LR2 and LR1 tanker earnings on the MEG-East route declined by 26% and 38% below the long-term average.

### Tanker Earnings vs Refinery Margins

Earnings based on non-eco non-scrubber vessels



Source: Clarksons, LSEG

# Market

## Product Tankers (continued)

LR2 tankers recorded a decrease of 49%, while LR1 tankers declined by 51% compared to Q4 2023. Global earnings for MR tankers were 1% above the long-term average, but 42% lower than in Q4 2023.

Product Tanker Average Earnings	Average \$/day		
	2022	2023	2024
Avg. MR Wtd. By Eco/Scr. Type	34,362	28,933	27,484
Clean MR Spot Earnings c.2010-bit	31,775	26,948	25,698
Scr. Fitted MR Earnings c.2010-bit	37,406	30,094	28,106
Eco MR Avg. Earnings	37,584	31,489	29,708
Eco Scr. Fitted MR Earnings	41,353	33,549	31,315

Source: Clarksons Research



### PRODUCT TANKERS

Total DWT 299,958

Velebit	Vinjerac	Vukovar	Zoilo	Dalmacija	Pag
49,999	49,999	49,990	49,990	49,990	49,990
2011	2011	2015	2015	2015	2015



# Market

## Dry Bulk Carriers

The past year was marked by the challenges of ongoing wars, climate change, and new geopolitical circumstances. Such a series of events could have devastated the shipping industry; however, it demonstrated exceptional resilience, adaptability, and flexibility.

The war in Ukraine continued, and a new conflict erupted in the Middle East, with the risk of further escalation. For most vessels, transit through the Suez Canal was at one point suspended due to Houthi drone and missile attacks, resulting in the rerouting of voyages around the Cape of Good Hope.

**The previous year was, in many respects, best described as a year of duality.**

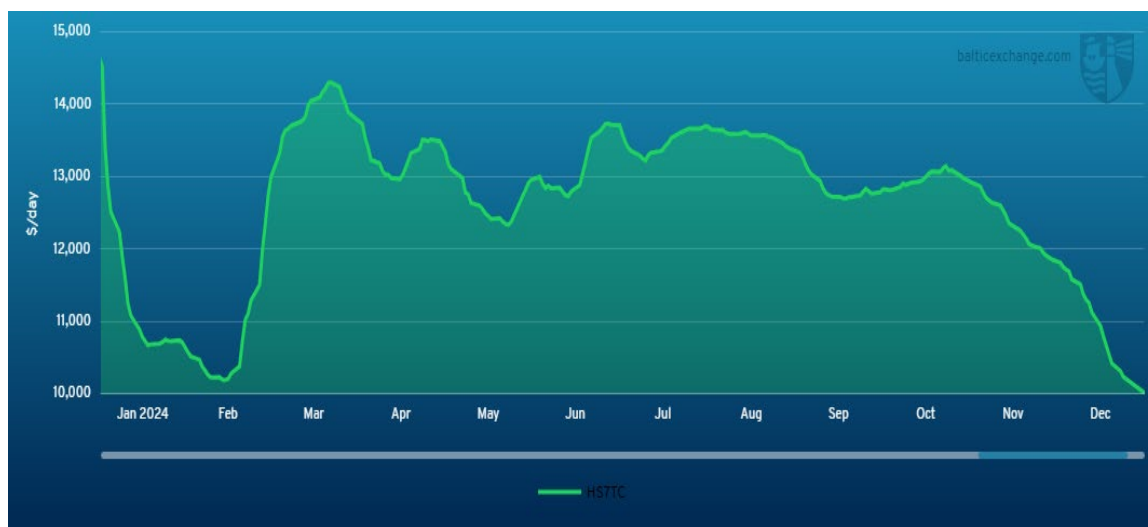
It was another exceptional year for the dry bulk shipping sector, with record volumes and average earnings significantly exceeding those of 2023. However, market conditions evolved in two distinct phases: a strong first half, driven by elevated freight rates, followed by weaker performance in the second half of the year.

Disruptions in trade played a key role in increasing demand for long-haul transportation. The Panama Canal faced severe drought, resulting in transit restrictions and the rerouting of vessels to longer routes. The situation was further exacerbated by Houthi attacks in the Gulf of Aden, leading to a 40% decrease in dry bulk vessel transits and even more rerouting.

Despite these challenges, transport volumes remained high until the end of the year; however, increased fleet efficiency began to negatively impact Capesize and Panamax vessel earnings. At the same time, the gradual recovery of traffic through the Panama Canal and a growing share of intra-basin trade limited the growth of long-haul transportation, slowing the momentum from the first half of 2024.

The growth of the effective fleet in 2024 was also influenced by the entry of Chinese vessels from the "domestic fleet" into the international market, due to weaker coastal trade in China and a decline in domestic coal transportation. It is estimated that, compared to the end of 2023, an additional 17 Panamax, 32 Supramax, and 58 Handysize vessels transitioned from domestic to international trade. (Source: Clarksons)

**Baltic Handysize 7 TC Average**



Average time charter (TC) earnings for Handysize vessels (38,000 dwt) in 2024 increased by USD 2,307 per day to USD 12,727 per day compared to the same period last year.

Source: The Baltic Exchange



# Market

## *Dry Bulk Carriers (continued)*

---

### **Fleet Growth**

The Handysize fleet (10–44,999 dwt) increased by 3.5% in 2024, representing the fastest growth among the four main dry bulk segments. This expansion was primarily driven by deliveries from Chinese (52%) and Japanese (45%) shipyards. A total of 171 new deliveries are expected by the end of the year.

On the other hand, 21 Handysize vessels with a total deadweight of 0.5 million dwt were scrapped, representing one of the lowest annual scrapping rates in recent years.

Additionally, the effective fleet growth in 2024 has been influenced by the entry of Chinese vessels from the domestic fleet into international trade, due to a decline in coastal shipping, particularly coal transportation.

Compared to the end of 2023, it is estimated that an additional 17 Panamax, 32 Supramax, and 58 Handysize vessels have transitioned from domestic to international trade in 2024.

### **Expectations for the Upcoming Year**

The tariffs imposed by the United States on Mexico and Canada are likely to result in a decrease in imports from this region. However, it remains uncertain to what extent this volume will be substituted by other maritime suppliers. Given the geographical proximity of Mexico and Canada to the United States (and the fact that a significant portion of cargo is transported via land routes), this could represent a net gain in demand for long-haul maritime transport if the United States seeks alternative suppliers. Should the United States decide to replace these volumes through domestic production or by restricting exports, this could have an adverse impact on shipping companies' earnings.

A potential trade war with China would likely benefit the Panamax market segment, as China would increase its imports of grain and soybeans from Brazil, while the market for geared vessels could experience a decline due to the redirection of U.S. exports to closer destinations.

The political rhetoric of the U.S. President regarding the Panama Canal and international trade places the shipping industry in the spotlight. While these developments represent both political and economic risks, they have the potential to significantly reshape trade routes and increase inefficiencies in a year when more vessels are returning to service through the canal, long-haul transport is declining, and earnings are under pressure.

The outcome remains uncertain, but we identify three potential impacts on the dry bulk market should trade relations deteriorate, particularly between the United States and China:

- 1) A reduction in direct dry bulk trade between China and the United States (minimal impact),
- 2) Chinese tariffs or avoidance of U.S. grains (minimal net impact),
- 3) Broader effects on Chinese and global demand (potentially significant impact).



# Market

## Dry Bulk Carriers (continued)

Tankerska plovdba d.d.  
BULK CARRIERS

Total DWT  
106.540



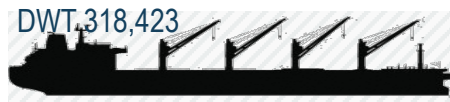
Ugljan	Obrovac	Ravni Kotari
37,728	34,439	34,373
2010	2010	2010

Atlantska plovdba d.d.  
BULK CARRIERS

Total DWT  
700,163

### PANAMAX BULK CARRIERS

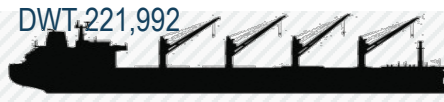
DWT 318,423



AP Argosy	AP Jadran	Zagreb	Miho Pracat
79,222	79,336	79,965	79,899
2012	2012	2008	2008

### SUPRAMAX BULK CARRIERS

DWT 221,992



AP Astarea	AP Slano	AP Sveti Vlaho	AP Drzic
57,553	57,495	53,530	53,414
2012	2012	2009	2009

### HANDY BULK CARRIERS DWT 77,498



AP Dubrava AP Revelin

38,703	38,795
2015	2016

### KAMSARMAX BULK CARRIERS DWT 82,250



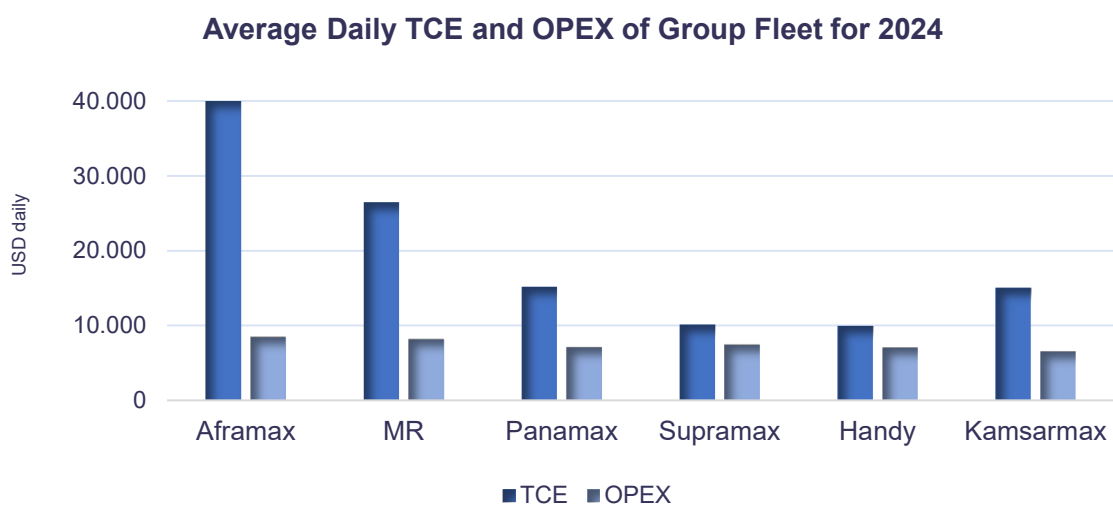
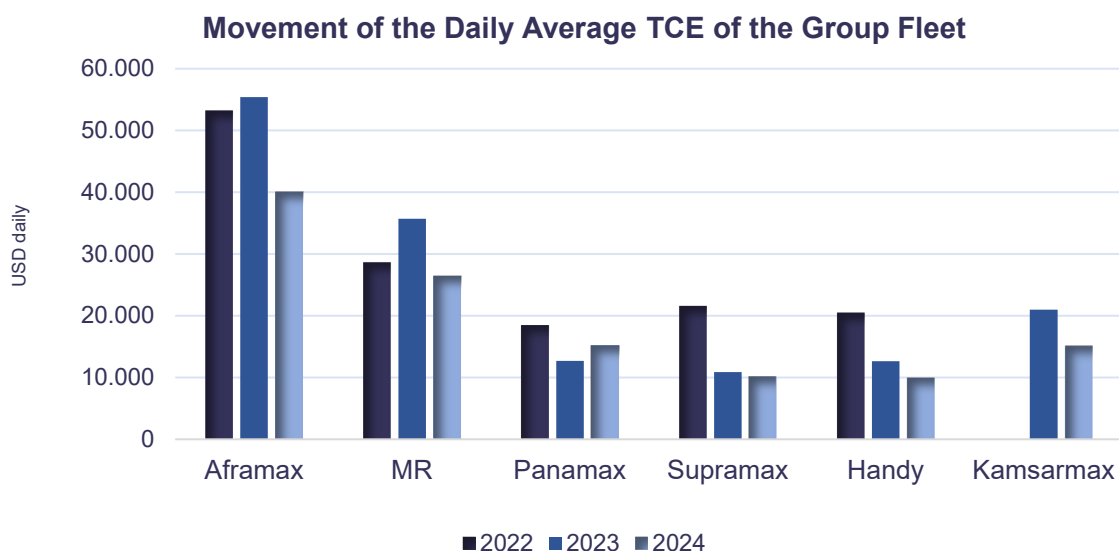
AP Dubrovnik

82,250
2023



# Market

## Commercial Performance



	2024		2023	
USD daily	TCE	OPEX	TCE	OPEX
Aframax	40,085	8,416	55,384	7,600
MR	26,465	8,128	35,691	7,695
Panamax	15,205	7,045	12,719	7,039
Supramax	10,160	7,418	10,857	7,246
Handy	9,961	7,011	12,640	6,201
Kamsarmax	15,074	6,498	21,014	6,498

Note: The data for the dry bulk fleet for the period 2022–2023 refers to Atlantska Plovidba d.d.



# Market

## Commercial Performance - Tourism Operations

At the level of Turisthotel d.o.o., record business results were achieved for the year 2024. The Company opened the Zaton Holiday Resort at the end of April, while other facilities operated throughout the entire year.

In terms of physical tourism indicators in 2024, the following was achieved:

- 759,312 overnight stays, representing an increase of 1.2% compared to the previous year,
- 743,604 overnight stays were recorded at the Zaton Holiday Resort, an increase of 1.0% year-on-year,
- 15,708 overnight stays were recorded at the Boutique Hostel Forum, an increase of 7.2% compared to the previous year.

In the structure of total overnight stays, foreign guests accounted for 94.6%, while domestic guests accounted for the remaining 5.4%.

According to the capacity structure, the following was achieved:

- 308,712 overnight stays in the apartments of the Zaton Holiday Resort, representing a decrease of 2.1% compared to the previous year,
- 434,892 overnight stays were recorded at the campsite, representing an increase of 3.3% compared to the previous year,
- 15,708 overnight stays were recorded at Hostel Forum, representing an increase of 7.2% compared to the previous year.

The main source markets with an individual share greater than 3%, collectively accounting for 85.4% of total overnight stays, are as follows: Germany (26.5%), Poland (18.0%), the Netherlands (7.6%), Austria (6.5%), Croatia (5.4%), Hungary (4.5%), Slovakia (4.3%), Czech Republic (4.3%), Ireland (4.3%), and the United Kingdom (4.1%). Other countries each accounted for less than 3% individually, representing a combined share of 14.6% of total overnight stays.

### Other Key Operational Indicators

Key Operational Indicators in EUR	APARTMENTS		CAMPSITE		HOSTEL FORUM	
	2024	2023	2024	2023	2024	2023
ADR	155.87	151.32	112.95	104.77	44.17	47.44
ADR incl. Half Board	187.14	182.03	122.91	112.89	47.07	51.01
RevPar	123.81	127.85	61.65	62.02	24.47	20.54
RevPar incl. Half Board	148.65	153.78	67.09	66.82	26.07	22.09
Number of Sold Units	83,613	85,106	119,479	120,050	12,463	11,537
Number of Available Units	105,264	100,724	218,894	202,800	22,501	26,645





# Information on Treasury Share Acquisitions

As at 31 December 2024, Tankerska plovdba d.d. held 7,037 treasury shares. During 2024, Tankerska plovdba d.d. did not acquire any treasury shares.

## Subsidiaries

As of December 31, 2024, the Group comprised the following domestic and foreign subsidiaries:

1.	TANKERSKA PLOVIDBA D.D.	
2.	REKREACIJSKO TURISTIČKI CENTAR NIN D.O.O.	
3.	TP LINE D.O.O.	
4.	TURISTHOTEL D.O.O.	
5.	ATLANTSKA PLOVIDBA D.D.	CROATIA
6.	ATLANT PUTNIČKA AGENCIJA D.O.O.	
7.	ATLANT POSLOVNI CENTAR D.O.O.	
8.	ATLANT SERVISI D.O.O.	
9.	LAUS CC D.O.O.	
10.	ATLANT BATALA CENTAR D.O.O.	
11.	TANKERSKA PLOVIDBA INTERNATIONAL LTD.	
12.	UGLJAN SHIPPING LTD.	
13.	OBROVAC SHIPPING LTD.	
14.	RAVNI KOTARI SHIPPING LTD.	
15.	FRANKOPAN SHIPPING LLC	
16.	RAVA SHIPPING LLC	
17.	DUGI OTOK SHIPPING LLC	
18.	OLIB SHIPPING LLC	
19.	TANKERSKA NEXT GENERATION INTERNATIONAL LTD	
20.	VUKOVAR SHIPPING LLC	
21.	ZOILO SHIPPING LLC	
22.	PAG SHIPPING LLC	
23.	ATLANT TRAMP CORPORATION	MARSHALL ISLANDS
24.	ATLANT HANDYMAX CORPORATION	
25.	ATLANT ICE PANAMX CORPORATION	
26.	ATLANT SUPRAMAX CORPORATION	
27.	ATLANT DRZIC CORPORATION	
28.	ATLANT REVELIN CORPORATION	
29.	ATLANT SLANO CORPORATION	
30.	ATLANT DUBRAVA CORPORATION	
31.	ATLANT KAMSARMAX CORPORATION	
32.	ATLANT KAMSARMAX II CORPORATION	
33.	ATLANT KAMSARMAX III CORPORATION	
34.	ATLANTSKA PLOVIDBA INTERNATIONAL LTD.	
35.	ATLANT KUPARI CORPORATION	
36.	ATLANT ZATON CORPORATION	
37.	ATLANT LAPAD CORPORATION	



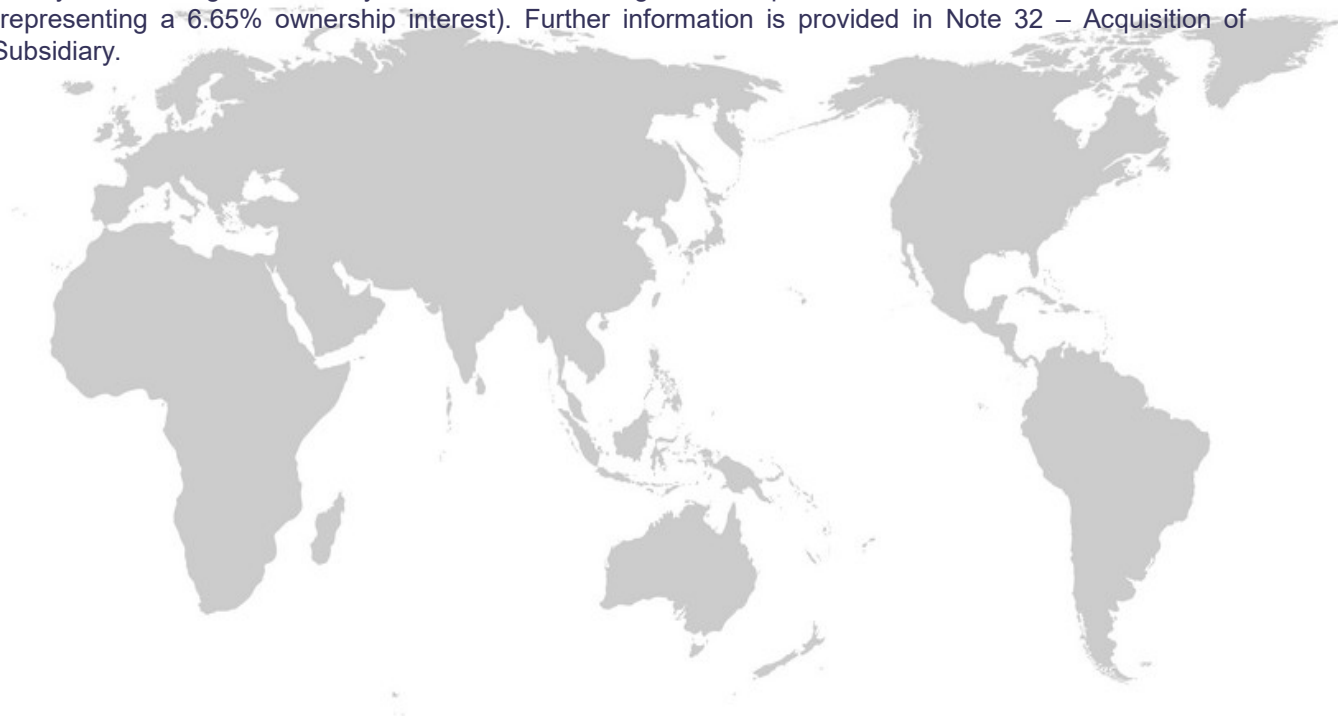
# Subsidiaries (continued)

38.	AP SHIPPING COMPANY LIMITED	MALTA
39.	DONAT MARITIME CORPORATION	
40.	RIVA N. SHIPPING COMPANY LIMITED	
41.	IDASSA MARITIME LTD	LIBERIA
42.	TEUTA SHIPPING COMPANY LTD	
43.	FONTANA SHIPPING COMNGAPY LIMITED	
44.	ATLANTIC CONBULK MARITIME CORPORATION	

All of the aforementioned companies are wholly owned (100%) subsidiaries of the Group, except for Atlantska plovidba d.d., in which the Group held a 72.46% ownership interest as at 31 December 2024. The companies Laus CC d.o.o. and Atlant putnička agencija d.o.o. are majority-owned subsidiaries of Atlantska plovidba d.d., with ownership interests of 96% and 80%, respectively. During 2024, the following changes occurred in the composition of the Group:

- On July 1, 2024, Tankerska Next Generation d.d. was merged into Tankerska plovidba d.d.
- On December 18, 2024, Praonica Plat d.o.o. was merged into Turisthotel d.o.o.
- Adriatic Global Brokers d.o.o. was sold during 2024.

Additionally, during 2024, Tankerska plovidba d.d. increased its ownership interest in Atlantska plovidba d.d. to 72.46%. The majority of this increase was achieved in February 2024 through a mandatory takeover bid, resulting in the acquisition of 523,534 shares (representing a 25.06% ownership interest), and further in July 2024 through a voluntary takeover bid, resulting in the acquisition of an additional 139,169 shares (representing a 6.65% ownership interest). Further information is provided in Note 32 – Acquisition of Subsidiary.





## Financial Instruments

The Group has not utilised financial instruments that would be significant for the assessment of its financial position and performance.

## Exposure and Risk Management

For further details in this area, please refer to the Audited Financial Statements, which form an integral part of this Report, Note 31.



## Future Development of the Group

As part of the Group's development strategy, the intention remains to continue investing in its core business activity, i.e., shipping. However, in order to diversify risk and preserve value, the Group does not exclude investments in other activities, such as coastal liner shipping and tourism.

During 2024, the Group operated five catamarans, which will be deployed on state-subsidised and/or commercial lines. In addition, during 2024, the Group carried out both a mandatory and subsequently a voluntary takeover bid for Atlantska plovidba d.d., and as at 31 December 2024, had acquired a total of 71.40% of the company's shares.

In 2024, the merger of Tankerska Next Generation d.d. into Tankerska plovidba d.d. was completed.



**The Group will continue to actively invest in the knowledge and training of seafarers to create added value in its operations.**

## Events After the Reporting Period

On 17 February 2025, Tankerska plovidba d.d. took delivery of two high-speed passenger vessels, "Majestic Bliss" (renamed "Kolovare") and "Majestic Ultimate" (renamed "Puntamika"), each with a capacity of 312 passengers.

In January 2025, Atlantska plovidba d.d. made the initial advance payments for the construction of three Ultramax-type vessels (63,500 DWT) at Jiangsu Hantong Ship Heavy Industry shipyard.

At the beginning of 2025, Atlantska plovidba d.d. refinanced its loan facility for six vessels with Privredna banka Zagreb under more favourable terms.

In the first quarter of 2025, Turisthotel d.o.o. disposed of the urban hospitality property "Cafe bar Branimir" and acquired a commercial property at Ulica 112. brigade no. 5.

On 4 April 2025, Tankerska plovidba d.d. took delivery of a high-speed passenger vessel, "Majestic Hope", with a capacity of 320 passengers.

On 17 April 2025, TP Line d.o.o. entered into a Public Service Contract for the provision of coastal liner shipping services with the Coastal Liner Shipping Agency, for the state high-speed line no. 9401 (Olib – Silba – Premuda – Zadar and vice versa). The service will be operated by the vessel Kalelarga, which is leased from the parent company, for the period from 1 May 2025 to 30 April 2031.

On 17 June 2025, Tankerska plovidba d.d. took delivery of the high-speed passenger vessel "Majestic Inspire", with a capacity of 320 passengers.

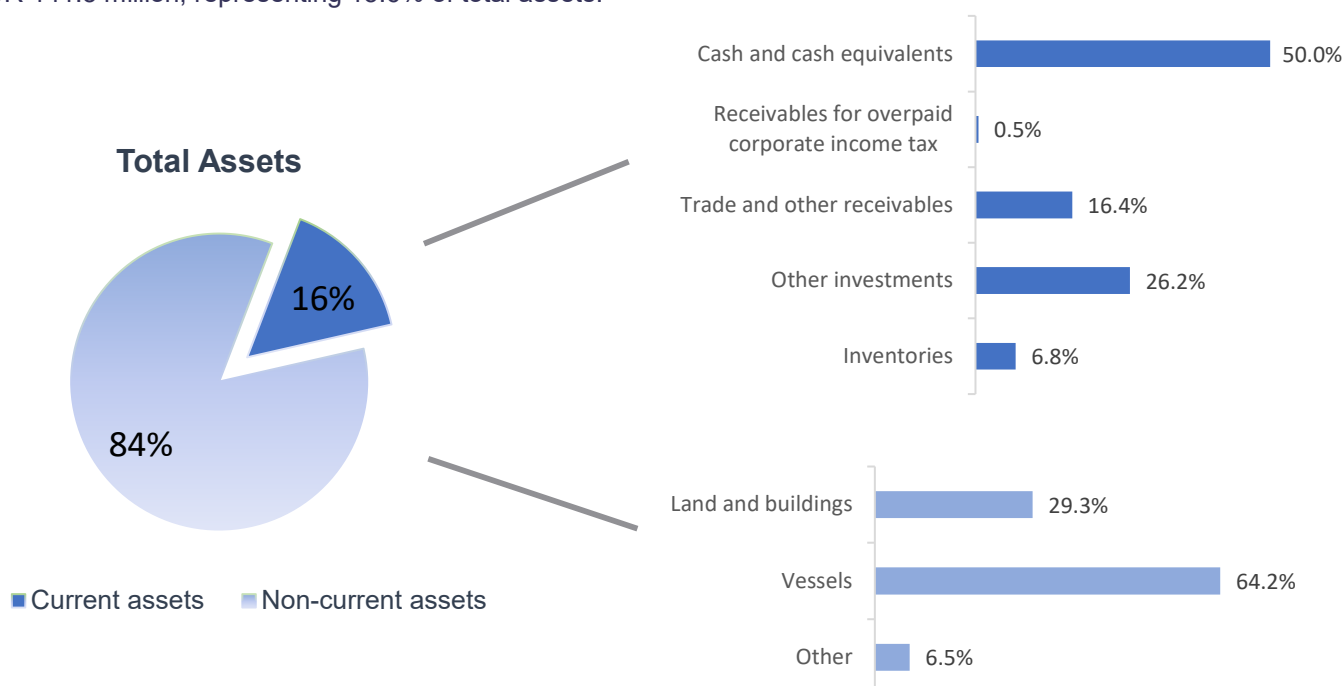
In addition to the above, after 31 December 2024, no other business events or transactions have occurred that would have a material impact on the consolidated and separate financial statements of the Group and the Company as at or for the period then ended, nor are there any events of such significance to the operations that would require disclosure in the notes to the financial statements.



# Review of the Consolidated Statement of Financial Position, the Consolidated Statement of Comprehensive Income, and the Consolidated Statement of Cash Flows

## Consolidated Statement of Financial Position

As at 31 December 2024, the carrying amount of total assets amounted to EUR 905.1 million, representing an increase of 19.5% compared to the previous year. On the asset side, this amount is allocated to non-current assets in the amount of EUR 763.7 million, accounting for 84.4% of total assets, and current assets in the amount of EUR 141.5 million, representing 15.6% of total assets.



Within the structure of non-current assets, vessels accounted for 64.2% of the total value. The remaining portion comprises land, buildings, investment properties, investments in subsidiaries and associates, and long-term deposits.

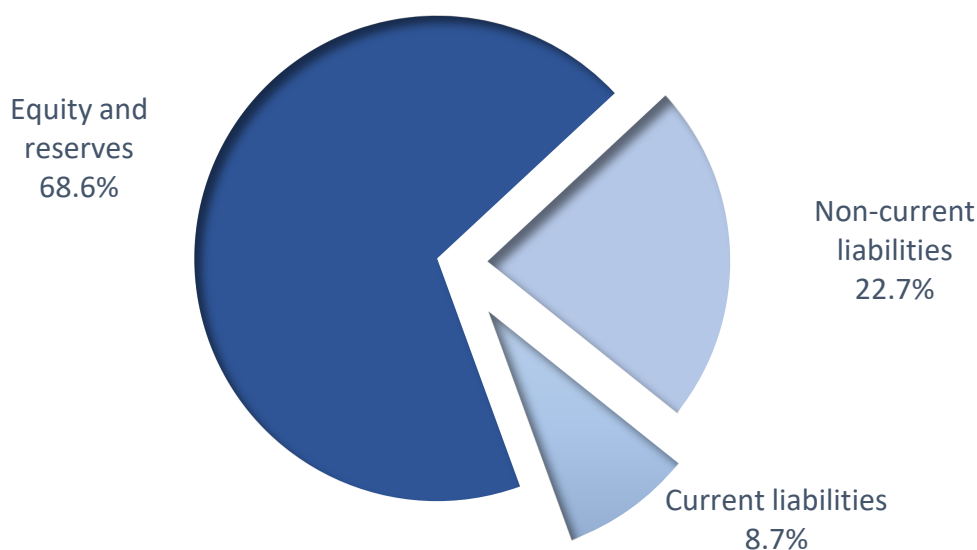
As for current assets, inventories made up 6.8%, other investments 26.2%, trade and other receivables 16.4%, and cash and cash equivalents 50.0%. Assets held for sale and tax prepayments each accounted for less than 1%. As of 31 December 2024, current assets decreased by EUR 5.8 million compared to the previous year, primarily due to a larger decline in short-term deposits compared to the increase in trade receivables and cash balances.



## Consolidated Statement of Financial Position (continued)

The equity and liabilities structure consisted of equity (including reserves) in the amount of EUR 621.2 million, accounting for 68.6% of total equity and liabilities, non-current liabilities of EUR 205.1 million (22.7%), and current liabilities of EUR 78.9 million (8.7%).

### Equity and Liabilities



Equity comprised share capital in the amount of EUR 44.7 million, and retained earnings and other equity components totaling EUR 532.2 million. Net assets attributable to non-controlling interests amounted to EUR 44.3 million.

Non-current liabilities primarily related to bank loans used for the acquisition and construction of vessels, the development, purchase, upgrade or reconstruction of tourism facilities, and the acquisition of shares in subsidiaries. These liabilities totalled EUR 169.9 million, which represents a decrease of EUR 20.7 million compared to the previous year.

### Relation between Assets and Liabilities



Current liabilities relate to the current portion of long-term loans, trade and other payables, current income tax liabilities, and deferred income.



# Consolidated Statement of Comprehensive Income

In 2024, the Group generated a net profit of EUR 89.4 million.

Operating revenues for 2024 amounted to EUR 289.5 million, of which the majority, 66.7%, relates to freight revenues earned on the international market. Freight revenues are generated from time charter and voyage charter shipping contracts. Revenues from voyage charter contracts amounted to EUR 105.7 million, while revenues from time charter contracts amounted to EUR 87.4 million.

Other sales revenues mainly relate to revenues from accommodation services, sales of food and beverages, revenues from coastal liner shipping services, and laundry services. Other operating income includes a gain on a bargain purchase of Atlantska plovidba d.d. in the amount of EUR 29.8 million.

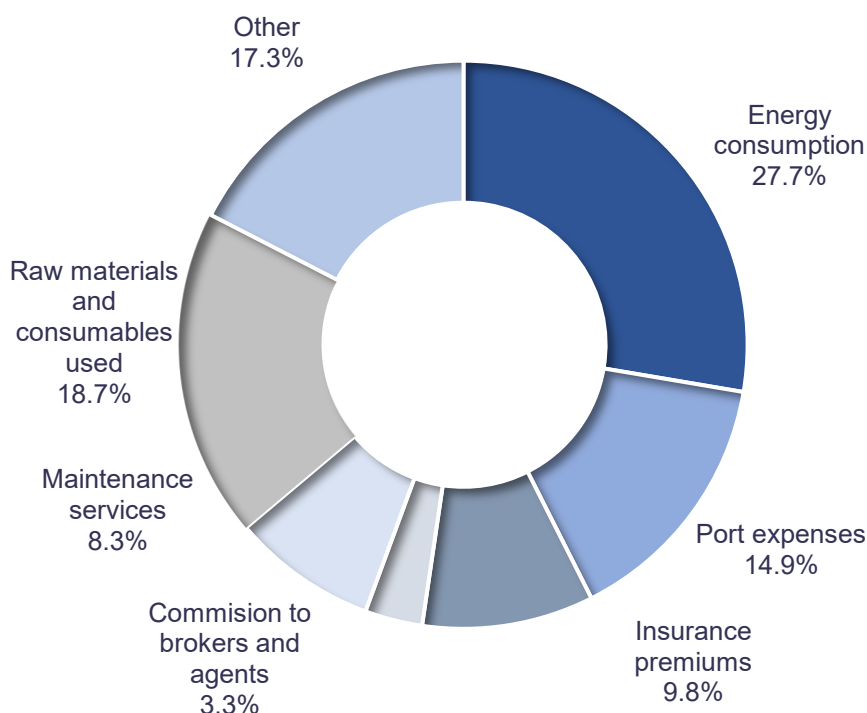


Total operating expenses in 2024 amounted to EUR 189.4 million, which is EUR 40.5 million higher than in the previous year, primarily due to increased employee expenses and higher depreciation as a result of the consolidation of Atlantska plovidba d.d. Regular vessel depreciation expenses include dry-docking amortisation costs for vessels.



## Consolidated Statement of Comprehensive Income (continued)

### Material and Other Costs



## Consolidated Statement of Cash Flow

The Group remained liquid throughout the year and ended 2024 with an increase in cash of EUR 14.3 million compared to the beginning of the year.

Cash and cash equivalents as at 31 December 2024 amounted to EUR 70.8 million.

During 2024, the Group generated a positive net cash flow from operating activities in the amount of EUR 94.0 million. Investing activities included the acquisition of shares in Atlantska Plovidba d.d. in the amount of EUR 22.6 million. Cash inflows from deposits, totalling EUR 84.9 million, related to a guarantee deposit provided to secure a bank guarantee for the funds required during the takeover bid for Atlantska Plovidba shares. Net cash inflow from investing activities amounted to EUR 60.5 million.

During the reporting period, the Group repaid bank loans in the amount of EUR 160.7 million and received new loans totalling EUR 36.9 million. Together with the dividend payment of EUR 7.0 million, this resulted in a net cash inflow from financing activities of EUR 14.3 million.





## Financial Indicators

	2024	2023	Change
Current Ratio	1.8	2.5	-28.3%
Debt Ratio	31%	38%	-17.4%
Equity Ratio	69%	62%	10.7%
ROA Return on Assets	12.0%	15.6%	-23.0%
ROE Return on Equity	17.5%	24.9%	-29.7%

EBIT	EUR 100,180,000	EUR 142,273,000	-29.6%
EBIT margin	34.6%	48.9%	-29.2%
EBITDA	EUR 143,239,000	EUR 168,340,000	-14.9%
EBITDA margin	49.5%	57.8%	-14.4%
EBITDA/S	57.8%	64.6%	-10.6%

The Group maintained solid liquidity and profitability in 2024, with a slight increase in indebtedness, and further positive business performance is expected. Net profit amounted to EUR 89.4 million, and the Group remains solvent.

Zadar, 30 June 2025

Mario Pavić, President of the Management Board

Ivan Pupovac, Member of the Management Board

Mate Valčić, Member of the Management Board

Nikola Koščica, Member of the Management Board

Ivica Pijaca, Member of the Management Board

John Karavanić, Member of the Management Board