

**UPYACHTING MANAGEMENT PLC**

**REPORT AND FINANCIAL STATEMENTS**

31 December 2024

# **UPYACHTING MANAGEMENT PLC**

## **REPORT AND FINANCIAL STATEMENTS**

31 December 2024

### **CONTENTS**

### **PAGE**

Board of Directors and other officers	1
Management Report	2 - 3
Declaration of the members of the Board of Directors and the company officials responsible for the preparation of the financial statements	4
Independent auditor's report	5 - 8
Statement of profit or loss and other comprehensive income	9
Statement of financial position	10
Statement of changes in equity	11
Cash flow statement	12
Notes to the financial statements	13 - 22

# UPYACHTING MANAGEMENT PLC

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## BOARD OF DIRECTORS AND OTHER OFFICERS

**Board of Directors:**

Georgios Vogiatzakis  
Stefanos Papazoglou  
Ioannis Stylios  
Theodoros Chouliaras

**Company Secretary:**

DGH SECRETARIAL LTD

**Independent Auditors:**

L. Gnaftis & Co Ltd  
Certified Public Accountants  
Anexartisias & Athinon, Nora Court, Office 203-205,3040  
Limassol  
Cyprus

**Registered office:**

12 Prevezis  
Nicosia  
1065  
Cyprus

**Bankers:**

Bank of Cyprus Public Company Ltd

**Registration number:**

HE430447

# UPYACHTING MANAGEMENT PLC

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## MANAGEMENT REPORT

The Board of Directors presents its report and audited financial statements of the Company for the year ended 31 December 2024.

### **Principal activities and nature of operations of the Company**

The principal activities of the Company, which are unchanged from last year, are the provision of yachting services.

Company operates on a seasonal basis and it shall begin its operations from 2026.

Company remained dormant throughout the year ended 31 December 2024.

### **Review of current position, future developments and performance of the Company's business**

The Company's development to date, financial results and position as presented in the financial statements are not considered satisfactory and the Board of Directors is making an effort to reduce the Company's losses.

Company's loss led to a fifty per cent loss of its subscribed capital. In complying with capital adequacy provisions of the Cyprus Companies Law Cap. 113, Article 169F, the Company will convene an Annual General Meeting in order to raise its share capital and proceed to any necessary actions to cover the losses.

### **Principal risks and uncertainties**

The principal risks and uncertainties faced by the Company are disclosed in notes 6, 7 and 14 of the financial statements.

### **Use of financial instruments by the Company**

The Company is exposed to interest rate risk and liquidity risk from the financial instruments it holds.

#### **Interest rate risk**

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

#### **Liquidity risk**

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

### **Results**

The Company's results for the year are set out on page 9. The net loss for the year is carried forward.

### **Share capital**

There were no changes in the share capital of the Company during the year under review.

### **Corporate Governance Code**

The Board of Directors, as at the date of this report has not decided to adopt the Corporate Governance Code as it is not required by the Cyprus Stock Exchange New Market.

### **Board of Directors**

The members of the Company's Board of Directors as at 31 December 2024 and at the date of this report are presented on page 1. All of them were members of the Board of Directors throughout the year ended 31 December 2024.

In accordance with the Company's Articles of Association all Directors presently members of the Board continue in office.

There were no significant changes in the assignment of responsibilities and remuneration of the Board of Directors.

# UPYACHTING MANAGEMENT PLC

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## MANAGEMENT REPORT

### Events after the reporting period

Any significant events that occurred after the end of the reporting period are described in note 21 to the financial statements.

### Independent Auditors

The Independent Auditors, L. Gnaftis & Co Ltd, have expressed their willingness to continue in office and a resolution giving authority to the Board of Directors to fix their remuneration will be proposed at the Annual General Meeting.

By order of the Board of Directors,

  
DGH SECRETARIAL LTD  
Secretary



Limassol, 12 August 2025

## **UPYACHTING MANAGEMENT PLC**

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### **DECLARATION OF THE MEMBERS OF THE BOARD OF DIRECTORS AND THE COMPANY OFFICIALS RESPONSIBLE FOR THE PREPARATION OF THE FINANCIAL STATEMENTS**

In accordance with Article 9 sections (3c) and (7) of the Transparency Requirements (Traded Securities in Regulated Markets) Law 2007 (N 190 (I)/2007) ("the Law") we, the members of the Board of Directors and the Company official responsible for the financial statements of UPYACHTING MANAGEMENT PLC (the "Company") for the year ended 31 December 2024, on the basis of our knowledge, declare that:

(a) The annual financial statements of the Company which are presented on pages 9 to 22:

(i) have been prepared in accordance with the applicable International Financial Reporting Standards as adopted by the European Union and the provisions of Article 9, section (4) of the law, and

(ii) provide a true and fair view of the particulars of assets and liabilities, the financial position and profit or loss of the Company and the entities included in the financial statements as a whole and

b) The management report provides a fair view of the developments and the performance as well as the financial position of the Company as a whole, together with a description of the main risks and uncertainties which they face.

#### **Members of the Board of Directors:**

Georgios Vogiatzakis

Stefanos Papazoglou

Ioannis Stylios

Theodoros Chouliaras

#### **Responsible for drafting the financial statements**

Theodoros Chouliaras (Financial Manager)



Limassol, 12 August 2025



## Independent Auditor's Report

### To the Members of UPYACHTING MANAGEMENT PLC

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

#### Opinion

We have audited the financial statements of UPYACHTING MANAGEMENT PLC (the "Company"), which are presented in pages 9 to 22 and comprise the statement of financial position as at 31 December 2024, and the statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 December 2024, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113.

#### 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 remained independent of the Company throughout the period of our appointment in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Cyprus, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Key audit matters incorporating the most significant risks of material misstatements, including assessed risk of material misstatements due to fraud

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Going concern

Refer to note 4 of the financial statements

#### Key audit matter

#### How the matter was addressed in our audit

The Company's Board of Directors has Our audit procedures in relation to the going concern matter, included, assessed the Company's ability to continue as among other things, the following: 1) Assessing the experience of the a going concern for a period of 12 months Company's Management in developing expectations with respect to from the date of approval of these Financial the Company's future cash flows and 2) Investigating whether the Statements, taking into account the Company will continue to have the financial ability to meet its Company's liquidity. obligations.

The above procedures were considered satisfactory.



## Independent Auditor's Report (continued)

### To the Members of UPYACHTING MANAGEMENT PLC

#### Significant loss of share capital as per Companies Law Cap. 113, Article 169F

##### The key audit matter

##### How the matter was addressed in our audit

Company's loss led to a fifty per cent loss of its subscribed capital.

Our audit procedures included, among other things, the following: 1) Reviewing the relevant minutes and Company's decisions 2) Reviewing Company's agenda for the convention of the Annual General Meeting

Company took the necessary actions in order to cover losses and to meet its legal obligations in accordance to the Cyprus Companies Law Cap. 113, Article 169F. The above procedures were considered satisfactory.

##### Reporting on other information

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

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

##### Responsibilities of the Board of Directors and those charged with governance for the Financial Statements

The Board of Directors is responsible for the preparation of financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and the requirements of the Cyprus Companies Law, Cap. 113, and for such internal control as the Board of Directors determines 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 Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

##### 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.





## **Independent Auditor's Report (continued)**

### **To the Members of UPYACHTING MANAGEMENT PLC**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of 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 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves a true and fair view.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

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

##### **Other Legal Requirements**

Pursuant to the additional requirements of the Auditors Law of 2017, we report the following:

- In our opinion, based on the work undertaken in the course of our audit, the Management Report has been prepared in accordance with the requirements of the Cyprus Companies Law, Cap 113, and the information given is consistent with the financial statements.
- In light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Management Report. We have nothing to report in this respect.



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3040, Limassol, Cyprus

## **Independent Auditor's Report (continued)**

### **To the Members of UPYACHTING MANAGEMENT PLC**

#### **Other Matter**

This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Article 10(1) of the EU Regulation 537/2014 and Section 69 of the Auditors Law of 2017 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whose knowledge this report may come to.

The engagement partner on the audit resulting in this independent auditor's report is Lambros Gnaftis, FCCA.



**L. Gnaftis & Co. Ltd**  
Certified Public Accountants

Lambros Gnaftis, FCCA  
Certified Public Accountant and Registered Auditor  
for and on behalf of  
**L. Gnaftis & Co Ltd**  
**Certified Public Accountants**

Limassol, 12 August 2025

## UPYACHTING MANAGEMENT PLC

### STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME 31 December 2024

	Note	2024 €	2023 €
Administration and other expenses	8	<u>(16,086)</u>	<u>(12,265)</u>
<b>Operating loss</b>		<u><b>(16,086)</b></u>	<u><b>(12,265)</b></u>
Finance costs		<u>(397)</u>	<u>(443)</u>
Net finance costs	9	<u>(397)</u>	<u>(443)</u>
<b>Net loss for the year</b>		<u><b>(16,483)</b></u>	<u><b>(12,708)</b></u>
<b>Other comprehensive income</b>		<u>-</u>	<u>-</u>
<b>Total comprehensive income for the year</b>		<u><b>(16,483)</b></u>	<u><b>(12,708)</b></u>

The notes on pages 13 to 22 form an integral part of these financial statements.

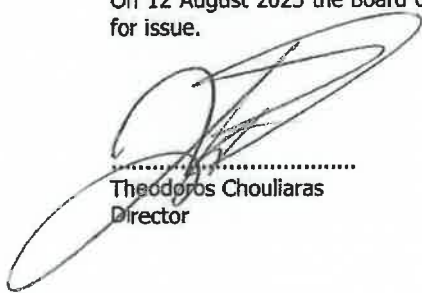
## UPYACHTING MANAGEMENT PLC

### STATEMENT OF FINANCIAL POSITION

31 December 2024

	Note	2024 €	2023 €
<b>ASSETS</b>			
<b>Current assets</b>			
Receivables	10	12,472	9,538
Cash at bank and in hand	11	-	240
		<u>12,472</u>	<u>9,778</u>
<b>Total assets</b>		<u>12,472</u>	<u>9,778</u>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	12	75,000	75,000
Accumulated losses		<u>(120,571)</u>	<u>(104,088)</u>
<b>Total equity</b>		<u>(45,571)</u>	<u>(29,088)</u>
<b>Current liabilities</b>			
Trade and other payables	13	<u>58,043</u>	<u>38,866</u>
		<u>58,043</u>	<u>38,866</u>
<b>Total equity and liabilities</b>		<u>12,472</u>	<u>9,778</u>

On 12 August 2025 the Board of Directors of UPYACHTING MANAGEMENT PLC authorised these financial statements for issue.

  
.....  
Theodoros Chouliaras  
Director

  
.....  
Georgios Vogiatzakis  
Director

The notes on pages 13 to 22 form an integral part of these financial statements.

## UPYACHTING MANAGEMENT PLC

### STATEMENT OF CHANGES IN EQUITY

31 December 2024

	Share capital €	Accumula- ted losses €	Total €
<b>Balance at 1 January 2023</b>	<b>75,000</b>	<b>(91,380)</b>	<b>(16,380)</b>
<b>Comprehensive income</b>			
Net loss for the year	-	(12,708)	(12,708)
Total comprehensive income for the year	-	(12,708)	(12,708)
<b>Balance at 31 December 2023/ 1 January 2024</b>	<b>75,000</b>	<b>(104,088)</b>	<b>(29,088)</b>
<b>Comprehensive income</b>			
Net loss for the year	-	(16,483)	(16,483)
Total comprehensive income for the year	-	(16,483)	(16,483)
<b>Balance at 31 December 2024</b>	<b>75,000</b>	<b>(120,571)</b>	<b>(45,571)</b>

Companies, which do not distribute 70% of their profits after tax, as defined by the Special Contribution for the Defence of the Republic Law, within two years after the end of the relevant tax year, will be deemed to have distributed this amount as dividend on the 31 of December of the second year. The amount of the deemed dividend distribution is reduced by any actual dividend already distributed by 31 December of the second year for the year the profits relate. The Company pays special defence contribution on behalf of the shareholders over the amount of the deemed dividend distribution at a rate of 17% (applicable since 2014) when the entitled shareholders are natural persons tax residents of Cyprus and have their domicile in Cyprus. In addition, the Company pays on behalf of the shareholders General Healthcare System (GHS) contribution at a rate of 2,65%, when the entitled shareholders are natural persons tax residents of Cyprus, regardless of their domicile.

The notes on pages 13 to 22 form an integral part of these financial statements.

## UPYACHTING MANAGEMENT PLC

### CASH FLOW STATEMENT

31 December 2024

	2024 €	2023 €
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before tax	<u>(16,483)</u>	<u>(12,708)</u>
	(16,483)	(12,708)
<b>Changes in working capital:</b>		
Increase in receivables	(2,934)	(949)
Increase in trade and other payables	<u>19,177</u>	<u>13,898</u>
<b>Cash (used in)/generated from operations</b>	<u>(240)</u>	<u>241</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<u>-</u>	<u>-</u>
<b>Net (decrease)/increase in cash and cash equivalents</b>	(240)	241
Cash and cash equivalents at beginning of the year	<u>240</u>	<u>(1)</u>
<b>Cash and cash equivalents at end of the year</b>	<u>-</u>	<u>240</u>

The notes on pages 13 to 22 form an integral part of these financial statements.

# UPYACHTING MANAGEMENT PLC

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 1. Incorporation and principal activities

#### Country of incorporation

The Company UPYACHTING MANAGEMENT PLC (the "Company") was incorporated in Cyprus on 25th of January 2022 as a public limited liability company under the provisions of the Cyprus Companies Law, Cap. 113. Its registered office is at 12 Prevezis, Nicosia, 1065, Cyprus.

On 15 November 2022, the Company was listed in the CSE Emerging Companies Market.

#### Principal activities

The principal activities of the Company, which are unchanged from last year, are the provision of yachting services.

Company operates on a seasonal basis and it shall begin its operations from 2026.

Company remained dormant throughout the year ended 31 December 2024.

### 2. Basis of preparation

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU) and the requirements of the Cyprus Companies Law, Cap. 113. The financial statements have been prepared under the historical cost convention.

### 3. Adoption of new or revised standards and interpretations

During the current year the Company adopted all the new and revised International Financial Reporting Standards (IFRS) that are relevant to its operations and are effective for accounting periods beginning on 1 January 2024. This adoption did not have a material effect on the accounting policies of the Company.

### 4. Significant accounting policies

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

#### Going concern basis

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

#### Segmental reporting

The Company is organised by business segments and this is the primary format for segmental reporting. Each business segment provides products or services which are subject to risks and returns that are different from those of other business segments. The Company operates only in Cyprus and for this reason operations are not analysed by geographical segment.

#### Finance costs

Interest expense and other borrowing costs are charged to profit or loss as incurred.

#### Financial assets

##### Financial assets - Classification

The Company classifies its financial assets in the following measurement categories:

# UPYACHTING MANAGEMENT PLC

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Financial assets - Classification (continued)

- those to be measured subsequently at fair value (either through OCI or through profit or loss), and
- those to be measured at amortised cost.

The classification and subsequent measurement of debt financial assets depends on: (i) the Company's business model for managing the related assets portfolio and (ii) the cash flow characteristics of the asset. On initial recognition, the Company may irrevocably designate a debt financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

For investments in equity instruments that are not held for trading, the classification will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI). This election is made on an investment-by-investment basis.

All other financial assets are classified as measured at FVTPL.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income (FVOCI).

##### Financial assets - Recognition and derecognition

All purchases and sales of financial assets that require delivery within the time frame established by regulation or market convention ("regular way" purchases and sales) are recorded at trade date, which is the date when the Company commits to deliver a financial instrument. All other purchases and sales are recognised when the entity becomes a party to the contractual provisions of the instrument.

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 the risks and rewards of ownership.

##### Financial assets - Measurement

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss. Fair value at initial recognition is best evidenced by the transaction price. A gain or loss on initial recognition is only recorded if there is a difference between fair value and transaction price which can be evidenced by other observable current market transactions in the same instrument or by a valuation technique whose inputs include only data from observable markets.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.



# UPYACHTING MANAGEMENT PLC

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Financial assets - impairment - credit loss allowance for ECL

The Company assesses on a forward-looking basis the ECL for debt instruments (including loans) measured at amortised cost and FVOCI and exposure arising from loan commitments and financial guarantee contracts. The Company measures ECL and recognises credit loss allowance at each reporting date. The measurement of ECL reflects: (i) an unbiased and probability weighted amount that is determined by evaluating a range of possible outcomes, (ii) time value of money and (iii) all reasonable and supportable information that is available without undue cost and effort at the end of each reporting period about past events, current conditions and forecasts of future conditions.

The carrying amount of the financial assets is reduced through the use of an allowance account, and the amount of the loss is recognised in the statement of profit or loss and other comprehensive income within "net impairment losses on financial and contract assets. Subsequent recoveries of amounts for which loss allowance was previously recognised are credited against the same line item.

Debt instruments carried at amortised cost are presented in the statement of financial position net of the allowance for ECL. For loan commitments and financial guarantee contracts, a separate provision for ECL is recognised as a liability in the statement of financial position.

For debt instruments at FVOCI, an allowance for ECL is recognised in profit or loss and it affects fair value gains or losses recognised in OCI rather than the carrying amount of those instruments.

The impairment methodology applied by the Company for calculating expected credit losses depends on the type of financial asset assessed for impairment. Specifically:

For trade receivables and contract assets, including trade receivables and contract assets with a significant financing component, and lease receivables the Company applies the simplified approach permitted by IFRS 9, which requires lifetime expected credit losses to be recognised from initial recognition of the financial assets.

For all other financial instruments that are subject to impairment under IFRS 9, the Company applies general approach - three stage model for impairment. The Company applies a three stage model for impairment, based on changes in credit quality since initial recognition. A financial instrument that is not credit-impaired on initial recognition is classified in Stage 1.

Additionally the Company has decided to use the low credit risk assessment exemption for investment grade financial assets. Refer to note 6, Credit risk section for a description of how the Company determines low credit risk financial assets.

##### Financial assets -Reclassification

Financial instruments are reclassified only when the business model for managing those assets changes. The reclassification has a prospective effect and takes place from the start of the first reporting period following the change.

##### Financial assets - write-off

Financial assets are written-off, in whole or in part, when the Company exhausted all practical recovery efforts and has concluded that there is no reasonable expectation of recovery. The write-off represents a derecognition event. The Company may write-off financial assets that are still subject to enforcement activity when the Company seeks to recover amounts that are contractually due, however, there is no reasonable expectation of recovery.

# UPYACHTING MANAGEMENT PLC

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 4. Significant accounting policies (continued)

#### Financial assets (continued)

##### Financial assets - modification

The Company sometimes renegotiates or otherwise modifies the contractual terms of the financial assets. The Company assesses whether the modification of contractual cash flows is substantial considering, among other, the following factors: any new contractual terms that substantially affect the risk profile of the asset (e.g. profit share or equity-based return), significant change in interest rate, change in the currency denomination, new collateral or credit enhancement that significantly affects the credit risk associated with the asset or a significant extension of a loan when the borrower is not in financial difficulties.

If the modified terms are substantially different, the rights to cash flows from the original asset expire and the Company derecognises the original financial asset and recognises a new asset at its fair value. The date of renegotiation is considered to be the date of initial recognition for subsequent impairment calculation purposes, including determining whether a SICR has occurred. The Company also assesses whether the new loan or debt instrument meets the SPPI criterion. Any difference between the carrying amount of the original asset derecognised and fair value of the new substantially modified asset is recognised in profit or loss, unless the substance of the difference is attributed to a capital transaction with owners.

In a situation where the renegotiation was driven by financial difficulties of the counterparty and inability to make the originally agreed payments, the Company compares the original and revised expected cash flows to assets whether the risks and rewards of the asset are substantially different as a result of the contractual modification. If the risks and rewards do not change, the modified asset is not substantially different from the original asset and the modification does not result in derecognition. The Company recalculates the gross carrying amount by discounting the modified contractual cash flows by the original effective interest rate, and recognises a modification gain or loss in profit or loss.

##### Cash and cash equivalents

For the purpose of the cash flow statement, cash and cash equivalents comprise cash at bank. Cash and cash equivalents are carried at amortised cost because: (i) they are held for collection of contractual cash flows and those cash flows represent SPPI, and (ii) they are not designated at FVTPL.

##### Classification as financial assets at amortised cost

These amounts generally arise from transactions outside the usual operating activities of the Company. They are held with the objective to collect their contractual cash flows and their cash flows represent solely payments of principal and interest. Accordingly, these are measured at amortised cost using the effective interest method, less provision for impairment. Financial assets at amortised cost are classified as current assets if they are 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 assets.

##### Trade payables

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

##### Offsetting financial instruments

Financial assets and financial liabilities are offset and the net amount reported in the statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. This is not generally the case with master netting agreements, and the related assets and liabilities are presented gross in the statement of financial position.

# UPYACHTING MANAGEMENT PLC

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 4. Significant accounting policies (continued)

#### Share capital

Ordinary shares are classified as equity.

### 5. New accounting pronouncements

At the date of approval of these financial statements, standards and interpretations were issued by the International Accounting Standards Board which were not yet effective. Some of them were adopted by the European Union and others not yet. The Board of Directors expects that the adoption of these accounting standards in future periods will not have a material effect on the financial statements of the Company.

### 6. Financial risk management

#### Financial risk factors

The Company is exposed to interest rate risk, liquidity risk and capital risk management arising from the financial instruments it holds. The risk management policies employed by the Company to manage these risks are discussed below:

#### 6.1 Interest rate risk

Interest rate risk is the risk that the value of financial instruments will fluctuate due to changes in market interest rates. The Company's income and operating cash flows are substantially independent of changes in market interest rates as the Company has no significant interest-bearing assets. The Company is exposed to interest rate risk in relation to its non-current borrowings. Borrowings issued at variable rates expose the Company to cash flow interest rate risk. Borrowings issued at fixed rates expose the Company to fair value interest rate risk. The Company's Management monitors the interest rate fluctuations on a continuous basis and acts accordingly.

#### 6.2 Liquidity risk

Liquidity risk is the risk that arises when the maturity of assets and liabilities does not match. An unmatched position potentially enhances profitability, but can also increase the risk of losses. The Company has procedures with the object of minimising such losses such as maintaining sufficient cash and other highly liquid current assets and by having available an adequate amount of committed credit facilities.

The following tables detail the Company's remaining contractual maturity for its financial liabilities. The tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The table includes both interest and principal cash flows.

<b>31 December 2024</b>	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Trade and other payables	7,083	7,083	-	7,083	-	-	-
Payables to related parties	50,948	50,948	-	50,948	-	-	-
	<b>58,031</b>	<b>58,031</b>	-	<b>58,031</b>	-	-	-

# UPYACHTING MANAGEMENT PLC

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 6. Financial risk management (continued)

#### 6.2 Liquidity risk (continued)

31 December 2023	Carrying amounts €	Contractual cash flows €	3 months or less €	3-12 months €	1-2 years €	2-5 years €	More than 5 years €
Trade and other payables	1,088	1,088	-	1,088	-	-	-
Payables to related parties	34,269	34,269	-	34,269	-	-	-
	35,357	35,357	-	35,357	-	-	-

#### 6.3 Capital risk management

Capital includes equity shares and share premium, convertible preference shares and loan from parent company.

The Company manages its capital to ensure that it will be able to continue as a going concern while maximising the return to shareholders through the optimisation of the debt and equity balance. The Company's overall strategy remains unchanged from last year.

### 7. Critical accounting estimates, judgments and assumptions

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

#### *Critical accounting estimates and assumptions*

The Company makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

- **Going concern basis**

The Directors judge that it is appropriate to prepare the financial statements on the going concern basis.

- **Calculation of loss allowance**

When measuring expected credit losses the Company uses reasonable and supportable forward looking information, which is based on assumptions for the future movement of different economic drivers and how these drivers will affect each other.

Loss given default is an estimate of the loss arising on default. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, taking into account cash flows from collateral and integral credit enhancements.

Probability of default constitutes a key input in measuring ECL. Probability of default is an estimate of the likelihood of default over a given time horizon, the calculation of which includes historical data, assumptions and expectations of future conditions.

# UPYACHTING MANAGEMENT PLC

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 8. Administration and other expenses

	2024	2023
	€	€
Telephone and postage	62	71
Auditors' remuneration	-	3,500
Accounting fees	4,250	-
Legal and professional	-	1,420
Other professional fees	7,630	4,334
Fines	67	-
CSE Expenses	4,077	2,940
	<b>16,086</b>	<b>12,265</b>

### 9. Finance costs

	2024	2023
	€	€
Sundry finance expenses	397	443
<b>Finance costs</b>	<b>397</b>	<b>443</b>

### 10. Receivables

	2024	2023
	€	€
Refundable VAT	12,472	9,538
	<b>12,472</b>	<b>9,538</b>

The fair values of receivables due within one year approximate to their carrying amounts as presented above.

### 11. Cash at bank and in hand

Cash balances are analysed as follows:

	2024	2023
	€	€
Cash at bank and in hand	-	240
	<b>-</b>	<b>240</b>

### 12. Share capital

	2024 Number of shares	2024 €	2023 Number of shares	2023 €
<b>Authorised</b>				
Ordinary shares of €0.005 each	<b>15,000,000</b>	-	15,000,000	75,000
<b>Issued and fully paid</b>				
Balance at 1 January	<b>15,000,000</b>	<b>75,000</b>	15,000,000	75,000
<b>Balance at 31 December</b>	<b>15,000,000</b>	<b>75,000</b>	15,000,000	75,000

# UPYACHTING MANAGEMENT PLC

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 12. Share capital (continued)

Upon incorporation on 25th of January 2022 the Company issued to the subscribers of its Memorandum of Association 15,000,000 ordinary shares of €0.005 each at par.

### 13. Trade and other payables

	2024	2023
	€	€
Trade payables	7,083	1,088
Directors' current accounts - credit balances (Note 15.1)	45,947	29,268
Shareholders' current accounts - credit balances (Note 15.1)	5,001	5,001
Accruals	12	3,509
	<b>58,043</b>	<b>38,866</b>

The fair values of trade and other payables due within one year approximate to their carrying amounts as presented above.

### 14. Operating Environment of the Company

The geopolitical situation in Eastern Europe intensified on 24 February 2022 with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds. In addition to the impact of the events on entities that have operations in Russia, Ukraine, or Belarus or that conduct business with their counterparties, the conflict is increasingly affecting economies and financial markets globally and exacerbating ongoing economic challenges.

The European Union as well as United States of America, Switzerland, United Kingdom and other countries imposed a series of restrictive measures (sanctions) against the Russian and Belarussian government, various companies, and certain individuals. The sanctions imposed include an asset freeze and a prohibition from making funds available to the sanctioned individuals and entities. In addition, travel bans applicable to the sanctioned individuals prevents them from entering or transiting through the relevant territories. The Republic of Cyprus has adopted the United Nations and European Union measures. The rapid deterioration of the conflict in Ukraine may as well lead to the possibility of further sanctions in the future.

Emerging uncertainty regarding global supply of commodities due to the conflict between Russia and Ukraine conflict may also disrupt certain global trade flows and place significant upwards pressure on commodity prices and input costs as seen through early March 2022. Challenges for companies may include availability of funding to ensure access to raw materials, ability to finance margin payments and heightened risk of contractual non-performance.

The impact on the Company largely depends on the nature and duration of uncertain and unpredictable events, such as further military action, additional sanctions, and reactions to ongoing developments by global financial markets.

The financial effect of the current crisis on the global economy and overall business activities cannot be estimated with reasonable certainty at this stage, due to the pace at which the conflict prevails and the high level of uncertainties arising from the inability to reliably predict the outcome.

The event did not exist in the reporting period and is therefore not reflected in the recognition and measurement of the assets and liabilities in the financial statements as at 31 December 2024 as it is considered as a non-adjusting event.

The Company has limited direct exposure to Russia, Ukraine, and Belarus and as such does not expect significant impact from direct exposures to these countries.

# UPYACHTING MANAGEMENT PLC

## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 14. Operating Environment of the Company (continued)

Despite the limited direct exposure, the conflict is expected to negatively impact the tourism and services industries in Cyprus. Furthermore, the increasing energy prices, fluctuations in foreign exchange rates, unease in stock market trading, rises in interest rates, supply chain disruptions and intensified inflationary pressures may indirectly impact the operations of the Company. The indirect implications will depend on the extent and duration of the crisis and remain uncertain.

Management has considered the unique circumstances and the risk exposures of the Company and has concluded that there is no significant impact in the Company's profitability position. The event is not expected to have an immediate material impact on the business operations. Management will continue to monitor the situation closely and will assess the need for [please complete accordingly] in case the crisis becomes prolonged.

### 15. Related party transactions

The following transactions were carried out with related parties:

#### 15.1 Directors'/shareholders' current accounts - credit balances (Note 13)

	2024	2023
	€	€
Theodoros Chouliaras	50,948	34,269
	<u>50,948</u>	<u>34,269</u>

The Directors'/shareholder's current accounts are interest free, and have no specified repayment date.

### 16. Participation of Directors in the company's share capital

The percentage of share capital of the Company held directly or indirectly by each member of the Board of Directors (in accordance with Article (4) (b) of the Directive DI 190-2007-04), as at 31 December 2024 and 7 Αυγούστου 2025 (5 days before the date of approval of the financial statements by the Board of Directors) were as follows:

	31 December 2024	7 Αυγούστου 2025
	%	%
Theodoros Chouliaras	27	27
Georgios Vogiatzakis	19	19
Ioannis Stylios	15	15
Stefanos Papazoglou	13	13

### 17. Shareholders holding more than 5% of share capital

The persons holding more than 5% of the share capital as at 31 December 2024 and 7 Αυγούστου 2025 (5 days before the date of approval of the financial statements by the Board of Directors) were as follows:

	31 December 2024	7 Αυγούστου 2025
	%	%
Theodoros Chouliaras	27	27
Georgios Vogiatzakis	19	19
Ioannis Stylios	15	15
Stefanos Papazoglou	13	13

### 18. Significant agreements with management

At the end of the year, no significant agreements existed between the Company and its Management.

# UPYACHTING MANAGEMENT PLC

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## NOTES TO THE FINANCIAL STATEMENTS

31 December 2024

### 19. Contingent liabilities

The Company had no contingent liabilities as at 31 December 2024.

### 20. Commitments

The Company had no capital or other commitments as at 31 December 2024.

### 21. Events after the reporting period

Company operates on a seasonal basis and it shall begin its operations during summer season 2023.

In complying with capital adequacy provisions of the Cyprus Companies Law Cap. 113, Article 169F, the Company will convene an Annual General Meeting in order to raise its share capital and proceed to any necessary actions to cover the losses.

Moreover, as explained in note 14 the geopolitical situation in Eastern Europe intensified on 24 February 2022, with the commencement of the conflict between Russia and Ukraine. As at the date of authorising these financial statements for issue, the conflict continues to evolve as military activity proceeds and additional sanctions are imposed.

Depending on the duration of the conflict between Russia and Ukraine, and continued negative impact on economic activity, the Company might experience further negative results, and liquidity restraints and incur additional impairments on its assets in 2024 which relate to new developments that occurred after the reporting period.

**Independent auditor's report on pages 5 to 8**



# **UPYACHTING MANAGEMENT PLC**

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## **ADDITIONAL INFORMATION TO THE STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**

<b>CONTENTS</b>	<b>PAGE</b>
Detailed income statement	1
Other operating expenses	2
Finance costs	3

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## UPYACHTING MANAGEMENT PLC

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### DETAILED INCOME STATEMENT

31 December 2024

	Page	2024 €	2023 €
<b>Revenue</b>			
Other operating expenses	2	<u>(16,086)</u>	<u>(12,265)</u>
<b>Operating loss</b>		<b>(16,086)</b>	<b>(12,265)</b>
Finance costs	3	<u>(397)</u>	<u>(443)</u>
<b>Net loss for the year before tax</b>		<u><b>(16,483)</b></u>	<u><b>(12,708)</b></u>

## UPYACHTING MANAGEMENT PLC

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### OTHER OPERATING EXPENSES

31 December 2024

	2024 €	2023 €
<b>Other operating expenses</b>		
Telephone and postage	62	71
Auditors' remuneration	-	3,500
Accounting fees	4,250	-
Other professional fees	7,630	4,334
Legal and professional	-	1,420
Fines	67	-
CSE Expenses	4,077	2,940
	<u>16,086</u>	<u>12,265</u>

**UPYACHTING MANAGEMENT PLC**

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**FINANCE COSTS**

31 December 2024

	<b>2024</b>	<b>2023</b>
	<b>€</b>	<b>€</b>
<b>Finance costs</b>		
<b>Sundry finance expenses</b>		
Bank charges	<u><b>397</b></u>	<u>443</u>
	<u><b>397</b></u>	<u>443</u>