

**FSM HOLDINGS LIMITED**

**DIRECTORS' REPORT AND  
CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024**

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FSM HOLDINGS LIMITED

DIRECTORS' REPORT AND CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024

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FSM HOLDINGS LIMITED

REPORT OF THE DIRECTORS  
for the year ended 31 DECEMBER 2024

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**Accounts**

The directors present the annual report and audited consolidated financial statements for the year ended 31 December 2024.

**Principal activity**

The principal activity of the company is that of a holding company.

**Results**

The group registered a profit for the year after tax of €850,376 (2023: €677,526) and the company registered a profit for the year of €849,217 (2023: €677,655). The results for the year are shown in the consolidated statement of comprehensive income on page 3.

**Dividends**

An interim dividend of €400,000 (2023: €300,000) has been paid during the year.

**Directors**

The directors of the company are:

Centric Holdings S.A.  
Kenneth Micallef

Under the provisions of the company's Memorandum and Articles of Association, the present directors continue in office.

**Auditors**

BDO Malta have expressed their willingness to continue in office. A resolution will be submitted to the Annual General Meeting to re-appoint BDO Malta as auditors to the company.

The directors' report was approved by the board of directors and was signed on its behalf by:



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Kenneth Micallef  
Director



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Maria Arvaniti  
o.b.o. Centric Holdings S.A.  
as director of FSM Holdings Limited

'Lara Buildings' Level 1  
Guzzeppi Calleja Street,  
Iklin IKL 1262  
Malta

17 April 2025

DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTING  
for the year ended 31 DECEMBER 2024

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The Directors are required by the Companies Act, 1995 to prepare financial statements which give a true and fair view of the state of affairs of the company at the end of each financial period and of its profit or loss for that period. In preparing the financial statements, the Directors are responsible for:

- ensuring that the financial statements have been drawn up in accordance with International Financial Reporting Standards as adopted by the European Union
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances
- ensuring that the financial statements are prepared on the going concern basis unless it is inappropriate to presume that the company will continue in business as a going concern.

The directors are also responsible for designing, implementing and maintaining internal controls relevant to the preparation and the fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error, and that comply with the Companies Act 1995. The directors are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

FSM HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 DECEMBER 2024

	Notes	Group		Company	
		2024	2023	2024	2023
		€	€	€	€
Turnover	4	5,132,766	4,351,392	-	-
Other income		285,111	215,353	278,209	211,821
Expenditure	5	(4,249,892)	(3,639,395)	(31,779)	(16,832)
<b>Operating profit</b>		<b>1,167,985</b>	<b>927,350</b>	<b>246,430</b>	<b>194,989</b>
Investment income	7	-	-	927,365	729,792
Interest receivable	8	458	4,461	-	-
<b>Profit before taxation</b>		<b>1,168,443</b>	<b>931,811</b>	<b>1,173,795</b>	<b>924,781</b>
Taxation charge	9	(318,067)	(254,285)	(324,578)	(247,126)
<b>Profit for the year - total comprehensive income</b>		<b>850,376</b>	<b>677,526</b>	<b>849,217</b>	<b>677,655</b>

The accounting notes on pages 8 to 24 form part of the financial statements.

Audit report pages 25 to 27.

FSM HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION at 31 DECEMBER 2024

	Notes	Group		Company	
		2024	2023	2024	2023
		€	€	€	€
<b>ASSETS</b>					
<b>Non-current assets</b>					
Property, plant and equipment	11	142,352	160,661	-	-
Financial assets	12	-	-	640,049	640,049
Current taxation		-	-	923	923
		<u>142,352</u>	<u>160,661</u>	<u>640,972</u>	<u>640,972</u>
<b>Current assets</b>					
Trade and other receivables	13	1,007,017	803,537	2,126,166	1,667,527
Cash and cash equivalents	18	2,742,050	2,410,385	-	-
<b>Total current assets</b>		<u>3,749,067</u>	<u>3,213,922</u>	<u>2,126,166</u>	<u>1,667,527</u>
<b>Total assets</b>		<u><u>3,891,419</u></u>	<u><u>3,374,583</u></u>	<u><u>2,767,138</u></u>	<u><u>2,308,499</u></u>

The equity and liabilities section is continued on page 5.

The notes on pages 8 to 24 form part of the financial statements.

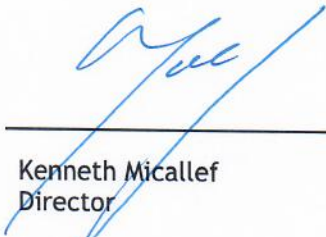
Audit report pages 25 to 27.

FSM HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION at 31 DECEMBER 2024  
(continued)

	Notes	Group		Company	
		2024	2023	2024	2023
		€	€	€	€
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Called up issued share capital	14	109,889	109,889	109,889	109,889
Share premium	15	585,443	585,443	585,443	585,443
Other reserves		121	121		
Retained earnings		2,098,706	1,648,330	2,047,498	1,598,281
		<u>2,794,159</u>	<u>2,343,783</u>	<u>2,742,830</u>	<u>2,293,613</u>
<b>Current liabilities</b>					
Trade and other payables	16	519,250	521,380	24,308	14,886
Deferred taxation	17	(450)	1,442	-	-
Taxation		578,460	507,978	-	-
		<u>1,097,260</u>	<u>1,030,800</u>	<u>24,308</u>	<u>14,886</u>
<b>Total equity and liabilities</b>		<u><u>3,891,419</u></u>	<u><u>3,374,583</u></u>	<u><u>2,767,138</u></u>	<u><u>2,308,499</u></u>

The financial statements were approved by the Board of Directors on 17 April 2025 and signed on its behalf by:

  
\_\_\_\_\_  
Kenneth Micallef  
Director

  
\_\_\_\_\_  
Maria Arvaniti  
o.b.o. Centric Holdings S.A.  
as director of FSM Holdings Limited

The accounting notes on pages 8 to 24 form part of the financial statements.

Audit report pages 25 to 27.

FSM HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
for the year ended 31 DECEMBER 2024

	Share Capital	Share premium	Other reserves	Retained earnings	Total
	€	€	€	€	€
<b>Group</b>					
At 1 January 2023	109,889	585,443	121	1,270,804	1,966,257
<b>Comprehensive income</b>					
Profit for the year	-	-	-	677,526	677,526
<b>Transaction with owners</b>					
Dividend paid	-	-	-	(300,000)	(300,000)
At 31 December 2023	109,889	585,443	121	1,648,330	2,343,783
<b>Comprehensive income</b>					
Profit for the year	-	-	-	850,376	850,376
<b>Transaction with owners</b>					
Dividend paid	-	-	-	(400,000)	(400,000)
At 31 December 2024	109,889	585,443	121	2,098,706	2,794,159
<b>Company</b>					
At 1 January 2023	109,889	585,443	-	1,220,626	1,915,958
<b>Comprehensive income</b>					
Profit for the year	-	-	-	677,655	677,655
<b>Transaction with owners</b>					
Dividend paid	-	-	-	(300,000)	(300,000)
At 31 December 2023	109,889	585,443	-	1,598,281	2,293,613
<b>Comprehensive income</b>					
Profit for the year	-	-	-	849,217	849,217
Dividend paid	-	-	-	(400,000)	(400,000)
At 31 December 2024	109,889	585,443	-	2,047,498	2,742,830

FSM HOLDINGS LIMITED

CONSOLIDATED STATEMENT OF CASH FLOWS  
for the year ended 31 DECEMBER 2024

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
<b>Cash flows from operating activities</b>				
Operating profit	1,167,985	927,350	246,430	194,989
<b>Adjustment for:</b>				
Depreciation	64,843	46,287	-	-
Provision for impairment on investment	-	-	-	8
<b>Operating profit before working capital changes</b>	<b>1,232,828</b>	<b>973,637</b>	<b>246,430</b>	<b>194,997</b>
<b>Movement in working capital</b>				
Trade and other receivables	(203,492)	(235,429)	(458,638)	(382,144)
Trade and other payables	(2,130)	306,917	9,421	3,763
<b>Cash generated from/(used in) operating activities</b>	<b>1,027,206</b>	<b>1,045,125</b>	<b>(202,787)</b>	<b>(183,384)</b>
Interest received	458	4,461	-	-
Dividend paid	(400,000)	(300,000)	(400,000)	(300,000)
Taxation paid	(249,477)	(86,266)	(324,578)	(247,126)
<b>Net cash generated from/(used in) operating activities</b>	<b>378,187</b>	<b>663,320</b>	<b>(927,365)</b>	<b>(730,510)</b>
<b>Cash flow from investing activities</b>				
Investment income	-	-	927,365	729,792
Purchases of plant, property and equipment	(46,522)	(4,767)	-	-
<b>Net cash (used in)/generated from investing activities</b>	<b>(46,522)</b>	<b>(4,767)</b>	<b>927,365</b>	<b>729,792</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>331,665</b>	<b>658,553</b>	<b>-</b>	<b>(718)</b>
Cash and cash equivalents at beginning of year	2,410,385	1,751,831	-	718
<b>Cash and cash equivalents at end of year</b>	<b>2,742,050</b>	<b>2,410,385</b>	<b>-</b>	<b>-</b>

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**1. Basis of preparation of financial statements-**

The financial statements are prepared in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board as adopted by the European Union, under the historical cost convention.

The reporting currency used for the preparation of the financial statements is the Euro (€), which is the currency in which the company's share capital is denominated.

The preparation of financial statements in conformity with IFRSs requires the use of certain accounting estimates. It also requires directors to exercise their judgement in the process of applying the company's accounting policies (see Note 3 - Critical accounting estimates and judgements).

**2. Accounting policies**

**2.1 Changes in accounting policies**

*a) New standards, interpretations and amendments effective from 1 January 2024*

The following new standards, amendments and interpretations are effective for the first time in these financial statements, but none have had a material effect on the company:

	Issued on	Effective from
Amendments to IAS 1: Disclosure of Accounting Policies	12/02/2021	01/01/2023
Amendments to IAS 8: Definition of Accounting Estimates	12/02/2021	01/01/2023
Amendments to IAS 12: Deferred tax related to Assets and Liabilities arising from a Single Transaction	07/05/2021	01/01/2023
IFRS 17 Insurance Contracts, including amendments	18/05/2017	01/01/2023
Amendments to IFRS 17: Initial Application of IFRS 17 and IFRS 9 - Comparative Information	09/12/2021	01/01/2023

The applications of these new standards and amendments have had no impact on the disclosures or amounts recognized in the company's financial statements.

*b) New standards, interpretations and amendments as adopted by EU but not yet effective*

The following new standards, interpretations and amendments, which have not been applied in these financial statements, will or may have an effect on the company's future financial statements:

	Issued on	Effective from
Amendments to IAS 1: Classification of Liabilities as Current or Non-current	23/01/2020	01/01/2024
Amendments to IAS 1: Non-current Liabilities with Covenants	31/10/2022	01/01/2024
Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback	22/09/2022	01/01/2024

## 2. Accounting policies (continued)

### 2.1 Changes in accounting policies (continued)

*c) New standards, interpretations and amendments issued by IASB but not yet adopted by EU*

	Issued on	Effective from
Amendments to IAS 12: International Tax Reform – Pillar Two Model Rules	23/05/2023	01/01/2023
Amendments to IAS 7 and IFRS 7: Supplier Finance Arrangements	25/05/2023	01/01/2024
Amendments to IAS 21: Lack of Exchangeability	15/08/2023	01/01/2025

The company has not early adopted all these revisions to the requirements of IFRSs and the company's management is of the opinion that there are no requirements that will have a possible significant impact on the company's financial statements in the period of initial application.

*d) New standards, interpretations and amendments issued by IASB but not adopted by EU*

- IFRS 14 Regulatory Deferral Accounts (issued on 30/01/2014, effective from the year beginning 01/01/2016) - European Commission has decided not to endorse the standard
- Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between Investor and its Associate or Joint Venture (issued on 11/09/2014, effective from the year beginning 01/01/2016) - postponed indefinitely by European Commission

### 2.2 Revenue from Contracts with Customers

IFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. It replaced IAS 18 Revenue. Under IFRS 15, revenue is recognised when a customer obtains control of the goods or services and is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. Determining the timing of the transfer of control - at a point in time or over time - requires judgement.

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework:

- Step 1: Identify the contract with the customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contracts
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Revenue is recognised from concessionaires and marketing services. Revenue from concessionaires and marketing services is recognised in the accounting period in which services are rendered, based on the fact that the amount of revenue can be measured reliably and the company receives consideration.

Revenue is recognised at a point in time as the revenue is calculated at the end of each business day.

**2. Accounting policies (continued)**

**2.3 Foreign currencies**

The financial statements of the company are presented in its functional currency, the Euro (€), being the currency of the primary economic environment in which the company operates.

**2.4 Taxation**

The charge for current tax is based on the taxable income for the year. The taxable result for the year differs from the result as reported in the statement of comprehensive income because it excludes items which are not assessable or disallowed and it further excludes items that are taxable and deductible in other years. It is calculated using tax rates that have been enacted or substantially enacted by the statement of financial position date.

Deferred income tax is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax assets are recognised only to the extent that future taxable profit will be available such that realisation of the related tax benefits is probable. The amount of the asset or liability is determined using tax rates that have been enacted or substantively enacted by the reporting date and are expected to apply when the deferred tax liabilities/(assets) are settled/(recovered).

**2.5 Share capital and dividends**

Financial instruments issued by the company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset.

The company's ordinary shares are classified as equity instruments.

Dividend distribution to the company's shareholders is recognised as liability in the company's financial statements in the year in which the dividends are approved by the company's shareholders.

**2.6 Property, plant and equipment**

Tangible assets are stated at historical cost less depreciation. Depreciation is calculated on the straight-line method to write off the cost of the assets to their residual values over their estimated useful life as follows:

	%
Computer hardware	25
Electronic software and equipment	12.50
Furniture and fittings	12.50

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount.

On disposal of a tangible asset, the difference between the net disposal proceeds and the carrying amount of the asset, is charged or credited to the profit and loss account.

**2. Accounting policies (continued)****2.7 Financial assets**

The company classifies its financial assets into one of the categories discussed below, depending on the purpose for which the asset was acquired. The company has not classified any of its financial assets as held to maturity.

These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise principally through the provision of goods and services to customers (e.g. trade receivables), but also incorporate other types of contractual monetary asset. They are initially recognised at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently carried at amortised cost using the effective interest rate method, less provision for impairment.

Impairment provisions for current and non-current trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses. During this process the probability of the non-payment of the trade receivables is assessed. This probability is then multiplied by the amount of the expected loss arising from default to determine the lifetime expected credit loss for the trade receivables. For trade receivables, which are reported net, such provisions are recorded in a separate provision account with the loss being recognised within cost of sales in the consolidated statement of comprehensive income. On confirmation that the trade receivable will not be collectable, the gross carrying value of the asset is written off against the associated provision.

Impairment provisions for receivables from related parties and loans to related parties are recognised based on a forward-looking expected credit loss model. The methodology used to determine the amount of the provision is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset. For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those for which credit risk has increased significantly, lifetime expected credit losses along with the gross interest income are recognised. For those that are determined to be credit impaired, lifetime expected credit losses along with interest income on a net basis are recognised.

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and - for the purpose of the statement of cash flows - bank overdrafts. Bank overdrafts are shown within loans and borrowings in current liabilities on the consolidated statement of financial position.

**2.8 Financial liabilities**

Trade and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Loans and borrowings - Subsequent to initial recognition, borrowings are measured at amortised cost using the effective interest method unless the cost of discounting is immaterial.

**2. Accounting policies (continued)**

**2.9 Deferred taxation**

Deferred income tax is provided using the liability method, for all temporary differences arising between the tax bases of assets and liabilities and their carrying values for financial reporting purposes.

Deferred tax assets are recognised only to the extent that future taxable profit will be available such that realisation of the related tax benefit is probable.

**2.10 Cash and cash equivalents**

For the purpose of the cash flow statement, cash and cash equivalents comprise cash in hand and deposits held at call with banks.

**2.11 Financial risk management**

The company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, price risk and interest rate risk) credit risk and liquidity risk. The financial risks relate to the following financial instruments: debtors, cash and cash equivalents and trade and other creditors. The accounting policies with respect to these financial instruments are described above.

Risk management is carried out by the director under policies approved at the AGM. The director identifies and evaluates financial risks in close co-operation with the company's operating units. The director provides principles for overall risk management.

The reports on the risk management are produced periodically to the key management personnel of the company.

**(a) Market risk**

*(i) Price risk*

The Company has no significant exposure to the market risk with respect to its operating income.

*(ii) Cash flow and fair value interest rate risk*

The company's cash flow and fair value interest rate risk is periodically monitored by the directors. The cash flow and fair value risk policy is approved by the directors.

Receivables and trade and other payables are interest free and have settlement dates within one year.

A sensitivity analysis is normally based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and change in some of the assumptions may be correlated - for example, change in exchange rates and change in market values.

In the case of the company, it provides for the worst scenario by making full provisions for all investments held and hence profits or losses cannot be subjected to a sensitivity analysis that could shed any light on the effect of potential changes in market price.

2. Accounting policies (continued)

2.11 Financial risk management (continued)

(iii) Foreign exchange risk

Foreign exchange risk arises because the company has operations located in various parts of the world whose functional currency is not the same as the functional currency in which the company is operating. Foreign exchange risk also arises when the company enters into transactions denominated in a currency other than their functional currency.

Certain assets of the company comprise amounts denominated in foreign currencies. Similarly, the company has financial liabilities denominated in foreign currency. In general, the company seeks to maintain the financial assets and financial liabilities in each of the foreign currencies at a reasonably comparable level, thereby providing a natural hedge against foreign exchange risk.

(b) Credit risk

The company has exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due. Key areas where the company is exposed to credit risk are:

- Cash and cash equivalents;
- Receivables.

The company seeks to manage this risk by placing cash with quality financial institutions.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash flow for operations. The company manages its' risk to shortage of funds by monitoring forecast and actual cash flows.

The company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations.

All of the company's current financial liabilities at 31 December 2024 are due within 3 months from year-end since they are trade and other payables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

2. Accounting policies (continued)

2.12 Capital management

The company monitors its risk to a shortage of funds using a recurring liquidity planning tool. This tool considers the maturity of both its financial investments and financial assets (e.g. accounts receivables, other financial assets) and projected cash flows from operations.

The company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts.

2.13 Fair value estimation

Cash and cash equivalents, debtors and trade and other creditors mainly have short times to maturity. For this reason, their carrying amounts at the reporting date approximate the fair values.

3. Critical accounting estimates and judgements

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

The directors have made judgments regarding Playseas Ltd's penalty request from the Agenzia delle Dogane e dei Monopoli (the "ADM"). The directors have determined that the penalty represents a contingent liability rather than a provision based on legal advice indicating a low probability of an outflow of resources. This judgment has not a material effect on the financial statements, since recognition of a provision would have decreased profit only by €36K for the year ended December 31, 2024.

In the opinion of the directors, the accounting estimates and judgements made in the course of preparing these financial statements are not difficult, subjective or complex to a degree which would warrant their description as critical in terms of the requirements of IAS 1 (revised).

4. Turnover

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
<b>Analysed as follows:</b>				
Marketing services	1,805,271	2,019,708	-	-
Concessionaires	3,327,495	2,331,684	-	-
	5,132,766	4,351,392	-	-

Business activity has increased as a result of a long business development process based on which the company has enlarged its customer base and the number of vessels on which it is offering its services.

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

5. Expenditure

Sales and promotion expenses

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Depreciation for the year	64,843	46,287	-	-
Revenue share - Equipment providers	690,584	480,888	-	-
Marketing services	-	85	-	-
Other sales and promotion	2,345,220	2,026,805	-	-
Technical support	6,442	1,938	-	-
Wages and salaries	693,362	649,660	-	-
	<u>3,800,451</u>	<u>3,205,663</u>	<u>-</u>	<u>-</u>

Administrative expenses

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Audit fee	44,026	23,634	18,762	3,658
Consultancy fees	284,544	248,996	189	791
Exchange difference	(51,244)	20,134	-	-
Directors fees	8,967	7,436	2,360	2,370
Other administrative expenses	163,148	133,532	10,468	10,013
	<u>449,441</u>	<u>433,732</u>	<u>31,779</u>	<u>16,832</u>
	<u>4,249,892</u>	<u>3,639,395</u>	<u>31,779</u>	<u>16,832</u>

6. Staff cost and employees information

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Wages and salaries	<u>693,362</u>	<u>649,660</u>	<u>-</u>	<u>-</u>

During the year under review, the group employed on average 63 employees (2023: 51 employees). Employees are only paid for the duration of the cruise.

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

7. Investment income

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Dividend from group undertakings	-	-	927,365	729,800
Impairment provision on investment	-	-	-	(8)
	-	-	927,365	729,792

8. Interest receivable

	Group	Group	Company	
	2024	2023	2024	2023
	€	€	€	€
Bank interest receivable	458	4,461	-	-

9. Taxation

	2024	2023	2024	2023
	€	€	€	€
	Current tax expense	319,959	259,374	324,578
Deferred tax expense	(1,892)	(5,089)	-	-
	318,067	254,285	324,578	247,126

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

9. Taxation (continued)

The tax on the profit before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Profit before tax	1,168,443	931,811	1,173,795	924,781
Tax on profit at applicable rates	408,955	328,690	410,829	323,674
Tax effect of:				
Expenses not deductible for tax	12,468	6,789	11,123	5,891
Income not subject to tax	(99,789)	(74,136)	(97,374)	(82,442)
Temporary difference not provided for	(3,567)	(7,058)	-	3
Tax charge	318,067	254,285	324,578	247,126

10. Dividends per share

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Dividends paid on ordinary shares	400,000	300,000	400,000	300,000
Dividends per share	3.64	2.73	3.64	2.73

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

11. Property, plant and equipment Group

	Computer hardware	Equipment software	Furniture and fittings	Machinery and equipment	Total
	€	€	€	€	€
<b>Cost</b>					
At 1 January 2023	4,930	39,775	97,400	725,148	867,253
Additions	-	-	-	4,767	4,767
At 31 December 2023	4,930	39,775	97,400	729,915	872,020
<b>Depreciation</b>					
At 1 January 2023	4,930	33,872	50,629	575,641	665,072
Charge for year	-	1,862	10,731	33,694	46,287
At 31 December 2023	4,930	35,734	61,360	609,335	711,359
<b>Cost</b>					
At 1 January 2024	4,930	39,775	97,400	729,915	872,020
Additions	31,212	-	15,310	-	46,522
At 31 December 2024	36,142	39,775	112,710	729,915	918,542
<b>Depreciation</b>					
At 1 January 2024	4,930	35,734	61,360	609,335	711,359
Charge for year	29,918	1,400	14,978	18,535	64,831
At 31 December 2024	34,848	37,134	76,338	627,870	776,190
<b>Net book value</b>					
At 31 December 2024	1,294	2,641	36,372	102,045	142,352
At 31 December 2023	-	4,041	36,040	120,580	160,661

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

12. Financial assets

	Company	
	Shares in group undertakings	
	2024	2023
	€	€
<b>Cost</b>		
At 1 January	640,049	640,049
Addition		
Provision for impairment losses	-	-
At 31 December	<u>640,049</u>	<u>640,049</u>

The group undertakings as at 31 December 2024 are shown below:

**Group undertakings**

Name and registered office	Class of shares	% holding
Playseas Limited (C44977) Lara Buildings' Level 1 Guzeppi Calleja Street Iklin IKL 1262, Malta	Ordinary shares	100%
Playseas Cruises (C63357) Lara Buildings' Level 1 Guzeppi Calleja Street Iklin IKL 1262, Malta	Ordinary shares	100%

Indirect subsidiaries included in these consolidated financial statements are disclosed in Note 21.

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

13. Trade and other receivables

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Trade receivables	370,216	277,601	-	-
Amount due from related parties	-	-	1,628,545	1,192,222
Other receivables	507,438	482,283	494,030	471,537
Prepayments and accrued income	118,702	39,533	3,591	3,768
VAT recoverable	10,661	4,120	-	-
	<u>1,007,017</u>	<u>803,537</u>	<u>2,126,166</u>	<u>1,667,527</u>

The amounts owed by related parties are unsecured, interest-free and repayable on demand.

The company has applied ECL policy to the trade receivables amount. The Company has established a credit policy of Net 15 and no historical default loss rates exist. Due to characteristics of its business, there is limited exposure to credit risk and each client is examined separately for recognizing any doubtful allowance.

14. Share capital

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Authorised:				
109,887 'A' ordinary shares of €1 each	109,887	109,887	109,887	109,887
2 'B' ordinary share of €1 each	2	2	2	2
	<u>109,889</u>	<u>109,889</u>	<u>109,889</u>	<u>109,889</u>
Issued and fully paid up:				
109,887 'A' ordinary shares of €1 each	109,887	109,887	109,887	109,887
2 'B' ordinary share of €1 each	2	2	2	2
	<u>109,889</u>	<u>109,889</u>	<u>109,889</u>	<u>109,889</u>

The holders of ordinary "A" shares shall have the right (i) to receive notice of and to attend all General Meetings of the Company and (ii) to vote on all Ordinary and Extraordinary Resolutions of the Company. The holders of ordinary "B" shares shall have the right to receive notice of and to attend all General Meetings of the Company but shall not have the right to vote on any resolutions.

The holders of ordinary "A" shares shall have the right to receive dividends and to participate in the profits of the Company. The holders of ordinary "B" shares shall not have the right to receive any dividend or to participate in the profits of the Company.

FSM HOLDINGS LIMITED

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

15. Share premium

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
At beginning and at end of year	585,443	585,443	585,443	585,443

16. Trade and other payables

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Due within one year				
Trade payables	110,228	132,224	4,486	6,977
Accruals	397,629	387,227	19,822	7,909
Directors fees	291	291	-	-
Other payables	11,102	1,638	-	-
	519,250	521,380	24,308	14,886

17. Deferred taxation

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
At beginning of year	1,442	6,532	-	-
Debited to income statement	(1,892)	(5,090)	-	-
At end of year	(450)	1,442	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

17. Deferred taxation (continued)

Deferred income taxes are calculated in full on temporary differences under the liability method using a principal tax rate of 35% (2023: 35%). The year end deferred tax balance is made up as follows:

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Impairment provision	(19,600)	2,513		
Net book value on tangible assets	17,443	(1,098)	-	-
Unrealised exchange differences	1,707	27	-	-
	<u>(450)</u>	<u>1,442</u>	<u>-</u>	<u>-</u>

18. Cash and cash equivalents

For the purpose of the cash flow statement, the year-end cash and cash equivalents comprise the following:

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Cash at bank and on vessels	2,742,050	2,410,385	-	-
	<u>2,742,050</u>	<u>2,410,385</u>	<u>-</u>	<u>-</u>

19. Related party transactions

Transactions entered into with other group undertakings, and with companies with common beneficial shareholders, are considered to be related party transactions. Balances with related parties at year end consisted of the following:

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Due from related parties (Note 13)	-	-	1,628,545	1,192,222
Directors fees (Note 16)	291	291	-	-

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
for the year ended 31 DECEMBER 2024  
(continued)

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**20. Statutory information**

FSM Holdings Limited is a limited liability company and is incorporated in Malta.

The parent and ultimate parent company of FSM Holdings Limited is Centric Holdings S.A., a listed company registered in Greece, with its registered address at 20 Makrigianni St., 183 44, Athens, Greece. Copies of consolidated financial statements can be obtained from its registered office.

In the opinion of the directors, there is no ultimate controlling party of the group.

**21. Consolidated entities**

These financial statements contain the consolidated results of the following companies: FSM Holdings Limited (C 46654)

'Lara Buildings' Level 1  
Guzepi Calleja Street,  
Iklin IKL 1262 Malta

Playseas Limited (C 44977)

'Lara Buildings' Level 1  
Guzepi Calleja Street,  
Iklin IKL 1262 Malta

Playseas Cruises Limited (C 63357)

'Lara Buildings' Level 1  
Guzepi Calleja Street,  
Iklin IKL 1262 Malta

Playseas Single Member Private Company - 100% subsidiary of Playseas Limited

Leoforos Irakiou number 385,  
Municipality of N. Iraklio, Greece

**22. Contingent liability**

During the second half of 2024, inspections on Italian flag vessels were conducted from the Italian Port Authorities resulting in penalties in the first quarter of 2025 to shipping companies along with their major suppliers by applying the Italian land-based laws instead of the applicable laws for vessels which are included in the International Registry Laws. Playseas Ltd was involved as the supplier of video games (arcades) to cruise ferries. This has led to a voluntary and temporary suspension of gaming operations upon certain vessels for a few months until the issue between the Italian shipping companies and the Italian Port Authorities is resolved. The voluntary and temporary suspension of Playseas Ltd's operations on certain vessels is not expected to have an impact on the group's ability to continue as a going concern.

In particular, and based on the above written, in December 2024, Playseas Ltd received a penalty order from the Agenzia delle Dogane e dei Monopoli (the "ADM") for €36K related to the presence of gaming machines without cash prizes, for allegedly being unlicensed and uncompliant, although such allegations are based on the Italian land-based laws.

**22. Contingent liability (continued)**

Playseas Ltd disputes the legal grounds of this penalty and, based on advice from external legal advisors who support Playseas Ltd's position and assess the risk of losing the case as low, has not recognized a provision. Playseas Ltd has applied for a court hearing, which is expected to take place later in 2025. The potential liability includes both the penalty amount and associated legal costs.

**23. Subsequent events**

In March 2025, after the reporting period but before the financial statements were authorized for issue, the Italian Port Authorities having rejected Playseas Ltd's allegations on the matter disclosed in Note 22: "Contingent liability" issued their revised penalty of €82k since the company rejected settlement for the initial amount of €36k. The group maintains its position that the penalty has no legal grounds and has applied for a court hearing. External legal advisors continue to support the Playseas Ltd's position and assess the risk of losing the case as low. This is considered a non-adjusting event as it relates to conditions that arose after the reporting period.

The group firmly disputes the legal grounds of this penalty and, based on advice from external legal advisors who support Playseas Ltd's position and assess the risk of losing the case as low, has not recognized a provision. Playseas Ltd has applied for a court hearing, which is expected to take place in the near future.

## INDEPENDENT AUDITOR'S REPORT To the Shareholders of FSM Holdings Limited

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

We have audited the consolidated and stand-alone financial statements of FSM Holdings Limited (the «Company») with its subsidiaries (the «Group») set out on pages 3 to 24, which comprise the consolidated and stand-alone statements of financial position as at 31 December 2024, the consolidated and stand-alone statements of comprehensive income, the consolidated and stand-alone statements of changes in equity, and the consolidated and stand-alone statements of cash flows for the year then ended, and notes to the financial statements, including material accounting policy and other explanatory information.

### ***Opinion***

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company and the Group as at 31 December 2024, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the EU (EU IFRSs) and have been prepared in accordance with the requirements of the Companies Act, 1995 (Cap. 386).

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

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in accordance with the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) in Malta, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### ***Other Information***

The directors are responsible for the other information. The other information comprises the directors' report 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 and we do not express any form of assurance conclusion thereon. 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 respect to the Directors' Report, we also considered whether the Directors' Report includes the disclosures required by Article 177 of the Maltese Companies Act, 1995 (Cap. 386). Based on the work we have performed, in our opinion:

- the information given in the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the directors' report has been prepared in accordance with the Maltese Companies Act, 1995 (Cap.386).

In addition, in light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the directors' report. We have nothing to report in this regard.



**INDEPENDENT AUDITOR'S REPORT**  
To the Shareholders of FSM Holdings Limited  
(continued)

***Responsibilities of the Directors***

As explained more fully in the Statements of Directors' Responsibilities set out on page 2, the directors are responsible for the preparation of the consolidated and stand-alone financial statements that give a true and fair view in accordance with EU IFRS and the requirements of the Maltese Companies Act (Cap.386), and for such internal control as the directors determine is necessary to enable the preparation of consolidated and stand-alone financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and stand-alone financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The directors are responsible for overseeing the Company's and the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the consolidated and stand-alone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs 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 consolidated and stand-alone financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated and stand-alone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated and stand-alone 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 auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.



**INDEPENDENT AUDITOR'S REPORT**  
To the Shareholders of FSM Holdings Limited  
(continued)

***Auditor's Responsibilities for the Audit of the Financial Statements (continued)***

- Evaluate the overall presentation, structure and content of the consolidated and stand-alone financial statements, including the disclosures, and whether the consolidated and stand-alone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

***Report on Other Legal and Regulatory Requirements***

Under the Maltese Companies Act, 1995 (Cap. 386) we are required to report to you if, in our opinion:

- We have not received all the information and explanations we require for our audit.
- Adequate accounting records have not been kept, or that returns adequate for our audit have not been received from branches not visited by us.
- The financial statements are not in agreement with the accounting records and returns.
- The information given in the directors' report is not consistent with the financial statements.

We have nothing to report to you in respect of these responsibilities.

**Dimitrios Kalaitzis**  
*on behalf of*  
BDO Malta  
Certified Public Accountants  
Registered Audit Firm

Triq It-Torri  
Msida MSD 1824  
Malta

17 April 2025

FSM HOLDINGS LIMITED

DETAILED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
for the year ended 31 DECEMBER 2024

	Schedule	Group		Company	
		2024	2023	2024	2023
		€	€	€	€
<b>Turnover</b>					
Marketing services		1,805,271	2,019,708	-	-
Concessionaires		3,327,495	2,331,684	-	-
<b>Other income</b>		<u>285,111</u>	<u>215,353</u>	<u>278,209</u>	<u>211,821</u>
		5,417,877	4,566,745	278,209	211,821
<b>Expenditure</b>					
Sales and promotion	I	(3,800,451)	(3,205,663)	-	-
Administrative	II	<u>(449,441)</u>	<u>(433,732)</u>	<u>(31,779)</u>	<u>(16,832)</u>
Operating profit		1,167,985	927,350	246,430	194,989
Investment income	III	-	-	927,365	729,792
Interest receivable	IV	<u>458</u>	<u>4,461</u>	-	-
Profit before taxation		<u><u>1,168,443</u></u>	<u><u>931,811</u></u>	<u><u>1,173,795</u></u>	<u><u>924,781</u></u>

FSM HOLDINGS LIMITED

ACCOUNTING SCHEDULES  
for the year ended 31 DECEMBER 2024

I Sales and promotion expenses

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Advertising	867	144,660	-	-
Computer consumables	-	9,703	-	-
Creative services	3,770	3,290	-	-
Depreciation for the year	64,843	46,287	-	-
Freight	1,040	-	-	-
Insurance	71,839	34,300	-	-
Revenue Share - Equipement providers	690,584	480,888	-	-
Licenses	33,525	342,549	-	-
Marketing services	-	85	-	-
Onboard expenses	68,697	33,349	-	-
Repairs and maintenance	3,358	4,638	-	-
Staff recruitment	16,367	11,275	-	-
Revenue Share - Ship owners	1,762,206	1,166,852	-	-
Technical support	6,442	1,938	-	-
Transport cost	45,001	15,642	-	-
Travel and accomodation	128,082	99,364	-	-
Staff expenses	2,074	2,563	-	-
Wages and salaries	693,362	649,660	-	-
Re-charged wages and salaries	-	95,814	-	-
Operational expenses	208,394	62,806	-	-
	<u>3,800,451</u>	<u>3,205,663</u>	<u>-</u>	<u>-</u>

FSM HOLDINGS LIMITED

ACCOUNTING SCHEDULES  
for the year ended 31 DECEMBER 2024

II Administrative expenses

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Accountancy fee	33,120	31,317	4,248	4,248
Audit fee	44,026	23,634	18,762	3,658
Bank charges	6,974	8,480	-	718
Consultancy fees	284,544	248,996	189	791
Gifts	2,179	2,564	-	-
Realised exchange difference	(19,845)	36,799	-	-
Unrealised exchange difference	(31,399)	(16,665)	-	-
Director's fees	8,967	7,436	2,360	2,370
General expenses	12,743	13,733	-	-
Interest paid	471	237	-	-
IT expenses	157	5,727	-	-
Legal and professional fees	45,413	29,111	5,266	4,329
Other administrative expenses	17,361	15,617	295	-
Postage and courier	8,170	1,402	59	-
Printing and stationery	163	5,954	-	118
Registration fee	1,740	1,800	600	600
Rent	2,319	-	-	-
Storage costs	13,945	17,269	-	-
Table Peripherals	18,393	321	-	-
	<u>449,441</u>	<u>433,732</u>	<u>31,779</u>	<u>16,832</u>