

Minoan Group Plc

**Group Strategic Report, Report of the Directors
and Consolidated Financial Statements**

Year ended 31 October 2024

Company registration no: 03770602

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Minoan Group Plc (Registered number: 03770602)

Group Strategic Report, Report of the Directors and Consolidated Financial Statements

Year ended 31 October 2024

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Minoan Group Plc (Registered number: 03770602)

Directors and Advisers

Directors

T R C Hill B.Arch

N J Day

Company secretary

W C Cole

Registered office

30 Crown Place

London

EC2A 4ES

Administration office

3rd Floor

AMP House

Dingwall Road

Croydon

Surrey

CR0 2LX

Bankers

HSBC Bank plc, London

Legal advisers

Pinsent Masons LLP, London

Nominated adviser and broker

Zeus Capital Limited, London

Registrars

Neville Registrars Limited, Halesowen, West Midlands

Independent auditor

Anstey Bond LLP

Statutory Auditors &

Chartered Accountants

1-2 Charterhouse Mews

London EC1M 6BB

Minoan Group Plc (Registered number: 03770602)

Director's Statement - T R C Hill

Introduction

No Chairman's Statement had been shared with the Board of Directors or auditors ahead of the six-month audit deadline (30 April 2025) or before the former Chairman's resignation on 23 May 2025. Therefore, I have written in my capacity as the only director present during the fiscal year in question who remains in place to this day.

Financial Review

Minoan Group Plc recorded no net revenues in the year ending 31 October 2024. Operating costs increased by £122,000, being 23% higher versus the prior year. Almost all of this was accounted for by the increase in the salary of the then Chairman, Christopher Egleton, which rose by £120,000 from £60,000 to £180,000 for the year.

There was a noteworthy increase in Finance Costs in respect of Other interest/fees, which increased from £4,000 in the year ended 31 October 2023 to £178,000 in the year ended 31 October 2024, as a result of the premium payable in respect of the extension of the repayment date of the loan from DAGG LLP.

The loss before taxation for the year was £47,294,000 compared to £529,000 recorded for the year to 31 October 2023. Aside from the significant increase in operating costs and impairment charge, there was no offset from a reduction in the Fair Value of Warrants issued this fiscal year. In the prior fiscal year, a reduction in the Fair Value of Warrants had lowered losses by £158,000. As discussed further in the Directors' statements, after the year end, the Directors undertook an impairment review of the Itanos Gaia Project at Cavo Sidero in Crete (the "Project"). The review led to an impairment of £42,521,000 of the inventories held in the balance sheet, reducing the carrying value, determined on a net recoverable basis, to £6,100,000.

Throughout the fiscal year, ordinary shares of 1p each ("Ordinary Shares") were issued to settle certain liabilities. At the Company's General Meeting, held on 10 November 2023, Resolution 1 seeking authorisation to settle £707,231 of the Secured Loan outstanding to DAGG LLP by the issue of shares, was duly passed. A total of 70,723,100 new Ordinary Shares were admitted to trading in AIM ("Admission") from 15 November 2023. Loan interest increased to £196,000 from £147,000 in the year to 31 October 2023. On 14 February 2024, 7,500,000 new Ordinary Shares were admitted to trading on AIM to settle certain liabilities. On 3 May 2024, 14,767,467 new Ordinary Shares were admitted to trading on AIM to settle certain liabilities.

Board and Management

On 7 March 2024, Professor George Mergos resigned as a Director of Minoan Group Plc and Chairman of Loyalward Limited, the Group's wholly owned subsidiary. No successor to either role was appointed. Instead, a new external Greek advisory team bringing additional legal support for the negotiations with the Foundation was appointed. That team remained in place until December 2024.

On 30 April 2025, Grahame Cook failed to be re-elected as a Director of Minoan Group Plc.

On 16 May 2025, Nicholas Day was appointed a Director of Minoan Group Plc.

On 23 May 2025, Christopher Egleton, Chairman, resigned as Director of Minoan and its subsidiary companies.

At the Company's Annual General Meeting, held on 30 April 2024, Resolution 1 was adjourned and Resolution 3 in respect of the re-election of Grahame Cook as a director of Minoan Group Plc was defeated. All other resolutions at that meeting were passed. Minoan Group Plc's Annual Report and Accounts for the fiscal year ended 31 October 2023 were not published ahead of the AGM of 30 April 2024 or on the day of the meeting itself.

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Director's Statement - T R C Hill (continued)

The Company's Nominated Adviser and Broker changed to Zeus Capital Limited on 12 September 2024. This change followed the acquisition by Zeus Capital Limited of the WH Ireland Capital Markets Division (from WH Ireland Limited).

Outlook

Minoan Group Plc's accounts for the year ended 31 October 2024 were prepared to be not on a going concern basis given insufficient liquidity and the impairment of the Itanos Gaia site valuation resulting in the Company having negative shareholder funds. The Company will enter an insolvency process should the indicative proposal from DAGG LLP fail to advance.

Tim Hill

Tim Hill (Jul 25, 2025 19:38:11 GMT+1)

T R C Hill
Director
25 July 2025

Minoan Group Plc (Registered number: 03770602)

Director's Statement and Strategic Review - N J Day

Introduction

I joined the Board of Directors of Minoan Group Plc ("Minoan") on 16 May 2025. However, I only enjoyed full access, being directly or indirectly, to the bank accounts and emails of Minoan") and Loyalward Limited ("Loyalward") from 23 May 2025. The RNS "Appointment of Non-Executive Director" of 16 May 2025 details any potential conflict of interest that I might have. Mindful of the potential conflict of interest, Tim Hill and I have ensured that a strict "Chinese Wall" has been maintained between me and the other members of DAGG LLP throughout this audit.

Review of business

Tim Hill has provided a review of the Group's business given in the Statement on pages 2 and 3.

The Key Performance Indicator for the Group is the Monetisation of the Project. Monetisation means the extraction of value from the Project for the benefit of shareholders and other stakeholders. No extraction of value occurred in the last fiscal year. Nor has any extraction of value occurred since the Site has been provided to Loyalward under the terms of the Contract entered into following an international tender.

Group Principal Activities

The Company is a public limited company incorporated in England and Wales and quoted on AIM, albeit trading of the Company's shares was suspended temporarily with effect from 1 May 2025. The Company's principal activity in the year under review was that of a holding and management company of a Group involved in the design, creation, development, and management of environmentally friendly luxury hotels and resorts.

Principal Risks and Uncertainties

The Group's key risk is the Project.

Two themes are constant: the deterioration in the relationship between Minoan and Public Welfare Ecclesiastical Foundation Panagia Akrotiriani, the landowner of the Cavo Sidero peninsula, which the Company proposes to develop, as well as the deterioration in the financial position of Minoan. It is this Director's opinion that both themes have become intertwined.

Relationship between Minoan Group Plc and Public Welfare Ecclesiastical Foundation Panagia Akrotiriani (the "Foundation")

The last person to person meeting between a board member of Minoan and board members of the Foundation took place in Athens on 18 June 2024. Whilst conversations carried on between advisors of the Foundation and Minoan, by 31 December 2024, the contract of the Greek law firm who had acted as Minoan's adviser in negotiations with the Foundation had ended owing to non-payment. Indeed, the Greek law firm's final invoice has still not been settled by Minoan. To reiterate no meetings between Minoan and the Foundation have occurred in 2025.

The breakdown in the relationship between the Foundation and Minoan culminated in the Board of Directors of the Foundation sending various letters to the Board members of Loyalward and Minoan. The first of these was on 6 December 2024. At the end of this letter, the Foundation Board said, "...we are commencing steps to exercise all our statutory rights and claims under the law and the Contract". Crucially, there had been no prior written correspondence from the Foundation to Minoan or Loyalward in which they had revealed they were considering pursuing legal remedies. Consequently, the dispute is different in nature to prior disagreements over the % revenue share of the Project and % of the profit on the share of villa leases between the Company and the Foundation. Not that these amounts are insignificant.

The Board of Directors of the Foundation, in the 6 December 2024 letter (Paragraph 5), asked that the Company:

"...must prove that it is able to implement the project by proving evidence of the company's financial capacity (proof of funds) and specifically company assets and bank letters of guarantee or any other appropriate document from a credit institution which shows that it either has or can immediately (specifying in detail how) secure both the necessary funds required".

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Director's Statement and Strategic Review - N J Day (continued)

Minoan did not provide any evidence of its "financial capacity" in its reply to the Foundation. Not surprisingly, Minoan received a further letter from the Foundation on 17 March 2025 in which the Board of Directors of the Foundation said:

"...taking into account developments to date and the new circumstances that have emerged, as well as your failure to provide the necessary evidence of your company's financial capacity to undertake and complete the entire project, we reserve the right to exercise all our legal and contractual rights and claims."

There can be no guarantee therefore, that the Foundation will not begin formal legal proceedings against Loyalward and Minoan. To ensure creditors and shareholders have the fullest understanding of the relationship between Minoan and the Foundation, the Board of Directors unanimously decided to publish in full, rather than excerpts thereof, the English version of the letters received by the Directors of Minoan Group Plc, Loyalward Limited and Loyalward Hellas S.A. on 6 December 2024 and 17 March 2025 (see letters from The Public Welfare Foundation Panagia Akrotiarini in Note 21).

Under 3% of all monies spent by Loyalward and Minoan combined since 1991 has reached the Project's landlord, the Foundation. In aggregate, the payments to the Foundation amount to £1.4 million yet the Company has spent 20 times this amount on compensation and travel of Directors combined with the engagement of so-called Project Consultants. Minoan did not meet "key milestones" (Environmental Permitting as well as Financial Partnerships and Project Finance Agreements) set previously for 2024. Both milestones had been set in the Report of the Directors for the year ended 31 October 2022.

Financial position of the Minoan Group Plc

Minoan has not generated any revenue since the sale of Stewart Travel Limited in late 2018.

Minoan's shares traded below their par value throughout the course of the fiscal year 2024. The last time they traded at par value i.e. 1p per share was in August 2023 before DAGG LLP members agreed to convert half of their then outstanding loan into shares. In the absence of action by Company management to address the par value issue, Minoan lacked access to the equity market to raise fresh capital. Indeed, 24 October 2022 is the last date when Minoan was able to issue new shares to provide fresh capital to fund the business as opposed to issuing shares in lieu of existing liabilities.

Minoan has announced that following an Event of Default on the secured loan from DAGG LLP as of 1 January 2025, the interest rate applied to the loan has risen to 22% per annum from 10% per annum previously. Already in the fiscal year ending 31 October 2024, fresh unsecured loans to Minoan entailed penal interest rates with a 150% annualised interest rate charge being the most noteworthy. It is also important to highlight that the duration of new unsecured loans granted to Minoan in the last fiscal year shortened appreciably.

Aside from the "New Loan" by DAGG LLP to Minoan, to cover the necessary payments to Anstey Bond LLP to allow the audit to proceed, Minoan has not received any other loan in calendar year 2025. No Letter of Intent or formal offer has been forthcoming from "a strategic partner" as referred to in Minoan's RNS of 6 January 2025. At that point in time, "...the Company expects to be able to provide a further update during the first quarter of 2025". Neither Tim Hill nor I have been able to prove the existence of said "strategic partner" referenced as of 6 January 2025.

In the absence of fresh funds, in April 2025 a County Court Judgement was made in favour of a creditor against Minoan Group Plc and Loyalward Limited. At Loyalward Hellas S.A., the Company's Greek subsidiary, the picture is even worse. Monies owed to the Hellenic Republic's tax and social security authorities have been outstanding such that fines and penalties for overdue payment are accumulating. To the best of my knowledge, a six-figure sum is due to the Greek tax and social security authorities by Loyalward Hellas S.A. whose Greek bank account has been "frozen" for several years.

Since joining the board of Minoan, I have made personally urgent payments to ensure that key files are still accessible both electronically and physically. I have ensured also, that the Company could keep its unique London Stock Exchange ID. Should the DAGG indicative proposal proceed, I have agreed to write off my entitlement to all Director's fees as a former Director of Loyalward (through Keith Day & Partners Ltd).

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Director's Statement and Strategic Review - N J Day (continued)

Over eight years have passed since the Greek Supreme Court dismissed appeals (petitions of annulment) against the Presidential Decree granting land use approval for the Company's Itanos Gaia project in Crete. This decision was, at the time (20 June 2017), viewed as a defining moment in the future of Minoan and the Itanos Gaia Project itself.

Christopher Egleton, Minoan's Chairman at that time:

"As a result of the Greek Supreme Court's decision, the Company can now accelerate the development of the Project, which will include, inter alia, the continuation of negotiations for joint venture agreements with hoteliers, investors, partners and other parties.

It also means that our long co-operation with the Foundation Panagia Akrotiriani, the Municipality of Sitia and the local community can begin to bring more prosperity to the area".

The reality is that no discernible progress has occurred in the ensuing eight years despite Minoan having incurred millions of pounds of costs. Opinions may vary as to what lies behind this failure to progress the Project, but it is an irrefutable fact.

My limited time as a Minoan board member has led me to question the robustness of the Company's internal controls. Key documentation both in Greece and the UK lies, all too often, with third-party consultants rather than with the Directors of the Company. The past failure to show the two full time employees at Loyalward Hellas S.A. and the resulting monies owed to the Hellenic Republic in the form of tax and social security payments is the clearest example of the failure in internal controls. The Company has not had a Finance Director since Barry Bartman resigned on 15 February 2022. Minoan has not had a Managing Director let alone Chief Executive Officer since Duncan Wilson resigned 9 October 2018.

With access to limited financial resources at Minoan since the sale of the Stewart Travel Group, whose proceeds did not match those targeted at the outset of the disposal process, I am surprised that expenditures were not minimised. Given the lack of alignment in the recent past between Directors and shareholders, the Board of Directors met on 6 July 2025 and passed unanimously a resolution ending the Executive Director's Bonus scheme and the Villa discount Schemes for Management.

Impairment of site value

The decision to impair the site value predates my appointment to the Minoan board; the minutes of the Audit Committee's March meeting of this year are clear in this respect. The Board of Directors of Minoan agreed unanimously the site valuation at a meeting held on 6 July 2025.

Going concern

On 6 July 2025, the Board of Directors agreed unanimously that the Company as currently constituted is not a going concern. Should the DAGG LLP indicative proposal fail to advance, Minoan will enter into an insolvency process.

Corporate Governance

The Board supports the principles of good governance. The Group is committed high standards of corporate governance and has adopted procedures from the Quoted Companies Alliance Corporate Governance Code to institute good governance insofar as they are practical and appropriate for a business of the size of Minoan. The Board has a Remuneration and Audit Committee, in each case comprising a majority of non- executive directors.

Board effectiveness

The Group supports the concept of an effective Board leading and providing effective governance over the Group. The board is responsible for approving Group policy and strategy. It meets regularly and has a schedule of matters specifically reserved to it for decision. Management supplies the board with appropriate and timely information, and the directors are free to seek any further information that they consider necessary. In normal circumstances, all directors' have access to advice from independent professionals at the Group's expense.

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Director's Statement and Strategic Review - N J Day (continued)

Corporate Social Responsibility

The Project is focused strictly on the long-term restoration and preservation of the environment as a whole and puts in place a sustainable management plan, involving local representatives and experts, to ensure a robust, pro-active management system is implemented aimed at protecting the area for future generations.

Since joining the Minoan Board, I have endeavoured to ensure that the Group is compliant with all appropriate regulations.

Section 172(1) Statement

The Directors are mindful of their duties under section 172(1) of the Companies Act 2006, which requires them to act in good faith in a way that promotes the success of the Group for the benefit of its members as a whole, and in doing so to have regard (amongst other matters) to:

- the likely consequences of any decision in the long term;
- the interests of the Group's employees;
- the need to foster the Group's business relationships with suppliers, customers and others;
- the impact of the Group's operations on the community and the environment;
- the desirability of the Company maintaining a reputation for high standards of business conduct; and
- the need to act fairly between members of the Group.

During the financial year, the Group did not generate revenue and had under 50 employees. However, the Group holds a significant development asset and remains actively involved in managing strategic investments and overseeing ongoing legal, financial and regulatory matters connected with its principal project in Crete. As such, the Directors' decision-making has remained focused on protecting asset value and maintaining effective governance and compliance.

Although the Group has few direct employees, the Directors engage with external advisors, legal counsel, and professional service providers to ensure that stakeholder considerations, such as legal obligations, environmental factors, and the interests of shareholders, are reflected in the Group's actions.

The Board also recognises its responsibility to shareholders and continues to communicate transparently via regulatory announcements and the AIM Rule-compliant reporting framework. The Board has also taken into account the current uncertainty regarding the lease arrangements on the Group's primary site and continues to act in a manner it believes promotes the long-term value of the Group and protects stakeholder interests.

Nicholas Day

Nicholas Day (Jul 25, 2025 19:25:50 GMT+1)

N J Day
Director

25 July 2025

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Directors' Report

The directors present their annual report for the year ended 31 October 2024.

Directors

The directors shown below, unless otherwise stated, have held office during the whole of the period from 1 November 2023 to the date of this report:

C W Egleton (resigned 23 May 2025)
G D Cook MA, ACA (failed to be re-elected on 30 April 2025)
N J Day (appointed 16 May 2025)
T R C Hill B.Arch
G Mergos (resigned 7 March 2024)

Group principal activities

The Company is a public limited company incorporated in England and Wales and quoted on AIM. The Company's principal activity in the year under review was that of a holding and management company of a Group involved in the design, creation, development and management of environmentally friendly luxury hotels and resorts.

Results and dividends

The consolidated financial statements are prepared in accordance with United Kingdom adopted International Financial Reporting Standards ("IFRS") and the Companies Act 2006.

The Group made a loss for the year, after taxation, of £47,294,000 (31 October 2023: £529,000). The loss includes and impairment of inventories of £42,521,000 (31 October 2023: £Nil), and a non-cash finance cost in respect of Warrants issued in the amount of £Nil (31 October 2023: £158,000) (see Note 17).

The Group's loss per share was 5.70p (31 October 2023: 0.07p)

No dividend is proposed for the year (31 October 2023: Nil).

The Group's financial instruments and risk management are discussed in Note 15.

Statement of directors' responsibilities

The directors are responsible for preparing and reporting the consolidated financial statements in accordance with applicable laws and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have prepared the Group and Parent Company financial statements in accordance with IFRS as adopted by the United Kingdom. The financial statements are required by law to give a true and fair view of the state of affairs of the Company and the Group as at the end of the financial period and of the profit or loss of the Group for that period.

In preparing the consolidated financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state the financial statements comply with IFRS as adopted by the United Kingdom; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group will continue in business, in which case the financial statements will be prepared to be not on a going concern basis.

The directors confirm that they have complied with the above requirements in preparing the consolidated financial statements.

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Directors' Report (continued)

Statement of directors' responsibilities (continued)

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Group's transactions and disclose with reasonable accuracy at any time the financial position of the Company and Group and enable them to ensure that the consolidated financial statements comply with the Companies Act 2006.

They are also responsible for safeguarding the assets of the Company and the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the Group website, www.minoangroup.com. Legislation in the UK governing the preparation and dissemination of consolidated financial statements may differ from legislation in other jurisdictions.

Each director as at the date of this report has confirmed that, to the best of his knowledge, the Group financial statements, which have been prepared in accordance with IFRS as adopted by the United Kingdom:

- give a true and fair view of the assets, liabilities, financial position and loss of the Group; and
- include in the Chairman's Statement, the Strategic Report and Directors' Report a fair review of the development, performance and position of the Group, together with a description of the principal risks and uncertainties it faces.

Under company law, the directors must not approve the consolidated financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the Company and the Group and of the profit or loss of the Group for that year.

Insurance

The Group has maintained Directors and Officers Liability Insurance on behalf of the directors of all group companies indemnifying them against certain liabilities which may be incurred by them in relation to the Group.

Events after the statement of financial position date

The directors draw attention to the events disclosed in Note 21.

Auditor and disclosure of information to the auditor

Each director, as at the date of this report, has confirmed that insofar as they are aware there is no relevant audit information (that is, information needed by the Group's auditor in connection with preparing their report) of which the Group's auditor is unaware, and that they have taken all the steps that they ought to have taken as directors in order to make themselves aware of any relevant audit information and to establish that the Group's auditor is aware of that information.

A resolution to appoint Anstey Bond LLP as the auditor for the ensuing year was passed at the Annual General Meeting held on 30 April 2025.

Approved by the Board of Directors and signed on behalf of the Board by:

Nicholas Day
Nicholas Day (Jul 25, 2025 19:25:50 GMT+1)

Tim Hill
Tim Hill (Jul 25, 2025 19:36:11 GMT+1)

T R C Hill & N J Day
Directors
25 July 2025

Minoan Group Plc (Registered number: 03770602)

Independent Auditor's Report to the members of Minoan Group Plc

Disclaimer of Opinion

We were engaged to audit the financial statements of Minoan Group Plc ("the Parent") and its subsidiaries ("the Group") for the year ended 31 October 2024 which comprise; the consolidated statement of profit or loss and other comprehensive income, the consolidated and parent company's statement of financial position, the consolidated and parent company's statement of changes in equity, the consolidated and company's statement of cash flows and notes to the consolidated financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and International Financial Reporting Standards (IFRSs) as adopted by the United Kingdom.

We do not express an opinion on the accompanying consolidated financial statements of the Group. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

Basis for disclaimer of opinion

We were engaged to audit the consolidated financial statements of Minoan Group Plc for the year ended 31 October 2024. However, we were unable to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Our appointment as auditors was formally reconfirmed on 20 June 2025, following the signing of a new engagement letter and the settlement of outstanding fees. This occurred several months after the financial year-end. As a result, our appointment was confirmed later than expected, which in turn placed certain constraints on the scope of our work. It limited opportunities to observe year-end procedures, access contemporaneous documentation, and engage with individuals possessing detailed knowledge of material balances and key judgments reflected in the financial statements.

Following the financial year-end, the Company experienced notable changes in its management team, including the departure of the former Chairman and other directors who had been closely involved with, and possessed detailed knowledge of, accounting and operational matters relating to key balances. In light of these transitions, and given the limited financial resources available to seek external guidance, our ability to obtain explanations or audit evidence in certain areas - particularly those requiring historical context or prior judgments - was impacted.

We were unable to obtain direct confirmations or sufficient alternative audit evidence in respect of certain material trade and other payables, loans and accruals and deferred charges, totalling a minimum of £2,047,709, £646,808 and £1,236,537 respectively. Management was unable to provide adequate supporting documentation for these balances, and as such, we were unable to determine whether any adjustments might be necessary. We were unable to obtain sufficient appropriate audit evidence to support material accruals recognised in the consolidated financial statements. Due to the lack of supporting documentation and clarity regarding the underlying transactions, we could not determine whether these liabilities were complete or appropriately valued.

The Group's statement of financial position includes development property classified as inventory with a carrying amount of £6.1 million as at 31 October 2024 (2023: £48.0 million). This balance pertains to the Cavo Sidero Project and is stated net of an impairment charge of £46.3 million recognised during the year. The impairment was determined by management based on their internal assessment of the asset's recoverable amount; however, a formal, independent third-party valuation was not commissioned to support this assessment as the Company had insufficient funds to pay for a valuation. We were therefore not provided with sufficient appropriate audit evidence to support the key assumptions underlying management's valuation and the resultant impairment charge. Consequently, we were unable to perform alternative procedures to corroborate the carrying amount of the development property. As a result, we could not determine whether any adjustments to this balance were necessary.

The inventory relates to a development project situated on leased land in Crete. The inventory relates to a development project situated on leased land in Crete. Further details of the Foundation's concerns pertain to this

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lease - held by the Foundation as lessor for the Cavo Sidero Project - which may seek to challenge the Group's rights as lessee to the land. Further details of this dispute can be found in the letters included in Note 21. The outcome of this matter will materially affect the net realisable value of the asset, including the potential non extension upon expiry of the original lease agreement and therefore the realisation of the project. Due to both valuation uncertainty and unresolved legal status, we were unable to conclude on the appropriateness of the inventory's measurement or classification.

The parent company's balance sheet includes an intercompany receivable of £4,037,499 due from subsidiary undertakings. Management have not been able to provide sufficient appropriate audit evidence to support the recoverability of these balances. In particular, no reliable financial information, cash flow forecasts, or evidence of the subsidiaries' ability to repay these amounts were available to us. Due to the lack of supporting documentation and the absence of sufficient audit evidence, we were unable to determine whether these intercompany balances are recoverable or whether any impairment is required. Accordingly, we were unable to determine whether any adjustments to these balances may have been necessary.

As a direct consequence of the matter described above concerning the Cavo Sidero Project, we were also unable to obtain sufficient appropriate audit evidence to support the carrying amount of the parent company's investment in its subsidiary, Loyalward Limited.

The value of this investment, recorded at £4,002,000 in the parent company statement of financial position, is wholly dependent on the recoverable amount of the project's underlying assets. Accordingly, we could not determine whether any adjustments were required to the carrying amount of the investment in the subsidiary.

Receivables include a material balance within a Greek subsidiary, Loyalward Hellas S.A, which was previously immaterial but has become significant due to changes in group asset values. The subsidiary has not provided sufficient financial records or evidence to support this and other receivables balances totalling £101,072, and we were therefore unable to verify its recoverability or appropriateness for recognition.

In light of the matters outlined above, including challenges in obtaining sufficient appropriate audit evidence relating to accruals, creditor balances, prepayments, and inventory valuation, we were consequently unable to gain adequate assurance regarding the completeness and accuracy of expenditure recognised in the consolidated statements of comprehensive income for the year ended 31 October 2024. Several of these balances have a direct influence on the consolidated statements of comprehensive income, particularly in relation to cost of sales, administrative expenses, finance costs, and impairment charges. Due to limitations in the availability of reliable audit evidence, continuity in the audit trail, and management explanations, we were not able to obtain the necessary information to assess whether the reported results for the year are free from material misstatement. Consequently, this has contributed to our overall conclusion that we are unable to express an opinion on the financial statements in their entirety.

Due to the significance of the matters described above, we were unable to obtain sufficient appropriate audit evidence in respect of several material areas of the financial statements, a result of these matters, we were unable to determine whether any adjustments might have been found necessary in respect of recorded or unrecorded transactions. The potential impact of these matters is both material and pervasive.

Other Information

The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. The directors are responsible for the other information.

Our opinion on the financial statements does not cover the other information and, as a result of our disclaimer of opinion on the financial statements, 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.

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Because of the significance of the matters described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to support an audit opinion and accordingly, we are unable to conclude whether the other information is materially misstated.

Opinion on other matters prescribed by the Companies Act 2006

Because of the significance of the matter described in the basis for disclaimer of opinion section of our report, we have been unable to form an opinion, whether based on the work undertaken in the course of the audit:

- the information given in the strategic report and directors' reports for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and directors' report have been prepared in accordance with applicable legal requirements.

Matters on which the auditor is required to report by exception

Notwithstanding our disclaimer of an opinion on the financial statements, in the light of the knowledge and understanding of the group and its environment obtained in the course of the audit performed subject to the pervasive limitation described above, we have not identified material misstatements in the strategic report or the directors reports.

Arising from the limitation of our work referred to above:

- we have not obtained all the information and explanations that we considered necessary for the purpose of our audit; and
- we were unable to determine whether adequate accounting records have been kept, or returns adequate for our audit have not been received from branches not visited by us.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 requires us to report to you if, in our opinion:

- The financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made.

Responsibilities of Directors

As explained more fully in the Directors' Responsibilities Statement set out on page 8, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our responsibility is to conduct an audit in accordance with applicable law and International Standards on Auditing (UK) ("ISAs (UK)"). These standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement, whether due to fraud or error. This includes considering the risk of material misstatement from irregularities, including fraud, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion.

However, as described in the Basis for Disclaimer of Opinion section of our report, we were unable to obtain sufficient appropriate audit evidence due to scope limitations and other matters. Consequently, we were unable to perform all audit procedures considered necessary to identify or detect material misstatements arising from irregularities, including fraud or non-compliance with laws and regulations. As a result, we are unable to conclude whether the financial statements are free from material misstatement due to fraud or other irregularities.

We remain independent of the Group and Company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our

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other ethical responsibilities in accordance with these requirements. As a result, we are unable to conclude as to whether the financial statements are free from material misstatement arising from fraud or other irregularities. Our planned audit procedures in this area included enquiries of management and those charged with governance, review of internal controls and consideration of the group's compliance framework. However, due to the scope limitations set out in the Basis for Disclaimer of Opinion section, we were unable to complete these procedures in full.

A further description of our responsibilities for the audit of the financial statements is as follows:

The auditor's 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 the auditor's opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (UK) (ISAs (UK)) 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 (UK), the auditor exercises professional judgment and maintains professional scepticism throughout the audit. The auditor also:

- Identifies and assesses the risks of material misstatement of the entity's (or where relevant, the consolidated) financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence that is sufficient and appropriate to provide a basis for the auditor's 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. The auditor includes an explanation in the auditor's report of the extent to which the audit was capable of detecting irregularities, including fraud
- Obtains 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 entity's (or where relevant, the group's) internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors
- Concludes 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 entity's (or where relevant, the group's) ability to continue as a going concern. If the auditor concludes that the use of the going concern basis of accounting is appropriate and no material uncertainties have been identified, the auditor reports these conclusions in the auditor's report. If the auditor concludes that a material uncertainty exists, the auditor is required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the auditor's opinion. The auditor's conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the entity (or where relevant, the group) to cease to continue as a going concern
- Evaluates 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 (i.e. gives a true and fair view).
- Where the auditor is required to report on consolidated financial statements, plans and performs the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. The group auditor is responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. The group auditor remains solely responsible for the audit opinion.

The auditor communicates with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that the auditor identifies during the audit.

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For listed entities and public interest entities, the auditor also provides those charged with governance with a statement that the auditor has complied with relevant ethical requirements regarding independence, including the FRC's Ethical Standard, and communicates with them all relationships and other matters that may reasonably be thought to bear on the auditor's independence, and where applicable, related safeguards.

Where the auditor is required to report on key audit matters, from the matters communicated with those charged with governance, the auditor determines 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. The auditor describes these matters in the auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, the auditor determines that a matter should not be communicated in the auditor's report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For public interest entities, other listed entities, entities that are required, and those that choose voluntarily, to report on how they have applied the UK Corporate Governance Code, and other entities subject to the governance requirements of The Companies (Miscellaneous Reporting) Regulations 2018, the auditor is required to include in the auditor's report an explanation of how the auditor evaluated management's assessment of the entity's ability to continue as a going concern and, where relevant, key observations arising with respect to that evaluation.

Reporting on the financial statements

The auditor's report is required to contain a clear expression of opinion on the financial statements taken as a whole.

To form an opinion on the financial statements the auditor concludes as to whether:

- the financial statements adequately refer to or describe the applicable financial reporting framework;
- the financial statements appropriately disclose the significant accounting policies selected and applied. In making this evaluation, the auditor considers the relevance of the accounting policies to the entity (or where relevant, the group) and whether they have been presented in an understandable manner;
- the accounting policies selected and applied are consistent with the applicable financial reporting framework, and are appropriate;
- the accounting estimates made by the directors are reasonable;
- the information presented in the financial statements is relevant, reliable, comparable and understandable. In making this evaluation, the auditor considers whether:
- the information that should have been included has been included, and whether such information is appropriately classified, aggregated or disaggregated, and characterised; and
- the overall presentation of the financial statements has been undermined by including information that is not relevant or that obscures a proper understanding of the matter disclosed;
- the financial statements provide adequate disclosures to enable the intended users to understand the effect of material transactions and events on the information conveyed in the financial statements;
- the terminology used in the financial statements, including the title of each financial statement is appropriate.

When the financial statements are prepared in accordance with a fair presentation framework, the auditor also evaluates whether the financial statements achieve fair presentation (i.e gives true and fair view) including consideration of:

- the overall presentation, structure and content of the financial statements; and
- whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation (or gives a true and fair view).

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Use of report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Anstey Bond LLP

Michael W I Whyke FCA, CF (Senior Statutory Auditor)
For and on behalf of ANSTEY BOND LLP,
Statutory Auditors & Chartered Accountants
1-2 Charterhouse Mews
London
EC1M 6BB
25 July 2025

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Consolidated Statement of Comprehensive Income Year ended 31 October 2024

	Note	2024 £'000	2023 £'000
Revenue		-	-
Cost of sales		-	-
Gross profit		-	-
Operating expenses		(658)	(536)
Other operating expenses:			
Corporate development costs		-	-
Operating loss		(658)	(536)
Finance costs	17	(378)	7
Impairment charge	4	(46,258)	-
Loss before taxation	4	(47,294)	(529)
Taxation	5	-	-
Loss after taxation		(47,294)	(529)
Other Comprehensive income for the year		-	-
Total Comprehensive income for the year		(47,294)	(529)
Loss for year attributable to equity holders of the Company		(47,294)	(529)
Loss per share attributable to equity holders of the Company: Basic and diluted	6	(5.7)p	(0.07)p

The notes on pages 23 to 49 form part of these consolidated financial statements.

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**Consolidated Statement of Changes in Equity
Year ended 31 October 2024**

Year ended 31 October 2024

	Share capital £'000	Share premium £'000	Merger reserve £'000	Warrant Reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 November 2023	20,509	36,583	9,349	2,461	(26,712)	42,190
Loss for the year	-	-	-	-	(47,294)	(47,294)
Issue of ordinary shares at par	930	-	-	-	-	930
Decrease in Warrant Reserve (note 17)	-	-	-	-	-	-
Balance at 31 October 2024	21,439	36,583	9,349	2,461	(74,006)	(4,174)

Year ended 31 October 2023

	Share capital £'000	Share premium £'000	Merger reserve £'000	Warrant Reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 November 2022	20,321	36,583	9,349	2,619	(26,183)	42,689
Loss for the year	-	-	-	-	(529)	(529)
Issue of ordinary shares at par	188	-	-	-	-	188
Decrease in Warrant Reserve (note 17)	-	-	-	(158)	-	(158)
Balance at 31 October 2023	20,509	36,583	9,349	2,461	(26,712)	42,190

Minoan Group Plc (Registered number: 03770602)

Company Statement of Changes in Equity Year ended 31 October 2024

Year ended 31 October 2024

	Share capital £'000	Share premium £'000	Warrant Reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 November 2023	20,509	36,583	2,461	(7,359)	52,194
Loss for the year	-	-	-	(48,921)	(48,921)
Issue of ordinary shares at par	930	-	-	-	930
Increase in Warrant Reserve (note 17)	-	-	-	-	-
Balance at 31 October 2024	21,439	36,583	2,461	(56,280)	4,203

Year ended 31 October 2023

	Share capital £'000	Share premium £'000	Warrant Reserve £'000	Retained earnings £'000	Total equity £'000
Balance at 1 November 2022	20,321	36,583	2,619	(7,117)	52,406
Loss for the year	-	-	-	(242)	(242)
Issue of ordinary shares at par	188	-	-	-	188
Decrease in Warrant Reserve (note 17)	-	-	(158)	-	(158)
Balance at 31 October 2023	20,509	36,583	2,461	(7,359)	52,194

Minoan Group Plc (Registered number: 03770602)

Consolidated Statement of Financial Position as at 31 October 2024

	Note	2024 £'000	2023 £'000
Assets			
Non-current assets			
Intangible assets	7	1	3,583
Property, plant and equipment	8	2	157
Total non-current assets		3	3,740
Current assets			
Inventories	10	6,100	47,995
Receivables	11	114	117
Cash and cash equivalents		17	17
Total current assets		6,231	48,129
Total assets		6,234	51,869
Equity			
Share capital	14	21,439	20,509
Share premium account		36,583	36,583
Merger reserve account		9,349	9,349
Warrant reserve		2,461	2,461
Retained earnings		(74,006)	(26,712)
Total equity		(4,174)	42,190
Liabilities			
Current liabilities	12	10,408	9,679
Total equity and liabilities		6,234	51,869

The consolidated financial statements on pages 16 to 49 were approved by the Board of Directors and authorised for issue on 25 July 2025.

Signed on behalf of the Board of Directors

Nicholas Day
Nicholas Day (Jul 25, 2025 19:23:50 GMT+1)

Tim Hill
Tim Hill (Jul 25, 2025 19:36:11 GMT+1)

T R C Hill & N J Day
Directors

Minoan Group Plc (Registered number: 03770602)

Company Statement of Financial Position as at 31 October 2024

	Note	2024 £'000	2023 £'000
Assets			
Non-current assets			
Investments	9	4,002	31,736
Total non-current assets		4,002	31,736
Current assets			
Receivables	11	4,025	24,283
Cash and cash equivalents		1	1
Total current assets		4,026	24,284
Total assets		8,028	56,020
Equity			
Share capital	14	21,439	20,509
Share premium account		36,583	36,583
Warrant reserve		2,461	2,461
Retained earnings		(56,280)	(7,359)
Total equity		4,203	52,194
Liabilities			
Current liabilities	12	3,825	3,826
Total equity and liabilities		8,028	56,020

Company registration number: 3770602

As permitted by Section 408 of the Companies Act 2006, the income statement is not presented as part of these consolidated financial statements. The Company's loss for the year ended 31 October 2024 was £48,921,000 (2023: £242,000).

The consolidated financial statements on pages 16 to 49 were approved by the Board of Directors and authorised for issue on 25 July 2025.

Signed on behalf of the Board of Directors


Tim Hill (Jul 25, 2025 19:36:11 GMT+1)


Nicholas Day (Jul 25, 2025 19:25:50 GMT+1)

T R C Hill & N J Day
Directors

Minoan Group Plc (Registered number: 03770602)

**Consolidated Cash Flow Statement
Year ended 31 October 2024**

	2024 £'000	2023 £'000
Cash flows from operating activities		
Loss before taxation	(47,294)	(529)
Finance costs	378	(7)
Decrease / (increase) in inventories	41,895	(606)
Impairment of non-current assets	3,737	-
Decrease in receivables	4	50
Increase in current liabilities	795	591
Net cash (outflow) from operations	(485)	(501)
Finance costs	(378)	(151)
Net cash used in operating activities	(863)	(652)
Cash flows from investing activities		
Purchase of property, plant and equipment	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Net proceeds from the issue of ordinary shares	930	188
Loans received / (repaid)	(67)	351
Net cash generated from financing activities	863	539
Net decrease in cash	-	(113)
Cash at beginning of year	17	130
Cash at end of year	17	17

Minoan Group Plc (Registered number: 03770602)

**Company Cash Flow Statement
Year ended 31 October 2024**

	2024 £'000	2023 £'000
Cash flows from operating activities		
Loss before taxation	(48,921)	(242)
Finance costs	374	(10)
Depreciation	-	-
Decrease / (increase) in receivables	20,258	(348)
Impairment of non-current assets	27,734	-
Increase in current liabilities	62	89
Net cash outflow from continuing operations	(493)	(511)
Finance costs	(374)	(148)
Net cash used in operating activities	(867)	(659)
Cash flows from investing activities		
Purchase of property, plant and equipment	-	-
Net cash used in investing activities	-	-
Cash flows from financing activities		
Net proceeds from the issue of ordinary shares	930	188
Loans received / (repaid)	(63)	359
Net cash generated from financing activities	867	547
Net decrease in cash	-	(112)
Cash at beginning of year	1	113
Cash at end of year	1	1

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements Year ended 31 October 2024

1 Accounting policies

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards, International Accounting Standards, IFRIC interpretations (collectively IFRS), and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS, as adopted by the United Kingdom. The consolidated financial statements have been prepared under the historical cost convention except where impairments have been provided following the consideration of the financial and commercial position of the Group as detailed below.

The consolidated financial statements are prepared in sterling, which is the functional currency of the Group. Monetary amounts in these consolidated financial statements are rounded to the nearest thousand, unless stated otherwise.

Basis of preparation

The consolidated financial statements are prepared under the historical cost convention except for where financial instruments are stated at fair value and where impairments have been provided following the consideration of the financial and commercial position of the Group as detailed below.

Adoption of new and revised Standards

The International Accounting Standards Board and IFRIC have issued the following new and revised standards and interpretations with an effective date after the date of these consolidated financial statements, which have been endorsed and issued by the United Kingdom at 31 October 2024:

Upcoming Standard / Amendment	Effective Date	Anticipated Impact
IFRS 18 – Presentation and Disclosure in Financial Statements	1 January 2027	Expected to significantly affect the structure and presentation of financial statements. Under review.
Amendments to IAS 1 – Disclosure of Accounting Policies	1 January 2024	Likely to affect the format and granularity of accounting policy disclosures.
Amendments to IAS 8 – Definition of Accounting Estimates	1 January 2024	Disclosure enhancements expected; no recognition impact anticipated.
Amendments to IFRS 16 – Lease Liability in a Sale and Leaseback	1 January 2024	Not applicable. The Group has not engaged in sale and leaseback transactions.

Going concern

The directors have considered the financial and commercial position of the Group in relation to its project in Crete (the "Project"). In particular, the directors have reviewed the matters referred to below.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

1 Accounting policies (continued)

Going concern (continued)

Following the unanimous approval of a Plenum of the Greek Council of State, the highest court in Greece, the Presidential Decree granting land use approval for the Project was issued on 11 March 2016 and was published in the Government Gazette. The planning rules for the Project are now enshrined in law. The appeals lodged against the Presidential Decree have been rejected by the Greek Supreme Court.

In addition to specific Project related matters as noted above, and as has been the case in the past, the Group has continued to need to and attempt to raise capital in order to meet its existing finance and working capital requirements. However, this financial route has proven impossible to maintain.

Having taken these matters into account, together with the financial position of the Group, as referred to in the Directors' Statements and the Strategic Report, the Directors consider that preparation of the consolidated financial statements on a going concern basis is not appropriate.

Due to the consolidated financial statements not being prepared on a going concern basis the directors have, as part of the annual review of carrying values, impaired the following items in line with Net Realisable value:

Group intangible assets – carrying value reduced from £3,583,000 at 31 October 2023 to £1,000 at 31 October 2024 (see note 7).

Group property, plant and equipment – carrying value reduced from £157,000 at 31 October 2023 to £2,000 at 31 October 2024 (see note 8).

Group inventories – carrying value reduced from £47,995,000 at 31 October 2023 to £6,100,000 at 31 October 2024 (see note 10).

Company investments – carrying value reduced from £31,736,000 at 31 October 2023 to £4,002,000 at 31 October 2024 (see note 9).

Company receivables – carrying value reduced from £24,283,000 at 31 October 2023 to £4,025,000 at 31 October 2024 (see note 11).

See also note 4 to the consolidated financial statements.

In view of the above and the Group's inability to raise fresh funds, should the DAGG LLP indicative proposal fail to advance, Minoan Group Plc will enter into an insolvency process.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and all its subsidiaries as at 31 October 2024 using uniform accounting policies. The Group's policy is to consolidate the result of subsidiaries acquired in the year from the date of acquisition to the Group's next accounting reference date. Intra-group balances are eliminated on consolidation.

Acquisitions of subsidiaries and businesses are accounted for using the acquisition method. The consideration for each acquisition is measured at the aggregate of the fair values of the assets given, liabilities incurred and equity instruments issued by the Group in exchange for control of the acquired business. Acquisition related costs are recognised in the consolidated statement of comprehensive income as incurred.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

1 Accounting policies (continued)

Critical accounting estimates and judgements

The preparation of the consolidated financial statements in accordance with generally accepted financial accounting principles requires the directors to make critical accounting estimates and judgements that affect the amounts reported in the consolidated financial statements and accompanying notes. The estimates and assumptions that have a significant risk of causing material adjustments to the carrying value of assets and liabilities within the next financial year are discussed below:

- in capitalising the costs directly attributable to the Project (see Inventories below), and continuing to recognise goodwill relating to the Project, the directors are of the opinion that the Project will be brought to fruition and that the carrying value of inventories and goodwill is recoverable; and
- as set out above, the directors have exercised judgement in concluding that the Company and Group is not a going concern.

Goodwill

Goodwill arising on acquisitions represents the difference between the fair value of the net assets acquired and the consideration paid and is recognised as an asset (see note 7).

Goodwill arising on acquisition is allocated to cash-generating units. The recoverable amount of the cash-generating unit to which goodwill has been allocated is tested for impairment annually, or on such other occasions that events or changes in circumstances indicate that it might be impaired. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and any recognised impairment loss.

Depreciation is provided in order to write off the cost of each asset, less its estimated residual value, over its estimated useful life on a straight-line basis as follows:

Plant and equipment:	3 to 5 years
Fixtures and fittings:	3 years

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

Investments

Investments in subsidiaries are stated at cost less any impairment deemed necessary.

Inventories

Inventories represent the actual costs of goods and services directly attributable to the acquisition and development of the Project and are stated at the lower of cost and net realisable value. The Directors review the value of the balance held at least once a year with a view to impairment.

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Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

1 Accounting policies (continued)

Foreign currency

A foreign currency transaction is recorded, on initial recognition in Sterling, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction.

At the end of the reporting period:

- foreign currency monetary items are translated using the closing rate;
- non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction; and
- non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

Exchange differences arising on the settlement of monetary items or on translating monetary items at rates different from those at which they were translated on initial recognition during the period or in previous annual consolidated financial statements are recognised in profit or loss in the period in which they arise.

When a gain or loss on a non-monetary item is recognised to other comprehensive income and accumulated in equity, any exchange component of that gain or loss is recognised to other comprehensive income and accumulated in equity. When a gain or loss on a non-monetary item is recognised in profit or loss, any exchange component of that gain or loss is recognised in profit or loss.

Cash flows arising from transactions in a foreign currency are recorded in Sterling by applying to the foreign currency amount the exchange rate between the Sterling and the foreign currency at the date of the cash flow.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and short-term deposits, with a maturity of less than three months, held with banks.

Trade and other receivables

Trade and other receivables are recognised initially at fair value and shown less any provision for amounts considered irrecoverable. They are subsequently measured at an amortised cost using the effective interest rate method, less irrecoverable provision for receivables.

Trade and other payables

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

Loans

Loan borrowings are recognised initially at fair value net of transaction costs incurred. Borrowings are subsequently stated at amortised cost and any difference between the proceeds (net of transaction costs) and the redemption value is recognised as a borrowing cost over the period of the borrowings using the effective interest method.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

1 Accounting policies (continued)

Share-based payments

The Company has granted Options and Warrants to purchase Ordinary Shares. The fair values of the Options and Warrants are calculated using the Black-Scholes and Binomial option pricing models as appropriate at the grant date. The fair value of the Options is charged to profit or loss with a corresponding entry recognised in equity. This charge does not involve any cash payment by the Group.

Where Warrants are issued in conjunction with a loan instrument, the fair value of the Warrants, forms part of the total finance cost associated with that instrument and is released to profit or loss through finance costs over the term of that instrument using the effective interest method.

Taxation

Current taxes, where applicable, are based on the results shown in the consolidated financial statements and are calculated according to local tax rules using tax rates enacted, or substantially enacted, by the statement of financial position date and taking into account deferred taxation. Deferred tax is computed using the liability method. Under this method, deferred tax assets and liabilities are determined based on temporary differences between the financial reporting and tax bases of assets and liabilities and are measured using enacted rates and laws that will be in effect when the differences are expected to reverse. Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction that at the time of the transaction affects neither accounting, nor taxable profit or loss. Deferred tax assets are recognised to the extent that it is probable that future taxable profits will arise against which the temporary differences will be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets and liabilities arising in the same tax jurisdiction are offset.

The Group is entitled to a tax deduction for amounts treated as compensation on exercise of certain employee share options. As explained under "Share-based payments" above, a compensation expense is recorded in the Group's statement of comprehensive income over the period from the grant date to the vesting date of the relevant options.

As there is a temporary difference between the accounting and tax bases a deferred tax asset is recorded. The deferred tax asset arising is calculated by comparing the estimated amount of tax deduction to be obtained in the future (based on the Company's share price at the statement of financial position date) with the cumulative amount of the compensation expense recorded in the statement of comprehensive income. If the amount of estimated future tax deduction exceeds the cumulative amount of the remuneration expense at the statutory rate, the excess is recorded directly in equity against retained earnings.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

2 Information regarding directors and employees

Directors' and key management remuneration

	Costs taken to inventories £'000	Costs taken to profit or loss £'000	Total £'000
Year ended 31 October 2024			
Fees	56	95	151
Sums charged by third parties for directors' and key management services	-	215	215
	56	310	366
Year ended 31 October 2023			
Fees	95	90	185
Sums charged by third parties for directors' and key management services	-	95	95
	95	185	280

The total directors' and key management remuneration shown above includes the following amounts in respect of the directors of the Company. No director has a service agreement with a notice period that exceeds twelve months.

	2024 Fees/Sums charged by third parties £'000	2023 Fees/Sums charged by third parties £'000
C W Egleton (Chairman)	180	60
G D Cook	40	35
T R C Hill	40	35
G Mergos (Resigned 7 March 2024)	16	60
	276	190

Directors' interests in the Company's share options are shown in note 17.

See also Note 21.

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Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

2 Information regarding directors and employees (continued)

Highest paid director

The Companies Act 2006 requires certain disclosures about the remuneration of the highest paid director taking into account emoluments, gains on exercise of share options and amounts receivable under long-term incentive schemes. On this basis, the highest paid director in the year was C W Egleton and details of his remuneration are disclosed above.

The Group's policy on directors' remuneration is to:

1. attract and retain high quality executives by paying competitive remuneration packages relevant to each director's role, experience and the external market; and
2. give incentives to directors to maximise shareholder value through a long-term reward approach, mainly through the award of share options, which are not exercisable immediately, against key performance indicators.

	2024	2023
	No.	No.
Group monthly average number of persons employed		
Directors	7	8
Management, administration and sales	2	2

A revision has been made to the 2023 Group monthly average numbers of persons employed so as to reflect the fact that two persons were employed in management, administration and sales.

3 Segmental information

The Group's sole activity is the development of a luxury resort in Crete, which includes the central administration costs of the Group. No segmental information is therefore appropriate.

4 Loss before taxation

The loss before taxation is stated after charging:

	2024	2023
	£'000	£'000
Depreciation	-	-
Impairment charge	46,258	-
Auditor's remuneration	48	40

The Impairment charge comprises the following:

Impairment of Inventories (see note 10)	42,576	-
Write-off of accruals	(55)	-
Impairment of intangible assets (see note 7)	3,582	-
Impairment of property, plant & equipment (see note 9)	155	-
	46,258	-

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

5 Taxation

Consolidated

(a) Analysis of taxation for the year

	2024 £'000	2023 £'000
UK corporation tax	-	-

(b) Factors affecting taxation for the year

	2024 £'000	2023 £'000
Loss before taxation	(47,294)	(529)
Tax on ordinary activities multiplied by the UK corporation tax rate of 25% (2023: 25%)	(11,823)	(132)
Effects of:		
Expenses not deductible for tax purposes	-	-
Other timing differences	-	-
Increase in tax losses	11,823	132
Taxation charge for the year	-	-

Taxation losses carried forward appear in note 13.

6 Loss per share

Earnings per share are calculated by dividing the earnings attributable to the equity holders of a company by the weighted average number of ordinary shares in issue during the year. Diluted earnings per share are calculated by adjusting basic earnings per share to assume the conversion of all potential dilutive ordinary shares. As the Group is loss making, there are no dilutive instruments in issue, and therefore the basic loss per share and diluted loss per share are the same. The weighted average number of shares used in calculating basic and diluted loss per share for the year ended 31 October 2024 was 832,440,856 (31 October 2023: 738,256,428).

	Earnings 2024 £000	2024 Weighted average number of shares	Per-share amount (pence)
Basic EPS			
Earnings attributable to ordinary shareholders	(47,294)	832,728,527	(5.7)
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(47,294)	832,728,527	(5.7)

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

6 Loss per share (continued)

	Earnings 2023 £000	2023 Weighted average number of shares	Per-share amount (pence)
Basic EPS			
Earnings attributable to ordinary shareholders	(529)	738,256,428	(0.07)
Effect of dilutive securities	-	-	-
Diluted EPS			
Adjusted earnings	(529)	738,256,428	(0.07)

7 Intangible assets

Consolidated	2024		2023	
	Goodwill £'000	Total £'000	Goodwill £'000	Total £'000
Cost				
At beginning of year	3,583	3,583	3,583	3,583
Additions	-	-	-	-
At end of year	3,583	3,583	3,583	3,583
Accumulated amortisation				
At beginning of year	-	-	-	-
Impairment in year	3,582	3,582	-	-
At end of year	3,582	3,582	-	-
Net book value				
At beginning of year	3,583	3,583	3,583	3,583
At end of year	1	1	3,583	3,583

The Project is assessed using fair value less costs to sell. The Directors have assessed the net recoverable amount of Project to be broadly equivalent to £6,101,000 (31 October 2023: £51,578,000) being the combined value of Goodwill and Inventories.

Prior site valuations were not Red Book compliant, did not focus on comparable and local sites and used revenue share assumptions for the Foundation which then management hoped to achieve through negotiation rather than those in the actual lease agreement between the Foundation and Loyalward.

Given the breakdown in the relationship with the Foundation, including the threat of legal action by the Foundation, there can be no guarantee that the net recoverable value will be realised. Please refer to Note 10 for details).

Minoan Group Plc (Registered number: 03770602)

**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

8 Property, plant and equipment

Year ended 31 October 2024

Consolidated	Freehold land	Furniture, fittings, plant & equipment	Total
	£'000	£'000	£'000
Cost			
At 1 November 2023	203	92	295
Additions	-	-	-
Disposals	-	-	-
At 31 October 2024	203	92	295
Accumulated depreciation			
At 1 November 2023	53	85	138
Impairment in year	149	6	155
At 31 October 2024	202	91	138
Net book value			
At 31 October 2024	1	1	2

Year ended 31 October 2023

Consolidated	Freehold land	Furniture, fittings, plant & equipment	Total
	£'000	£'000	£'000
Cost			
At 1 November 2022	203	92	295
Additions	-	-	-
Disposals	-	-	-
At 31 October 2023	203	92	295
Accumulated depreciation			
At 1 November 2022	53	85	138
Provided in year	-	-	-
At 31 October 2023	53	85	138
Net book value			
At 31 October 2023	150	7	157

Minoan Group Plc (Registered number: 03770602)

**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

9 Investments

Company

Year ended 31 October 2024

	Shares in subsidiaries £'000
Cost	
At 1 November 2023	31,736
Additions	-
At 31 October 2024	31,736
Impairment	
At 1 November 2023	-
Charge in year	27,734
At 31 October 2024	27,734
Net book value at 31 October 2024	4,002

Year ended 31 October 2023

	Shares in subsidiaries £'000
Cost	
At 1 November 2022	31,736
Additions	-
At 31 October 2023	31,736
Impairment	
At 31 October 2023	-
Net book value at 31 October 2023	31,736

Interests in subsidiaries

Name	Country of incorporation and principal place of business	Proportion of ownership interest as at 31 October 2024
Loyalward Limited	United Kingdom	100%
Loyalward Leisure PLC	United Kingdom	100%
Loyalward Hellas S.A.	Greece	100%

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

10 Inventories

Consolidated

The Directors carried out a Management Review of Impairment using fair value less costs to sell. At a Board meeting held on 6 July 2025, the Directors agreed unanimously on a £6.1 million net recoverable site valuation.

An impairment charge of £42,576,000 has been charged in the year.

As with the prior year, no Red Book compliant valuation was undertaken. However, this year's peer valuation actually did include a site in Crete. In earlier years, the peer review sites were not in Crete. An actual transaction occurred at the Site in Crete and all the associated and relevant information is in the public domain. The Site in question is owned by a publicly listed company which treats it as a Level Three asset in their financial statements. The appropriate accounting standards and valuation methodologies have been adopted by this publicly listed company. Therefore, the site in question, has been evaluated independently by a third-party expert. The Itanos Gaia Site was evaluated also on a cost of acquisition basis since no revenues have yet been generated by Loyalward Limited or the Minoan Group Plc from the Site's exploitation. The £6.1million net recoverable basis was arrived at after including reasonable costs of disposal and by taking an average of the valuation approaches mentioned. There can be no guarantee that this figure will be realised given the breakdown in the relationship with the Foundation, which makes a Value in Use estimate for the Project all but impossible.

Inventories as at 31 October 2024 were reduced therefore to £6,100,000 (31 October 2023: £47,995,000), comprising costs associated with acquiring and developing the site in Crete, planning and other design costs.

The development site of the Project is to be leased from the Public Welfare Ecclesiastical Foundation Panagia Akrotiriani ("the Foundation") for an initial period of 40 years following contract activation, which will follow the relevant authorities approving the land planning and land uses for the Project. The Group has an option over a further 40 years. An amount of £3.9 million is payable to the Foundation on contract activation, plus ongoing royalties earned on revenue generated by the development (see also note 18). This has not been included in the consolidated financial statements. It should be noted that a letter received from the Foundation dated 6 December 2024 makes reference to the £3.9 million payable to the Foundation on contract activation. This amount dates back to 1998. The Foundation has made it clear that the payment should be adjusted for the passage of time, which would produce a substantially increased figure.

11 Receivables

	2024 £'000	2023 £'000
Consolidated		
Other receivables and prepayments	111	112
Value added tax recoverable	3	5
	114	117

No provision is considered necessary in respect of irrecoverable amounts.

	2024 £'000	2023 £'000
Company		
Amounts owed by subsidiary companies (see note 16)	4,000	24,251
Other receivables and prepayments	21	22
Value added tax recoverable	4	10
	4,025	24,283

Amounts owed by subsidiary companies are repayable on demand but are not expected to be received until the realisation of the Project.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

12 Liabilities

Current liabilities

Consolidated	2024	2023
	£'000	£'000
Trade and other payables	5,219	4,048
Other creditor (see below)	1,000	1,000
Social security and other taxes	55	56
Loans (see note 15)	2,788	2,854
Accruals and deferred charges	1,346	1,721
	10,408	9,679

On 8 November 2024, the Company issued Ordinary Shares at an average price of 1.68p to settle certain liabilities totalling £1,311,195 shown above in Trade and other payable and in Accruals and deferred charges. See also note 21 for Events after the reporting date.

The other creditor arises from amounts received under the terms of financial joint venture agreements between the Company and certain third parties by which these third parties will receive an initial 5% economic interest in the Project for a total consideration of £1 million.

Current liabilities

Company	2024	2023
	£'000	£'000
Trade and other payables	587	522
Amounts owed to subsidiary companies (see note 16)	38	38
Loans (see note 15)	2,450	2,513
Accruals and deferred charges	750	753
	3,825	3,826

Amounts owed to subsidiary companies are interest free and repayable on demand.

13 Deferred taxation

Consolidated

No deferred taxation asset has been recognised in the consolidated financial statements due to the uncertainty of its recoverability. The total potential asset is as follows:

	Total potential asset		Amount recognised	
	2024	2023	2024	2023
	£'000	£'000	£'000	£'000
Tax effect of timing differences because of:				
Other short term timing differences	-	132	-	-
Losses	5,633	5,241	-	-
	5,633	5,373	-	-

The above potential deferred tax asset is based on a corporation tax rate of 25% (2023: 25%).

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

13 Deferred taxation (continued)

Company

No deferred taxation asset has been recognised in the consolidated financial statements. The total potential asset is as follows:

	Total potential asset		Amount recognised	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Tax effect of timing differences because of:				
Other short term timing differences	-	61	-	-
Losses	2,656	2,418	-	-
	2,656	2,479	-	-

The above potential deferred tax asset is based on a corporation tax rate of 25% (2023: 25%).

Following due consideration of the availability of tax losses in relation to future anticipated taxable profits, and in accordance with IAS 12 Income Taxes, the deferred tax asset has not been recognised. The deferred tax asset not recognised will be recoverable should there be appropriate future taxable profit.

14 Share capital

	2024 £'000	2023 £'000
Called up, allotted and fully paid		
844,358,786 Ordinary Shares of 1p each (2023: 751,368,219)	8,443	7,514
54,148,031 Deferred Shares of 24p each	12,996	12,996
626,427 Zero Coupon Redeemable Preference Shares of 0.0001p each	-	-
	21,439	20,509

Holders of Ordinary Shares have the right to vote and the right to receive dividends. Holders of Deferred Shares have no right to vote and no right to receive dividends.

15 Financial instruments and risk management

The Group's financial instruments comprise borrowings, cash and various items such as trade receivables and trade payables that arise directly from its operations.

It is, and has been throughout the year under review, the Group's policy that no trading in financial instruments shall be undertaken. There have been no substantive changes in the Group exposure to financial instrument risks, its objectives, policies and processes for managing those risks or the methods used to measure from previous periods.

The main risks arising from the Group's financial instruments are interest rate risk, liquidity risk and foreign currency risk. The Board reviews and agrees policies for managing each of these risks and they are summarised below.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

15 Financial instruments and risk management (continued)

Liquidity risk

Liquidity risk arises from the Group's management of working capital and the financial charges and principal repayments on its debt instruments.

The Group has encountered severe difficulty in meeting its financial obligations as they fall due. Funding to date has been obtained principally through the issue of equity shares as required. However, due to the shares trading at below the par value, which is 1p per share, throughout the course of the fiscal year, the Group has been unable raise funds through this route. This being the case the Group was forced to rely on raising funds through unsecured loans.

All financial liabilities are non-derivative and fall due within one year (see note 12).

Foreign currency risk

Foreign currency risks arise when individual Group entities enter into transactions denominated in a currency other than their functional currency. The Group's policy is, where possible, to allow Group entities to settle liabilities denominated in their functional currency with the cash generated from their own operations in that currency. Where Group entities have liabilities denominated in a currency other than their functional currency, cash already denominated in that currency will, where possible, be transferred from elsewhere within the Group.

The Group has one overseas trading subsidiary, Loyalward Hellas S.A., which operates in Greece and whose revenues and expenses are denominated almost exclusively in Euros. The Group finances Loyalward Hellas S.A. via Euro transfers from Loyalward Limited as required. The amount transferred ensures that the Euro balance held by Loyalward Hellas S.A. at each period end is not material. All UK companies hold cash denominated in Sterling only. The Sterling and Euro cash balances attract interest at floating rates.

Of the Group's current assets, excluding the project costs capitalised, less than 1% is held in Euros. Of the Group's current liabilities, less than 2% is held in Euros. The remainder of both is held in Sterling.

Short-term receivables and payables

Short-term receivables and payables have been excluded from the following disclosures.

Interest rate risk

The Group finances its operations through a mixture of equity and borrowings. The Group has historically borrowed in Sterling only. The Group's liabilities, which are all denominated in Sterling, are as follows:

	2024	2023
	£'000	£'000
Loans repayable in less than one year	<u>2,788</u>	<u>2,854</u>

The Board has determined that realistic fluctuations in interest rates will not have a significant impact on financial liabilities.

On 2 October 2024 the Company exchanged certain outstanding loans to the Company with a total value of £1,149,494 into new convertible loans (see note 21).

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

16 Related party transactions

The Group has no derivatives or financial instruments other than those disclosed above. There is no material difference between the book value and the fair value of the Group's financial assets and liabilities as at 31 October 2024 and as at 31 October 2023.

During the year the Group companies entered into the following transactions with related parties who are not members of the Group:

	Services of the below persons supplied in year ended 31 October		Payable as at October	
	2024 £'000	2023 £'000	2024 £'000	2023 £'000
Simmons International Limited	180	60	249	111
Bizwatch Limited	-	-	6	2
I.H.M. Industry & Hotel Management Limited	-	-	70	70
B D Bartman & Co	-	-	109	109
Keith Day & Partners Ltd	40	35	185	115

The nature of the related parties is as follows:

- Simmons International Limited, a company in which C W Egleton is a minority shareholder.
- Bizwatch Limited, a company in which J C Watts, a director of Loyalward Limited, owns 50% of the issued share capital and M A Fitch, a director of Loyalward Hellas S.A. owns 50% of the issued share capital.
- I.H.M. Industry & Hotel Management Limited, a company in which C Valassakis, a director of Loyalward Limited, is a controlling shareholder.
- B D Bartman & Co, a firm in which B D Bartman, who retired as a director on 15 February 2022, is a partner.
- Keith Day & Partners Ltd, a company in which N J Day, a director of Minoan Group Plc, is a director and shareholder. N J Day is also a member of DAGG LLP.

On 20 June 2025 the Company announced that a Letter of Engagement between Minoan Group Plc and Anstey Bond LLP for the audit of the Company's consolidated financial statements for the year ended 31 October 2024 had been signed. DAGG LLP had agreed to loan Minoan Group Plc the funds to make the necessary payments to Anstey Bond LLP so the audit could proceed.

There have been no purchases or sales between companies within the Group. The Company's balances outstanding with other Group companies arising from financing transactions are shown below.

Receivable / (Payable) as at 31 October	2024 £'000	2023 £'000
Loyalward Limited	4,000	24,252
Loyalward Leisure Plc	(38)	(38)

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

17 Share options and warrants

Directors' interests in share options

Options granted in exchange for the waiver of fees etc by current directors and former directors:

	31 October 2024			31 October 2023		
	Exercise price	Ordinary Shares	Expiry date	Exercise price	Ordinary Shares	Expiry date
B D Bartman (former director)	1p	1,000,000	31/12/25	1p	1,000,000	31/12/24
B D Bartman (former director)	1p	850,000	31/12/25	1p	850,000	31/12/24
G D Cook	1p	384,615	31/12/25	1p	384,615	31/12/24
G D Cook	1p	377,778	31/12/25	1p	377,778	31/12/24
T R C Hill	1p	1,233,333	31/12/25	1p	1,233,333	31/12/24
		<u>3,845,726</u>			<u>3,845,726</u>	

Other share options

The following additional options to purchase ordinary shares in the Company have been granted:

	Ordinary Shares As at 31 October		Expiry date
	2024	2023	
Exercisable at 60 pence per share	3,318,000	3,318,000	See note 1
Exercisable at 1 pence per share	4,695,299	4,695,299	See note 2
	<u>8,013,299</u>	<u>8,013,299</u>	

Notes re share options:

- Options granted between 24 June 2005 and 31 December 2013. The expiry dates of these options are 90 days after certain valid building licences and permits have been granted. These building licences and permits have not yet been granted.
- Options granted in exchange for the waiver of fees etc. by current and former directors within the Group, the expiry date of which has been extended to 31 December 2025.

See also Note 21 for Events after the reporting date.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

17 Share options and warrants (continued)

Warrants

During the year the fair value of the warrants was unchanged.

	Ordinary Shares As at 31 October		Expiry date
	2024	2023	
Exercisable at 1.1 pence per share	35,000,000	35,000,000	31/12/24
	<u>35,000,000</u>	<u>35,000,000</u>	

See also Note 21 for Events after the reporting date.

Finance costs

At 31 October	2024 £'000	2023 £'000
Fair value of warrants issued	-	(158)
Loan interest	196	147
Other interest / fees	178	4
	<u>374</u>	<u>(7)</u>

18 Contingent liabilities and commitments

As detailed in Note 10 an amount of £3.9m is payable to the Foundation on contract activation, plus ongoing royalties earned on revenue generated by the development. The Foundation has made it clear that the payment should be adjusted for the passage of time, which would produce a substantially increased figure.

Should legal proceedings commence in relation to the Project (see letters from the Foundation in Note 21) then substantial legal costs would be incurred. These are difficult to quantify at this time. Minoan Group Plc currently has no funds to cover these costs.

In addition to that stated in note 10, the Group had contingent liabilities in respect of directors' bonuses and options. The directors' bonus scheme, which was approved by the Remuneration Committee of the Board in 2016 and 2019, granted the directors a variable performance award which is based on the monetised value of the Project of up to 10% over and above a minimum value of £15,000,000. At a Board Meeting held on 6 July 2025, it was resolved that the directors' bonus scheme should be terminated with immediate effect.

The present directors of the Minoan Group Plc had the right to purchase a total of six Villas between them under the Villa Participation Scheme. The right allowed them to purchase the properties at cost plus 10% upon commencement of construction. At a Board Meeting held on 6 July 2025 it was resolved that the Directors' Villa Participation Scheme should be terminated with immediate effect.

19 Operating lease commitments

The Group has no future minimum lease commitments in respect of non-cancellable operating leases.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

20 Shareholder Loyalty Scheme

The land on which the Group's Project in Crete will be constructed is held on a long lease and, as a result, any properties offered to purchasers will be on an equivalent title. Since inception, as part of the Group's financing arrangements and as a potential reward for loyalty for staff and others, notably through the Shareholder Loyalty Scheme, the Group offered discounts to potential purchasers of properties in the Project. The properties range from apartments with fractional/shared ownership and apartments and villas, which may or may not be part of a "serviced offering". The potential sums involved are not material in the context of the Project as a whole.

21 Events after the reporting date

On 2 October 2024, an RNS entitled "Convertible loans and Company update" was issued detailing that an agreement was in place to exchange certain outstanding loans, with a total value of £1,149,494, into new convertible loans with a redemption date of 31 December 2025. Nicholas John Day and Peter David Raby, as then directors of Minoan Group Plc's 100% owned subsidiary Loyalward Limited, both took part in the transaction, and their involvement merited a Related Party Transaction under Rule 13 of the AIM Rules.

On 1 November 2024, in an RNS entitled "Reduction of Liabilities and Financing Update", the Company announced that it intends to issue up to 78,000,000 Ordinary Shares of 1p each in the Company ("Ordinary Shares") to settle certain balance sheet liabilities totalling in excess of £1,300,000.

On 8 November 2024, in an RNS entitled "Issue of Shares to reduce liabilities", the Company announced the issue of a total of 77,859,353 Ordinary Shares at an average price of 1.68p per share to settle liabilities in the amount of £1,311,195.

On 6 January 2025, an RNS headed "Option Expiry Extension and Financing Update" noted certain directors and executives, Grahame Cook and Tim Hill, had earlier agreed to accept options in lieu of their remuneration the then Board of Directors decided that it "...was in the best interests of the Company to extend the expiry date of those options granted to Grahame Cook and Timothy Hill directors of the company at that time."

On 8 January 2025, via an RNS headed "Share Issue in respect of Loan Conversion and Issue of Warrants", the Company announced that it had received a notice to convert an existing convertible loan of £70,000 into 7,000,000 New Ordinary Shares of 1p each in Minoan at a price of 1p per Ordinary Share. Post the effective admission of these shares on 13 January 2025, there was a total of 929,218,539 Ordinary Shares in issue. As part of the conversion, Minoan issued Warrants to subscribe for 2,500,000 Ordinary Shares at an exercise price of 1p per Ordinary Share.

On 4 April 2025, via an RNS headed 'Various Updates and DAGG Proposal', the then Board made it known that due to insufficient funds, the Company cannot finalise the audit of its annual report and accounts for the year ended 31 October 2024 by 30 April 2025, being the deadline for the publication of its accounts under Rule 19 of the AIM Rules for Companies. Since 7.30 a.m. on 1 May 2025, trading of the Company's ordinary shares has been suspended temporarily.

The full text as relates to DAGG LLP, contained in RNS of 4 April 2025 follows:

"Further to the announcements issued on 6 January 2025 and 14 March 2025 in relation to the Company's secured loan (the "Secured Loan") from DAGG LLP ("DAGG"), the Company announces that it is unable to secure a further extension of the Secured Loan (presently standing at approximately £1.19 million inclusive of accrued and unpaid interest).

Effective 1 January 2025, an event of default has occurred under the Secured Loan and the Secured Loan continues to accrue default interest from 1 January 2025 at a supplemental interest rate of 12% per annum (in addition to the contractual interest rate of 10% per annum). DAGG is entitled to serve a notice of default that all amounts outstanding under the Secured Loan are immediately due and repayable.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

21 Events after the reporting date (continued)

The Company has received an indicative proposal from DAGG (the "Proposal"), as follows:

- (a) DAGG (or its designee) would inject approximately £4.44 million of new funds into the Company in exchange for equity in the Company;
- (b) DAGG would convert the Secured Loan and all amounts outstanding thereunder into equity in Company;
- (c) Certain members of DAGG would write off, in aggregate, approximately £1.1 million owed by the Company and Loyalward Limited, the Company's subsidiary ("Loyalward") to them; and
- (d) The Company would enter into a management agreement with certain persons nominated by DAGG to take the Company forward.

The Proposal will be subject to any applicable regulatory and shareholder approvals (and DAGG has reserved all rights).

The Board notes that the issuance of Company equity to DAGG as contemplated by the Proposal would be significantly dilutive for shareholders.

In parallel to the DAGG Proposal, Nicholas Day (a member of DAGG), has resigned as a director of Loyalward with effect from 25 March 2025.

Next steps

The Company is in ongoing negotiations with DAGG although there is no guarantee that the negotiations will be successful. If the negotiations result in a transaction structure which the Board considers can be recommended to shareholders, and is in the best interests of all stakeholders, the Board will convene a general meeting as soon as practicable to consider the Proposal. If the Board fails to convene a general meeting to approve the Proposal, certain DAGG members, who are ordinary shareholders, have communicated that they will requisition a general meeting for the shareholders to consider the DAGG Proposal.

According to the Companies Act, a public company such as Minoan Group Plc must file its annual report and accounts within six months of the end of the relevant accounting period. The relevant accounting period for Minoan Group Plc was 31 October 2024 and, therefore, the deadline was 30 April 2025. The Company failed to meet this deadline, which was highlighted previously in the RNS issued on 4 April 2025 entitled "Various Updates and DAGG Proposal". The Company is subject, therefore, to a late filing penalty. The Companies House website details penalty fees, and for those companies such as Minoan Group Plc that are late by more than three months but not more than six months the fee is £3,000.

At the Company's AGM of 30 April 2025, Grahame Cook failed to be re-elected as a Director of Minoan Group Plc. Resolution 1 was adjourned pending the publication of the Annual Report and Accounts for the year ended 31 October 2024.

On 7 May 2025, via an RNS entitled "Notice of Requisition of a General Meeting", the Board of Minoan Group Plc noted receipt of a requisition notice from Nicholas Day to convene a General Meeting to consider resolutions to remove the current directors and to appoint two directors, including himself, to the Board.

On 16 May 2025, Nicholas John Day joined the Minoan Group Plc Board.

On 23 May 2025, Christopher Egleton, Chairman, resigned as a Director of Minoan and its subsidiary companies.

On 25 June 2025, via an RNS entitled "Change of Director", the Company announced the departure of Marco Nijhof as a director of Loyalward Limited.

Minoan Group Plc (Registered number: 03770602)

Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

21 Events after the reporting date (continued)

On 6 July 2025, at a Group board meeting, the directors agreed the following:

- (a) That the Company as currently constituted is not a going concern. Should the DAGG LLP indicative proposal fail to advance, Minoan will enter into an insolvency process.
- (b) To impair the site valuation at 31 October 2024 to a net realisable value of £6,100,000.
- (c) To end the Executive Director's Bonus scheme and the Villa discount Schemes for Management.

Letters from The Public Welfare Foundation Panagia Akrotiriani (the "Foundation") to Minoan Group Plc, Loyalward Limited and Loyalward Hellas S.A.

Letters from the Foundation were received on 6 December 2024 and 17 March 2025.

These letters are published as received by the then directors of Minoan Group Plc (English versions only). The addresses and signatures have been redacted as shown.

[Heading Address redacted]
December 6, 2024
Towards Chairman's and the members of the Board of Companies (Such as a list of recipients)
A. Loyalward ltd, London B. Loyalward hellas s.a. C. Minoan Group Plc
[Addresses redacted]
<u>Honorable members of the Board of directors</u>
In response to your letters of 25.10.2024 and 4.12.2024, we inform you that the Board of Directors of the Foundation "Panagia Akrotiriani", having carefully studied their contents, unanimously decided and informs you of the following:
1. Once again we express our disappointment, since your letters sent to us from time to time confirm the deadlocks to which our relationship and the possibility of realizing the investment project have been led through your sole fault. This is also the case with your latest letter, the content of which shows your refusal to comply with your contractual and legal obligations. Our response to your occasionally asserted positions has been given both in our previous contacts with your respective representatives and in our letters of reply.
2. On your proposed revision of the Convention The 1998 Contract is for a 40 + 40-year lease of land for the development of a tourist resort. Your proposed revision of this original 1998 Contract is completely out of touch with reality, is inadequate and lacks any documentation.

Minoan Group Plc (Registered number: 03770602)

**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

21 Events after the reporting date (continued)

If there is a revision of the 1998 Contract, both the factual and legal issues must be reviewed and brought up to date in order to ensure both the viability of the project and compliance with the terms and conditions that secure both the lessor and the lessee. The key element is a review of the financial data and, in particular, of the exchanges provided.

In property development, the conditions set are an essential element of the agreements concerning the management, regulation of the use and development of the property.

This area is located in an area classified as NATURA, therefore environmental restrictions apply and an Environmental Impact Assessment is necessary. The 1998 Convention was extremely incomplete and 26 years have passed since then, and the proposed update is extremely inadequate. Among other things, it must be ensured that the character, image and status of the Foundation as a religious institution is not compromised and that the whole project is accepted by the local community. In view of the fact that the Lease Agreement is for a term of 40+40 years, the Agreement should include provisions for maintenance and planning to maintain the value of the property over the years. The land use must be aligned with the environmental regulations for the area and therefore the preparation of an Environmental Impact Study is a necessary requirement to prevent incompatible uses and also to prevent misguided development plans. The Agreement must maintain the aesthetic standards of the area and ensure that it remains an attractive place. In view of the fact that this is a long term lease of 40+40 years, at the end of the lease term the value of the property is significantly reduced and all kinds of charges to the landlord further reduce the value of the property.

In conclusion, the agreement and the specific terms of the Contract must be the product of careful consideration and are of vital importance to the land owner, as they have a significant impact on the value of the property in terms of its future development and the claim to future opportunities.

3. On the proposed counterpart

Since the 1998 Convention is being revised, both the legal and the financial issues should be reviewed and brought up to date. It is not possible after more than 26 years to be talking about amounts mentioned in the 1998 Convention, for example the balance of the original consideration which was then €4,000,000. In today's prices it is very different and in the PWC study a first approximation was made to reduce it to today's prices.

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Notes to the Consolidated Financial Statements (continued) Year ended 31 October 2024

21 Events after the reporting date (continued)

The 1998 amounts of both the Original Consideration and the Minimum Guaranteed Payments should be inflated to today's prices. Besides, the prices today of both hotel rooms and real estate, i.e. villas, have nothing to do with the 1998 prices. Therefore, if the Convention is being revised today, just as the legal issues must be updated, so must the economic issues.

- Our proposed consideration, as communicated to the company, is substantially much lower than that provided for in the 1998 Contract, if inflated to today's levels.

LOYALWARD's counter-proposal dated 25/10/2024 proposes that the 3% on revenue should only apply to hotel bed revenues. This is unacceptable as the original Contract provided for a 10% on all turnover which includes everything and therefore all project revenue. Therefore, it is not possible for the Foundation to accept a consideration of 3% on hotel bed revenues alone and not on all project revenues, regardless of source. A reasonable percentage of the total revenue could be 5%.

- Also proposed by LOYALWARD is a 10% percentage of the profit on the sale of each villa. Typically, the value of the land in the real estate development has a contribution to the final value of the property, i.e. the final sale price of the villa, of 25% - 40%. Therefore, as a basis, the 20% percentage on the final sale price of the villa would be the lowest the Foundation could discuss accepting in consideration.

- The Foundation considers that the consideration requested in its verbal communication with LOYALWARD is common in the leasing of real estate in the Greek market, and is neither excessive nor unreasonable. It should be clarified that the considerations relate to a lease contract.

- The amount of EUR 6,000,000 per annum, adjusted either by current inflation or by an average inflation rate of 3% is perfectly reasonable for an investment of 2,000 beds in a luxury resort.

- It is also perfectly reasonable in the Greek market in any lease to pay 2 - 3 leases as a deposit. Therefore, the requirement for an advance payment of EUR 18 000 000 is perfectly compatible with the prevailing practice in the Greek market.

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**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

21 Events after the reporting date (continued)

- Also DELOITTE's estimate that the ENVIA does not exceed 1,000,000 euros at today's prices at full development of the property. Therefore, the Foundation considers that this amount can be charged to the lease, i.e. the company.

- DELOITTE's opinion that the consideration requested by the Foundation results in 5.5% and 8.8% IRR of the project and equity respectively is based on the Master Plan and the values used in early 2022, which are very different from today's values. This Master Plan is indicative and is not a final design.

- The villas planned are many and small, and to maximize the benefit a better design would be fewer and larger. Also the prices of the villas envisaged are much lower than even the prices of apartments in the southern suburbs of Athens, while the prices of simple villas, not branded villas, on the islands are almost double those envisaged in the submitted plan.

- As reported by participants of the Resort & Residential Hospitality Forum (R&R), the leading international investment forum in the tourism and real estate sector, held last week in Athens, with the collaboration of three industry players, Enterprise Greece, EOT and the Hellenic Chamber of Hotels, the Hotel prices today are at least 25% above the 2021 and 2022 prices mentioned in LOYALWARD's March 2022 proposal, cited in the DELOITTE report.

4. The Foundation therefore maintains the proposal it has already communicated for a rent of 6,000,000.00 euros per year, adjusted by an average inflation rate of 3% or the annual inflation rate announced by the Bank of Greece, plus three annual rent payments in advance, plus payment of ENFIA by the tenant. If the capacity of the complex increases above 1,936 beds, then the amount will increase proportionally.

5. It goes without saying that LOYALWARD Ltd. must prove that it is able to implement the project by providing evidence of the company's financial capacity (proof of funds) and specifically updated company assets and bank letters of guarantee or any other appropriate document from a credit institution, which shows that it either has or can immediately (specifying in detail how) secure both the necessary funds required.

Further, we request the most recent balance sheet available, even if not yet audited, noting your latest fiscal year end has recently concluded at end October, so we can determine whether your available cash and cash equivalents and/or committed bank facilities are sufficient to meet the outstanding upfront payment.

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**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

21 Events after the reporting date (continued)

6. It also goes without saying that conditions should be set to ensure that the project is carried out regularly and on time, and that the financial exchanges to the Foundation are secured and paid on time in a manner that does not give rise to any reservations or concerns.

7. Summary:

In view of all of the above, we again express our grave concern and complain about your failure to comply with your contractual and legal obligations.

We declare that we do not wish to wait any further for your delays and dilatory efforts to extend the pending issues through your sole fault, due to the fact that the interests of our institution are being severely damaged

Following a meeting of the Board of Foundation "Panagia Akrotiriani" on Friday, December 6, please be advised that if we do not receive evidence of the Company's financial capability (as referred to in paragraph 5) within five working days and acceptance of the above proposals within thirty days of receipt of this letter, we are commencing steps to exercise all our statutory rights and claims under the law and the Contract.

Please acknowledge within two working days of receipt of this letter, as we will need to proceed our aforementioned intentions for the exercise of all our legal claims.

Yours sincerely

[Signature and details redacted]

Minoan Group Plc (Registered number: 03770602)

**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

21 Events after the reporting date (continued)

[Heading Address redacted]

March 17, 2025

Towards
Chairman's and the members of the Board of Companies

A. Loyalward ltd, London
B. Loyalward hellas s.a.
C. Minoan Group Plc

[Addresses redacted]

Dear Sirs,

We are addressing you once again to express our strong protest regarding the fact that, in a deliberately obstructive and bad-faith manner, you continue to avoid providing the necessary answers and solutions to the serious issues that have arisen due to your exclusive responsibility. Your stance has led to deadlocks which, unfortunately, seem to confirm your inability to implement the project.

In light of this, and referring to our most recent letter dated 06/12/2024, we hereby state that, following your rejection of our proposals for the revision of the 1998 Agreement, taking into account the developments to date and the new circumstances that have emerged, as well as your failure to provide the necessary evidence of your company's financial capacity to undertake and complete the entire project, we reserve the right to exercise all our legal and contractual rights and claims.

Yours sincerely

[Signature and details redacted]

Minoan Group Plc (Registered number: 03770602)

**Notes to the Consolidated Financial Statements (continued)
Year ended 31 October 2024**

22 Ultimate beneficial owner

The directors consider that the Company does not have an ultimate beneficial owner.