

## INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

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**NAVIOS MARITIME HOLDINGS INC.**  
**CONSOLIDATED BALANCE SHEETS**  
(Expressed in thousands of U.S. dollars — except share data)

	December 31, 2024	December 31, 2023
<b>ASSETS</b>		
<b>Current assets</b>		
Cash and cash equivalents	\$ 32,378	\$ 89,395
Restricted cash – current	10	10
Accounts receivable, net	43,711	37,595
Inventories	10,980	10,519
Prepaid expenses and other current assets	17,951	13,701
Investments in affiliate company	—	81,140
<b>Total current assets</b>	<b>105,030</b>	<b>232,360</b>
Vessels, port terminals and other fixed assets, net	544,138	488,644
Deferred dry dock and special survey costs, net	19,699	16,972
Restricted cash – non-current	20,000	—
Deposits and other long-term assets	41,050	29,282
Operating lease assets	50,365	21,287
Investments in equity securities	6,100	—
Intangible assets other than goodwill	41,580	44,599
Goodwill	94,096	104,096
<b>Total non-current assets</b>	<b>817,028</b>	<b>704,880</b>
<b>Total assets</b>	<b>\$ 922,058</b>	<b>\$ 937,240</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities</b>		
Accounts payable	\$ 46,016	\$ 26,292
Accrued expenses and other liabilities	38,737	41,800
Deferred income and cash received in advance	2,744	2,980
Operating lease liabilities, current portion	10,042	2,711
Due to affiliate companies	66,872	4,397
Current portion of long-term debt, net	45,574	31,297
Current portion of senior and ship mortgage notes, net	—	8,626
<b>Total current liabilities</b>	<b>209,985</b>	<b>118,103</b>
Senior and ship mortgage notes, net of current portion	—	492,371
Long-term debt, net of current portion	352,030	41,455
Convertible debenture payable to affiliate company	51,968	123,658
Long-term debt payable to affiliate company	110,787	—
Other long-term liabilities and deferred income	5,459	812
Operating lease liabilities, net of current portion	40,394	18,591
Deferred tax liability	5,523	7,216
<b>Total non-current liabilities</b>	<b>566,161</b>	<b>684,103</b>
<b>Total liabilities</b>	<b>776,146</b>	<b>802,206</b>
<b>Commitments and contingencies</b>	—	—
<b>Stockholders' equity</b>		
Preferred Stock — \$0.0001 par value, authorized 1,000,000 shares, 14,720 and 16,988 issued and outstanding as of December 31, 2024 and 2023, respectively.	—	—
Common stock — \$0.0001 par value, authorized 250,000,000 shares, 500 issued and outstanding as of December 31, 2024 and 2023, respectively.	—	—
Additional paid-in capital	714,519	665,078
Accumulated deficit	(618,706)	(591,147)
<b>Total Navios Holdings stockholders' equity</b>	<b>95,813</b>	<b>73,931</b>
Noncontrolling interest	50,099	61,103
<b>Total stockholders' equity</b>	<b>145,912</b>	<b>135,034</b>
<b>Total liabilities and stockholders' equity</b>	<b>\$ 922,058</b>	<b>\$ 937,240</b>

See notes to the consolidated financial statements

**NAVIOS MARITIME HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS**  
(Expressed in thousands of U.S. dollars — except share and per share data)

	<b>Year Ended December 31, 2024</b>	<b>Year Ended December 31, 2023</b>
Revenue	\$ 299,932	\$ 312,187
Time charter, voyage and logistics business expenses	(89,109)	(86,329)
Direct vessel expenses	(96,848)	(87,038)
General and administrative expenses	(28,410)	(27,214)
Depreciation and amortization	(33,110)	(30,734)
Allowance for expected credit losses on accounts receivable	(1,250)	(392)
Interest income	2,709	2,856
Interest expense and finance cost	(77,163)	(67,938)
Impairment loss/ loss on sale of vessels	—	(1,651)
Impairment of goodwill	(10,000)	—
Loss on bond extinguishment	(4,718)	—
Other income	4,394	4,721
Other expense	(9,021)	(8,836)
<b>(Loss)/income before equity in net earnings of affiliate company</b>	<b>\$ (42,594)</b>	<b>\$ 9,632</b>
Equity in net earnings of affiliate company, net of OTTI	—	(17,516)
<b>Loss before taxes</b>	<b>\$ (42,594)</b>	<b>\$ (7,884)</b>
Income tax benefit	224	683
<b>Net loss</b>	<b>\$ (42,370)</b>	<b>\$ (7,201)</b>
Less: Net loss/(income) attributable to the noncontrolling interest	11,004	(7,893)
<b>Net loss attributable to Navios Holdings</b>	<b>\$ (31,366)</b>	<b>\$ (15,094)</b>

See notes to the consolidated financial statements

**NAVIOS MARITIME HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in thousands of U.S. dollars)

	Year Ended December 31, 2024	Year Ended December 31, 2023
<b>OPERATING ACTIVITIES:</b>		
Net loss	\$ (42,370)	\$ (7,201)
<b>Adjustments to reconcile net loss to net cash provided by operating activities:</b>		
Depreciation and amortization	33,110	30,734
Amortization and write-off of deferred financing costs	4,518	4,388
Amortization of deferred drydock and special survey costs	6,876	6,042
Allowance for expected credit losses on accounts receivable	1,250	392
Stock-based compensation expenses	—	146
Loss on bond extinguishment, net	4,718	—
Income tax benefit	(224)	(683)
Equity in net earnings of affiliate company, net of OTTI and dividends received	—	18,153
Impairment loss/ loss on sale of vessels, net	—	1,651
Impairment of goodwill	10,000	—
<b>Changes in operating assets and liabilities:</b>		
(Increase)/decrease in accounts receivable	(6,116)	11,881
Increase in inventories	(444)	(80)
Increase in prepaid expenses and other current assets	(4,525)	(6,468)
Decrease in due from affiliate companies	14,601	1,590
Increase/(decrease) in accounts payable	10,027	(1,413)
Decrease in accrued expenses and other liabilities	(4,532)	(2,007)
Increase in operating lease liabilities, net	56	15
Decrease in deferred income and cash received in advance	(236)	(2,604)
Increase/(decrease) in other long-term liabilities	10,581	(115)
Payments for drydock and special survey costs	(7,934)	(8,644)
Convertible debenture movement	9,450	4,825
<b>Net cash provided by operating activities</b>	<b>\$ 38,806</b>	<b>\$ 50,602</b>
<b>INVESTING ACTIVITIES:</b>		
Acquisition of investments in equity securities	(6,100)	—
Deposits for vessels, port terminals and other fixed assets	(36,411)	(25,075)
Acquisition of subsidiaries	—	(1,424)
Acquisition of/additions to vessels	(37,212)	(19,061)
<b>Net cash used in investing activities</b>	<b>\$ (79,723)</b>	<b>\$ (40,456)</b>

See notes to the consolidated financial statements

**NAVIOS MARITIME HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Expressed in thousands of U.S. dollars)

	Year Ended December 31, 2024	Year Ended December 31, 2023
<b>FINANCING ACTIVITIES:</b>		
Tender offer - redemption of preferred stock	\$ (1,646)	\$ —
Proceeds from related party	207,253	—
Proceeds from long-term loans	340,477	40,000
Repayment of long-term debt and payment of principal	(33,558)	(28,230)
Repayment/redemption of senior and ship mortgage notes	(508,626)	—
Debt issuance costs	—	(1,362)
Acquisition of noncontrolling interest	—	(10,000)
<b>Net cash provided by financing activities</b>	<b>\$ 3,900</b>	<b>\$ 408</b>
<b>(Decrease)/ increase in cash and cash equivalents and restricted cash</b>	<b>(37,017)</b>	<b>10,554</b>
<b>Cash and cash equivalents and restricted cash, beginning of year</b>	<b>89,405</b>	<b>78,851</b>
<b>Cash and cash equivalents and restricted cash, end of year</b>	<b>\$ 52,388</b>	<b>\$ 89,405</b>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION</b>		
Cash paid for interest, net of capitalized interest	\$ 68,395	\$ 57,762
<b>Non-cash investing and financing activities</b>		
Repayment of Convertible debenture	\$ 81,140	\$ —
Acquisition of/additions to vessels	\$ 8,148	\$ 1,855
Transfers from deposits for vessels, port terminals and other fixed assets	\$ 23,668	\$ 1,907
Deposits for vessels, port terminals and other fixed assets	\$ —	\$ (600)
Drydock and special survey costs	\$ 1,669	\$ 130
Lease of Jumbo Barges	\$ 15,733	\$ 3,031

See notes to the consolidated financial statements

**NAVIOS MARITIME HOLDINGS INC.**  
**CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
(Expressed in thousands of U.S. dollars — except share data)

	Number of Preferred Shares	Preferred Stock	Number of Common Shares	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Navios Holdings' Stockholders' Equity	Noncontrolling Interest	Total Stockholders' Equity
<b>Balance January 1, 2023</b>	<b>16,988</b>	<b>\$ —</b>	<b>22,826,450</b>	<b>\$ 2</b>	<b>\$ 664,932</b>	<b>\$ (576,053)</b>	<b>\$ 88,881</b>	<b>\$ 53,210</b>	<b>\$ 142,091</b>
Net (loss)/income	—	—	—	—	—	(15,094)	(15,094)	7,893	(7,201)
Cancellation of shares	—	—	(22,852,950)	(2)	—	—	(2)	—	(2)
Stock-based compensation expenses	—	—	—	—	146	—	146	—	146
<b>Balance December 31, 2023</b>	<b>16,988</b>	<b>\$ —</b>	<b>500</b>	<b>\$ —</b>	<b>\$ 665,078</b>	<b>\$ (591,147)</b>	<b>\$ 73,931</b>	<b>\$ 61,103</b>	<b>\$ 135,034</b>
Net loss	—	—	—	—	—	(31,366)	(31,366)	(11,004)	(42,370)
Tender offer- redemption of preferred stock	(2,268)	—	—	—	(5,453)	3,807	(1,646)	—	(1,646)
Equity component of Navios Logistics' Subordinated Loan I	—	—	—	—	54,894	—	54,894	—	54,894
<b>Balance December 31, 2024</b>	<b>14,720</b>	<b>\$ —</b>	<b>500</b>	<b>\$ —</b>	<b>\$ 714,519</b>	<b>\$ (618,706)</b>	<b>\$ 95,813</b>	<b>\$ 50,099</b>	<b>\$ 145,912</b>

See notes to the consolidated financial statements

**NAVIOS MARITIME HOLDINGS INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**NOTE 1: DESCRIPTION OF BUSINESS**

Navios Maritime Holdings Inc. (“Navios Holdings” or the “Company”) owns a controlling equity stake in Navios South American Logistics Inc. (“Navios Logistics”), one of the largest infrastructure and logistics companies in the Hidrovia region of South America.

***Completion of the Merger***

On December 14, 2023, Navios Holdings completed the merger contemplated by the Agreement and Plan of Merger (the “Merger Agreement”), dated as of October 22, 2023, by and among the Company, N Logistics Holdings Corporation (“NLHC”), a company affiliated with the Company’s Chairwoman and Chief Executive Officer, Angeliki Frangou, Navigation Merger Sub Inc., a wholly owned subsidiary of NLHC (“Merger Sub”) and, for limited purposes, N Shipmanagement Acquisition Corp. (“NSAC”), another company affiliated with Ms. Frangou (the “Merger”).

Under the terms of the Merger Agreement, each share of common stock, par value \$0.0001 per share, of the Company outstanding immediately prior to the effective time (other than shares of Common Stock held by (i) the Company or any of its subsidiaries or (ii) NLHC or Merger Sub) was converted into the right to receive \$2.28 per share in cash, without interest and subject to any applicable withholding taxes.

The Company’s outstanding shares of (i) 8.75% Series G Cumulative Redeemable Perpetual Preferred Stock, (ii) 8.625% Series H Cumulative Redeemable Perpetual Preferred Stock, and (iii) Series I Non-Economic Preferred Stock were not affected by the Merger and remained outstanding as of December 31, 2023.

The number of shares of preferred stock outstanding was 14,720 (4,678 Series G and 10,042 Series H) and 16,988 (5,148 Series G and 11,840 Series H) as of December 31, 2024 and 2023, respectively. On January 9, 2024, pursuant to the Letter Agreement, the Series I Preferred Stock was canceled.

***Delisting of Common Stock from the NYSE***

In connection with the consummation of the Merger, trading in the Company’s Common Stock on the NYSE was suspended prior to the opening of trading on December 14, 2023.

***Delisting of Series G ADSs and Series H ADSs from NYSE***

On January 29, 2024, the Company filed Forms 25 and on February 8, 2024, the Company filed a Form 15 in respect of the (i) 8.75% Series G Cumulative Redeemable Perpetual Preferred Stock, \$0.0001 par value per share and related American Depositary Shares (the “Series G ADSs”) and the (ii) 8.625% Series H Cumulative Redeemable Perpetual Preferred Stock, \$0.0001 par value per share and related American Depositary Shares (the “Series H ADSs” and together with the Series G ADSs, the “ADSs”). Accordingly, the ADSs no longer trade on the NYSE.

The Company intends to make publicly available the financial information about the Company necessary in order to allow the ADSs to be quoted on an over-the-counter (“OTC”) market. However, no assurance can be provided that any broker-dealer will make a market in the ADSs, that the ADS will have available an OTC quotation, or that trading of the ADSs will continue on an OTC market or elsewhere.

***Navios South American Logistics Inc.***

Navios Logistics, a consolidated subsidiary of the Company, was incorporated under the laws of the Republic of the Marshall Islands on December 17, 2007. Navios Logistics believes it is one of the largest infrastructure and logistics companies in the Hidrovia region river system, the main navigable river system in the region (the “Hidrovia region”), and on the cabotage trades along the southeastern coast of South America. Navios Logistics operates with three reportable segments: the Port Terminal Business, the Cabotage Business and the Barge Business.

***Port Terminal Business***

Navios Logistics currently owns four port storage and transfer facilities: a grain port terminal (the “Grain Port Terminal”), which supports agricultural and forest-related exports; an iron ore port terminal (the “Iron Ore Port Terminal” and, together with the Grain Port Terminal, the “Dry Port Terminals”), which supports mineral-related exports; a liquid port terminal located in San Antonio, Paraguay, which provides tank storage for refined petroleum products; and a liquid port terminal in Uruguay, with tank storage for liquid cargoes and provision of bunkering services in Nueva Palmira Free Zone (together with the liquid port in San Antonio,

**NAVIOS MARITIME HOLDINGS INC.**  
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Paraguay, the “Liquid Port Terminals”). The Grain Port Terminal and the Iron Port Terminal are located in Nueva Palmira, Uruguay. Navios Logistics’ port facilities in Nueva Palmira have a total static grain-storage capacity of 460,000 metric tons, and a mineral-ore-stockpile capacity of 1,246,000 tons following the completion of a new stockpile area in the second quarter of 2023. The Liquid Port Terminal has a total static storage capacity of 65,660 cubic meters in San Antonio and a static storage capacity of 37,000 cubic meters in Nueva Palmira Free Zone.

*Cabotage Business*

Navios Logistics owns and operates ocean-going vessels to support the transportation needs of its customers in the South American coastal-trade business. During 2024, Navios Logistics’ fleet consisted of five ocean-going product tanker vessels and one river and estuary tanker vessel. Navios Logistics contracts its vessels operating in the Cabotage Business either on a time-charter basis or on a contract of affreightment (“CoA”) basis.

*Barge Business*

Navios Logistics services the Argentine, Bolivian, Brazilian, Paraguayan and Uruguayan river transportation markets through its fleet of 339 vessels in its Barge Business, including 28 pushboats and 311 barges. Navios Logistics operates different types of pushboats and wet and dry barges for delivering a wide range of dry and liquid products between ports in Hidrovia region. Navios Logistics typically contracts its vessels operating in the Barge Business either on a time-charter basis or on a CoA basis. Navios Logistics provides transportation for dry cargo (cereals, cotton pellets, soybeans, wheat, limestone (clinker), mineral iron, and rolling stones), liquid cargo (hydrocarbons such as crude oil, gas oil, naphtha, fuel oil and vegetable oils) and liquefied cargo (liquefied petroleum gas or “LPG”).

As of December 31, 2024 and 2023, Navios Holdings owned 63.8% of Navios Logistics.

*Navios Partners*

Navios Maritime Partners L.P. (“Navios Partners”) (NYSE:NMM) is an international owner and operator of dry cargo and tanker vessels and is engaged in the seaborne transportation services of a wide range of liquid and dry cargo commodities. Types of commodities Navios Partners transports include crude oil, refined petroleum, chemicals, iron ore, coal, grain, fertilizer and containers. Navios Partners charters its vessels under short-, medium-, and longer-term charters.

On January 9, 2024, the 3,183,199 common units previously beneficially owned by Navios Holdings and its wholly-owned subsidiaries were transferred to NSAC in partial prepayment and satisfaction of an \$81,140 portion of the principal amount of the Convertible Debenture. As a result of this transaction, Navios Holdings and its wholly-owned subsidiaries ceased to beneficially own any common units in Navios Partners. Therefore, as of December 31, 2024, Navios Holdings held no limited or general partner interest in Navios Partners. As of December 31, 2024 and 2023, incentive distribution rights in NMM are held by a consolidated subsidiary of Navios Holdings.

Pursuant to this transaction, the investment was written down to its fair value and was included in the consolidated balance sheets under current assets as of December 31, 2023. As of December 31, 2023, Navios Holdings had a 10.3% ownership interest in Navios Partners.

**NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

- (a) **Basis of presentation:** The accompanying consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”).

Based on internal forecasts and projections that take into account potential changes in the Company’s performance and other assets, management believes that the Company has adequate financial resources to continue in operation and meet its financial commitments, including but not limited to capital expenditures and debt service obligations, for a period of at least twelve months from the date of issuance of the consolidated financial statements. Although internal forecasts and projections are driven by market data and are subject to future volatility along with other factors outside the control of the Company, with the existence of alternative liquidity sources and management’s ability to utilize them if needed, management concludes that the Company has the ability to continue as a going concern as of the date of the issuance of the consolidated financial statements.



**NAVIOS MARITIME HOLDINGS INC.**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
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**Change in accounting policy:**

**Foreign Currency Translation:** During the second quarter of 2023, the Company changed its accounting policy on foreign exchange differences recognized in the consolidated statements of comprehensive loss. The foreign exchange gains and losses are presented in the same line item as the underlying transaction. Total impact of the amounts reclassified to each underlying item for the year ended December 31, 2023, was \$2,671 loss.

- (b) **Principles of consolidation:** The accompanying consolidated financial statements include the accounts of Navios Holdings, a Republic of the Marshall Islands corporation, and both its majority and wholly-owned subsidiaries. All significant intercompany balances and transactions have been eliminated in the consolidated statements.

The Company also consolidates entities that are determined to be variable interest entities (“VIE”) as defined in the accounting guidance, if the Company determines that it is the primary beneficiary of such entity. ASC 810-15-14 outlines the criteria for evaluating whether an entity is a VIE. A VIE is defined as a legal entity where either (i) equity interest holders as a group lack the characteristics of a controlling financial interest, including decision making ability; and an interest in the entity’s residual risks and reward; or (ii) the equity interest holders have not provided sufficient equity investment to permit the entity to finance its activities without additional subordinated financial support; or (iii) the voting rights of some investors are not proportional to their obligations to absorb the expected losses of the entity, their rights to receive the expected residual returns of the entity, or both; and substantially all of the entity’s activities either involve or are conducted on behalf of an investor that has disproportionately few voting rights.

**Subsidiaries:** Subsidiaries are entities in which the Company has an interest of more than one-half of the voting rights or otherwise has power to govern the financial and operating policies of the entity. The acquisition method of accounting is used to account for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the assets transferred, shares issued or liabilities undertaken at the date of acquisition. The excess of the cost of acquisition over the fair value of the net assets acquired and liabilities assumed is recorded as goodwill. All subsidiaries included in the consolidated financial statements are 100% owned, except for Navios Logistics which is 63.8% owned.

**Investments in Affiliate Companies:** Affiliate companies are entities over which the Company holds between 20% and 50% of the voting rights, or over which the Company has significant influence, but it does not exercise control. Investments in these entities are accounted for under the equity method of accounting. Under this method, the Company records an investment in the stock of an affiliate company at cost, and adjusts the carrying amount for its share of the earnings or losses of the affiliate company subsequent to the date of investment and reports the recognized earnings or losses in income. Dividends received from an affiliate company reduce the carrying amount of the investment. The Company recognizes gains and losses in earnings for the issuance of shares by its affiliate companies, provided that the issuance of shares qualifies as a sale of shares. When the Company’s share of losses in an affiliate company equals or exceeds its interest in the affiliate company, the Company does not recognize further losses, unless the Company has incurred obligations or made payments on behalf of the affiliate company.

**Affiliate companies included in the financial statements accounted for under the equity method**

For the year ended December 31, 2023, in the consolidated financial statements of Navios Holdings, Navios Partners and its subsidiaries were included as an affiliate company and were accounted for under the equity method.

**Subsidiaries Included in the Consolidation:**

Company Name	Nature	Ownership Interest	Country of Incorporation	Statement of operations	
				2024	2023
Navios Maritime Holdings Inc.	Holding Company		Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navios South American Logistics Inc.	Holding Company	63.8%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navios Corporation	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navimax Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navios Handybulk Inc.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Hestia Shipping Ltd.	Operating Company	100%	Malta	1/1 - 12/31	1/1 - 12/31
Anemos Maritime Holdings Inc.	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Primavera Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Ginger Services Co.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31

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Aquis Marine Corp.	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Astra Maritime Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Achilles Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Apollon Shipping Corporation	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Herakles Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Hios Shipping Corporation	Operating Company	100%	Marshall Is.	—	1/1 - 03/02
Ionian Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Kypros Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Meridian Shipping Enterprises Inc.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Mercator Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Arc Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Horizon Shipping Enterprises Corporation	Vessel Owning Company	100%	Marshall Is.	—	1/1 - 03/07
Magellan Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Aegean Shipping Corporation	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Star Maritime Enterprises Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Rowboat Marine Inc.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Beaufiks Shipping Corporation	Operating Company	100%	Marshall Is.	—	1/1 - 02/21
Portorosa Marine Corp.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Sizzling Ventures Inc.	Operating Company	100%	Liberia	—	1/1 - 02/28
Rheia Associates Co.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Taharqa Spirit Corp.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Quena Shipmanagement Inc.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Navios GP L.L.C.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Vector Shipping Corporation	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navios Maritime Finance (US) Inc. <sup>(1)</sup>	Operating Company	100%	Delaware	1/1 - 12/31	1/1 - 12/31
Navios Maritime Finance II (US) Inc. <sup>(1)</sup>	Operating Company	100%	Delaware	1/1 - 12/31	1/1 - 12/31
Tulsi Shipmanagement Co.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Cinthara Shipping Ltd.	Operating Company	100%	Marshall Is.	—	1/1 - 02/21
Rawlin Services Company	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Mauve International S.A.	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Serenity Shipping Enterprises Inc.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Diesis Ship Management Ltd.	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navios Holdings Europe Finance Inc.	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Navios Asia LLC	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Smaltite Shipping Corporation	Operating Company	100%	Marshall Is.	—	1/1 - 02/20
Motiva Trading Ltd.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Alpha Merit Corporation	Sub-Holding Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Heodor Shipping Inc.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Pacifico Navigation Corp.	Operating Company	100%	Marshall Is.	1/1 - 12/31	1/1 - 12/31
Grimaud Ventures S.A.	Operating Company	100 %	Marshall Is.	1/1-12/31	1/1-12/31

(1) These Companies were dissolved in 2025.

- (c) **Use of Estimates:** The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the dates of the financial statements and the reported amounts of revenues and expenses during the reporting periods. On an ongoing basis, management evaluates the estimates and judgments. Estimates and judgements management evaluates relate to, among other things, uncompleted voyages, future drydock dates, the assessment of other-than-temporary impairment related to the carrying value of investments in affiliate companies, the selection of useful lives for tangible and intangible assets, expected future cash flows from long-lived assets and operating lease assets to support impairment tests, impairment test for goodwill, allowance for credit losses necessary for accounts receivables and demurrages, provisions for legal disputes, pension benefits, contingencies and guarantees. Management bases its estimates and judgments on historical experience and on various other factors that they believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources.

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- (d) **Cash and Cash Equivalents:** Cash and cash equivalents consist of cash on hand, deposits held on call with banks, and other short-term liquid investments with original maturities of three months or less.
- (e) **Restricted Cash:** As of December 31, 2024 and 2023, within restricted cash – current, are included amounts held as security in the form of letters of guarantee or letters of credit totaling \$10. As of December 31, 2024, within restricted cash – non-current, is included an amount of \$20,000 which is related to minimum liquidity clause under Navios Logistics' HCOB/ KFW Bank loan.
- (f) **Insurance Claims:** Insurance claims at each balance sheet date consist of claims submitted and/or claims in the process of compilation or submission (claims pending). They are recorded on an accrual basis and represent the claimable expenses, net of applicable deductibles, incurred through December 31 of each reporting period, which are probable to be recovered from insurance companies. Any remaining costs to complete the claims are included in accrued liabilities. The classification of insurance claims into current and non-current assets is based on management's expectations as to their collection dates.
- (g) **Inventories:** Inventories, which are comprised of lubricants, bunkers (when applicable) and stock provisions on board of the vessels, as well as petroleum products held by Navios Logistics, are stated at cost using the FIFO method or at the lower of cost or net realizable value, depending on the type of inventory. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Cost is calculated using the first in first out method.
- (h) **Port Terminals, Tanker Vessels, Barges, Pushboats and Other Fixed Assets, net:** Port terminals, tanker vessels, barges, pushboats and other fixed assets acquired as parts of business combinations are recorded at fair value on the date of acquisition, and if acquired as an asset acquisition, are recorded at cost (including transaction costs). Vessels constructed by the company would be stated at historical cost, which consists of the contract price, capitalized interest and any material expenses incurred upon acquisition (improvements and delivery expenses). Subsequent expenditures for port expansions and improvements and upgrades for the fixed assets are capitalized, provided they appreciably increase the earnings capability or improve the efficiency or safety or extend the life of the fixed assets. The cost and related accumulated depreciation of assets retired or sold are removed from the accounts at the time of sale or retirement and any gain or loss is included in the accompanying consolidated statements of comprehensive loss.

Expenditures for routine maintenance and repairs are expensed as incurred.

Depreciation is computed using the straight-line method over the useful life of the port terminals, tanker vessels, barges, pushboats and other fixed assets, after considering the estimated residual value.

Annual depreciation rates used, which approximate the useful life of the assets are:

Port terminals	5 to 49 years
Tanker vessels, barges and pushboats	15 to 45 years
Furniture, fixtures and equipment	3 to 10 years
Computer equipment and software	5 years
Leasehold improvements	Shorter of lease term or 6 years

- (i) **Deposits for Vessels, Port Terminals and Other Fixed Assets:** This represents amounts paid by the Company in accordance with the terms of the purchase agreements for the construction of vessels, port terminals and other long-lived fixed assets. Deposits for vessels, port terminals and other fixed assets also include pre-delivery expenses. Pre-delivery expenses represent any direct costs to bring the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. As of December 31, 2024 and 2023, a total of \$39,822 and \$27,079 is included under the caption "Deposits and other long-term assets" in the consolidated balance sheets relating to deposits for vessels, port terminals and other fixed assets. Interest costs incurred during the construction (until the asset is substantially complete and ready for its intended use) are capitalized. Capitalized interest for the years ended December 31, 2024 and 2023 amounted to \$2,578 and \$826, respectively, and is included in the consolidated balance sheets under the caption "Deposits and other long-term assets".
- (j) **Assets Held for Sale:** The Company's policy is to dispose of vessels and other fixed assets when suitable opportunities occur and not necessarily to keep them until the end of their useful life. The Company classifies assets and disposal groups as being held for sale when the following criteria are met: management has committed to a plan to sell the asset (disposal group); the asset (disposal group) is available for immediate sale in its present condition; an active program to locate a buyer and other actions required to complete the plan to sell the asset (disposal group) have been initiated; the sale of the asset (disposal group) is probable, and transfer of the asset (disposal group) is expected to qualify for recognition as a completed sale within one year; the

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asset (disposal group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Long-lived assets or disposal groups classified as held for sale are measured at the lower of their carrying amount or fair value less cost to sell. These assets are not depreciated once they meet the criteria to be held for sale. No assets were classified as held for sale as of December 31, 2024 and 2023.

- (k) **Assets acquisition:** When the Company enters into an acquisition transaction, it determines whether the acquisition transaction is a purchase of an asset or a business based on the facts and circumstances of the transaction. In accordance with Topic 805, Business Combinations, the Company first evaluates whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets (Step 1). If that threshold is met, the set of assets and activities is not a business. If the threshold is not met, the Company evaluates whether the set meets the definition of a business (Step 2). To be considered a business, a set must include an input and a substantive process that together significantly contribute to the ability to create an output. All assets acquired and liabilities assumed in a business combination are measured at their fair values on the acquisition date. For asset acquisitions, the net assets acquired should be measured following a cost accumulation and allocation model under which the cost of the acquisition is allocated on a relative fair value basis to the qualifying assets acquired. In May 2023, Navios Logistics completed the acquisition of the stock of Vimalcor S.A. (“Vimalcor”) for a purchase price of \$1,600. The transaction was accounted for as an asset acquisition, as substantially all of the fair value of the gross assets acquired was concentrated in a single identifiable group of assets, being the right of use of a plot of land in the port of Montevideo.

**Acquisition of interests in other entities:** On April 8, 2024, Navios Logistics completed the acquisition of 36% of the equity shares of Terminales Graneleras Uruguayas S.A. (“TGU”) for a purchase price of \$6,100. The group has determined under the applicable guidance of ASC 323 – Investments Equity Method and Joint Ventures that it does not exercise significant influence over TGU, even though it holds 36% of the voting rights and the investment is accounted for under ASC 321 – Investments Equity Securities. Further, the Company has assessed the available information and determined that cost is the best estimate of the fair value of the investment at the acquisition date. The estimate is assessed at each reporting period. In case of subsequent changes in the fair value of the investment any gains/(losses) will be recognized directly in the consolidated statements of comprehensive loss. For the year ended December 31, 2024, no gains/(losses) were recognized for this investment in the consolidated statements of comprehensive loss.

- (l) **Impairment of Long-Lived Assets:** Vessels, other fixed assets and other long-lived assets held and used by the Company are reviewed periodically for potential impairment whenever events or changes in circumstances indicate that the carrying amount of a particular asset may not be fully recoverable. Navios Holdings’ management evaluates the carrying amounts and periods over which long-lived assets are depreciated to determine if events or changes in circumstances have occurred that would require modification to their carrying values or useful lives. Measurement of the impairment loss is determined as the difference between the carrying value and the fair value.

*Navios Logistics*

Vessels, other fixed assets and other long-lived assets held and used by Navios Logistics are reviewed periodically for potential impairment whenever events or changes in circumstances indicate that the carrying amount of a particular asset may not be fully recoverable. In accordance with accounting for long-lived assets, management determines projected undiscounted cash flows for each asset group and compares it to its carrying amount. In the event that projected undiscounted cash flows for an asset group is less than its carrying amount, then management reviews fair values and compares them to the asset group’s carrying amount. In the event that impairment occurs, an impairment charge is recognized by comparing the asset group’s carrying amount to its fair value. For the purposes of assessing impairment, long lived assets are grouped at the lowest levels for which there are separately identifiable cash flows.

No impairment loss was recorded on any of the vessels, other fixed assets and other long-lived assets held and used by Navios Logistics for the year ended December 31, 2024.

During the third quarter of 2023, Navios Logistics completed the sale of vessel Heman H for a sale price of \$4,450. The impairment loss of \$1,651 (including \$734 remaining carrying balance of dry dock costs), being the difference of vessel’s carrying value and fair value, recorded in the second quarter of 2023, is included in the consolidated statements of comprehensive loss under the caption “Impairment loss/ loss on sale of vessels, net”. The fair value was determined based on the agreed sale’s price.

No impairment loss was recorded on any of the remaining vessels, other fixed assets and other long-lived assets held and used by

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Navios Logistics for the year ended December 31, 2023.

- (m) **Deferred Drydock and Special Survey Costs:** The Company's vessels, barges and pushboats are subject to regularly scheduled drydocking and special surveys which are carried out every 30 and 60 months, respectively, for ocean-going vessels, and up to every 72 to 96 months for pushboats and barges, to coincide with the renewal of the related certificates issued by the classification societies, unless a further extension is obtained (in rare cases) and under certain other conditions. The costs of drydocking and special surveys are deferred and amortized over the above periods or to the next drydocking or special survey date if such date has been determined. Unamortized drydocking or special survey costs of vessels, barges and pushboats sold are written off to income in the year the vessel, barge or pushboat is sold.

Costs capitalized as part of the drydocking or special survey consist principally of the actual costs incurred at the yard, and expenses relating to spare parts, paints, lubricants and services incurred solely during the drydocking or special survey period. For the years ended December 31, 2024 and 2023, the amortization of deferred drydock and special survey costs was \$6,876 and \$6,042, respectively.

- (n) **Deferred Financing Costs:** Deferred financing costs include fees, commissions and legal expenses associated with obtaining or modifying loan facilities. Deferred financing costs are presented as a deduction from the corresponding liability. These costs are amortized over the life of the related debt using the effective interest rate method, and are included in interest expense. Amortization and write-off of deferred financing costs for the years ended December 31, 2024 and 2023 were \$4,518 and \$4,388, respectively.

- (o) **Goodwill and Other Intangibles**

(i) **Goodwill:** Goodwill is tested for impairment at the reporting unit level at least annually and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable.

*Navios Logistics*

As of December 31, 2024 and 2023, the Company performed its annual impairment test for the Logistics Business, which is allocated goodwill of \$104,096. Goodwill is assigned to the reporting units and tested for impairment at least annually, and whenever events or changes in circumstances indicate the carrying value of goodwill may not be recoverable. Management compares the aggregate fair value of the reporting unit to its carrying amount, including goodwill. Goodwill impairment loss is measured as the amount by which a reporting unit's carrying amount exceeds its fair value. Management determines the fair value of its logistics reporting unit using the income approach (i.e. discounted cash flow method). Management forecasts all the expected net cash flows associated with the reporting unit, which includes the application of a terminal value for the period after forecast and applies a discount rate to arrive at the fair value. Expected net cash flows include EBITDA and future capital expenditures assumptions. EBITDA assumptions include revenue assumptions, direct and general and administrative expense assumptions. The significant factors and assumptions used in the discounted cash flow analysis include the estimated time charter, voyage and port revenue for the unfixed days, the terminal value, terminal growth rate and the discount rate (i.e. "WACC") used to calculate the present value of future cash flows. The estimated time charter, voyage and port revenue for the unfixed days were determined by considering revenues from existing contracts and estimated revenues for the unfixed days, based on historical performance, including utilization rates and storage capacity. Terminal growth rate was determined by taking into consideration industry and market conditions. The WACC for each cash generating unit was based on externally observable data considering market participants' and the Company's cost of equity and debt, capital structure and risk factors specific to the Company. These assumptions could be adversely impacted by the current uncertainty surrounding global market conditions, climate change, as well as the competitive environment in which Navios Logistics operates.

For the year ended December 31, 2024, Navios Logistics recorded an impairment loss of \$10,000 related to its cabotage segment and is presented under the caption "Impairment of goodwill" in the consolidated statements of comprehensive loss.

No goodwill impairment loss was recorded on the Logistics Business for the year ended December 31, 2023.

- (ii) **Intangibles Other Than Goodwill:** As of December 31, 2024 and 2023, consolidated intangible assets consist of Navios Logistics customer relationships and port terminal operating rights.

The Company reviews its intangibles including customer relationships and port terminal operating rights periodically for potential impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. Intangibles other than goodwill would be considered impaired if their carrying value is not recovered from the

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future undiscounted cash flows associated with the asset (step one). Measurement of the impairment loss is determined as the difference between the carrying amount and the fair value of the intangible asset.

As of December 31, 2024 and 2023, the Company concluded that no events and circumstances occurred that could trigger the existence of potential impairment of Navios Logistics' intangible assets, including port terminal operating rights and customer relationships. As a result, step one of impairment assessment was not required as of December 31, 2024 and 2023.

No impairment loss was recorded for the Company's intangible assets as of December 31, 2024 and 2023.

The weighted average amortization periods for intangibles are:

<b>Intangible assets</b>	<b>Years</b>
Port terminal operating rights	47
Customer relationships	20

- (p) **Foreign Currency Translation:** The Company's functional and reporting currency is the U.S. dollar. The Company engages in worldwide commerce with a variety of entities. Although its operations may expose it to certain levels of foreign currency risk, its transactions are predominantly U.S. dollar denominated. The Company's subsidiaries in Uruguay, Argentina, Brazil and Paraguay transact a nominal amount of their operations in Uruguayan pesos, Argentinean pesos, Brazilian reals and Paraguayan guaranies, whereas the Company's wholly-owned vessel subsidiaries and the vessel management subsidiaries transact nominal operations in Euros; however, all of the subsidiaries' primary cash flows are U.S.-dollar denominated. The financial statements of the foreign operations are translated using the exchange rate at the balance sheet date except for property and equipment and equity, which are translated at historical rates. Transactions in currencies other than the functional currency are translated at the exchange rate in effect at the date of each transaction. Differences in exchange rates during the period between the date a transaction denominated in a foreign currency is consummated and the date on which it is either settled or translated, are recognized in the statements of comprehensive loss. During the second quarter of 2023, the Company changed its accounting policy on foreign exchange differences recognized in the consolidated statements of comprehensive loss. The foreign exchange gains and losses are presented in the same line item as the underlying transaction. Total impact of the amounts reclassified to each underlying item for the year ended December 31, 2023 was \$2,671 loss.
- (q) **Provisions:** In the ordinary course of its business, the Company is subject to various claims, suits and complaints. Management, in consultation with internal and external advisers, will provide for a contingent loss in the financial statements if the contingency had occurred at the date of the financial statements, the likelihood of loss was probable, and the loss amount can be reasonably estimated. If the Company has determined that the reasonable estimate of the loss is a range and there is no best estimate within the range, the Company will provide for the lower amount within the range.

**Insurance Claims**

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

Amounts for insurance claims are recognized when amounts are virtually certain to be received, based on the management's judgment and estimates of independent adjusters as to the amount of the claims.

- (r) **Revenue and Expense Recognition:**

**Revenue Recognition:** Revenue is recognized when (or as) the Company transfers promised goods or services to its customers in amounts that reflect the consideration to which the company expects to be entitled to in exchange for those goods or services, which occurs when (or as) the Company satisfies its contractual obligations and transfers control of the promised goods or services to its customers. In determining the appropriate amount of revenue to be recognized as it fulfills its obligations under its agreements, the Company performs the following steps: (i) identification of the promised goods or services in the contract; (ii) determination of whether the promised goods or services are performance obligations, including whether they are distinct in the context of the contract; (iii) measurement of the transaction price, including the constraint on variable consideration; (iv) allocation of the transaction price to the performance obligations based on estimated selling prices; and (v) recognition of revenue when (or as) the Company satisfies each performance obligation.

Voyage revenues for the transportation of cargo are recognized ratably over the estimated relative transit time of each voyage. A voyage is deemed to commence when a vessel arrives at the loading port, as applicable under the contract, and is deemed to end upon the completion of the discharge of the current cargo. Under a voyage charter, a vessel is provided for the transportation of



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specific goods between specific ports in return for payment of an agreed upon freight per ton of cargo.

Revenues are recorded net of address commissions. Address commissions represent a discount provided directly to the charterers based on a fixed percentage of the agreed upon charter rate. Since address commissions represent a discount (sales incentive) on services rendered by the Company and no identifiable benefit is received in exchange for the consideration provided to the charterer, these commissions are presented as a reduction of revenue.

Revenue from contracts of affreightment (“COA”)/voyage contracts relating to our barges are recognized ratably over the estimated relative transit time of each voyage. A voyage is deemed to commence upon the barge’s arrival at the loading port, as applicable under the contract, and is deemed to end upon the completion of discharge under the current voyage. The percentage of transit time is based on the number of days traveled as of the balance sheet date divided by the number of total days expected for the voyage. The position of the barge at the balance sheet date is determined by the days traveled as of the balance sheet date over the total voyage of the pushboat having the barge in tow. Revenue arising from contracts that provide our customers with continuous access to convoy capacity is recognized ratably over the period of the contracts.

Demurrage income represents payments made by the charterer to the vessel owner when loading or discharging time exceeds the stipulated time in the voyage charter and is recognized as it is earned.

The Company recognizes revenue ratably from the vessel’s/barge’s arrival at the loading port, as set forth in the applicable contract, to when the charterer’s cargo is discharged as well as defer costs that meet the definition of “costs to fulfill a contract” and relate directly to the contract.

Revenues from time-chartering and bareboat chartering of vessels and barges are accounted for as operating leases and are thus recognized on a straight-line basis as the average revenue over the rental periods of such charter agreements as service is performed. However, for loss generating time charters, the loss is recognized in the period during which the loss is generated. A time-charter involves placing a vessel or barge at the charterer’s disposal for a period of time during which the charterer uses the vessel in return for the payment of a specified daily hire rate. Charters for periods of less than three months are referred to as spot-charters. Charters for periods of three months to a year are generally referred to as medium-term charters. All other charters are considered long-term. For time-charters, the owner of the vessel typically pays the vessel’s operating costs, such as crews, maintenance and insurance.

Revenues from dry port terminal operations consist of an agreed flat fee per ton and cover the services performed to unload barges (or trucks), transfer the product into silos or the stockpiles for temporary storage, and to load the ocean-going vessels. Revenues are recognized upon completion of loading the ocean-going vessels. Revenue arising from contracts that provide our customers with continuous access to port terminal storage and transshipment capacity is recognized ratably over the period of the contracts. Additionally, fees are charged for vessel dockage and for storage time in excess of contractually specified terms. Dockage revenues are recognized ratably up to completion of loading as the performance obligation is met evenly over the loading period. Storage fees are assessed and recognized at the point when the product remains in the silo storage beyond the contractually agreed-upon term. Storage fee revenue is recognized ratably over the storage period and ends when the product is loaded onto the ocean-going vessel.

Revenues from liquid port terminal consist mainly of sales of petroleum products and revenues from liquid port operations. Revenues from liquid port terminal operations consist of an agreed flat fee per cubic meter or a fixed rate over a specific period to cover the services performed to unload barges, transfer the products into the tanks for temporary storage and then loading the trucks. Revenues that consist of an agreed flat fee per cubic meter are recognized upon completion of loading the trucks. Revenues from liquid port terminal operations that consist of a fixed rate over a specific period are recognized ratably over the storage period as the performance obligation is met evenly over time, ending when the product is loaded onto the trucks.

Expenses related to our revenue-generating contracts are recognized as incurred.

The following table reflects the revenue earned per category for the years ended December 31, 2024 and 2023:

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	Year Ended December 31, 2024	Year Ended December 31, 2023
COA/Voyage revenue	\$ 73,136	\$ 81,739
Time chartering revenue	101,288	90,892
Dry Port terminal revenue	100,880	98,314
Storage fees (dry port) revenue	1,584	1,772
Dockage revenue	5,537	10,058
Sale of products revenue	7,775	20,698
Liquid port terminal revenue	6,502	5,780
Other	3,230	2,934
<b>Total</b>	<b>\$ 299,932</b>	<b>\$ 312,187</b>

**General and administrative expenses:** Pursuant to an administrative services agreement dated August 29, 2019 (the “Administrative Services Agreement”), Navios Shipmanagement Inc. a subsidiary of N Shipmanagement Acquisition Corp. (together with its subsidiaries, “NSM” or the “Manager”) provides administrative services to Navios Holdings. The Manager is reimbursed for reasonable costs and expenses incurred in connection with the provision of these services. The term of this agreement is for an initial period of five years with an automatic extension for a period of five years thereafter unless a notice of termination is received by either party. Pursuant to an administrative services agreement with the Manager dated August 29, 2019, NSM also provides administrative management services which includes the compensation of Navios Logistics’ directors and members of Navios Logistics’ senior management who are not employees of Navios Logistics.

**Deferred Income and Cash Received in Advance:** Deferred voyage revenue primarily relates to cash received from charterers prior to it being earned. These amounts are recognized as revenue over the voyage or charter period.

**Time Charter, Voyage and Logistics Business Expenses:** Time charter, voyage and logistics business expenses comprise all expenses related to each particular voyage, including time charter hire paid and voyage freight paid, bunkers, port charges, canal tolls, cargo handling, agency fees and brokerage commissions. Also included in time charter, voyage and logistics business expenses are charterers’ liability insurances, allowance for credit losses on time charters and voyages in progress at year-end, direct port terminal expenses and other miscellaneous expenses. In the transition to ASC 842, the operating lease assets were adjusted for the carrying amount of the liability regarding the allowance for credit losses on time charters and voyages in progress on that date.

**Direct Vessel Expenses:** Direct vessel expenses consist of all expenses relating to the operation of vessels, including crewing, repairs and maintenance, insurance, spares and stores, victual costs, dockage expenses and lubricants and miscellaneous expenses such as communications and amortization of drydocking and special survey costs.

**Prepaid Voyage Costs:** Prepaid voyage costs relate to cash paid in advance for expenses associated with voyages. These amounts are recognized as expenses over the voyage or charter period presented under the caption “Prepaid expenses and other current assets”.

(s) **Employee benefits:**

**Stock-Based Compensation:** On December 13, 2023, 250,000 outstanding restricted options expired, and no further restricted options existed. Pursuant to the Merger all restricted options were forfeited. Following the closing of the Merger, the Company did not have any stock plan in place.

The fair value of restricted share units, restricted stock and restricted stock units was determined by reference to the quoted stock price on the date of grant. Compensation expense, net of estimated forfeitures, is recognized based on a graded expense model over the vesting period.

(t) **Financial Instruments:** Financial instruments carried on the balance sheet include cash and cash equivalents, restricted cash, account receivables and payables, other current assets and other liabilities, long-term debt, capital leases and available-for-sale securities. The particular recognition methods applicable to each class of financial instrument are disclosed in the applicable significant policy description of each item, or included below as applicable.



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**Financial Risk Management:** The Company's activities expose it to a variety of financial risks including fluctuations in future freight rates, time charter hire rates, fuel prices and credit and interest rates risk. Risk management is carried out under policies approved by executive management. Guidelines are established for overall risk management, as well as specific areas of operations.

**Credit Risk:** The Company closely monitors its exposure to customers and counterparties for credit risk. Navios Holdings, through its access to NSM policies and personnel, has policies designed to limit trading to customers and counterparties with an appropriate credit history. Credit risk with respect to accounts receivable is reduced by the Company by rendering services to established international operators. Management believes that no additional credit risk beyond amounts provided for collection losses is inherent in the Company's trade receivables.

**Liquidity Risk:** Prudent liquidity risk management involves maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. The Company monitors cash balances appropriately to meet working capital needs.

**Foreign Exchange Risk:** Foreign currency transactions are converted into the measurement currency at rates prevailing on the dates of the relevant transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognized in the consolidated statements of comprehensive loss are presented in the same line item as the underlying transaction.

- (u) **Income Taxes:** The Company is a Republic of the Marshall Islands corporation. Pursuant to various treaties and the United States Internal Revenue Code, the Company believes that substantially all its operations are exempt from income taxes in the Republic of the Marshall Islands and the United States of America. The tax benefit reflected in the Company's consolidated financial statements for the years ended December 31, 2024 and 2023, was mainly attributable to its subsidiaries in South America, which are subject to the Argentinean and Paraguayan income tax regimes.

The asset and liability method is used to account for future income taxes. Under this method, future income tax assets and liabilities are recognized for the estimated future tax consequences attributable to differences between the financial statement carrying amounts and the tax bases of assets and liabilities. Future income tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. The effect on future income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A deferred tax asset is recognized for temporary differences that will result in deductible amounts in future years. A valuation allowance is recognized if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax asset will not be realized.

As a result of the Law 27,630, voted by the Argentinean Parliament in June 2021, income tax rates and scales were modified. Scales are updated annually as per inflation. Income tax liabilities of the Argentinean subsidiaries for the current period is measured at the amount expected to be paid to the taxation authorities using a tax rate of 35% on any taxable profit above 347 million Argentinean pesos (\$336), 30% on any taxable profit between 34.7 million Argentinean pesos (\$33.6) and 347 million Argentinean pesos (\$336), and 25% on any taxable profit below 34.7 million Argentinean pesos (\$33.6). In measuring its income tax assets and liabilities, the Company used the rate that is expected to be enacted at the time of the reversal of the asset or liability in the calculation of the deferred tax for the items related to Argentina.

- (v) **Dividends:** Dividends are recorded in the Company's financial statements in the period in which they are declared. Navios Holdings has not paid any dividend to its common stockholders and preferred stockholders during the years ended December 31, 2024 and 2023. In November 2015, Navios Holdings announced that the Board of Directors decided to suspend the dividend to its common stockholders. In February 2016, Navios Holdings announced the suspension of payment of quarterly dividends on its preferred stock, including the Series G ADSs and Series H ADSs. All intercompany dividends are eliminated upon consolidation.
- (w) **Leases:** Leases where the Company acts as the lessor are classified as either operating or sales-type / direct financing leases. In cases of lease agreements where the Company acts as the lessor under an operating lease, the Company keeps the underlying asset on the consolidated balance sheets and continues to depreciate the assets over its useful life. In cases of lease agreements where the Company acts as the lessor under a sales-type / direct financing lease, the Company derecognizes the underlying asset and records a gross investment in the lease.

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The difference between the gross investment in the lease and the sum of the present values of the two components of the gross investment is recorded as unearned income which is amortized to income over the lease term as finance lease interest income to produce a constant periodic rate of return on the net investment in the lease.

For charters classified as operating leases where Navios Holdings is deemed the lessor, refer to Note 2(r) “Summary of Significant Accounting Policies - Revenue and Expense Recognition” to the consolidated financial statements. The Company acts as a lessor under operating leases in connection with all of its charter out arrangements.

In cases of lease agreements where the Company acts as a lessee, the Company recognizes an operating lease asset and a corresponding lease liability on the consolidated balance sheet. For charters classified as operating leases where Navios Holdings is or is deemed the lessee, the expense is recognized on a straight-line basis over the rental periods of such charter agreements. The expense is included under the caption “Time charter, voyage and logistics business expenses” in the consolidated statements of comprehensive loss.

In cases of sale and leaseback agreements, if the transfer of the asset to the lessor does not qualify as a sale, then the agreement constitutes a failed sale and leaseback and is accounted for as a financial liability. For a sale to have occurred, the control of the asset would need to be transferred to the lessor, and the lessor would need to obtain substantially all the benefits from the use of the asset.

Right-of-use assets in relation to leased assets under finance leases, for which the purchase option is reasonably certain to be exercised, are presented under “Vessels, port terminals and other fixed assets, net” and “Deposits and other long-term assets” in the consolidated balance sheets.

**Impairment of operating lease assets:** Operating lease assets used by Navios Holdings are reviewed periodically for potential impairment whenever events or changes in circumstances indicate that the carrying amount may not be fully recoverable. Measurement of the impairment loss is determined as the difference between the carrying value and the fair value of the asset group. Navios Holdings determines the fair value of its assets based on management estimates and assumptions by making use of available market data. In evaluating carrying values of operating lease assets, certain indicators of potential impairment were reviewed, such as undiscounted projected operating cash flows, business plans and overall market conditions.

Undiscounted projected net operating cash flows are determined for each asset group and compared to the carrying value of the operating lease asset and the carrying value of deposits for the option to acquire a vessel including expenses and interest (asset group). If the step two of the impairment analysis is required, the analysis includes the use of discounted cash flows which includes various assumptions, including the Company’s WACC.

If management determines that step two of the impairment analysis is required for any of our asset groups, a discounted cash flow analysis using the Company’s WACC is performed. The WACC is based on externally observable data considering market participants’ and the Company’s cost of equity and debt, optimal capital structure and risk factors specific to the Company. Where the undiscounted projected net operating cash flows for each asset group do not exceed the carrying value of the operating lease asset and the carrying value of deposits for the option to acquire a vessel including expenses and interest, management proceeds to perform step two of the impairment assessment.

Navios Logistics operating lease assets are assessed for impairment along with the group of assets to which they belong. No such impairment loss was recognized for any of the years presented.

- (x) **Treasury Stock:** Treasury stock is accounted for using the cost method. Excess of the purchase price of the treasury stock acquired, plus direct acquisition costs over its par value is recorded in additional paid-in capital.
- (y) **Trade Accounts Receivable:** The amount shown as accounts receivable, trade, at each balance sheet date, includes receivables from charterers for hire, freight and demurrage billings, net of an allowance for credit losses. At each balance sheet date, all potentially uncollectible accounts are assessed individually for purposes of determining the appropriate allowance for credit losses.

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- (z) **Cumulative Redeemable Perpetual Preferred Stock:** The Company's American Depositary Shares, Series G ADSs and the American Depositary Shares, Series H ADSs were recorded at fair market value on issuance. Each of the shares represents 1/100th of a share of the Series G ADSs, with a liquidation preference of \$2,500.00 per share (\$25.00 per American Depositary Share). Dividends were to be payable quarterly in arrears on the Series G ADSs at a rate of 8.75% per annum and on the Series H ADSs at a rate of 8.625% per annum of the stated liquidation preference. At any time on or after January 28, 2019, the Series G ADSs may be redeemed at the Company's option and at any time on or after July 8, 2019, the Series H ADSs may be redeemed at the Company's option (and the American Depositary Shares can be caused to be redeemed), in whole or in part, out of amounts legally available therefore, at a redemption price of \$2,500.00 per share (equivalent to \$25.00 per American Depositary Share) plus an amount equal to all accumulated and unpaid dividends thereon to the date of redemption, whether or not declared. The Company has accounted for these shares as equity. On February 8, 2024, the Company delisted its Series G ADSs and Series H ADSs from the NYSE.
- (aa) **Convertible Debenture and Series I Preferred Stock:** Concurrently with the refinancing of existing debt with NSM, Navios Holdings entered into a convertible debenture assigned to NSAC (the "Convertible Debenture") covering certain payments under the loans with NSM including an upfront fee of \$24,000, accrued interest, and prepayment fees. NSAC had the option to convert any portion of the outstanding balance under the Convertible Debenture into shares of common stock of Navios Holdings pursuant to an agreed-upon mechanism. In accordance with the terms of the Convertible Debenture, on January 3, 2022, Navios Holdings issued 1,000 shares of preferred stock (the "Series I Preferred Stock"), which have no voting and no economic rights. The Convertible Debenture was deemed to be a single liability instrument at inception under ASC 480, as the preferred shares embody an unconditional obligation that the issuer may settle by issuing a variable number of its equity shares with a monetary value that is determinable. Payments/PIK to holders are reported as interest cost and accrued but not-yet-paid payments increase the balance of the Convertible Debenture. On January 9, 2024, the Company transferred 3,183,199 common units of Navios Partners owned by the Company and its subsidiaries in partial prepayment and satisfaction of an \$81,140 portion of the Convertible Debenture. The Convertible Debenture, which was accounted for under ASU 2020-06 (Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity's Own Equity (Subtopic 815-40)), amounts to \$51,968 and \$123,658 as of December 31, 2024 and 2023, respectively, and is presented under the caption "Convertible debenture payable to affiliate company" in the consolidated balance sheets.
- (ab) **Investments in Equity Securities:** Navios Holdings evaluates its investment in Navios Partners for OTTI on a quarterly basis. Consideration is given to (i) the length of time and the extent to which the fair value has been less than the carrying value, (ii) the financial condition and near-term prospects of Navios Partners, and (iii) the intent and ability of the Company to retain its investment in Navios Partners for a period of time sufficient to allow for any anticipated recovery in fair value. If the Company considers any decline to be "other-than-temporary", then the Company would write down the carrying amount of the investment to its estimated fair value.
- (ac) **Financial Instruments and Fair Value:** Guidance on Fair Value Measurements provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level I measurements) and the lowest priority to unobservable inputs (Level III measurements).

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. In determining the appropriate levels, the Company performs a detailed analysis of the assets and liabilities that are subject to guidance on Fair Value Measurements.

**(ad) Recent Accounting Pronouncements:**

*Adoption of new accounting pronouncements:*

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses". The standard is intended to require more detailed disclosure about specified categories of expenses (including employee compensation, depreciation, and amortization) included in certain expense captions presented on the face of the income statement. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. The amendments may be applied either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to all prior periods presented in the financial statements. The Company is currently assessing the impact this standard will have on its consolidated financial statements.