

**MMH HOLDINGS LIMITED**

**Annual Report and Consolidated Financial Statements  
31 December 2024**

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## Directors' report

The directors have prepared this report in accordance with Article 177 of the Companies Act (Chapter 386 of the Laws of Malta) ('the Act') including the further provisions as set out in the Sixth Schedule to the Act together with the financial statements of the Company for the year ended 31 December 2024.

### Directors, Officers & Other Information

*Directors:* Ms Angelique Abela (Chair)  
Ms Louisa Ann Abela  
Mr Paul Abela  
Dr Ann Fenech - resigned on 3 June 2024  
Mr Sergio Vella - resigned on 3 June 2024  
Mr Joshua Zammit - resigned on 3 June 2024

*Company Secretary:*  
Dr Michael Zammit Maempel – resigned on 21 July 2025  
Ms Angelique Abela – appointed on 21 July 2025

*Registered Office:*  
Mediterranean Maritime Hub,  
Xatt Il-Mollijiet,  
Marsa MRS 1152  
Malta

*Country of Incorporation:* Malta

*Company Registration Number:* C 45547

*Auditors:* PricewaterhouseCoopers,  
78, Mill Street,  
Zone 5, Central Business District  
Qormi QRM 3101  
Malta

*Principal bankers:*  
APS Bank p.l.c.  
APS Centre  
Tower Street  
Birkirkara BKR 4012  
Malta

## **Directors' report – continued**

### **Principal Activities**

MMH Holdings Limited (the 'Company') is the parent company within the MMH Group of Companies (the 'Group') which provides specialised services to the marine oil and gas industries. The Group caters for the specific requirements of drilling contractors and their service providers with services ranging from manpower planning, project requirements, contracting of pre-screened and qualified personnel for the offshore/onshore oilfield industry, training of personnel, logistics, supply chain solutions, project management, rig agency services and rig stop services and facilities.

### **Review of the Business**

#### **Introduction**

The principal focus and activity of the Group, has been and remains the development of a site measuring almost 170,000m<sup>2</sup> in Malta's Grand Harbour known as the Mediterranean Maritime Hub, to serve as a regional hub for the provision of the Group's shore-based services and facilities (hereinafter the 'Site/Hub'). Following a public deed published on 1st August, 2016, the Company took full possession of this Site, and leased it in full by title of lease to the key operating company within the Group, MMH Malta Limited. Various areas within the Site are currently under redevelopment and rehabilitation.

MMH Holdings Limited is the parent company of the Group. As such, its performance is dependent on the performance of the Group as a whole.

#### **Group's Performance for 2024 and Outlook for 2025**

##### *Financial*

The Group's recorded turnover for the year under review was €18,381,713 (2023: €20,332,882) generating a gross profit of €4,590,194 (2023: €3,886,294) and an operating profit of €1,095,614 (2023: €952,424). The Group's profit before depreciation, amortisation, net finance expense and taxation (EBITDA) amounted to €2,926,827 (2023: €2,350,367).

After accounting for investment income and finance costs, the Group registered a pre-tax loss of €118,131 (2023: €205,229).

The Group's net assets at the end of 2024 amounted to €1,799,768 (2023: €1,968,076). This value has decreased from the previous financial year due to fact that the Group registered a loss for the year after tax of €167,757.

During the year under review, the Group limited its development of the Site from the previous year, focusing on consolidating its position and concentrating on the Site's essential areas. Nonetheless, the investment within the Site continued during the year with a total value of €2,241,805. This consisted primarily of investment in plant and machinery and improvements to the Site, chiefly its development of its dry marina. The total investment by the Group in the Site at cost from 2016 to the end of 2024 reached €43,339,199.

## **Directors' report** - continued

### **Group's Performance for 2024 and Outlook for 2025** - continued

#### *Group Operations*

The Group's current revenue streams can be segmented as follows:

1. Oil and gas and energy services for maritime operators and support vessels
2. Maritime services including berthing facilities and shore-based support for visiting vessels
3. Project cargo and logistical support
4. Provision of trained and qualified personnel for deployment in the oil and gas industries
5. Specialised training courses for the oil and gas industries
6. Technical works
7. Repair and maintenance works including vessel hoisting up to 700 tons and hard standing facilities

#### *Oil & Gas Operations*

The average price of crude oil for 2024 to date has hovered around \$80 per barrel, with monthly prices fluctuating between \$70 and \$90 per barrel; retaining a similar price to the average of 2023 of \$83. In fact, the oil and gas market has remained relatively resilient. Strategic interest in exploration and production across the Mediterranean and North Africa persists, particularly as global energy dynamics remain in flux. Projects for new onshore and subsea facilities—many of which were previously shelved—have not only re-entered the pipeline but have also advanced into execution stages.

These projects require significant technical works and logistical support, with several key developments now actively underway. In Quarter 4 of 2024, the Group was servicing oil and gas contractors in terms of logistical support, including fabrication and berthing. In 2025, it is envisaged that the Group will continue to engage with other leading oil and gas contractors and service providers to meet ongoing demand for facility support. In Quarter 4 of 2025, there was an increase in this activity which is expected to continue in 2026.

#### *Commercial Marine Support Activities*

The commercial marine support activities in the Site have, as their primary target, the berthing of vessels within the Site, which vessels in turn require other support services. This activity has been made possible through the initial multi-million investment carried out by the Group to dredge the seabed for the fairway and the berths.

During the year under review, revenue derived from the berthing of vessels within the Site increased in comparison to 2023 by approximately 47%, attributable to the Group's efforts to attract a wider client base and improve the mix of vessels calling in port.

The Group anticipates that the revenues from berthing in 2025 shall remain in line with those achieved for 2024. Meanwhile, the Group plans remain focused on following up on all opportunities, including cargo operations, to continue attracting vessels and maximise its revenues.

## **Directors' report - continued**

### **Group's Performance for 2024 and Outlook for 2025 - continued**

#### *Personnel Recruitment*

Following the increased activity in 2023 in personnel recruitment, 2024 showed a return to earlier revenue levels amounting to €4.1m (2023: €8.3m / 2022: €4.5m) due largely to the reallocation of rig contracts to geographic areas outside the Mediterranean, with local content restrictions. Hence the Group could not provide its service in these locations. The Group's incessant pursuing of every possible opportunity remains a top priority to ensure growth for the coming year.

#### *Academy*

The Group has consolidated all its training operations in Malta. The Group has seen an increase in the provision of courses over 2024 when compared to 2023 and continues to endeavour to seek new clients and opportunities.

#### *Vessel Hoisting, hard standing and maintenance facilities – Vessel Care*

Vessel Care is now in its sixth full year of operation and, notwithstanding the entire period of the COVID-19 pandemic, the war in Ukraine, and the conflict in the Middle East, activity has experienced growth year-on-year, resulting in an increase of approximately €1,761,334 in revenue over 2023. The forecasts indicate that 2025 will experience further growth in revenue as a result of the increase in more services provided through the Group directly, and increased focus on long-term technical value-added projects. Growth is also spurred through the positive response and satisfaction rate of this activity within the industry.

This activity has an increased seasonality factor which sees activity slowing down over the summer period. To counterbalance this seasonality slow-down, the Group has continued investing in a dry marina, a service offering which is expected to start contributing to the Group's revenue in the shoulder months, June to October. This project was commissioned in late 2024 and is expected to be in full operation during the summer months of 2025.

#### *Group's likely future business developments*

The Group recognises that the Site remains a project in development and is not yet utilised to its full potential, with areas still available for future expansion. To unlock this potential and further maximise the Group's business streams, additional investment is required. In this regard, the ultimate beneficial owner of the Group is considering various options in conjunction with third-party investors.

While these strategic discussions progress, the Group remains committed to driving near-term performance by maximising the Site's revenue-generating capacity in the short term through focused, low-investment opportunities. These short-term measures are expected to continue delivering meaningful contributions to the Group's performance. Meanwhile, the Group continues to actively pursue new opportunities in the Mediterranean region, particularly within the oil and gas and maritime sectors.

## **Directors' report** - continued

### **Financial risk management and Going Concern statement**

The Company's financial risk management objectives and policies, and the exposure to market risk, credit risk and liquidity risk have been disclosed in Note 2 of these financial statements.

As reported in the company announcement for Mediterranean Maritime Hub Finance p.l.c. in December 2025, the ultimate beneficial owners of the MMH Group have entered into an agreement with third-party local investors for the latter to invest in the MMH Group alongside the existing shareholders. In terms of the said agreement, subject, amongst others, to confirmatory due diligence and the negotiation of legally binding definitive documentation, it is contemplated that the investors will take on 49% shareholding in MMH Holdings Limited, with the current shareholders retaining 51% shareholding of the said company. The proposed transaction is earmarked to be completed by 30th April, 2026 and will prioritise the repayment of the Bond upon its maturity in October 2026, together with interest accrued to the date fixed for redemption. In the meantime, the Group remains fully operational and continues to serve its clients as normal.

In addition, projected cash flows expected to be generated from the operations of the MMH Group indicate that adequate funds will be generated to honour the Group's commitments as and when they fall due for the next 12 months. Such projections for the Group assume; (a) revenue and costs in line with recent trends, factoring seasonality; (b) no major investment in new fixed assets; (c) additional revenue from new projects, mainly cargo operations and new oil and gas contracts; and (d) strict compliance with the credit terms under the concession agreement and in line with the practice applied in the past years. The said cash flow projections include a capital injection from the current shareholders and of the proposed third party investors required for the Group to be able to meet its commitments in October 2026 when the Bond is due for repayment.

The board of directors of MMH Holdings Limited and the board of directors of the Company recognise that taking cognisance of the equity position of the Group as at 31 December 2024, there remains significant uncertainty should (a) the ultimate beneficial owner of the Group and the above-mentioned investor group not reach a definitive agreement; or (b) local competent authorities not agree with introduction of the new investors to the business; or (c) the required refinancing of the Group not materialise within a reasonable timeframe. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the MMH Group's ability to continue as a going concern. Nevertheless, the board is confident that the Group will continue to honour its commitments as and when they fall due and for these financial statements to continue being prepared on a going concern basis.

### **Results and Dividends**

The results for the year ended 31 December 2024 are shown in the Statement of Comprehensive Income hereof. No interim dividend was declared or paid out during the year. In view of the fact that minimum dividends are not mandatory in terms of the Memorandum and Articles of Association of the Company, no final dividend is being recommended.

## Directors' report - continued

### Statement of directors' responsibilities for the financial statements

The Directors are required by the Maltese Companies Act, (Cap. 386) to prepare financial statements that give a true and fair view of the state of affairs of the company as at the end of each reporting period and of the 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 EU;
- selecting and applying appropriate accounting policies;
- making accounting estimates that are reasonable in the circumstances; and
- 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 control 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 Maltese Companies Act, (Cap. 386). 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.

The financial statements of MMH Holdings Limited for the year ended 31 December 2024 are included in the Annual Report 2024, which is to be made available on the Company's website. The directors are responsible for the maintenance and integrity of the Annual Report on the website in view of their responsibility for the controls over, and the security of, the website. Access to information published on the Company's website is available in other countries and jurisdictions, where legislation governing the preparation and dissemination of financial statements may differ from requirements or practice in Malta.

### Auditors

PricewaterhouseCoopers have indicated their willingness to continue in office and a resolution for their re-appointment will be proposed at the Annual General Meeting.

On behalf of the board



Angelique Abela  
Director



Louisa Ann Abela  
Director

Registered office:  
Mediterranean Maritime Hub  
Xatt il-Mollijiet  
Marsa  
Malta

18 December 2025





## *Independent auditor's report*

To the Shareholders of MMH Holdings Limited

### *Report on the audit of the financial statements*

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#### *Our opinion*

In our opinion:

- The Group financial statements and the Parent Company financial statements (the “financial statements”) of MMH Holdings Limited give a true and fair view of the Group’s and the Parent Company’s financial position as at 31 December 2024, and of their financial performance and cash flows for the year then ended in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-sized Entities) Regulations (S.L. 281.05) and the Schedule accompanying and forming an integral part of those Regulations (GAPSME); and
- the financial statements have been prepared in accordance with the requirements of the Maltese Companies Act (Cap. 386).

#### **What we have audited**

MMH Holdings Limited’s financial statements, set out on pages 13 to 49, comprise:

- the Consolidated and Parent Company statements of financial position as at 31 December 2024;
- the Consolidated and Parent Company income statements for the year then ended;
- the Consolidated and Parent Company statements of changes in equity for the year then ended;
- the Consolidated and Parent Company statements of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

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#### *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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



## *Independent auditor's report - continued*

To the Shareholders of MMH Holdings Limited

### **Independence**

We are independent of the Group and the Parent Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements of the Accountancy Profession (Code of Ethics for Warrant Holders) Directive issued in terms of the Accountancy Profession Act (Cap. 281) that are relevant to our audit of the financial statements in Malta. We have fulfilled our other ethical responsibilities in accordance with these Codes.

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### *Material Uncertainty Related to Going Concern*

We draw attention to Note 1.1 to these financial statements, dealing with the basis of preparation which describes the Board of Directors' assessment on the ability of the MMH Group to continue operating as a going concern. The note states that the directors recognise that, taking cognisance of the equity and liquidity position of MMH Holdings Limited (representing the MMH Group and being the guarantor of the bond) as at 31 December 2024, there remains uncertainty should (a) the final definitive contract not be favourably concluded; or (b) local competent authorities not agree with introduction of the new investors to the business; or (c) the required financing from the current and new shareholders not materialise within a reasonable timeframe; or (d) any of the terms and conditions related to the said contracts between the present shareholders and the new investors not be satisfied. These events and conditions, along with other matters as set forth in Note 1.1, indicate that a material uncertainty exists that may cast significant doubt on the ability of the MMH Group to continue as a going concern. Our opinion is not modified in respect of this matter.

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### *Other information*

The directors are responsible for the other information. The other information comprises 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 except as explicitly stated within the *Report on other legal and regulatory requirements*.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above 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.

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





## *Independent auditor's report - continued*

To the Shareholders of MMH Holdings Limited

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### *Responsibilities of the directors for the financial statements*

The directors are responsible for the preparation of financial statements that give a true and fair view in accordance with GAPSME 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 financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Group's and the Parent 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 Group or the Parent Company or to cease operations, or have no realistic alternative but to do so.

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### *Auditor's 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 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 financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 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 Group's and the Parent Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 Group's or the Parent 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 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 Group or the Parent Company to cease to continue as a going concern.



## Independent auditor's report - continued

To the Shareholders of MMH Holdings Limited

- 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 consolidated 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 the directors regarding, 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

The *Annual Report and Financial Statements 2024* contains other areas required by legislation or regulation on which we are required to report. The Directors are responsible for these other areas.

The table below sets out these areas presented within the Annual Report, our related responsibilities and reporting, in addition to our responsibilities and reporting reflected in the *Other information* section of our report. Except as outlined in the table, we have not provided an audit opinion or any form of assurance.

Area of the <i>Annual Report and Financial Statements 2024</i> and the related Directors' responsibilities	Our responsibilities	Our reporting
<b>Directors' report</b> (on pages 1 to 6) The Maltese Companies Act (Cap. 386) requires the directors to prepare a Directors' report, which includes the contents required by Article 177 of the Act and the Sixth Schedule to the Act.	<p>We are required to consider whether the information given in the Directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements.</p> <p>We are also required to express an opinion as to whether the Directors' report has been prepared in accordance with the applicable legal requirements.</p>	<p>In our opinion:</p> <ul style="list-style-type: none"><li>• 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</li><li>• the Directors' report has been prepared in accordance with the Maltese Companies Act (Cap. 386).</li></ul> <p>We have nothing to report to you in respect of the other responsibilities, as explicitly stated within the <i>Other information</i> section.</p>





## *Independent auditor's report - continued*

To the Shareholders of MMH Holdings Limited

Area of the <i>Annual Report and Financial Statements 2024</i> and the related Directors' responsibilities	Our responsibilities	Our reporting
	<p>In addition, we are required to state whether, in the light of the knowledge and understanding of the Company and its environment obtained in the course of our audit, we have identified any material misstatements in the Directors' report, and if so to give an indication of the nature of any such misstatements.</p>	
	<p><b>Other matters on which we are required to report by exception</b></p> <p>We also have responsibilities under the Maltese Companies Act (Cap. 386) to report to you if, in our opinion:</p> <ul style="list-style-type: none"> <li>adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us.</li> <li>the financial statements are not in agreement with the accounting records and returns.</li> <li>we have not received all the information and explanations which, to the best of our knowledge and belief, we require for our audit.</li> </ul>	<p>We have nothing to report to you in respect of these responsibilities.</p>



## *Independent auditor's report - continued*

To the Shareholders of MMH Holdings Limited

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### *Other matter – use of this report*

Our report, including the opinions, has been prepared for and only for the Company's shareholders as a body in accordance with Article 179 of the Maltese Companies Act (Cap. 386) and for no other purpose. We do not, in giving these opinions, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior written consent.

A blue ink signature, appearing to read 'S. Mamo', is written over the name and title of the Principal.

Stephen Mamo  
Principal

*For and on behalf of*  
**PricewaterhouseCoopers**  
78, Mill Street  
Zone 5, Central Business District  
Qormi  
Malta

18 December 2025

## Statements of financial position

		As at 31 December			
	Notes	Group 2024 €	2023 €	Company 2024 €	2023 €
<b>ASSETS</b>					
<b>Non-current assets</b>					
Intangible assets	3	728,387	729,516	-	-
Property, plant and equipment	4	31,880,939	31,469,218	-	-
Investment property	5	-	-	8,506,758	8,828,949
Investment in subsidiaries	6	-	-	457,203	457,203
Investment in associate	7	10,000	10,000	10,000	10,000
Trade and other receivables	9	2,817,053	2,747,939	10,728,586	9,363,072
Total non-current assets		35,436,379	34,956,673	19,702,547	18,659,224
<b>Current assets</b>					
Inventories	8	390,340	2,705	-	-
Trade and other receivables	9	4,509,624	4,719,199	-	-
Current tax assets		21,320	21,320	-	-
Cash and cash equivalents	10	410,164	925,416	904	2,733
Total current assets		5,331,448	5,668,640	904	2,733
<b>Total assets</b>		<b>40,767,827</b>	<b>40,625,313</b>	<b>19,703,451</b>	<b>18,661,957</b>

## Statements of financial position - continued

		As at 31 December			
Notes		Group		Company	
		2024	2023	2024	2023
		€	€	€	€
<b>EQUITY AND LIABILITIES</b>					
<b>Capital and reserves</b>					
Share capital	11	2,208,155	2,208,155	2,208,155	2,208,155
Reporting currency conversion reserve		(41,049)	(40,498)	(295)	(295)
Other reserves		18,305	18,305	-	-
Accumulated losses		(385,643)	(217,886)	(1,063,351)	(1,099,031)
<b>Total equity</b>		<b>1,799,768</b>	<b>1,968,076</b>	<b>1,144,509</b>	<b>1,108,829</b>
<b>Non-current liabilities</b>					
Trade and other payables	14	9,988,006	9,704,452	9,648,716	8,988,458
Grants designated for specific purposes	15	1,715,558	1,796,004	-	-
Deferred tax liability	12	193,666	154,850	-	-
Borrowings	13	19,229,205	17,582,518	5,684,150	4,077,604
<b>Total non-current liabilities</b>		<b>31,126,435</b>	<b>29,237,824</b>	<b>15,332,866</b>	<b>13,066,062</b>
<b>Current liabilities</b>					
Trade and other payables	14	6,743,073	6,304,459	2,198,045	1,433,369
Grants designated for specific purposes	15	71,183	61,920	-	-
Current tax liabilities		-	-	663	663
Borrowings	13	1,027,368	3,053,034	1,027,368	3,053,034
<b>Total current liabilities</b>		<b>7,841,624</b>	<b>9,419,413</b>	<b>3,226,076</b>	<b>4,487,066</b>
<b>Total liabilities</b>		<b>38,968,059</b>	<b>38,657,237</b>	<b>18,558,942</b>	<b>17,553,128</b>
<b>Total equity and liabilities</b>		<b>40,767,827</b>	<b>40,625,313</b>	<b>19,703,451</b>	<b>18,661,957</b>

The notes on pages 19 to 49 are an integral part of these financial statements.

The financial statements on pages 13 to 49 were authorised for issue by the board on 18 December 2025 and were signed on its behalf by:

  
Angelique Abela  
Director

  
Louisa Ann Abela  
Director



## Income statements

		Year ended 31 December			
	Notes	Group		Company	
		2024 €	2023 €	2024 €	2023 €
<b>Revenue</b>	16	<b>18,381,713</b>	20,332,882	<b>2,835,269</b>	2,120,770
Cost of sales	17	<b>(13,791,519)</b>	(16,446,588)	<b>(2,101,930)</b>	(1,757,968)
<b>Gross profit</b>		<b>4,590,194</b>	3,886,294	<b>733,339</b>	362,802
Distribution costs	17	<b>(237,255)</b>	(244,209)	-	-
Administrative expenses	17	<b>(3,517,113)</b>	(2,697,667)	<b>(134,627)</b>	(203,938)
Other income	19	<b>259,788</b>	8,006	-	-
<b>Operating profit</b>		<b>1,095,614</b>	952,424	<b>598,712</b>	158,864
Net investment income	20	<b>17,319</b>	17,299	-	-
Finance costs	21	<b>(1,231,064)</b>	(1,174,952)	<b>(555,566)</b>	(502,513)
<b>(Loss)/profit before tax</b>		<b>(118,131)</b>	(205,229)	<b>43,146</b>	(343,649)
Tax expense	22	<b>(49,626)</b>	(117,113)	<b>(7,466)</b>	-
<b>(Loss)/profit for the year</b>		<b>(167,757)</b>	(322,342)	<b>35,680</b>	(343,649)
<b>Attributable to:</b>					
Equity holders		<b>(167,757)</b>	(322,342)	<b>35,680</b>	(343,649)
Non-controlling interest		-	-	-	-
		<b>(167,757)</b>	(322,342)	<b>35,680</b>	(343,649)

The notes on pages 19 to 49 are an integral part of these financial statements.

## Statements of changes in equity

Group	Attributable to shareholders				Non-controlling interest €	Total €
	Share capital €	Other reserves €	Foreign exchange reserve €	Retained earnings €		
Balance as at 1 January 2023	2,208,155	18,305	(39,863)	104,456	-	2,291,053
Loss for the year	-	-	-	(322,342)	-	(322,342)
Transfer to foreign exchange reserve	-	-	(635)	-	-	(635)
	-	-	(635)	(322,342)	-	(322,977)
<b>Balance as at 31 December 2023</b>	<b>2,208,155</b>	<b>18,305</b>	<b>(40,498)</b>	<b>(217,886)</b>	<b>-</b>	<b>1,968,076</b>
Balance as at 1 January 2024	2,208,155	18,305	(40,498)	(217,886)	-	1,968,076
Loss for the year	-	-	-	(167,757)	-	(167,757)
Transfer to foreign exchange reserve	-	-	(551)	-	-	(551)
	-	-	(551)	(167,757)	-	(168,308)
<b>Balance as at 31 December 2024</b>	<b>2,208,155</b>	<b>18,305</b>	<b>(41,049)</b>	<b>(385,643)</b>	<b>-</b>	<b>1,799,768</b>

**Statements of changes in equity - continued**

<b>Company</b>	<b>Share capital €</b>	<b>Foreign exchange reserve €</b>	<b>Retained earnings €</b>	<b>Total €</b>
Balance as at 1 January 2023	2,208,155	(295)	(755,382)	1,452,478
Loss for the year	-	-	(343,649)	(343,649)
<b>Balance as at 31 December 2023</b>	<b>2,208,155</b>	<b>(295)</b>	<b>(1,099,031)</b>	<b>1,108,829</b>
Balance as at 1 January 2024	2,208,155	(295)	(1,099,031)	1,108,829
Profit for the year	-	-	35,680	35,680
<b>Balance as at 31 December 2024</b>	<b>2,208,155</b>	<b>(295)</b>	<b>(1,063,351)</b>	<b>1,144,509</b>

The notes on pages 19 to 49 are an integral part of these financial statements.

## Statements of cash flows

		Year ended 31 December			
Notes		Group		Company	
		2024	2023	2024	2023
		€	€	€	€
<b>Cash flows from operating activities</b>					
Cash from operations	24	3,339,918	6,074,424	980,323	(169,244)
Net investment income	20	17,319	17,299	-	-
Finance costs	21	(1,231,064)	(1,136,259)	(555,566)	(395,413)
Tax paid		(10,810)	(6,644)	(7,466)	-
Net cash generated from/(used in) operating activities		2,115,363	4,948,820	417,291	(564,657)
<b>Cash flows used in investing activities</b>					
Purchase of property, plant and equipment	4	(2,241,805)	(4,833,405)	-	-
<b>Cash flows used in financing activities</b>					
Movement in borrowings	13	1,934,414	(463,077)	1,894,273	(12,676)
Net movement in cash and cash equivalents		1,807,972	(347,662)	2,311,564	(577,333)
Effect of exchange rate changes on cash and cash equivalents		(9,831)	(8,892)	-	-
Cash and cash equivalents at beginning of year		(1,637,977)	(1,281,423)	(2,560,660)	(1,983,327)
Cash and cash equivalents at end of year	10	160,164	(1,637,977)	(249,096)	(2,560,660)

The notes on pages 19 to 49 are an integral part of these financial statements.

## Notes to the financial statements

### 1. Summary of significant accounting policies

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### 1.1 Basis of preparation

The consolidated financial statements include the financial statements of MMH Holdings Limited and its subsidiaries. The consolidated financial statements have been prepared in accordance with the Accountancy Profession (General Accounting Principles for Small and Medium-Sized Entities) Regulations, Legal Notice 289 of 2015 (GAPSME), and the requirements of the Maltese Companies Act, (Cap.386).

These financial statements have been prepared under the historical cost convention.

#### *Going concern assumption*

The Group reported EBITDA for the financial year ending 31 December 2024 amounting to €3million, an improvement of €0.7million over that recorded in 2023. The Group reported losses amounting to €0.2million (2023: loss of €0.3million) and these results are included in the Group's retained earnings which as at 31 December 2024 amounted to accumulated losses of €0.4million. Net current liabilities at Group level amount to €2.6million (2023: €4.1million). These results and financial position demonstrate that the Group continues to require financial support from shareholders, bond holders and financial institutions.

During the financial year management continued pursuing discussions with potential investors with a view to secure further financing which is deemed fundamental for the Group to continue to operate on a going concern basis for the next twelve months and beyond.

As reported in a company announcement for Mediterranean Maritime Hub Finance plc dated 4 December 2025, the MMH Group informed the prospective investor group referred to in previous company announcements that it is not in a position to proceed with discussions whilst confirming that MMH Holdings Limited and the ultimate beneficial owners of the MMH Group are in receipt of a concrete offer from third-party local investors for the latter to invest in the MMH Group alongside the existing shareholders.

As per the company announcement for Mediterranean Maritime Hub Finance plc dated 10 December 2025, the MMH Group informed the company that the new investors agreed to purchase a 49% shareholding in the Group. The current shareholder has entered into a binding agreement with the said new investors, having a latest completion date of 30 April 2026, subject to certain conditions precedent that broadly include financial and legal due diligence procedures and the necessary authorisations from Government and competent authorities.

The investors have in line with the agreement, deposited €1 million with the Escrow agent, as a sign of commitment towards the completion of the transaction. A further fresh capital injection by the investors together with pre-agreed settlement of dues with related parties will be deposited with an Escrow agent for the exclusive use of the company allowing to honour in full the repayment of the €15 million 4.8 % unsecured bonds 2026 (ISIN MT0001241208) which is due by 14 October 2026, also taking into account committed funding by the entire shareholding base.

**1. Summary of significant accounting policies - continued**

**1.1 Basis of preparation - continued**

*Going concern assumption - continued*

The Group closes financial year 2025 with a net positive cash position. Furthermore, projected cash flows for the financial year 2026 are expected to be generated from operations, indicating that adequate liquidity will be available for the group to honour liabilities as and when they fall due. Cash outflows include the repayment of lease commitments, bond interest, bank loan repayments aligned with the requirements of sanction letters, and operational costs required to continue running the business uninterrupted. The cash flow projections for FY 2026 include assumptions based on trends observed during FY 2025, including an element of 18% growth in revenues over those recorded in 2025 to cater for expected growth from cargo operations, and further oil and gas related activity. Growth assumptions are considered reasonable and achievable by the Board considering the upbeat activity in the Mediterranean basin observed during H2 of 2025 and industry forecasts for 2026. Projections exclude any investment in fixed assets and consider that the landlord will continue to apply credit terms in line with the practice followed in the past years. Notwithstanding the later, the Group has initiated discussions with a financial institution to raise financing with a view to facilitate capital expenditure and to pave the way towards sustained growth. In the shorter-term, until the Group continues to improve the equity position, an element of financing will also be channelled towards catering for working capital and liquidity levels which tend to fluctuate as a result of seasonality which is prevalent in the industry. Beyond plans for the settlement of the outstanding bond in issue as explained further above, projected cashflows indicate that honouring of over-dues will be rectified by the second half of FY 2026. A bank guarantee is in place to cover privileged creditors and contractual terms allowing for the rectification of overdue balances within a specified period of time should the need arise.

Although the transaction with the new investors has to date not been finalised, the Group is optimistic that agreement on a final definitive contract will be concluded subject to the conditions specified further above. The board of directors of the parent company recognises that taking cognisance of the equity position of the Group as at 31 December 2024 there remains significant uncertainty should (a) the final definitive contract not be favourably concluded; or (b) local competent authorities not agree with introduction of the new investors to the business; or (c) the required financing from the current and new shareholders not materialise within a reasonable timeframe; or (d) any of the terms and conditions related to the said contracts between the present shareholders and the new investors not be satisfied. These events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Group's ability to continue as a going concern. Notwithstanding this, the board of directors, after having considered the ongoing negotiations, and the likelihood of occurrence of the transaction, and after having also considered profitability and liquidity projections, as explained further above, have determined that the adoption of the going concern basis in preparing the financial statements is appropriate.

**1. Summary of significant accounting policies - continued**

**1.2 Consolidation**

**(a) Subsidiaries**

Subsidiaries are all entities over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The Group applies the acquisition method of accounting to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair values of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group, plus costs directly attributable to the acquisition. Identifiable assets acquired and liabilities and contingent liabilities assumed (identifiable net assets) in a business combination are measured initially at their fair values at the acquisition date.

Goodwill is initially measured as the excess of the consideration transferred and the amount of any non-controlling interest in the acquiree over the fair value of the Group's share of the identifiable net assets acquired. If this is less than the fair value of the identifiable net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

**(b) Associate**

Investment in associate is accounted for by the cost method of accounting, i.e. at cost less impairment. If applicable, cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes directly attributable costs of the investment. Provisions are recorded where, in the opinion of the director, there is an impairment in value. Where there has been an impairment in the value of an investment, it is recognised as an expense in the period in which the impairment is identified.

The results of the associates are reflected in these financial statements only to the extent of dividends receivable. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

Investment in associate are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Dilution gains and losses arising in investments in associates are recognised in the income statement.

A listing of the Group's and Company's principal associate is set out in Note 7 to these financial statements.

**1. Summary of significant accounting policies - continued**

**1.3 Foreign currency translation**

*(a) Functional and presentation currency*

The Group's financial results and financial position are measured in the functional currency, i.e. euro ("€"), which is the currency of the primary economic environment in which the Company operates. Items included in the financial statements of each of the Group's entities are measured using the respective entity's functional currency. These consolidated financial statements are presented in euro ("€"), i.e. the presentation currency, which is the currency in which the Company's share capital is denominated.

*(b) Transactions and balances*

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in the income statement within 'finance income or cost'. All other foreign exchange gains and losses are presented in the income statement within 'other income/(expense)'.

*(c) Group companies*

Income statements of foreign entities are translated into the Group's presentation currency at the average exchange rates for the year and statements of financial position are translated at the exchange rates ruling at year-end. All resulting translation differences are recognised in other comprehensive income.

Exchange differences arising from the translation of the net investment in foreign entities and of borrowings are taken to other comprehensive income. On disposal of a foreign entity, such translation differences that were previously recognised in other comprehensive income are recognised in profit or loss as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Translation differences are recognised in other comprehensive income.

**1.4 Intangible assets**

*(a) Licences*

Separately acquired licences are initially shown at cost. Upon commissioning, these costs are amortised over their estimated useful lives of fifteen to twenty years.

*(b) Course development*

Courses development is capitalised on the basis of the costs incurred to develop a course and to ensure that it meets the prescribed standards. These costs are subject to amortisation over a period of 5 years.



**1. Summary of significant accounting policies - continued**

**1.5 Property, plant and equipment**

All property, plant and equipment is initially recorded at cost. All property, plant and equipment is subsequently stated at historical cost less depreciation and impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items. These include ground rents due on uncommissioned leasehold land. Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying asset are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway. Capitalisation of borrowing costs is ceased once the asset is substantially complete, and is suspended if the development of the asset is suspended.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Freehold land is not depreciated as it is deemed to have an indefinite life. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	%
Buildings and leasehold improvement	1 - 4.5
Plant and equipment	10 - 25
Furniture and fittings	10 - 25
Motor vehicles	20

No depreciation is charged on assets in the course of construction since the assets have not yet been brought into use.

The depreciation charge includes the release of previously capitalised ground rents in relation to uncommissioned land. Such land is now being fully utilised and the amortisation will span until 2046.

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount. Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are recognised in profit or loss.

**1.6 Investment property**

The Company owns investment property, principally comprising the land in Marsa held under temporarily emphyteutical grants and is not occupied by the Company but rented out to its subsidiary. This property is included as property, plant and equipment in the Group accounts.

Investment property is measured initially at its historical cost, including related transaction costs. Historical cost includes expenditure that is directly attributable to the acquisition of the items. These include ground rents due on uncommissioned leasehold land. Borrowing costs which are incurred for the purpose of acquiring or constructing a qualifying asset are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway. Capitalisation of borrowing costs is ceased once the asset is substantially complete, and is suspended if the development of the asset is suspended.

**1. Summary of significant accounting policies - continued**

**1.6 Investment property – continued**

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to profit or loss during the financial period in which they are incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at historical cost, less subsequent depreciation for buildings, and impairment.

The commissioned capitalised cost of improvements is amortised using the straight-line method over the remaining term of the lease and in accordance with the term of the lease. Useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

A property's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal. Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are recognised in profit or loss.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Its cost and accumulated depreciation at the date of the reclassification becomes its cost and accumulated depreciation for subsequent accounting purposes. When the Company decides to dispose of an investment property without development, the Company continues to treat the property as an investment property. Similarly, if the Company begins to redevelop an existing investment property for continued future use as investment property, it remains an investment property during the redevelopment.

If an item of property, plant and equipment becomes an investment property because its use has changed, its cost and accumulated depreciation at the date of the reclassification becomes its cost and accumulated depreciation for subsequent accounting purposes.

Depreciation on buildings and leasehold improvements is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

	%
Buildings and leasehold improvements	1 - 4.5

The depreciation charge includes the release of previously capitalised ground rents in relation to uncommissioned land. Such land is now being fully utilised and the amortisation will span until 2046.

Where an investment property undergoes a change in use, evidenced by commencement of development with a view to sale, the property is transferred to inventories. A property's deemed cost for subsequent accounting as inventories is its carrying amount at the date of change in use.

**1. Summary of significant accounting policies - continued**

**1.7 Impairment of investments in subsidiaries, associates and non-financial assets**

Investments in subsidiaries, associates and non-financial assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**1.8 Financial assets**

*1.8.1 Classification*

The Group classifies its financial assets, other than investments in subsidiaries in the loans and receivables category. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments on initial recognition and re-evaluates this designation at every reporting date.

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of trading the asset. They are included in current assets, except for maturities greater than twelve months after the end of the reporting period. These are classified as non-current assets. The Group's loans and receivables comprise trade and other receivables and cash and cash equivalents in the statement of financial position (Notes 1.10 and 1.11).

*1.8.2 Recognition and measurement*

The Group recognises a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the instrument. All financial assets are initially recognised at fair value plus transaction costs.

Loans and receivables are subsequently carried at amortised cost using the effective interest method.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership or has not retained control of the asset.

*1.8.3 Impairment*

The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or a Group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. The Group first assesses whether objective evidence of impairment exists. The criteria that the Group uses to determine that there is objective evidence of an impairment loss include:

**1. Summary of significant accounting policies - continued**

**1.8 Financial assets - continued**

*1.8.3 Impairment - continued*

- significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; and
- observable data indicating that there is a measurable decrease in the estimated future cash flow from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the Group.

The Group first assesses whether objective evidence of impairment exists individually for financial assets that are individually significant. If the Group determines that no objective evidence of impairment exists for an individually assessed financial asset, whether significant or not, it includes the asset in a group of financial assets with similar credit risk characteristics and collectively assesses them for impairment loss. Assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognised are not included in a collective assessment of impairment.

For financial assets carried at amortised cost, the amount of the loss is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows (excluding future credit losses that have not been incurred) discounted at the financial asset's original effective interest rate. The asset's carrying amount is reduced and the amount of the loss is recognised in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised (such as an improvement in the debtor's credit rating), the reversal of the previously recognised impairment loss is recognised in profit or loss. Impairment testing of trade receivables is described in note 1.10.

**1.9 Inventories**

Inventories are stated at the lower of cost and net realisable value. Cost includes direct materials, labour and direct overheads incurred in bringing the product to its present location and condition. Net realisable value represents the estimated selling price for inventories, less all estimated costs of completion and costs necessary to make the sale.

**1.10 Trade and other receivables**

Trade receivables comprise amounts due from customers for merchandise sold or services performed in the ordinary course of business. If collection is expected in one year or less (or in the normal operating cycle of the business if longer), they are classified as current assets. If not, they are presented as non-current assets.

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in profit or loss. When a receivable is uncollectible, it is written off against the allowance account for trade and other receivables. Subsequent recoveries of amounts previously written off are credited against profit or loss.

**1. Summary of significant accounting policies - continued**

**1.11 Cash and cash equivalents**

Cash and cash equivalents are carried in the statement of financial position at face value. In the statement of cash flows, 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 bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the statement of financial position.

**1.12 Share capital**

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new ordinary shares are shown in equity as a deduction, net of tax, from the proceeds.

**1.13 Financial liabilities**

The Group recognises a financial liability in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Financial liabilities are recognised initially at fair value, including transaction costs. These liabilities are subsequently measured at amortised cost. The Group derecognises a financial liability from its statement of financial position when the obligation specified in the contract or arrangement is discharged, is cancelled or expires.

**1.14 Trade and other payables**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). If not, they are presented as non-current liabilities.

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

**1.15 Grants designated for specific purposes**

Grants are recognised in the statement of financial position initially as deferred income when there is reasonable assurance that they will be received and that the group will comply with the conditions attaching to them.

Grants that compensate the Group for expenses incurred are recognised in the income statement on a systematic basis in the same reporting periods in which the expenses are incurred. This compensation is disclosed in the same reporting line as the related expense.

Grants that compensate the group for the cost of an asset are recognised in the income statement on a systematic basis over the useful life of the asset to match the depreciation charge. Capital grants are recorded as deferred income and released to the income statement over the estimated useful life of the related assets.

**1.16 Borrowings**

Borrowings are recognised initially at the fair value of proceeds received, net of transaction costs incurred. Borrowings are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective interest method.

**1. Summary of significant accounting policies - continued**

**1.16 Borrowings - continued**

Issue costs incurred in connection with the issue of the bonds include professional fees, publicity, printing, listing, registration, underwriting, management fees, selling costs and other miscellaneous costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least twelve months after the end of the reporting period.

**1.17 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

**1.18 Current and deferred tax**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised directly in equity. In this case, the tax is also recognised directly in equity.

Deferred tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill; deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax arises on temporary differences on non-current assets, provisions, trading losses and investment tax credits.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**1.19 Revenue recognition**

Revenue is measured at the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is recognised upon delivery of products or performance of services, and is stated net of sales tax, returns, rebates and discounts.

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

**1. Summary of significant accounting policies - continued**

**1.19 Revenue recognition - continued**

*(a) Sales of services*

Revenue from services is generally recognised in the period the services are provided, based on the services performed to date as a percentage of the total services to be performed. Accordingly, revenue is recognised by reference to the stage of completion of the transaction under the percentage of completion method.

*(b) Interest income*

Interest income is recognised on a time-proportion basis using the effective interest method.

*(c) Dividend income*

Dividend income is recognised when the right to receive payment is established.

*(d) Rental income from investment property*

Rental income from investment property is recognised in profit or loss on a straight-line basis over the lease term.

**1.20 Leases**

Leases of assets in which a significant portion of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to profit or loss over the period of the lease.

The group acquired title of an extensive tract of land based on a temporary emphyteusis of 65 years. Parts of the areas pertaining to the emphyteusis were not converted or developed following timelines originally intended and parts of the land were also utilised by the landlord over the period of the emphyteusis to date. As a result and beyond the lease terms, various discussions with the landlord have enabled the Group to defer lease payments to future periods where the Group will commence the development and utilisation of areas which currently remain unutilised. Operating lease charges are reflected in the financial statements in line with such accord.

**1.21 Borrowing costs**

Borrowing costs which are incurred for the purpose of acquiring or constructing qualifying property, plant and equipment and investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway, during the period of time that is required to complete and prepare the asset for its intended use. Capitalisation of borrowing costs is ceased once the asset is substantially complete and is suspended if the development of the asset is suspended. All other borrowing costs are expensed. Borrowing costs are recognised for all interest-bearing instruments on an accrual basis using the effective interest method. Interest costs include the effect of amortising any difference between initial net proceeds and redemption value in respect of the group's interest-bearing borrowings.

## 2. Financial risk management

### 2.1 Financial risk factors

The Group's activities potentially expose it to a variety of financial risks: market risk (including cash flow interest rate risk and foreign exchange risk), credit risk and liquidity risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group did not make use of derivative financial instruments to hedge risk exposures during the current and preceding financial years. The board provides principles for overall risk management, as well as policies covering risks referred to above and specific areas such as investment of excess liquidity.

#### (a) Market risk

##### *(i) Foreign exchange risk*

Foreign currency transactions arise when the company buys or sells goods or services of which are denominated in a foreign currency, borrows or lends funds when the amounts payable or receivable are denominated in a foreign currency. As at year-end, the Group has cash balances amounting to €1,646 (2023: €1,368) denominated in Israeli Shekel as a result of an operational contractual agreement. These assets denominated in foreign currency are current in nature and are expected to be recovered in the next twelve months.

##### *(ii) Cash flow interest rate risk*

As the Group has no significant variable interest-bearing assets, the Group's income and operating cash flows are not dependent of changes in market interest rates. The Group has interest bearing assets from parent related parties that carry a fixed rate of interest. As at 31 December 2024 and 2023, the Group was exposed to bank borrowings issued at variable rates. The Group also has bond borrowings carrying a fixed rate of interest (note 13). Management monitors the impact of changes in market interest rates on amounts reported in profit or loss in respect of these instruments.

#### *Sensitivity analysis*

The sensitivity analysis for interest rate risk illustrates how changes in future cash flows of a financial instrument will fluctuate because of changes in market interest rates at the reporting date. At 31 December 2024, if interest rates at that date would have been 3% lower with all other variables held constant, the pre-tax profit for the year would have increased by approximately €153,630 (2023: €158,554). An increase of 3%, with all other variables held constant, would have resulted in pre-tax profits decreasing by approximately €153,630 (2023: €158,554).



## 2. Financial risk management - continued

### 2.1 Financial risk factors - continued

#### (b) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks, as well as credit exposures to customers, including outstanding receivables and committed transactions. The Group's exposure to credit risk is analysed as follows:

	Group 2024	2023
	€	€
<b>Carrying amounts</b>		
Trade receivables - net (Note 9)	4,385,802	4,633,152
Amounts due from parent (Note 9)	2,415,086	2,400,730
Amounts due from ultimate controlling party (Note 9)	383,067	331,697
Amounts due from associate and related party (Note 9)	18,900	15,512
Other receivables (Note 9)	1,062	12,590
Cash at bank and in hand (Note 10)	410,164	925,416
	<b>7,614,081</b>	<b>8,319,097</b>

The maximum exposure to credit risk at the end of the reporting period in respect of the financial assets mentioned above is equivalent to their carrying amount. The Group does not hold any collateral as security in this respect.

The Group banks with local financial institutions with high quality standing or rating. Bank balances denominated in Egyptian pound are held with a foreign financial institution.

Financial assets which potentially subject the Group to concentrations of credit risk are trade receivables. This is due to the fact that the Group's trade receivables are almost entirely made up of a limited number of major customers. The Group has policies in place to ensure that sales are made to customers with a proven credit history. The Group monitors the performance of these financial assets on a regular basis to identify incurred collection losses which are inherent in the Group's receivables taking into account historical experience in collection of accounts receivable.

The Group manages credit limits and exposures actively in a practicable manner such that there are no material past due amounts receivable from customers as at the end of the reporting period.

The Group had impaired balances at 31 December 2024 of €300,000 (2023: €300,000). The Group does not hold any collateral as security for the impaired assets or past due but not impaired debts.

The Group's receivables include amounts due from parent, subsidiary and ultimate controlling party (refer to note 9). The Group's treasury monitors related party credit exposures at individual entity level on a regular basis and ensures timely performance of these assets in the context of overall Group liquidity management. The Group assesses the credit quality of all the related parties taking into account financial position, performance and other factors. An amount of €345,212 (2023: €345,212) owed by parent company are guaranteed by the ultimate controlling party and after taking cognisance of the related party relationship management does not expect any losses from non-performance or default.

## 2. Financial risk management - continued

### 2.1 Financial risk factors - continued

#### (c) Liquidity risk

The Group is exposed to liquidity risk in relation to meeting future obligations associated with its financial liabilities, which comprise principally trade and other payables and interest-bearing borrowings (refer to Notes 14 and 13 respectively). Prudent liquidity risk management includes maintaining sufficient cash and committed credit lines to ensure the availability of an adequate amount of funding to meet the Group's obligations.

The following tables analyse the Group's financial liabilities into relevant maturity groupings based on the remaining period at the statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within twelve months equal their carrying balances, as the impact of discounting is not significant.

Group	Carrying amount €	Contractual cash flows €	Within one year €	One to five years €	Over five years €
<b>31 December 2024</b>					
Unsecured bonds	14,920,055	16,440,000	720,000	15,720,000	-
Borrowings	5,336,518	5,336,518	1,027,368	4,309,150	-
Trade and other payables	16,731,079	16,731,079	6,743,073	9,988,006	-
	<b>36,987,652</b>	<b>38,507,597</b>	<b>8,490,441</b>	<b>30,017,156</b>	<b>-</b>
<b>31 December 2023</b>					
Unsecured bonds	14,879,914	17,160,000	720,000	16,440,000	-
Borrowings	5,755,638	6,255,638	3,053,034	3,202,604	-
Trade and other payables	16,008,911	16,008,911	6,304,459	9,704,452	-
	<b>36,644,463</b>	<b>39,424,549</b>	<b>10,077,493</b>	<b>29,347,056</b>	<b>-</b>

Cash flow projections prepared by management of the MMH Holdings Limited Group indicate that adequate liquidity will be available to honour commitments as and when they fall due for the next 12 months. Cash outflows include the repayment of lease commitments, bond interest, bank loan repayments aligned with the requirements of sanction letters, and operational costs required to continue running the business uninterrupted. The cash flow projections for FY 2026 include assumptions based on trends observed during FY 2025, including an element of growth in revenues over those recorded in 2025 to cater for expected growth from cargo operations, and further oil and gas related activity. The business plan prepared by management of the MMH Holdings Limited Group indicates that the Group will be obtaining financing and fresh capital for the redemption of the Bond amounting to €15 million which is due for repayment in 2026. Such liquidity will be obtained as a result of having entered into a binding agreement with new shareholders, subject to the completion of a number of conditions precedent, which conditions are expected to be fulfilled by the 30 April 2026. Furthermore, cash flow projections for FY2026 cater for operational commitments as and when they fall due, and overdue commitments will be settled by the second half of 2026. Liquidity will be generated from operations and from an element of bank financing.

## 2. Financial risk management - continued

### 2.2 Fair values of financial instruments

At 31 December 2024 and 2023, the carrying amounts of cash at bank, trade receivables, trade payables and accrued expenses approximated their fair values in view of the nature of the instruments or their short-term maturity.

## 3. Intangible assets

Group	Courses development costs €	Licenses €	Total €
<b>At 1 January 2023</b>			
Cost	112,759	725,000	837,759
Accumulated depreciation	(107,114)	-	(107,114)
Net book amount	<b>5,645</b>	<b>725,000</b>	<b>730,645</b>
<b>Year ended 31 December 2023</b>			
Opening net book amount	5,645	725,000	730,645
Amortisation	(1,129)	-	(1,129)
Closing net book amount	<b>4,516</b>	<b>725,000</b>	<b>729,516</b>
<b>At 31 December 2023</b>			
Cost	112,759	725,000	837,759
Accumulated depreciation	(108,243)	-	(108,243)
Net book amount	<b>4,516</b>	<b>725,000</b>	<b>729,516</b>
<b>Year ended 31 December 2024</b>			
Opening net book amount	4,516	725,000	729,516
Amortisation	(1,129)	-	(1,129)
Closing net book amount	<b>3,387</b>	<b>725,000</b>	<b>728,387</b>
<b>At 31 December 2024</b>			
Cost	112,759	725,000	837,759
Accumulated depreciation	(109,372)	-	(109,372)
Net book amount	<b>3,387</b>	<b>725,000</b>	<b>728,387</b>

Licences relate to payments made for the acquisition of a petrol station licence. These intangible assets are not commissioned and are not being amortised in accordance with the policies set out in accounting policy 1.4.

#### 4. Property, plant and equipment

Group	Buildings and leasehold improvements €	Assets under construction €	Plant and machinery €	Furniture and fittings €	Motor vehicles €	Total €
<b>Year ended 31 December 2023</b>						
Opening net book amount	24,607,004	80,813	2,957,285	355,769	31,756	28,032,627
Additions	4,138,251	-	495,637	199,517	-	4,833,405
Commissioned assets	80,813	(80,813)	-	-	-	-
Depreciation charge	(382,708)	-	(857,223)	(142,347)	(14,536)	(1,396,814)
Closing net book amount	<b>28,443,360</b>	<b>-</b>	<b>2,595,699</b>	<b>412,939</b>	<b>17,220</b>	<b>31,469,218</b>
<b>At 31 December 2023</b>						
Cost	30,551,303	-	8,216,281	1,534,108	795,702	41,097,394
Accumulated depreciation	(2,107,943)	-	(5,620,582)	(1,121,169)	(778,482)	(9,628,176)
Net book amount	<b>28,443,360</b>	<b>-</b>	<b>2,595,699</b>	<b>412,939</b>	<b>17,220</b>	<b>31,469,218</b>
<b>Year ended 31 December 2024</b>						
Opening net book amount	28,443,360	-	2,595,699	412,939	17,220	31,469,218
Additions	1,054,017	-	939,655	236,604	11,529	2,241,805
Depreciation charge	(701,247)	-	(928,719)	(188,080)	(12,038)	(1,830,084)
Closing net book amount	<b>28,796,130</b>	<b>-</b>	<b>2,606,635</b>	<b>461,463</b>	<b>16,711</b>	<b>31,880,939</b>
<b>At 31 December 2024</b>						
Cost	31,605,320	-	9,155,936	1,770,712	807,231	43,339,199
Accumulated depreciation	(2,809,190)	-	(6,549,301)	(1,309,249)	(790,520)	(11,458,260)
Net book amount	<b>28,796,130</b>	<b>-</b>	<b>2,606,635</b>	<b>461,463</b>	<b>16,711</b>	<b>31,880,939</b>

The Land, buildings and leasehold Improvements include an accumulated capitalised labour costs of €424,234 (2023: €414,093) and capitalised finance costs of €264,302 (2023: €245,067).

In 2016, the Group acquired land measuring circa 170,000 square meters on a title of temporary emphyteusis grant for 65 years through a successful competitive tender bidding process. The infrastructural works carried out by the Group, which include dredging and construction works, significantly enhanced the value of the land, with the aim of increasing the Group's revenues as a result of enhancing its ability to attract business. Buildings and leasehold improvements are measured at historical cost, which comprises preliminary costs, capitalised ground rents due on parcels of uncommissioned land, until 2023 and the cost of the infrastructural works being carried out.

## 5. Investment property

Company	Buildings and leasehold improvements €
<b>Year ended 31 December 2023</b>	
Opening net book amount	8,216,766
Additions	649,659
Depreciation charge	(37,476)
Closing net book amount	<b>8,828,949</b>
<b>At 31 December 2023</b>	
Cost	9,095,825
Accumulated depreciation	(266,876)
Net book amount	<b>8,828,949</b>
<b>Year ended 31 December 2024</b>	
Opening net book amount	8,828,949
Additions	19,236
Depreciation charge	(341,427)
Closing net book amount	<b>8,506,758</b>
<b>At 31 December 2024</b>	
Cost	9,115,061
Accumulated depreciation	(608,303)
Net book amount	<b>8,506,758</b>

This property is leased out to a subsidiary of the Company and is disclosed in the Group financial statements as Buildings and leasehold improvements (Note 4). Capitalized interest of €19,236 (2023: €44,610) is included within the additions for the year.

The depreciation charge includes the release of previously capitalised ground rents in relation to uncommissioned land. Such land is now being fully utilised and the amortisation will span until 2046.

## 6. Investment in subsidiaries

	Company 2024 €	2023 €
<b>Year ended 31 December</b>		
Opening and closing net book amount	<b>457,203</b>	457,203
<b>At 31 December</b>		
Cost	<b>857,202</b>	857,202
Accumulated provision for impairment	<b>(399,999)</b>	(399,999)
Net book amount	<b>457,203</b>	457,203

**6. Investment in subsidiaries - continued**

The principal subsidiaries as at 31 December is shown below:

	Registered office	Class of shares held	Percentage of shares held	
			2024 %	2023 %
MMH People Limited	Mediterranean Maritime Hub Building, Xatt il-Mollijiet, Marsa	Ordinary 'A' shares	99.99	99.99
MMH Malta Limited	Mediterranean Maritime Hub Building, Xatt il-Mollijiet, Marsa	Ordinary 'A' shares	99.99	99.99
Abel Energy Limited	Mediterranean Maritime Hub Building, Xatt il-Mollijiet, Marsa	Ordinary 'A' shares	99.99	99.99
MMH Academy Limited	Unit 22B Industrial Estate San Gwann	Ordinary 'A' shares	99.99	99.99
Mediterranean Maritime Hub Finance plc	Mediterranean Maritime Hub Building, Xatt il-Mollijiet, Marsa	Ordinary 'A' shares	100	100
Mainti Sea Support Limited	Mediterranean Maritime Hub Building, Xatt il-Mollijiet, Marsa	Ordinary 'A' shares	100	100
Acare Oil and Gas Services Limited	7, Masada Street 4 BSR Tower Bnei Brak 5126112 Israel	Ordinary 'A' shares	100	100
Ablecare Oilfield Services (Egypt) Limited	Building 179, Zone 3/4 Fourth District, Fifth Settlement New Cairo Cairo Egypt	Ordinary 'A' shares	90	90

**7. Investment in associate**

	<b>Group &amp; Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
<b>Year ended 31 December</b>		
Opening and closing net book amount	<b>10,000</b>	10,000
<b>At 31 December</b>		
Cost and net book amount	<b>10,000</b>	10,000

The associate as at 31 December is shown below:

<b>Associate</b>	<b>Registered office</b>	<b>Class of shares held</b>	<b>Percentage of shares held</b>	
			<b>2024</b>	<b>2023</b>
			<b>%</b>	<b>%</b>
OG Med Company Ltd	Mediterranean Maritime Hub Head Office, Xatt il-Mollijiet Marsa, Malta	Ordinary shares	<b>50</b>	50

The associate was incorporated on 10 October 2019 and has not traded until the financial year end.

**8. Inventories**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Work in progress and finished goods	<b>390,340</b>	2,705

**9. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Non-current</b>				
Amounts due from ultimate controlling party	383,067	331,697	-	-
Amounts due from parent	2,415,086	2,400,730	97,999	97,999
Amounts due from associate and related party	18,900	15,512	-	-
Amounts due from subsidiaries	-	-	10,630,587	9,265,073
<b>Total non-current trade and other receivables</b>	<b>2,817,053</b>	<b>2,747,939</b>	<b>10,728,586</b>	<b>9,363,072</b>
<b>Current</b>				
Trade receivables - gross	4,685,802	4,933,152	-	-
Less: provision for impairment of receivables	(300,000)	(300,000)	-	-
Trade receivables - net	4,385,802	4,633,152	-	-
Other receivables	1,062	12,590	-	-
Prepayments and accrued income	122,760	73,457	-	-
<b>Total current trade and other receivables</b>	<b>4,509,624</b>	<b>4,719,199</b>	<b>-</b>	<b>-</b>
<b>Total trade and other receivables</b>	<b>7,326,677</b>	<b>7,467,138</b>	<b>10,728,586</b>	<b>9,363,072</b>

The amounts due from ultimate controlling party, subsidiaries, associate and related party are unsecured, interest free and have no fixed date of repayment, but are not expected to be received in the next twelve months. Amounts due from parent totalling €345,212 (2023: €345,212) are unsecured, carry interest at 5% and are repayable in 2026.

Movements in non-current trade and other receivables relate to advances made by the Group to the parent and net advances made by the Company from its subsidiaries.

**10. Cash and cash equivalents**

For the purposes of the statement of cash flows, cash and cash equivalents comprise the following:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Cash at bank and in hand	410,164	925,416	904	2,733
Bank overdraft (Note 13)	(250,000)	(2,563,393)	(250,000)	(2,563,393)
	<b>160,164</b>	<b>(1,637,977)</b>	<b>(249,096)</b>	<b>(2,560,660)</b>



## 11. Share capital

	<b>Group &amp; Company</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
<b>Authorised, issued, called-up and fully paid</b>		
Ordinary shares class A of €1 each	547,209	547,209
Ordinary shares class B of €1 each	1,660,946	1,660,946
	<b>2,208,155</b>	<b>2,208,155</b>

'A' class and 'B' class shares shall each be entitled to appoint up to three members to the Board of Directors. All ordinary shares, whatever the letter by which they are denominated shall rank *pari passu* and each share should give the right to one vote.

## 12. Deferred taxation

Deferred income taxes are calculated on temporary differences under the liability method and are measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled based on tax rates (and tax laws) that have been enacted by the end of the reporting period. The principal tax rate used is 35% (2023: 35%).

The movement on the deferred tax account is as follows:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
At beginning of year	(154,850)	(44,425)
<i>Recognised directly in profit or loss</i>		
Deferred tax charge for the year (Note 22)	(38,816)	(110,425)
<b>At end of year</b>	<b>(193,666)</b>	<b>(154,850)</b>

The balance at 31 December represents:

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Temporary differences arising on depreciation of property, plant and equipment	(899,185)	(853,772)
Temporary differences on unutilised capital allowances	274,539	274,539
Temporary differences arising on trading tax losses	52,024	58,064
Temporary differences on unutilised tax credits	378,956	366,319
<b>Net deferred tax assets/(liabilities)</b>	<b>(193,666)</b>	<b>(154,850)</b>

## 12. Deferred taxation - continued

At 31 December 2024, the Group had unrecognised deferred tax assets of €1,002,195 (2023: €877,204) arising from unabsorbed capital allowances, unabsorbed provisions, unutilised trading tax losses and temporary differences on property, plant and equipment that have not been recognised in the financial statements due to the uncertainty of the tax benefits through future taxable profits, related to the specific group undertaking and its activity.

## 13. Borrowings

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
<b>Non-current</b>				
15,000,000 4.8% bonds 2026	14,920,055	14,879,914	-	-
Bank loans	3,884,150	2,277,604	3,884,150	2,277,604
Loan from subsidiary	-	-	1,800,000	1,800,000
Other borrowings	425,000	425,000	-	-
Total non-current borrowings	19,229,205	17,582,518	5,684,150	4,077,604
<b>Current</b>				
Bank loans	777,368	489,641	777,368	489,641
Bank overdraft	250,000	2,563,393	250,000	2,563,393
Total current borrowings	1,027,368	3,053,034	1,027,368	3,053,034
Total borrowings	20,256,573	20,635,552	6,711,518	7,130,638

At 31 December 2024, the Group had banking facilities of €6,068,790 (2023: €7,001,168) and the Company had banking facilities of €6,068,790 (2023: €7,001,168) which are secured by a guarantee in the form of a grant from Malta Enterprise, a guarantee over properties owned by the ultimate shareholder and a guarantee issued by the Government of Malta. The overdraft facility, included in the above banking facilities, is of €250,000 (2023: €2,500,000).

The loan from subsidiary is unsecured, carries interest at 5.95% and is repayable in 2026.

The other borrowings carries an interest at 5% per annum and is repayable on demand.

The contracted undiscounted cash flows of the non-current bank loans analysed into relevant maturity groupings based on the remaining period at the reporting date to the maturity date is disclosed in note 2 to these financial statements.

The Bank acknowledged and waived the External Gearing Covenant breach.

### 13. Borrowings - continued

The unsecured bonds are measured at the amount of the net proceeds adjusted for the amortisation of the difference between the net proceeds and the redemption value of such bonds, using the effective yield method as follows:

	Group 2024 €	2023 €
<b>Face value</b>		
15,000,000 4.80% bonds 2026	15,000,000	15,000,000
Issue costs	(354,188)	(354,188)
Accumulated amortisation	274,243	234,101
Closing net book amount	(79,945)	(120,087)
<b>Amortised cost at 31 December</b>	<b>14,920,055</b>	<b>14,879,913</b>

By virtue of an offering memorandum dated 16 September 2016, the Group issued €15,000,000 bonds with a face value of €1,000 each. The bond's interest is payable annually in arrears on 14 October. The bonds are redeemable at par and are due for redemption on 14 October 2026 but the issuer may at any time purchase Bonds in the open market or otherwise at any price. The bonds are guaranteed by MMH Holdings Limited, which has bound itself jointly and severally liable for the payment of the bonds and interest thereon, pursuant to and subject to the terms and conditions in the offering memorandum. The bonds have been admitted on the Official List of the Malta Stock Exchange on 19 October 2016. The quoted market price as at 31 December 2024 for the bonds was €97 (2024: €95). In the opinion of the directors these market prices fairly represent the fair value of these financial liabilities.

The interest rate exposure of the borrowings of the Group was as follows:

	Group 2024 %	2023 %
Unsecured bonds	4.80	4.80
Bank loans	4.38 - 5.50	4.38 - 5.50
Bank overdraft	5.50	5.50

This note provides information about the contractual terms of the Group's borrowings. For more information about the Group's exposure to interest rate and liquidity risk, refer to note 2.

**14. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
<b>Non-current</b>				
Amounts due to subsidiaries	-	-	587,838	480,738
Accruals and deferred income	92,812	771,562	-	-
Social security	827,610	418,464	-	-
Other creditors	9,067,584	8,514,426	9,060,878	8,507,720
<b>Total non-current trade and other payables</b>	<b>9,988,006</b>	<b>9,704,452</b>	<b>9,648,716</b>	<b>8,988,458</b>
<b>Current</b>				
Trade and capital payables	3,938,385	3,320,696	1,274,476	473,700
Social security and indirect taxation	1,584,062	1,173,085	772,653	375,087
Other creditors	143,132	559,533	122,242	559,533
Accruals and deferred income	1,077,494	1,251,145	28,674	25,049
<b>Total current trade and other payables</b>	<b>6,743,073</b>	<b>6,304,459</b>	<b>2,198,045</b>	<b>1,433,369</b>
<b>Total trade and other payables</b>	<b>16,731,079</b>	<b>16,008,911</b>	<b>11,846,761</b>	<b>10,421,827</b>

In the Company's books, the amounts due to subsidiaries and parent are unsecured, interest free and have no fixed date of repayment, but are not expected to be repaid within the next twelve months. Other creditors represent the difference between the contractual ground rents obligations on the leasehold property to date and the invoiced ground rents by the respective government agency in accordance with the agreements signed by both parties such owed balances bear a compounding interest of 3% per annum and have to be repaid from 2024 to 2046.

**15. Grants designated for specific purposes**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
<b>Year ended 31 December</b>		
Opening net book amount	1,857,924	1,919,843
Amortisation for the year	(71,183)	(61,919)
<b>Closing net book amount</b>	<b>1,786,741</b>	<b>1,857,924</b>
<b>Disclosed as:</b>		
Non-current	1,715,558	1,796,004
Current	71,183	61,920
	<b>1,786,741</b>	<b>1,857,924</b>

**15. Grants designated for specific purposes - continued**

As at 31 December 2024, grants amounting to €1,786,741 (2023: €1,857,924) relating to funds advanced directly by the Government of Malta through its agent Malta Enterprise for the co-financing its capital expenditure of the property, plant and equipment. These funds are treated as deferred income and are credited to profit or loss on a systematic basis over the useful lives of the assets. The impact of these grants on the current year's results is disclosed in note 17 to these financial statements.

**16. Revenue**

All the Group's revenue was derived from the provision of specialised services, as well as related ancillary services, to the marine and oil and gas industry in the local market of Malta together with the provision of other ancillary services.

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Rendering of services	<b>18,381,713</b>	20,332,882	-	-
Rental income	-	-	<b>2,835,269</b>	2,120,770
	<b>18,381,713</b>	20,332,882	<b>2,835,269</b>	2,120,770

Rental income is derived by the Company from a fully owned subsidiary on the charging of rent of the commissioned property owned by the Company classified as investment property (Note 5).

**17. Loss**

Loss is stated after charging/(crediting) the following:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Amortisation of intangible assets (Note 3)	<b>1,129</b>	1,129	-	-
Depreciation on property, plant and equipment (Note 4)	<b>1,830,084</b>	1,396,814	-	-
Depreciation of investment property (Note 5)	-	-	<b>341,427</b>	37,476
Ground rent	<b>2,122,402</b>	1,797,940	<b>2,101,930</b>	1,757,968
Amortisation of grant (Note 15)	<b>(71,183)</b>	(61,919)	-	-
Exchange differences	<b>9,831</b>	8,892	-	-
Bad debts	<b>10,610</b>	110,177	-	-
Employee benefit expense (Note 18)	<b>3,213,046</b>	3,226,714	-	-

**17. Loss - continued**

*Auditor's fees*

Fees charged by the auditor for services rendered during the financial periods ended 31 December 2024 and 2023 relate to the following:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Annual statutory audit	<b>64,400</b>	70,893	<b>14,800</b>	14,000

Fees amounting to €47,025 (2023: €116,145) for the Group and €28,135 (2023: €99,330) for the Company have been charged by connected undertakings of the Group's and Company's auditor respectively in respect to other non-audit services.

**18. Employee benefit expense**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Wages and salaries	<b>3,365,133</b>	3,406,191
Social security costs	<b>264,206</b>	227,773
Maternity fund contributions	<b>7,941</b>	6,843
	<b>3,637,280</b>	3,640,807
Capitalised payroll costs	<b>(424,234)</b>	(414,093)
	<b>3,213,046</b>	3,226,714

The average number of persons employed by the Group during the financial reporting period was:

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	
Direct	<b>84</b>	80
Administrative	<b>35</b>	30
	<b>119</b>	110

**19. Other income**

	Group	
	2024	2023
	€	€
Other income	96,627	800
Insurance claims	163,161	-
Rental income	-	7,206
	<b>259,788</b>	<b>8,006</b>

**20. Net investment income**

	Group	
	2024	2023
	€	€
Bank interest receivable	52	32
Interest receivable from parent	17,267	17,267
	<b>17,319</b>	<b>17,299</b>

**21. Finance costs**

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Bond interest	720,000	720,000	-	-
Amortisation of bond issue costs	40,142	38,191	-	-
Interest payable to subsidiary	-	-	107,100	107,100
Bank interest	278,828	225,754	256,372	204,406
Other interest (Note 13)	192,094	191,007	192,094	191,007
	<b>1,231,064</b>	<b>1,174,952</b>	<b>555,566</b>	<b>502,513</b>

**22. Tax expense**

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Current tax expense	10,810	6,688	7,466	-
Deferred tax charge (Note 12)	38,816	110,425	-	-
Tax expense	<b>49,626</b>	<b>117,113</b>	<b>7,466</b>	<b>-</b>

**22. Tax expense - continued**

The tax on the Group and the Company's results before tax differs from the theoretical amount that would arise using the basic tax rate as follows:

	<b>Group</b>		<b>Company</b>	
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
Loss before tax	<b>(118,131)</b>	<b>(205,229)</b>	<b>43,146</b>	<b>(343,649)</b>
Tax at 35%	<b>(41,346)</b>	<b>(71,830)</b>	<b>15,101</b>	<b>(120,277)</b>
Tax effect of:				
Expenses not deductible for tax purposes	<b>56,471</b>	<b>151,147</b>	<b>36,233</b>	<b>120,277</b>
Rent maintenance allowance	<b>(51,334)</b>	<b>(504)</b>	<b>(51,334)</b>	<b>-</b>
Unrecognised deferred tax in current year	<b>86,430</b>	<b>77,099</b>	<b>-</b>	<b>-</b>
Unrecognised deferred tax in prior year	<b>38,561</b>	<b>-</b>	<b>-</b>	<b>-</b>
Income not subject to tax	<b>(24,930)</b>	<b>(21,672)</b>	<b>-</b>	<b>-</b>
Tax rates applicable to property	<b>-</b>	<b>(17,127)</b>	<b>-</b>	<b>-</b>
Underprovision in prior year	<b>7,466</b>	<b>-</b>	<b>7,466</b>	<b>-</b>
Other	<b>(21,692)</b>	<b>-</b>	<b>-</b>	<b>-</b>
Tax expense	<b>49,626</b>	<b>117,113</b>	<b>7,466</b>	<b>-</b>

**23. Directors' emoluments**

	<b>Group</b>	
	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
Salaries and other emoluments	<b>302,876</b>	<b>319,325</b>

The directors of the Company are not remunerated by the Company but by MMH Malta Limited (the principal operating company of the Group). Their emoluments relate to all the functions and roles covered across the Group. All the directors of the Company sit on the board of this subsidiary.



## 24. Cash from operations

Reconciliation of operating profit to cash generated from/(used in) operations:

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Operating profit	1,095,614	952,424	598,712	158,864
Adjustments for:				
Amortisation of intangible assets (Note 3)	1,129	1,129	-	-
Depreciation of property, plant and equipment (Note 4)	1,830,084	1,396,814	-	-
Depreciation of investment property (Note 5)	-	-	341,427	37,476
Bad debts written off	10,610	110,177	-	-
Amortisation of grant (Note 15)	(71,183)	(61,919)	-	-
Unrealised foreign exchange loss	9,831	8,892	-	-
Movement in foreign exchange reserve	(551)	(635)	-	-
Release of accrued ground rent (Note 14)	(437,291)	-	(437,291)	-
Changes in working capital:				
Inventories	(387,635)	28,454	-	-
Trade and other receivables	129,851	145,735	(1,365,514)	(782,674)
Trade and other payables	1,159,459	3,493,353	1,842,989	417,090
Cash generated from/(used in) operations	3,339,918	6,074,424	980,323	(169,244)

## 25. Related party transactions

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions. The company has control over all the companies forming part of the MMH Group of Companies. All companies forming part of this Group are considered as related parties. Trading transactions between these companies include items which are normally encountered in a Group context. The Group is ultimately fully owned by Paul Abela, through an immediate parent, Elesolar Company Limited. Both parties are therefore considered to be related parties. Companies owned directly by Paul Abela are also considered to be related parties.

Year-end balances with related parties are disclosed in notes 9, 13 and 14 to the financial statements.

The following transactions were carried out with related parties:

	Group		Company	
	2024	2023	2024	2023
	€	€	€	€
Rental income from subsidiary	-	-	2,235,269	1,640,770
Management fee charged to parent company	-	-	600,000	480,000
Interest payable to subsidiary	-	-	(107,100)	(107,100)
Interest income from parent	17,267	17,267	-	-

Key management personnel compensation including directors' remuneration is disclosed within Note 18 and amounts to €550,089 (2023: €571,276). Directors' emoluments are disclosed separately in Note 23.

## 26. Contingent liabilities

In late 2014, MMH Malta Limited transferred the sum of circa €180,000 to COMAP registered in Augusta, Sicily. The creditor's email account was intercepted by a cybercrime operation, and as a result the funds in question were not received by COMAP. In view of the fact that payment was made in good faith and according to the seemingly legitimate instructions it received, the group has invoked a provision of Italian law and requested the regional courts of Syracuse, Sicily to declare that the debt was paid in good faith. The case is currently pending before the Courts of Appeal for Sicily, Italy, and is awaiting a date for first hearing.

At 31 December 2024, the company had contingent liabilities amounting to €1,019,112 in respect of guarantees and commitments issued in favour of third parties in the ordinary course of business.

## 27. Statutory information

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

The immediate parent company of MMH Holdings Limited is Elesolar Company Limited, a company registered in Malta, with its registered address at Mediterranean Maritime Hub Building, Xatt il-Mollijiet, Marsa. This company is fully owned by Paul Abela.

The ultimate controlling party of MMH Holdings Limited is Mr. Paul Abela.

**28. Comparative information**

Comparative figures disclosed in the main components of these financial statements have been reclassified to conform with the current year's presentation format for the purpose of fairer presentation.

