MINOAN LINES SHIPPING S.A.

Annual Financial Report of the year 2021 (1/1 – 31/12/2021)

TRANSLATED FROM THE GREEK ORIGINAL

(In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document)

Shipping Societe Anonyme
Company's No in the General Electronic Commercial Registry: 77083027000
17, 25th August Str.–71 202 Heraklion–Crete

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The amounts of the annual financial report are presented in thousands of € unless explicitly stated otherwise.

Any last digit discrepancies are due to rounding of the figures.

The Annual Financial Report has been approved by the Board of Directors meeting on 12/04/2022.

Annual Report of the Board of Directors on the financial statements of the year 2021 (1/1 – 31/12/2021)

This report refers to the annual consolidated Financial Statements and to the separate financial statements for the year 2021 and has been prepared in accordance with legislation in force (art.150&153 law 4548/2018).
The amounts mentioned are in thousands of euros, unless it is clearly stated differently.

Significant events for the year 2021 – Effect on Financial Statements

It should be emphasized that the COVID-19 novel coronavirus, which has a global as well as a domestic effect on the economy and the society, affected the achievement of the corporate targets of the Company with a lower force than 2020.
The covid-19 pandemic, which started showing its widespread effects in March 2020, proved to be really hard to be restrained during 2021. Moreover the sporadic waves of the pandemic and the failure of the science to control them has led many countries, including Greece, as well as state organizations, to keep the drastic measures taken in 2020 to contain it.
Such measures have already caused and are likely to further cause, reduced commercial activity and affect many business sectors, including the ferry shipping sector where the Company operates, both at a local as well as at a global level.
Effective from January 1, 2021, the Group changed its estimate of the useful lives of its conventional ro-pax vessels (excluding the high speed catamaran), from 35 years to 30 years, being also in compliance with Grimaldi Group policies. This change in estimates is also in compliance with Grimaldi Group policies. The effect of this change in current year depreciation expense amounted to € 6.000 approximately , and absent significant vessel upgrades in subsequent periods, is expected to have a similar effect in future fiscal years. Respectively, the results of the year were equaly decreased by this amount.

Traffic Volumes

The Company for the entire year was active in the "Piraeus-Heraklion" route and “Piraeus-Souda, Chania” route, while it was continued the seasonal route “Heraklion-Cyclades”.
Finally, the Company, as to upgrade its services to the passengers, from July to the end of the high touristic season extended the ferry route "Piraeus-Heraklion" by including the island of Milos, Cyclades as an intermediate destination for a certain number of voyages.
Despite the fact that the pandemic was still present the vaccination of the public and the common opinion that especially at summer when the tempetures are much higher and it is easier to stay outside with distance and safe, led a lot of people to travel more compared to 2020.
At the above mentioned active routes were handled by the Company’s fleet 724 thousand passengers, 162 thousand cars/motos and 82 thousand trucks, during 2021 (541, 117 and 69 the respective figures for 2020).

Consolidated Balance Sheet & Financial Results

In the following table are presented the subsidiary company which, together with the Company, is included in the consolidated financial statements and the consolidation method:

Name	Consolidation Method	Headquarters	% Interest	
			2021	2020
Minoan Italia S.p.A.	Full	Palermo - Italy	100%	100%

The above subsidiary remains in business inactivity and its share in the sales of the Group is zero, as in the previous year. Its contribution to the consolidated results for the year 2021 is negative and amounts to € 976, while it was also negative for € 2,229 in 2020.

The most important items of the consolidated Statement of financial position and Statement of profit or loss and other comprehensive income are presented below:

(amounts in thousands of €)

	2021	2020	Change €
Statement of financial position – key figures			
Non – Current Assets	233,270	247,782	-14,512
Current Assets	30,970	32,846	-1,876
Equity	237,239	256,029	-18,790
Total Liabilities	27,001	24,599	2,402
Statement of comprehensive income – key figures			
Continuing operations			
Revenue	**67,679**	**57,456**	**10,223**
Cost of sales	74,101	61,334	12,767
Selling and Administrative Expenses	13,686	13,729	-43
Profit of the year before interest, taxes, depreciation and amortization (E,B,I,T,D,A,)	**1,492**	**2,214**	**-722**
Net Financial and Investing Results [Expenses]	-324	-792	468
(Loss) of the year after taxes from continuing operations	**-18,687**	**-15,420**	**-3,267**
(Loss) of the year after taxes	**-18,687**	**-15,420**	**-3,267**

Note: The above financial data derive directly from the Consolidated Financial Statements

- The "Non-Current Assets" reached € 233,270 against € 247,782 on 31/12/2020, decreasing by € 14,512 mainly due to the accumulated depreciation of the year.
- The "Current Assets" decreased by € 1,876 and reached € 30,970 against € 32,846 on 31/12/2020.
- The "Equity" decreased by € 18,790 and reached € 237,239 against € 256,029 on 31/12/2020. This change is due to the current year's negative result and the positive effect of staff termination indemnities due to the change in accounting policy.
- The "Total Liabilities" reached € 27,001 against € 25,455 on 31/12/2020, increasing by € 2,402. This result comes from the increased cost of sold goods as justified below.

The Group's financial performance from continuing operations was affected mainly by the widespread effects of covid-19 pandemic that they were still present during 2021 combined with the failure of the science to completely cure it. On the other hand the significally high percentage of the public that was vaccinated supported by the fact that during summer the high temeratures help to stay outside safer, had as a result many to travel. Analytically :

- The "Revenues" from continuing operations increased by € 10,223 and reached € 67,679 against € 57,456 in year 2020.
- The "Cost of Sales" likewise were increased by € 12,767 and reached € 74,101 against € 61,334 in year 2020. This change was higher than the growth of revenue though.
- The "Selling and Administrative Expenses" showed reduction of € 43, as a result from actions planned with caution by the Group, in an attempt to restrain the losses coming from reduced revenues due to covid-19 pandemic. They reached € 13,686 compared to € 13,729 of year 2020.
- Due to the reasons mentioned above, the Operating results before tax, depreciation, financing and investing costs (E.B.I.T.D.A.) from continuing operations, even though they are decreased by € 722 compared to 2020 ones, they are still profitable at the amount of € 1,492.
- The "Net Financial and Investing Results [Expenses]" show an increase compared to those of 2020 fiscal year reaching € -324 against € -792 (change of € 468).

Taking into consideration all the above, the "Net Results after Taxation" from continuing operations reached loss of € 18,687 against a loss of € 15,420 in previous year.

Financial Ratios

The main financial ratios of the Group are presented here below:

(amounts in thousands of €)

	2021	2020
General Liquidity Total Current Assets Total short term liabilities	**1.20**	**1.39**
Immediate Liquidity Total Current Assets – Inventories Total short term liabilities	**0.98**	**1.20**
Debt–equity Ratio Equity Total Liabilities	**8.79**	**10.41**

- General Liquidity ratio assesses the entity's capacity to serve its current liabilities and it is derived from Group's balance sheet relevant figures.
- The Quick ratio shows how many times the direct liquidate items covers the current liabilities and arises from the Group's balance sheet relevant figures.
- Debt-Equity Ratio presents the capital structure and the relation between the Equity and Long & Short term liabilities. The said ratio derives from the relevant figures of the Group's balance sheet.

Balance Sheet & Financial Results at Stand Alone basis

The most important items of Company's Statement of financial position and Statement of profit or loss and other comprehensive income, prepared in accordance with I.F.R.S., are presented below:

	2021	2020	Change €
Statement of financial position – key figures			
Non – Current Assets	234,455	254,222	-19,767
Current Assets	24,656	22,110	2,536
Equity	233,446	252,177	-18,731
Total Liabilities	25,665	24,155	1,510
Statement of comprehensive income – key figures			
Continuing operations			
Revenue	**67,679**	**57,456**	**10,223**
Cost of Sales	74,263	61,292	12,971
Selling and Administrative Expenses	13,126	13,167	-41
Profit of the year before interest, taxes, depreciation and amortization (E.B.I.T.D.A.)	**2,315**	**4,451**	**-2,136**
Net Financial and Investing Results [Expenses]	-1,171	-2,024	853
(Loss) of the year after taxes from continuing operations	**-18,874**	**-14,373**	**-4,501**
(Loss) of the year after taxes	**-18,874**	**-14,373**	**-4,501**

Note: The above financial data derive directly from Company's (stand-alone) Financial Statements

Subsequent Events

There are no other events, which took place after the statement of financial position date as of 31/12/2021, that might arise an adjustment or disclosure, in the Parent or Group financial statements in accordance with International Financial Reporting Standards.

Prospects for the year 2022

The covid-19 novel coronavirus, which has a global as well as a domestic effect on the economy and the society, will affect the achievement of the corporate targets of the Company. The situation with covid-19 pandemic, which started showing its widespread effects in March 2020, may be much better compared with what was happening about a year ago, but on the other hand the circumstances with scientists to fail to fully control the virus or some sporadic waves of it that take place, remind to everybody that covid is still out there.
The withdrawl of strict measures the gonvernments had to take causing reduced commercial activity and affect many business sectors, including the ferry shipping sector where the Company operates, both at a local as well as at a global level along with the public feeling of safety that has been restored in a significant degree, are expected to boost up the markets and especially the tourism.The extent the above mentioned factors will affect the Company at the moment cannot by reasonably ascertained. As a result, any precise estimation of such effect ts cannot be done with safety and precision. In any case it is estimated that the evolution of the vaccination of the population both inside the country and rest of the world too, in combination with the restoration of the feeling of health security and the gradual opening of the markets with the absence of travel limitations/restrictions, will contribute significantly to the improvement of the existing conditions.
Due to the nature of the Company, the sensitivity of fuel prices has always been a significant factor, linked with a straight line to Company's financial results. These days with fuel prices reaching extremely high levels, the investment the Company completed in 2019 installing scrubbers at the three conventional vessels of its fleet, provide a big advantage against competition.
In addition to these, the hostilities that broke out in the region of Ukraine and the generalized conflict in which the countries of Ukraine and Russia are now involved, is another element that is expected to affect the development of things on a global scale. The energy crisis, as well as fears of being evolved to a food crisis, since Russia is one of the main suppliers of basic necessities and raw materials in general, mainly in Europe, is an another factor that can certainly not be predicted.
In all respects, it is estimated that Company's financial performance will be determined by the level of Greece's growth rate, which depends on the political and social stability, the intensity of competition among coastal shipping companies, the fluctuation of fuel prices, and also, the evolution of tourism which is affected by the geostrategic developments in the region.
The Management of the Company and the Group is closely monitoring all the above in order critical decisions to be taken in time. Based on Management's current estimations, the Company and the Group believe that the estimated cash flows from operations in 2022, together with the liquidity the Company has secured, will be sufficient to enable the Company address the negative effects of all the above factors in the foreseeable future.

Corporate Business Model – Main Strategic Goals

Minoan Lines provides maritime transport services contributing to the development of domestic and international tourism & commerce. Company's fleet is composed with vessels which can transport passengers, cars and also trucks. In addition, the Company provides agency services in Adriatic market. Main concern and absolute priority is the constant improvement of services provided to customers and the building of strong and long term relationships with loyal customers, based on the principles of quality and reliability.
The management of Minoan Lines focuses on the application of the following policies:

- Maintain and enhance the leading position in the markets that the company operates
- Invests in modern vessels technologically advanced.
- Provides high-level quality services giving special importance in matters related to safety, security and comfort.
- Continuous improvement and quality upgrade of services provided, according to market standards and expectations, in order to achieve a high-level customer satisfaction.
- Achievement of strong customer loyalty.
- Pursue new growth expansion opportunities in the Aegean Sea region.

Minoan Lines' main objectives are the following:

- Optimal operational level of the fleet.
- Strong, competitive performance of invested capital
- On-going healthy financial structure
- Long-term corporate value enhancement
- Exploit of arising opportunities for further development of coastal shipping operations.
- Improve competitive position in Greek coastal shipping market.

Quality Policies

The long-lasting presence of Minoan Lines in Passenger Coastal Shipping, the applied strict policies about quality issues, the fully trained personnel as well as the investments in high standard vessels have led the Company to provide high level services. Within this framework, the Company has achieved to excel, receiving critical certifications and accepting important awards from established international and domestic organizations:
ISO 9001:2015, Quality Management System, issued for «Safe and Quality Transport of Passengers and Vehicles" by international classification society RINA.
ISO 22000:2005, Safe Food Management System for storage, process and service of food and beverages in vessels, issued by TÜV Hellas.
ISM-Code (International Safety Management) and ISPS-Code (International Ship and Port Facility Security), issued by certification society RINA.
HACCP certificate (Hazardous Analysis Critical Control Point), issued by TÜV HELLAS (member of RWMTÜV Group) for securing health standards in the storage, production and consumption of food and beverages in ships.
Environmental Management System ISO 14001:2004, issued by certification society RINA.
ISO 27001:2013, Information Security Management System, to manage and secure sensitive Company Information - in final stage for certification.
GDPR.
Minoan Lines is fully complied with the GDPR Regulation (EU Regulation 2016/679).
The above certifications awarded to the Company confirm the strict regulations and procedures followed in the ships and also by Company's staff ashore. It should be stated that these certifications are awarded by independent competent inspectors after thorough relevant on-site inspection.

Environmental Issues

Minoan Lines, alongside its dynamic development in the field of shipping, recognizes its responsibility for environmental protection as well, emphasizing and prioritizing on energy management issues.
In compliance to the requirements of MARPOL, the Regulation (EU) 2015/757 of the European Parliament and of the Council on the monitoring of carbon dioxide emissions and to the Ship Energy Efficiency Management Plan, the company adopted innovative methods of improving the energy efficiency of its ships.

Human Resource

The Company believes that the personality of each employee contributes significantly to its success, as a company of high reputation in coastal shipping sector and it aims to employ persons with suitable skills (talents) intending to keep high standard of the services both on land and on board.
The Company co-operates with the most important educational institutions through their career offices and frequently employs students and provides equal opportunities and fair treatment at the employment irrespective of age, sexual orientation, race, nationality, religion or beliefs.
The promotion of the equality and of equal opportunities in the sector of employment constitutes the main goal of the Company and it is applied on all levels of the administrative pyramid. The candidates for each department, administrative position, or supervisory body should have the suitable skills, qualifications, knowledge and experience in the sector or the department of their employment. Furthermore, the Company invests in the training of its employs with the aim to their continuous improvement as well as their professional development, while the rights of the employees are fully respected and protected.
The promotion of the principle of equality in the work place for all the participants, irrespective of their personality traits or/and choices in combination with the continuous training and the code ethics of the Company which includes, among others, principles such as quality, transparency, responsibility, respect, innovation, contribute to the upgrade of the provided services and the overall optimization of the performance of the human resources of the Company.
The Company believes in handling people with respect and dignity, both as individuals and as part of the human resources.

Personnel Employed in 2021:

Departments in land → 135 employees.
Crew in ships →284 seamen.

Health and Safety

Safety in the work place is Minoan Lines' first priority. All necessary measures are taken to prevent and to avoid accidents, and also best practices are implemented as to detect and face any possible dangers for the health and safety of the employees as well as of the customers and partners that visit Company' establishments.

The Company has also implemented mechanisms aiming to improve the work conditions and ensure the health and safety personnel.

Branches

The Company for effectively conducting its operations, besides the central offices at Heraklion, Crete, it has established branches within the ports of Heraklion, Souda-Chania, Igoumenitsa and Piraeus, as well as in the cities of Piraeus and Athens.

Risks and Uncertainties

The Company and the Group are exposed mainly to the following financial risks which might possibly be affected by the macroeconomic and operating environment as analyzed below.
This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.
The Board of Directors has overall responsibility for the establishment and oversight of the Company's and the Group's risk management framework. The Board has delegated authority to the finance division for monitoring of financial risks. The Company's and Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks, adherence to limits and to hedge such risk depending on the prevailing market conditions each period of time. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Cash and cash equivalents are also elements with high credit risk as the current conditions in Greece exert considerable pressure on domestic banks. In order for the risk to be reduced, the Company's and Group's cash and cash equivalents are only deposited for a short amount of time.

Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units and vessels' chartering. Hence, the Company's customer base is analyzed as follows:
a) Those with professional collaboration such as:
• Travel Agents
• Central Agents
• Cargo Companies
• Cargo Owners
• Car rental companies
• Shipping Companies
b) Individuals-Passengers
There are ongoing efforts to attract more potential customers (in all the above categories) in order to enhance sales and develop the Company's customer base. Under the Company's set credit policy, every new customer is analyzed individually for creditworthiness before the Company's standard payment and credit terms and conditions are offered. The Company constantly monitors the balance of its clients and examines the prospect of forming provisions. Hence, a possible failure of the clients to meet their obligations, may affect the Company's results through the creation of relevant provisions.

Liquidity risk

The liquidity risk is referred to the Company's or the Group's ability to meet their financial obligations as they fall due.The approach adopted by the Company and the Group regarding liquidity management is to ensure the necessary liquidity to meet their liabilities when due. Therefore, it has ensured an appropriate combination of cash, cash equivalents and approved bank credits.
On 31/12/2021 the Group's cash and cash equivalents amounted to € 7,986 while on 31/12/2020 amounted to € 9,735. Furthermore, the Group maintains credit line with commercial bank, which as of 31/12/2021 and 31/12/2020 amounted to € 7,000, which it was unused, it ends 31/12/2022 as it is already renewed. The interest charged on the credit line is based on the EURIBOR rate and the bank's margin. Moreover, a lien has been registered on two of the Company's properties. Considering that the available bank credit balance, the lack of debt obligations and the level of the Group's cash balance, the Management is in a position to claim the non–existence of liquidity risk in the foreseeable future.

Market conditions risk

A common feature of a perfectly competitive market is the freedom of entry and exit. Thus, the deliberate routes in which the Company operates are highly competitive. The effort for growth and increase of each company's market shares could possibly create an overwhelming competition reflected to the financial results of the sector. In this respect the Company, in cooperation with the overlying parent company's Group, reschedules its itineraries seeking efficiency and profit while remaining competitive in terms of pricing, and also, maintains branches in Greece and abroad. A possible intensification of the market conditions in the routes the Company operates could lead to adverse impacts on its operating results, cash position and financial performance. The Company, in cooperation with the overlying parent company's Group, monitors closely the above mentioned competition and acts accordingly.

Currency risk

Considering the fact that all transactions performed abroad are mainly in the Euro currency, after the adoption of the common European currency, the company's foreign exchange risk is almost eliminated.
Indirectly, the Company is exposed to currency risk from the bunkers supplies.

Interest rate risk

Following the full repayment of the Group's borrowings within 2018, the exposure to interest rate risk has been almost eliminated and exists only for cash and cash equivalents.

Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain shareholder, creditor and market confidence and to sustain future development of the business.
The Board of Directors monitors the return on invested capital, aiming to its maximization so as to ensure the distribution of dividends according to the relevant legislation and meeting the Group's commitments.

Supply chain

The Company has developed a supply chain in order to serve both the needs for its marine operation (fuel supplies, spare parts, etc.) as well as the needs of its hotelier business (stores, restaurants and bars). No particular difficulty or delay in the supply of goods and services has been observed. In addition, the long-term cooperation and the trust relationship that has been developed amongst the Company and its suppliers facilitate all parties to overcome any difficulty that may arise.

Fuel prices

The main risk in which the Company is exposed is the sensitivity of fuel prices. Due to the nature of the sector and as fuel cost is the most significant part of cost of sales, the Company is exposed to the said risk. Moreover, the Company considers several financial derivatives' strategies that could be used accordingly in case the proper situation arises. An increase of the ticket prices could decrease the exposure.

Environmental risk

The Company attributes great attention to environmental issues. In this context, being aware of how important it is to safeguard and to protect the environment from human activities, business evolution and technological progress, it has been created an environmental policy, which complies not only with the IMO ISM Code and ISO 14001:2004 but also with the environmental regulatory framework.

Significant transactions among the related parties

The tables below present the most significant transactions among the related parties according to I.A.S. 24 for the year end 2021 and 2020 respectively:

(amounts in thousands of €)

1/1-31/12/2021				The Company		The Group
	Minoan Lines Shipping S.A.				Minoan Italia S.p.A.	
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Deep Sea S.p.A.	Totals	Grimaldi Group S.p.A. *	Totals
Expenses related to the on board sales (concession fees etc)	-	3,567	-	**3,567**	-	**3,567**
Attributing agency costs	-	-1,765	0	**-1,765**	-	**-1,765**
Bunkers cost	-	-	-	**0**	-	**0**
Other expenses	2	207	-	**209**	24	**234**
Proceeds from sale of tangible assets	-	0	-	**0**	-	**0**
Totals	**2**	**2,009**	**0**	**2,011**	**24**	**2,036**
Revenue from crew coat reduction	-	472	-	**472**	-	**472**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	15	5,674	0	**5,689**	-	**5,689**
Revenue related to the on board sales	-	272	-	**272**	-	**272**
Chartering revenue	-	0	-	**0**	-	**0**
Revenue from bunker disposal	-	0	-	**0**	-	**0**
Other revenue	-	1	-	**1**	-	**1**
Proceeds from sale of tangible assets	-	0	-	**0**	-	**0**
Totals	**15**	**6,419**	**0**	**6,434**	**0**	**6,434**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

1/1-31/12/2020				The Company		The Group
	Minoan Lines Shipping S,A,				Minoan Italia S,p,A,	
company	Grimaldi Group S,p,A, *	Grimaldi Euromed S,p,A,	Grimaldi Deep Sea S,p,A,	Totals	Grimaldi Group S,p,A, *	Totals
Expenses related to the on board sales (concession fees etc)	-	4,649	-	**4,649**	-	**4,649**
Attributing agency costs	-	-4,048	-19	**-4,067**	-	**-4,067**
Bunkers cost	-	-	-	**0**	-	**0**
Other expenses	8	349	-	**357**	24	**381**
Proceeds from sale of tangible assets	-	71,321	-	**71,321**	-	**71,321**
Totals	**8**	**72,271**	**-19**	**72,260**	**24**	**72,284**
Revenue from crew coat reduction	-	577	-	**577**	-	**577**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	18	5,564	6	**5,588**	-	**5,588**
Revenue related to the on board sales	-	2,158	-	**2,158**	-	**2,158**
Chartering revenue	-	661	-	**661**	-	**661**
Revenue from bunker disposal	-	149	-	**149**	-	**149**
Other revenue	-	20	-	**20**	-	**20**
Proceeds from sale of tangible assets	-	72,563	-	**72,563**	-	**72,563**
Totals	**18**	**81,692**	**6**	**81,716**	**0**	**81,716**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

(amounts in thousands of €)

The aforementioned transactions were made at arm's length.

Here below the most significant outstanding balances on 31/12/2021 and on 31/12/2020 between the related parties are presented:

31/12/2021					**The Company**		**The Group**
	Minoan Lines Shipping S.A.					**Minoan Italia S.p.A.**	
company	**Grimaldi Group S.p.A. ***	**Grimaldi Euromed S.p.A.**	**Grimaldi Deep Sea S.p.A.**	**Grimaldi Logistica Espana S.L.**	**Totals**		**Totals**
due from	155	0	0	0	**155**		**155**
payable to	0	7,264	9	0	**7,273**		**7,273**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

31/12/2020					**The Company**		**The Group**
	Minoan Lines Shipping S,A,					**Minoan Italia S,p,A,**	
company	**Grimaldi Group S,p,A, ***	**Grimaldi Euromed S,p,A,**	**Grimaldi Deep Sea S,p,A,**	**Grimaldi Logistica Espana S,L,**	**Totals**		**Totals**
due from	107	0	87	0	**194**		**194**
payable to	0	6,847	0	15	**6,862**		**6,862**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

Compensations to Directors and members of the Board of Directors

The short-term compensations of the Company to Directors and members of the Board of Directors for the years 2021 and 2020 are presented on the table below:

	31/12/2021	**31/12/2020**
Executive directors	417	414
Non – executive directors	325	324
Management	1,113	1,573
Totals	**1,855**	**2,311**

Of the total remunerations above, an amount of € 82 remains unpaid as of 31/12/2021 and 31/12/2020 too. Moreover, during the year ended 31/12/2021, the Company concluded no commercial transactions with entities owned by BoD members compared to last year's € 4, while as of 31/12/2021 from such transactions an amount of € 164 was receivable compared to last year's € 176 receivable.
Finally, during the year ended 31/12/2021, transactions with relatives of the management and of executives amounted to € 220, compared to € 177 of previous year, while as of 31/12/2021 it was unpaid the amount of € 28 (the relative amount of 2020 was € 18). The nature of these transactions was mainly labour (payroll/dismissal allowances) and commercial cooperation (compensation for goods and services received).

Structure of the Company's share capital

The Company's share capital amounted € 240,705,112.50 on December 31st, 2021 and it is split into 106,980,050 ordinary shares with a nominal value of € 2.25 each. Each share carries all the rights and obligations set out in law.

Heraklion, April 12th 2022
For and on Behalf of the Board of Directors

The Chairman of the B.o.D.	The Managing Director
Emanuele Grimaldi	Antonios Maniadakis
Pass No IT / AA 2179472	ID C No AO 973960

Annual Financial Statements (stand alone and consolidated) as of December 31st, 2021

In accordance with International Financial Reporting Standards

TRANSLATED FROM THE GREEK ORIGINAL

(In the event that differences exist between this translation and the original Greek language financial statements, the Greek language financial statements will prevail over this document)

The accompanying Financial Statements on pages below have been approved by the Board of Directors meeting on 12/04/2022.

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The amounts of the annual financial statements are presented in thousands of € unless explicitly stated otherwise.

Any last digit discrepancies are due to rounding of the figures.

STATEMENT OF PROFIT or LOSS and OTHER COMPREHENSIVE INCOME (amounts in thousands of €)

		The Group		The Company	
	Note	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Continuing operations					
Revenue	4	67,679	57,456	67,679	57,456
Cost of sales	5	-74,101	-61,334	-74,263	-61,292
Gross Profit of the year		**-6,422**	**-3,878**	**-6,584**	**-3,836**
Selling expenses	6,25	-8,632	-8,535	-8,632	-8,535
Administrative expenses	7,25	-5,054	-5,194	-4,494	-4,632
Other operating income	8	2,691	5,108	2,212	4,694
Other operating expenses	9	-946	-2,129	-205	-40
Operating (Loss) / profit of the year before financing costs		**-18,363**	**-14,628**	**-17,703**	**-12,349**
	14				
Impairment loss on non-current assets	10	0	-716	-1,000	-1,940
Finance income	11	96	136	90	128
Finance expenses		-420	-212	-261	-212
Net finance results		**-324**	**-76**	**-171**	**-84**
Dividend income from participations		0	0	0	0
(Loss) / profit of the year before taxes		**-18,687**	**-15,420**	**-18,874**	**-14,373**
Income tax		0	0	0	0
(Loss) / profit of the year after taxes from continuing operations		**-18,687**	**-15,420**	**-18,874**	**-14,373**
(Loss) / profit of the year after taxes from dicontinued operations		0	0	0	0
(Loss) / profit of the year after taxes		**-18,687**	**-15,420**	**-18,874**	**-14,373**
Other comprehensive income of the year (B)					
Items that will not be reclassified subsequently to profit or loss					
Actuarial (Loss) / gain	25	36	31	36	31
Total comprehensive income of the year after taxes (A) + (B)		**-18,651**	**-15,389**	**-18,838**	**-14,342**
The (Loss) / profit of the year is attributable to :					
Owners of the parent company		**-18,687**	**-15,420**	**-18,874**	**-14,373**
Non-controlling Interests		0	0	0	0
(Loss) / profit of the year after taxes		**-18,687**	**-15,420**	**-18,874**	**-14,373**
The total comprehensive income of the year is attributable to :					
Owners of the parent		**-18,651**	**-15,389**	**-18,838**	**-14,342**
Non-controlling interests		0	0	0	0
Total comprehensive income of the year after taxes		**-18,651**	**-15,389**	**-18,838**	**-14,342**
Basic Earnings per Share after Taxes (in €)		**-0.1747**	**-0.1441**	**-0.1764**	**-0.1344**

The accompanying notes are integral part of the Annual Financial Statements

STATEMENT OF FINANCIAL POSITION
(amounts in thousands of €)

	Note	The Group 31/12/2021	The Group 31/12/2020	The Company 31/12/2021	The Company 31/12/2020
Assets					
Non – current assets					
Property, plant and equipment	14	218,510	234,079	214,787	230,520
Intangible assets	14	135	127	135	127
Investment property	15	1,029	1,054	1,029	1,053
Investments in subsidiaries	16	0	0	9,000	10,000
Other non-current financial assets	17	93	93	93	93
Other long term assets - receivables	18	13,503	12,429	9,411	12,429
Total non – current assets		**233,270**	**250,541**	**234,455**	**256,735**
Current assets					
Inventories	19	5,728	4,580	5,728	4,334
Trade and other receivables	20	16,219	17,458	14,657	12,934
Other current assets	20	1,037	1,073	1,037	1,073
Cash and cash equivalents	21	7,986	9,735	3,234	3,769
Total current assets		**30,970**	**30,087**	**24,656**	**19,597**
Total Assets		**264,240**	**280,628**	**259,111**	**276,332**
Equity and liabilities					
Equity					
Share capital	22	240,705	240,705	240,705	240,705
Share premium		25,744	25,744	25,744	25,744
Other reserves	23	13,950	13,930	12,846	12,826
Retained earnings		-43,160	-24,350	-45,849	-27,098
Total Equity attributable to equity holders of the parent		**237,239**	**256,029**	**233,446**	**252,177**
Non-controlling interests		**-**	**-**	**-**	**-**
Total Equity		**237,239**	**256,029**	**233,446**	**252,177**
Non – current liabilities					
Loans		0	0	0	0
Deferred tax liabilities		0	0	0	0
Retirement benefit obligations	25	429	471	429	471
Proceeds from state aid / repayable advances		578	350	578	350
Other provisions		180	180	180	180
Total Non – current liabilities		**1,187**	**1,001**	**1,187**	**1,001**
Current liabilities					
Bank overdrafts		0	0	0	0
Personnel's cost of settlement	25	90	200	90	200
Income tax obligations		0	0	0	0
Contractual obligations	26	6,287	3,485	4,951	3,078
Trade and other payables	26	19,437	19,913	19,437	19,876
Total Current liabilities		**25,814**	**23,598**	**24,478**	**23,154**
Total Liabilities		**27,001**	**24,599**	**25,665**	**24,155**
Total Equity and Liabilities		**264,240**	**280,628**	**259,111**	**276,332**

The accompanying notes are integral part of the Annual Financial Statements

COMPANY STATEMENT OF CHANGES IN EQUITY
(amounts in thousands of €)

The accompanying notes are integral part of the Annual Financial Statements

	Note	Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
Balance as at 1/1/2020		**240,705**	**25,744**	**12,812**	**-13,604**	**265,657**
IFRS 19 adjustments	25				862	**862**
Changes in equity 1/1 – 31/12/2020						
Profit of the year after taxes	25				-14,373	**-14,373**
Actuarial (Loss)	25			14	**17**	**31**
Other comprehensive income of the year						**0**
Total comprehensive income of the year after taxes				**14**	**-14,356**	**-14,342**
Balance as at 31/12/2020		**240,705**	**25,744**	**12,826**	**-27,098**	**252,177**
Adjusted Balance as at 1/1/2021		**240,705**	**25,744**	**12,826**	**-27,098**	**252,177**
IFRS 19 and spare parts adjustments	25,19			-16	123	**107**
Changes in equity 1/1 – 31/12/2021						
(Loss) of the year after taxes	25				-18,874	**-18,874**
Actuarial (Loss)	25			36		**36**
Other comprehensive income of the year						**0**
Total comprehensive income of the year after taxes				**36**	**-18,874**	**-18,838**
Balance as at 31/12/2021		**240,705**	**25,744**	**12,862**	**-45,972**	**233,446**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(amounts in thousands of €)

	Note	Attributed to owners of the parent company				
		Share Capital	Share Premium	Other Reserves	Retained Earnings	Total Equity
Balance as at 1/1/2020		**240,705**	**25,744**	**13,916**	**-9,809**	**270,556**
IFRS 19 adjustments	25				862	**862**
Changes in equity 1/1 – 31/12/2020						
(Loss) of the year after taxes	25				-15,420	**-15,420**
Actuarial (Loss)	25			14	17	**31**
Other comprehensive income of the year						**0**
Total comprehensive income of the year after taxes				**14**	**-15,403**	**-15,389**
Balance as at 31/12/2020		**240,705**	**25,744**	**13,930**	**-24,350**	**256,029**
Adjusted Balance as at 1/1/2021		**240,705**	**25,744**	**13,930**	**-24,350**	**256,029**
IFRS 19 and spare parts adjustments	25,19			-16	-123	**-139**
Changes in equity 1/1 – 31/12/2021						
(Loss) of the year after taxes	25				-18,687	**-18,687**
Actuarial (Loss)	25			36		**36**
Other comprehensive income of the year						**0**
Total comprehensive income of the year after taxes				**36**	**-18,687**	**-18,651**
Balance as at 31/12/2021		**240,705**	**25,744**	**13,950**	**-43,160**	**237,239**

The accompanying notes are integral part of the Annual Financial Statements

(amounts in thousands of €)

STATEMENT OF CASH FLOWS

Indirect Presentation Method	Note	The Group 1/1-31/12/2021	The Group 1/1-31/12/2020	The Company 1/1-31/12/2021	The Company 1/1-31/12/2020
Cash Flows from Operating Activities					
Profit of the year before taxes		**-18,687**	**-15,420**	**-18,875**	**-14,373**
Plus / Less adjustments for:					
Net depreciation	14,15	19,854	16,819	20,017	16,777
Impairment loss on non-current assets	16	0	2,805	1,000	1,940
Provisions		276	158	276	158
Net Foreign Exchange losses		0	-29	1	-29
(Gain) / loss from disposal of subsidiaries					
(Income), (gains) from investing activities		246	-36	1	-36
Interest and other financial expenses		420	212	262	212
Adjustments for changes in working capital or operating activities					
Decrease / (Increase) in inventories		-1,394	663	-1,394	663
Decrease / (Increase) in trade and other receivables		44	5,011	1,330	5,427
(Decrease) in liabilities other than borrowings		1,774	-5,830	1,128	-6,225
Less :					
Refundable state payment in advance		228	350	228	350
Interest and related expenses paid		-263	-212	-262	-212
Income taxes paid		0	0	0	0
Net cash generated by operating activities (a)		**2,498**	**4,491**	**3,712**	**4,652**
Cash Flows from Investing activities					
Participation in share capital increases of other investments		0	0	0	0
Proceeds from state aid / repayable advances		0	0	0	0
Purchase of tangible and intangible assets		-4,269	-4,660	-4,269	-4,660
Proceeds from sale of tangible and intangible assets		0	0	0	0
Procceds from sale of non-current financial assets		0	0	0	0
Advance proceeds for sale of tangible and intangible assets		0	0	0	0
Dividends received		0	0	0	0
Net cash generated by / (used in) investing activities (b)		**-4,269**	**-4,660**	**-4,269**	**-4,660**
Cash Flows from Financing activities					
Net proceeds from share capital increase		0	0	0	0
Proceeds from loans		0	0	0	0
Repayment of long/short term borrowings		22	0	22	0
Repayments of liabilities from financial leases (amortization)		0	0	0	0
Dividends paid		0	0	0	0
Net cash (used in) financing activities (c)		**22**	**0**	**22**	**0**
Net Increase in cash and cash equivalents(a) + (b) + (c)		**-1,749**	**-169**	**-535**	**-8**
Cash and cash equivalents at the beginning of the year		**9,735**	**9,904**	**3,769**	**3,777**
Cash and cash equivalents at the end of the year		**7,986**	**9,735**	**3,234**	**3,769**

The accompanying notes are integral part of the Annual Financial Statements

(amounts in thousands of €)

Notes to the annual financial statements of the year 2021 (1/1 – 31/12/2021)

1. General Company's information

The Company was established on May 25th 1972 (FEK 939–25/5/1972), is based in the Municipality of Heraklion–Crete and its discrete name is "MINOAN LINES". It operates in the Ferry shipping sector both in Domestic and International sea routes.
As at 31/12/2021 and 31/12/2020 the total number of ordinary shares outstanding was 106,980,050. Every share carries one voting right.
From 2008, the majority of the Company's shares are held by "Grimaldi Group S.p.A", a member of the Grimaldi Group which is based in Palermo – Italy and became overlying parent company which has control of both the Company and the Group.
The General Shareholders' Meeting elects the Board of Directors which consists of 7–9 members. The current structure of the Board of Directors is comprised by nine (9) members, who were elected by the General Shareholders' Meeting held on 22/6/2017. On 31/12/2021, two (2) members of the board were executive, five (5) were non–executive and two (2) were non–executive–independent members.
The Annual Financial Statements for the year ended 31/12/2021 include the Company and consolidated financial statements (the "Financial Statements") and were approved by the Board of Directors meeting on 12/04/2022, while are subject to the final approval by the Shareholders' Annual General Meeting. The consolidated financial statements include the Company and its subsidiary (the Group).
The subsidiary that is included in the consolidated financial statements and the ownership interest that the parent company holds, directly or indirectly, is outlined in the table below:

company	Consolidation Method	Headquarters	% Interest 2021	% Interest 2020
Minoan Italia S.p.A.	Full	Palermo – Italy	100%	100%

For this reason, no third party (minority) rights are calculated.

2. Basis of preparation of the Financial Statements

2.1 Statement of Compliance & Going Concern

The financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board and adopted by the European Union.

Going Concern

Despite the continuous losses, these financial statements have been prepared on the basis that the Group operates as a going concern which implies that it takes all necessary measures and proceeds to all the necessary actions and negotiations in order to has sufficient financial resources to meet its financial and operating obligations for the foreseeable future. More specifically, the Group through the measures taken by the Management in the previous years as well as in the current year continutes to generate positive EBIDTA. The decision made from 2019 to install on all ships of the Group special systems for the retention of harmful substances in the atmosphere / exhaust filters (scrubbers), allowed the consumption of cheaper fuel compared to what Ships that have not installed such filters must consume (according to relevant instruction of the International Maritime Organization (IMO) with validity from 01/01/2020). The historical high levels of fuel prices they were reached recently, upgrade the above mentioned advantage of the Group. Moreover, the Group has sufficient liquidity, has no debt obligations, while having an open credit line with commercial bank and is fully consistent with its obligations to the Social Security's Organizations, to the Tax Authorities, to its employees and to its suppliers. This fact enables the Group to secure the continuation of its activities or to reduce the risks of unforeseen events, outside the control of the Company and the Group, as mentioned below.

Covid-19, Ukraine war and fuel prices

It should be emphasized that the developments of COVID-19 and the war at Ukraine, which both of them have a global as well as a national effect on the economy and the society, will affect the achievement of the corporate targets of the Company.

The covid-19 pandemic, which started showing its widespread effects in March 2020, has been definitely downgrated compared to what was happening about a year ago. On the other hand the failure of the science up to now to fully control it or find effective medicines to cure it, along with sporadic waves that are hitting from time to time across all world, remind to everybody that things are much better than before, but the battle is not over yet.
In addition to this, the initial hostilities in the wider region of Ukraine, which have now developed into a full-scale and widespread war, is another factor that is expected to affect the economic situation and social balances worldwide. This in combination with the energy crisis and the increase in fuel price, which has intensified with the above events, threatening to develop into a food crisis, is the other factor that will significantly affect the results of the company and the Group.
The extent the wide range of effects from covid-19 and the war in Ukraine might bring at an economic and social level, and the resulting impact on the financial condition of the Company and the Group in 2022, depends on future uncertain events which at the moment cannot by reasonably ascertained. As a result, any precise estimation of such effects cannot be done with safety and precision.

The Management of the Company and the Group is closely monitoring the above described situations and how they evolve, in order to be able to realize in time how this evolution might affect the Group's financial condition. Based on Management's current estimations, the Company and the Group believe that the estimated cash flows from operations in 2022, together with the liquidity the Company has secured, will be sufficient to enable the Company address the negative effects of the aforementioned factors in the foreseeable future.

2.2 Basis of Preparation

The financial statements are prepared on the historical cost basis except of financial assets at fair value either though P&L or through other comprenhensive income which are measured as indicated in note 3.3.1.b.
The amounts of the annual financial statements are presented in thousands of €, unless explicitly stated otherwise. Any last digit discrepancies are due to the rounding of the figures.

2.3 Use of estimates

The preparation of the financial statements in conformity with IFRS requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and underlying assumptions are based on historical experience and various other factors that are considered to be reasonable under the circumstances. The results of the aforementioned estimates form the basis of making decisions about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.
The estimates and underlying assumptions are reviewed on an on – going basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.
Information about significant estimates and critical judgements in applying accounting policies that have significant effect on the financial statements as well as those which involve potential adjustment risks for the next fiscal year or years are as follows:

- Tangible and intangible assets (depreciation/impairment): The Group and the Company must estimate the useful life of property, plant and equipment and intangible assets recognized at acquisition or as a result of a business combination. These estimates are revisited at least on an annual basis taking into account new developments and market conditions.(note 3.5, 14 and 17). A similar estimation is taking place for impairment for potential cases where the recoverable amount is less than the carrying amount in the book records,as formed through the useful life. Effective from January 1, 2021, the Group changed its estimate of the useful lives of its conventional ro-pax vessels (excluding the high speed catamaran), from 35 years to 30 years, mainly as a result of the estimated acceleration in the obsolescence of those vessels, as a consequence of the projected ecological transition, with specific reference to the new fuels used and changes in propulsion systems. This change in estimates is also in compliance with Grimaldi Group policies. The change was accounted for as a change in accounting estimates in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The effect of this change in current year depreciation expense amounted to € 6.000 approximately , and absent significant vessel upgrades in subsequent periods, is expected to have a similar effect in future fiscal years.

- Employee Defined Benefit Obligation: The present value of the liabilities for post-employment benefits depends on a number of factors defined on actuarial basis via the use off a significant number of assumptions. The assumptions used for the determination of the net cost (income) for post-employment benefits include the discount rate. Any changes in the assumption would have material effect on the accounting measurement of the liabilities for post-employment benefits. The Group defines the appropriate discount rate in each reporting period. It is the interest rate applicable for the calculation of the present value of the estimated future payments required for the settlement of the benefit liabilities. For the estimation of the appropriate discount rate the Group takes into consideration the interest rates prevailing in high credit rating corporate bonds denominated in the currency of the benefit payments and with maturity dates similar to the ones of the respective liabilities. Other significant accounting assumptions for post-employment benefit liabilities are based in part on the current market conditions (note 3.12.2 and 25). It should be here stated that the guideline the committee in charge of issues regarding IFRS in Greece (ELTE) issued, in reference with IAS 19, indicates retroactive effect. Following that, all companies complied with the said IFRS, in order to be in line with that, should apply all changes based on a new actuarial study.
- Financial Risk Management: For the adequacy of provisions for doubtful and disputed claims, in relation to credit policy, Management conducts an assessment taking documentation, based on historical data, of its legal advisors handling the cases, the existence of debtors' assets and recent developments (note 3.3.1.a, 18, 20 and 27.2).
- Contingent liabilities: their existence requires the Management conducting durable assumptions and estimates concerning the likelihood of future events and their relative impact on Group results (note 31).

3. Significant Accounting Policies

The significant accounting policies presented below, have been consistently adopted in all periods presented in these financial statements by all companies of the Group.

3.1 Basis of Consolidation

3.1.1 Subsidiaries

Subsidiaries are entities managed and controlled directly or indirectly by the Company. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that are presently are exercisable or convertible are taken into account. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
In the Company's financial statements, investment in subsidiaries is presented at the acquisition cost less any impairment loss.
When the Group sells a subsidiary, this action is measured at its net selling price less cost of disposal, at the date of disposal or when the control is lost, with the change in carrying amount recognized as profit or loss.

3.1.2 Associates

Associates are those entities in which the Company has significant influence, but not control, over their financial and operating policies and do not meet the requirements to consider them as subsidiaries. They are initially recognized at cost plus any goodwill arising on acquisition. In the consolidated financial statements, associates are accounted for using the equity method. The consolidated financial statements include the Group's share of the income and expenses of equity accounted investees, from the date that significant influence commences until the date that significant influence ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee. In the individual consolidated financial statements of the parent company, investments in associates are accounted at cost less any possible impairment.

3.1.3 Transactions eliminated on Consolidation

Intra – group balances and transactions, and any income and expenses arising from intra–group transactions, are eliminated in preparing the consolidated financial statements. Gains and losses arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee.

3.2 Foreign Currency Transactions and Functional Currency

The companies of the Group maintain their books in Euro and the financial statements are presented in Euro (functional currency). Transactions in foreign currencies are translated to Euro at the exchange rates at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated to Euro at the closing exchange rate on that date. Foreign exchange differences arising out of transaction are recognized in the profit or loss and other comprenhensive income statement. Non–monetary assets that are accounted for at cost are translated at the exchange rate at the date of the transaction.

3.3 Financial Instruments

3.3.1 Non – derivative financial instruments

Non – derivative financial instruments comprise of: financial instruments at fair value through profit or loss, available for sale securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.
Non – derivative financial instruments are initially recognized at fair value plus (for instruments not at fair value through profit or loss) any directly attributable transaction costs. Subsequent to initial recognition, non–derivative financial instruments are measured as described below.
Non–derivative financial instruments are recognized in the financial statements when the Company and the Group transact as parties with scope these financial instruments. Financial assets are derecognized, when the Group's contractual rights on the financial assets cash flows expire, or the financial assets are transferred to a third party without retaining control or material benefit or risk. The financial assets purchases and sales in the ordinary course of business are recorded in the financial statements at the transaction date which corresponds to the date of purchasing or selling by the Group. Financial liabilities are derecognized in the financial statements at the time that the contractual obligations of the Group is expired or cancelled.

3.3.1.a Trade and Other receivables

Trade and Other Receivables are stated at amortized cost using the effective interest rate, except of the cases in which indications of impairment exist. In such cases, a provision is determined for the estimated impairment loss. Receivables whose recovery is estimated to take place in a period of less or equal than a year are classified as short term receivables, while those ones with an estimated recovery period of more than a year are classified as long term receivables. Receivables with a short–term duration are not discounted.

3.3.1.b Financial assets at fair value either though P&L or through other comprenhensive income

The classification of the financial assets at initial recognition depends on the financial asset's contractual cash flow caracteristics and the business model within which the financial asset is held.
For the purpose of subsequent measurement, financial assets are classified in two categories:

i. Financial assets at fair value though P&L
ii. Financial assets at fair value through other comprenhensive income (no such elements held as at 31/12/2021)

Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognized in the statement of profit or loss. Gains or losses arising from changes in the fair value of the financial assets carried at fair value through profit or loss are recognized in the income statement within "Impairment loss on financial assets at fair value through P&L".

3.3.1.c Cash and Cash equivalents

Cash and cash equivalents comprise of cash in hand and in banks, as well as short term investments of high liquidity, such as time deposits maturing within three months.

3.3.1.d Interest bearing loans and borrowings

The interest bearing loans and borrowings are initially measured at their fair value that represents the amount of cash borrowed after reducing any direct transaction costs. Subsequent to initial recognition, the loans are measured at amortized cost using the effective interest rate method.

3.3.1.e Trade and other payables

The trade and other payables are recognized primarily at their fair value. They are subsequently measured at amortized cost using the effective interest method. Payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

3.3.1.f Offsetting of financial assets and liabilities

Financial assets and liabilities are compensated and the net amount reported in the statement of financial position when the Group or the Company has the legal right and intends to offset on a net basis with one another or to require the asset and settle the liability simultaneously.

3.4 Share capital

Ordinary shares are classified as equity. Costs directly attributable to the issuance of ordinary shares are recognized as a deduction from share premium.

(amounts in thousands of €)

3.5 Tangible and intangible assets (investment property characteristics included)

Items of property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the asset. The carrying amount of the above items is increased by the subsequent expenditures incurred only if there is probability that the future economic benefits embodied within these expenditures will flow to the Group companies and its cost can be measured reliably. All other costs are recognized in the income statement.
Borrowing costs directly attributable to the acquisition or construction of property, for assets that are necessarily required for a substantial period of time to get ready for use are capitalized as part of the cost of ownership of the asset till the time that the assets are substantially ready for use or sale, comes.All other costs are recognized in the profit or loss as incurred.
The net result from the assets disposal is determined by comparing the net sale proceeds reduced with the carrying value of the asset and the gain or loss is recognized in the income statement as other operating income/expense.
Depreciation is recognized in the income statement on a straight–line basis over the estimated useful life of each asset. Land is not depreciated. The residual and useful lives of assets are reviewed on an annual basis.
The depreciation of the vessels is calculated on the cost less the residual value, estimated at 15% of the acquisition cost including any new additions while for the High Speed Catamarans (HSC) is estimated at 20%. Management's estimates that may have an effect in the future on the financial statements relate to the useful lives and the residual value of vessels. The useful lives and the residual value are based on historical data and assumptions that, at the present time, are considered reasonable. The aforementioned assumptions are not expected to change within the next 12 months.
The Group monitors the control of impairment of assets. A fixed asset should not have a carrying amount greater than its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and its value in use (expected future cash flows from its holding).
The estimated useful lives are as follows:

Asset	**Years**
Buildings	33
Vessels	30 from the building year
High Speed Catamarans	25 from the building year
Vessels' equipment	4.16
Drydockings	4 (attributing in proportion to the period of validity)
Transportation Means	6.66
Furniture and relevant equipment	6.66
Computers and Software	4.16
Mobile phones & tablets	2
Operational rights	according to the period of validity

As also mentioned above in note 2.3 regarding to estimates, effective from January 1, 2021, the Group changed its estimate of the useful lives of its conventional ro-pax vessels (excluding the high speed catamaran), from 35 years to 30 years, mainly as a result of the estimated acceleration in the obsolescence of those vessels, as a consequence of the projected ecological transition, with specific reference to the new fuels used and changes in propulsion systems. This change in estimate is also in compliance with Grimaldi Group policies. This change was accounted for as a change in accounting estimate in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors. The effect of the change in estimate in current year depreciation expense amounted to approximately € 6,000 and, absent significant vessel upgrades in subsequent periods, is expected to have a similar effect in future periods.

In addition, effective from January 1, 2021, the Group amended its accounting policy for fleet spare parts, giving further consideration to the accounting provisions of IAS 16 Property, Plant and Equipment and IAS 2 Inventories. This change was accounted for as a change in accounting policy in accordance with IAS 8, *Accounting Policies, Changes in Accounting Estimates and Errors,* and led to a re-classification of approximately €2,750 from Property, plant and equipment to Inventories in the 31/12/20 consolidated statement of financial position, as well as a loss of approximately €183 in the consolidated statement of changes in equity as of such date. The estimation of the effect in the opening retained earnings as of 1/1/20 was impracticable and would not lead in a significant change in the statement of financial position or results of operations of the Group. As a result, no such adjustment was performed in the opening balance of retained earnings as of the beginning of the earliest period presented in the current period financial statements. The re-classification discussed above is reflected in the comparative 2020 amounts included in the statement of financial position and in the respective notes to the financial statements, as applicable.

3.6 Investment property

The Investment Property includes assets which are no longer self–own–used by the companies of the Group, is initially recognized and subsequently measured at cost, reduced by the relevant depreciation and increased by the subsequent additions. Depreciation is recorded in the income statement on a straight–line basis over the estimated useful lives of the property (33 years).

3.7 Leases

The Group as a lessee
The Group assesses whether a contact is or contains a lease, at inception of a contract. Accordingly, it recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets. For these leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.
Leases in terms of which the Company and the Group assume substantially all the risks and rewards of ownership are classified as finance leases. For the property, plant and equipment acquired through a finance lease, the relevant leased asset and liability are initially recognized at an amount equal to the fair value of leased asset or, if lower, the present value of the minimum lease payments that have been agreed to be paid to the lessor at the beginning of the lease. After the initial recognition the leased assets are depreciated over the shorter of the term of the lease agreement or the asset's useful life. The lease payments are apportioned between the finance charge and reduction of the outstanding liability for the duration of the lease agreement.
Other leases that do not fulfill the criteria of a finance lease, are operating leases and the leased assets are not recognized in the Company and Group's balance sheet. The lease payments to the lessor are recognized systematically in the income statement over the term of the lease agreement.
Finally, as permitted by IFRS 16, the Group applied the practical expedient according to which a lessee is not required to separate non-lease components, and as such, it accounts for any lease and associated non-lease components as a single arrangement.
The Group as a lessor
Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.
Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized on a straight-line basis over the lease term.

3.8 Inventories

Inventories are stated at the lower of cost and net realisable value. The cost of inventories is based on the F.I.F.O. (First In First Out) method. Net realisable value is the estimated selling price in the ordinary course of business, less the selling expenses. Due to a change in relevant accounting policy, vessels' spare parts will be also monitored with inventories starting from January 1st of 2021. Details are already presented above in note 3.5.

3.9 Impairment

3.9.1 Financial assets

The Group assesses at each reporting date, based on all available data, to determine whether there is objective evidence of impairment of the value of one or a group of financial assets.
The Group recognizes a provision for impairment against expected credit losses on all financial assets that are not carried at fair value through profit or loss. Credit loss is the difference between the contractual cash flows and the expectected flows the Group assess to receive.
For trade receivables and any contingent assets, the Group applies the simplified approach to calculate the expected credit losses. The Group at each reporting date assess the financial instruments' credit risk variation. The Group derecognizes a financial asset when there are no reasonable expectations of recovering all or part of the cash flow of the asset.

3.9.2 Non – Financial assets

The carrying amounts of non – financial assets, other than inventories, are reviewed at each reporting date to determine whether there is any indication that their carrying value is greater than their recoverable amount. The impairment loss of non–financial assets is recognized directly in the income statement.
The recoverable amount of an asset is the greater of its fair value (decreased by selling costs) and its value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using

(amounts in thousands of €)

a pre–tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.
Impairment losses recognized in prior periods are assessed at each reporting date for any indications that the loss has decreased. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss had been recognized.

3.10 Non – Current assets held for sale

Non–current assets that are expected to be recovered primarily through sale rather than through continuing use are classified as held for sale. These assets are measured at the lower of their carrying amount and fair value (decreased by selling costs). The Company during the end of current use does not possess such assets.

3.11 Dividends

Dividends payable are recognized as a liability at the time they are approved by the General Shareholder's Meeting of the companies that are included in the consolidation.

3.12 Employee benefits

3.12.1 Defined contribution plans

A defined contribution plan relates to contributions by the Company to independent pension funds for retirement benefits of the employees for which an entity will have no legal or constructive obligation to pay further future amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss on an accrual basis.

3.12.2 Defined benefit plans

A defined benefit plan is a pension plan that defines an amount of pension benefit that an employee will receive a lump sum payment on retirement. The liability recognized in respect of defined benefit pension plans is the present value of the future benefit that employees have earned in return for their service in the current and prior years. The calculation is determined by discounting the expected future cash flows at the weighted average yield of high quality European corporate bonds which have an expiration date approaching the time limits of the obligations of the Company and the Group. The defined benefit obligation is calculated annually based on actuarial valuation performed by independent actuaries using the projected unit credit method.
Actuarial profit or loss are recognized directly in other comprehensive income aggregates for the period in which they occur and not be transferred to the income statement in a subsequent period but are recognized directly in equity of the Company and the Group.
In May 2021, the IFRS Interpretations Committee ("IFRIC"), issued its final decision with regards to the appropriate method of atttibuting benefits to periods of service as it relates to defined benefit plans, in accordance with IAS 19 Employee Benefits. Based on this decision, a change has taken place in the methodology that was followed up to 31/12/20, and more specifically the service period over which Companies attributed such benefits, including Greek statutory indemnity provisions. In accordance with IASB Due Process Handbook (paragraph 8.6), Companies are required to implement an accounting policy change to reflect the required changes in methodology. Up to 31/12/20, the Group, in compliance with has in accordance with Art. 8 of Greek Law 3198/1955 and Greek Law 2112/1920 (including resulting amendments introduced by Greek Law 4093/2012), attributed such employee benefits starting from the year of employment and thought statutory retirement age. The resulting change from IFRIC's final decision was that such benefits are now attributed over the last 16 years of service and thought statutory retirement age.
This change was accounted for as a change in accounting policy in accordance with IAS 8, Accounting Policies, Changes in Accounting Estimates and Errors, and its effect on the Group's statement of financial position, statement of profit/(loss) and other comprehensive income and statement of changes in equity as of 1/1/21 is as per the below table:

Statement	Line item	As reported, 31/12/20	Effect of change based on IFRIC's decision	After accounting for the effect from IFRIC's decision, 1/1/21
Statement of financial position / non-current liabilities	Retirement benefit obligations	(€1,327)	€856	(€471)
Statement of profit/(loss) and other comprehensive	Administrative expenses	€5,186	€23	€5,209

(amounts in thousands of €)

income				
Statement of changes in equity	Accumulated losses	€25.206	(€862)	€24.344
Statement of changes in equity	Other reserves	(€13,930)	(€17)	(€13,947)

The changes discussed in the above table have been reflected in the comparative 2020 amounts included in the statement of financial position, statement of profit/(loss) and other comprehensive income, statement of changes in equity and the respective notes to the financial statements, as applicable.

3.12.3 Termination benefits

Termination benefits are payable when the employees leave prior to retirement. The Group recognizes these benefits when committed to either terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal, or upon provision of these benefits as an incentive for voluntary redundancy. Termination benefits falling due 12 months after the balance sheet date are discounted. Upon termination of employment and in cases where there is inability in determining the number of employees that will make use of these benefits, there is no accounting recording made, however need to be disclosed as a contingent liability.

3.12.4 Short–term benefits

Short–term employee benefits are expensed as incurred.

3.13 Provisions

A provision is recognized when the Company and the Group have a present contractual or legal obligation as a result of a past event and it is probable that an outflow will be required to settle the obligation and the amount can be reliably estimated. Provisions are recognized at a discounted base with the use of a pre–tax rate which reflects current market assessments of the time value of money and the risks associated with the liability. Provisions are determined by discounting the expected future cash flows at a rate that reflects current market assessments of the time value of money. At each reporting period, provisions are re–assessed.

3.14 Revenue

The Revenues consist of the following:

3.14.1 Operating revenue (fares – chartering – agency services)

Income from vessel's services (passengers, vehicles and truck fares) is recognized in the income statement when the trip is realized which coincides with the time the services are rendered.
The Company implements the customer loyalty program "Minoan Lines Bonus Club", according to which each member, from any service rendered by the Company, receives points that can be redeemed as free tickets. The allocation of fares from each sale, in actual and un–realized future services, is based on the fair value of the earned points and calculated by the estimated rate of redemption according to historical data. The fair value amount is recognized as deferred income and recorded in the income statement at the time the points are redeemed.Similarly, depending on the time of the service provided, are recognized in the income statement also the revenue from agency services.Income from chartering is recognized in the income statement on a straight line the chartering period.

3.14.2 Revenue from on – board sales

Revenue from on–board sales (shops, bars and restaurant services) is recognized in the income statement at their fair value less discounts and returns, when the risks and rewards of ownership have been transferred to the buyer and the collection is reasonably assured.

3.14.3 Other income

Other income is recognized in the income statement when the services have been rendered except for revenues from slot machines that are recognized in the income statement at the time that the money is collected. Additionally the income coming from dividends and profit from sale of securities is included.

3.14.4 Dividend income

Dividend income is recognized as income at the date the dividends are approved by the General Shareholder's Meeting.

3.14.5 Government grants

Government grants are recognized in the financial statements if there is reasonable assurance that they will be received and that the companies of the Group will comply with the conditions attaching to them. Grants that compensate the Company and the Group for expenses incurred are recognized as income in the income statement on a systematic basis in the same periods in which the expenses are incurred. Grants that compensate the Company and the Group for the acquisition cost of an asset are recognized in the income statement as deferred income on a systematic basis over the useful life of the asset.

3.15 Net Financial Results

Net financial results, comprise of accrued interest expense on borrowings recognized in the income statement using the effective interest rate method, interest income on funds invested and foreign exchange gains and losses.

3.16 Income Tax

Income tax on profits is calculated in accordance with the tax laws established at the date of the publishing of the balance sheet in the countries where the Group of companies are registered and is recognized as an expense in the period in which profits arise. Income tax comprises current and deferred taxes. Current tax is the expected tax payable on the taxable income for the year using tax rates enacted or substantially enacted at the balance sheet date, and any adjustment to tax payable in respect of previous years. Current tax is measured at the tax rates that are applicable to the taxable income of each financial year.
The Company is a shipping company that operates self–owned vessels under Greek flag. According to the article 72 par. 14 of the law 4172/2013, revenue from self–owned vessels operation are income tax exempted, and are subjected to a special fiscal regime related to the law 27/1975. The above exemption also applies to any dividend distribution. For revenues derived apart from the self–owned vessels' operation, (i.e.rental income, interest income, on board stores placed on vessels owned by third parties, agency services etc.), the provisions of the Law 27/1975 apply. In reference to the above, if a domestic or a foreign shipping company, which owns vessels under Greek, E.U. or Eurozone country's flag, operates additionally to other activities, the tax exemption on the net profits or dividends equals to the ratio of vessels' revenue to the total gross revenue of the Company. The tax rate that applies in the computation of the income tax expense for profits other than vessels' operation is 22% (art. 58 of the law 4172/2013). In addition to the above mentioned, according to the art. 48 and 63 of tax law 4172/2013, in any dividend distribution takes place between companies of a group, since January 2014 and then, not only applies an income tax exemption, but a withholding tax exemption too. For all these to be at force, it is absolutely necessary the Company to be involved in the company that distributes the dividend at least 10% for two consecutive years.
Deferred income tax is the expected future tax that will be paid or recovered from income or expenses occurred during the closing period and considered deferred taxable income or expenses (temporary differences). Deferred tax is calculated using the tax rates expected to be applied in the period of which the taxable income or expense will be recognized. Temporary differences arising from the initial recognition of assets or liabilities that affect neither accounting nor taxable profit are not accounted for. A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the corresponding temporary differences can be deducted. Due to the specific tax regime, no deferred taxes are recognized in the Company's financial statements.

3.17 Earnings per share

The Group and the Company presents basic and diluted earnings per share (EPS). Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding for the effects of all dilute potential ordinary shares, which comprise convertible notes and share options granted to employees.

3.18 New standards, interpretations and amendments of existing standards

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year and subsequent years. The Group is in the process of assessing the impact of the implementations of the IFRS amendments in the financial statements. In any such case, unless otherwise stated, the Group considers that the following amendments have no or insignificant effect to the annual financial statements.

Standards and Interpretations effective for the current financial year

Interest Rate Benchmark Reform: "Phase 2 amendments, IFRS 9, IAS 39, IFRS 7, IFRS 4, IFRS 16"

In August 2020, the IASB issued the Phase 2 amendments to IFRS 9 Financial Instruments, IFRS 7 Financial Instruments: Disclosures, IFRS 4 and IFRS 16 in connection with the Phase 2 of the interest rate benchmark reform. The amendments published deal with issues affecting financial reporting in the period before the replacement of an existing interest rate benchmark with an alternative interest rate and address the implications for specific hedge accounting requirements in IFRS 9 (Financial Instruments) and IAS 39 (Financial Instruments: Recognition and Measurement), which require forward-looking analysis.

There are also amendments to IFRS 7 (Financial Instruments: Disclosures) regarding additional disclosures around uncertainty arising from the interest rate benchmark reform.

During 2020 certain other amendments were issued, after which the IASB's project on the financial reporting implications related to the replacement of an existing interest rate benchmark with an alternative interest rate was concluded. These amendments offer certain practical expedients dealing with the implications of the replacement of an existing interest rate benchmark with an alternative interest rate, including situations in which an existing interest rate benchmark is replaced with an alternative low-risk interest rate.

The above amendments are effective for annual periods beginning on or after January 1, 2021 and were adopted by the Group on such date.

IFRS 16: "Rent concessions arising as a result of COVID-19"

The specific IFRS 16 amendment, as originally published in May 2020, provides lessees with an exemption from assessing whether COVID-19-related rent concession is a lease modification.

The specific amendment requires lessees that apply the exemption to account for any changes or rent reductions effected as a result of COVID-19 as if they were not lease modifications, provided that:

- the change in lease payments results in revised consideration for the lease that is substantially the same as, or less than, the consideration for the lease immediately preceding the change.
- any reduction in lease payments affects only payments originally due on or before 30/6/21.
- there is no substantive change to other terms and conditions of the lease.

In 2021, a proposal came out for discussion by IASB to extend the time period over which the above practical expedient is available for use, for an additional year through 30/6/22.

The above amendment is effective for annual periods beginning on or after June 30, 2020 and were adopted by the Group on January 1, 2021.

IAS 19: "Resulting amendments as a result of IFRIC's 2021 decision"

In May 2021, the IFRS Interpretations Committee ("IFRIC"), issued its final decision with regards to the appropriate method of atttibuting benefits to periods of service as it relates to defined benefit plans, in accordance with IAS 19 *Employee Benefits*. Based on this decision, a change has taken place in the methodology that was followed up to 31/12/20, and more specifically the service period over which Companies attributed such benefits, including Greek statutory indemnity provisions. In accordance with IASB *Due Process* Handbook (paragraph 8.6), Companies are required to implement an accounting policy change to reflect the required changes in methodology. Up to 31/12/20, the Group, in compliance with has in accordance with Art. 8 of Greek Law 3198/1955 and Greek Law 2112/1920 (including resulting amendments introduced by Greek Law 4093/2012), attributed such employee benefits starting from the year of employment and thought statutory retirement age. The resulting changes from IFRIC's final decision was that such benefits are now attributed over the last 16 years of service and thought statutory retirement age, and were adopted by the Group in the current year as a change in accounting policy pursuant to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. The effects of these changes are further described in note 3.12.2 above.

(amounts in thousands of €)

The adoption of all the above amendments to existing standards except for IAS 19 related amendments did not have a significant impact on the financial position and / or the financial performance of the Group and the Company.

Standards and Interpretations effective for subsequent periods

IAS 1: "Classification of liabilities as either current or non-current"

The specific amendments were issued in order to ensure consistent application of IAS 1 requirements, by assisting Companies determining whether classification of a liability with uncertain timing of payment into either current or non-current liabilities on the statement of financial position is appropriate, depending on the rights that exist at the end of the reporting period. The specific amendments affect the presentation of such liabilities on the statement of financial position, and did not have any effect on the existing requirements relating to measurement or timing of recognition of a financial asset, liability, revenue and expenses, or their relevant required disclosures. These amendments are effective for annual periods beginning on or after January 1, 2024 and should be applied retrospectively in accordance with IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors. Earlier application is permitted.

IAS 8: "Accounting Policies, Changes in Accounting Estimates and Errors"

The specific amendments introduce a new definition of accounting estimates. Under the new definition, accounting estimates are monetary amounts in financial statements that are subject to measurement uncertainty. In addition, the specific amendments clarify what accounting estimates are, and how these differ from accounting policies and error corrections. The amendments are effective for annual periods beginning on or after January 1, 2023.

The Group has not adopted any of the above standards, interpretations or amendments issued but not effective for fiscal 2021. All the above standards, interpretations or amendments are not expected to have a significant impact on the financial position and / or the financial performance of the Group and the Company.

4. Revenue

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Revenue from Vessel Operations (fares-chartering)	47,513	38,285	47,513	38,285
Revenue from restaurant – bars	7,991	7,422	7,991	7,422
Revenue from shops on board	3,673	4,166	3,673	4,166
Revenue from agency services	8,502	7,583	8,502	7,583
Totals	**67,679**	**57,456**	**67,679**	**57,456**

The total increase observed is explained by the gradual recession of the pandemic and the slackness of related measures as well as the lifting of travel restrictions both inside the country and abroad.Note 30.1 refers to related party income regarding to operating leases for the financial years 2021 and 2020. There were no other operating income related to operating leases for the years 2021 and 2020.

(amounts in thousands of €)

5. Cost of sales

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Payroll cost	14,403	13,217	14,403	13,217
Bunkers and lubricants	23,666	15,535	23,666	15,535
Port expenses – Maintenances – Consumables	3,806	2,714	3,805	2,714
Food – Beverages – Shops merchandise	5,223	4,872	5,223	4,872
Various other costs	7,700	8,735	7,700	8,735
Depreciation	19,303	16,261	19,466	16,219
Totals	**74,101**	**61,334**	**74,263**	**61,292**

Corresponding to the increase in revenue as above, two are the most important factors of the increase observed in the cost of sales. This is a return to a degree to the normality of the pre-pandemic era with the lifting of travel restrictions and the large increase in fuel prices.

6. Selling expenses

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Payroll cost	3,561	3,743	3,561	3,743
Commissions paid	3,158	2,946	3,158	2,946
Advertising and promotion expenses	1,258	1,278	1,258	1,278
Various other expenses	550	458	550	458
Depreciation	105	110	105	110
Totals	**8,632**	**8,535**	**8,632**	**8,535**

Minor change has taken place in the amounts of 2020 due to the application of IAS 19 according to IFRIC interpretation/guideline as already mentioned in note 3.12.2.

7. Administrative expenses

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Payroll cost	1,842	2,011	1,842	2,011
Third parties fees and expenses	1,602	1,639	1,068	1,106
Various other expenses	1,164	1,096	1,138	1,067
Depreciation	446	448	446	448
Totals	**5,054**	**5,194**	**4,494**	**4,632**

Minor change has taken place in the amounts of 2020 due to the application of IAS 19 according to IFIRC interpretation/guideline as already mentioned in note 3.12.2.

8. Other operating income

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Income from services rendered	202	144	202	144
Income from government grants	1,796	2,820	1,796	2,820
Rental income	10	10	10	10
Gain from sale of tangible assets	0	38	0	38
Reversal of provisions for contingent liabilities	8	0	8	0
Income from reversal of impairment loss due to debt recovery	1	43	1	43
Other income	674	2,053	195	1,639
Totals	**2,691**	**5,108**	**2,212**	**4,694**

(amounts in thousands of €)

Income from government grants relates to subsidies- eligible amounts provided by the Greek Government in the context of the support due to COVID-19. Other income mainly relates to amounts due (legal expenses and ship maintenance) as well as commissions on tickets issued to various port organizations.

9. Other operating expenses

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Impairment loss on trade receivables	0	2,090	0	1
Various other expenses	946	39	205	39
Totals	**946**	**2,129**	**205**	**40**

The various expenses mainly include expenses of previous years that were particularly late to be notified to the Company and the Group regarding service costs and ship maintenance respectively.

10. Finance income

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Income from time deposits	0	0	0	0
Interest and other related income	83	79	78	71
Foreign exchange gains	13	57	12	57
Totals	**96**	**136**	**90**	**128**

11. Finance expenses

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Commissions - Bank charges and other expenses	195	42	36	42
Commissions on Letters of Guarantee and Credit Cards	201	164	201	164
Foreign exchange losses	24	6	24	6
Totals	**420**	**212**	**261**	**212**

12. Personnel expenses

The number of personnel employed at the end of the years ended 31/12/2021 and 31/12/2020 was 362 and 342, respectively.

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Salaries and wages	17,643	17,152	17,643	17,152
Social security contributions	1,494	1,398	1,494	1,398
Other personnel benefits	173	149	173	149
Employee Defined Benefit obligations (note 26)	496	248	496	248
Totals	**19,806**	**18,947**	**19,806**	**18,947**

Minor change has taken place in the amounts of 2020 due to the application of IAS 19 according to IFRIC interpretation/guideline as already mentioned in note 3.12.2.

13. Income Tax

The current fiscal framework for the Company is described in note 3.16. Regarding the foreign Group Company, the tax rate applicable in the country that operates and for the purpose of its activity is 4.80%.

(amounts in thousands of €)

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Income tax expense	-	-	-	-
Deferred tax	-	-	-	-
Totals	**-**	**-**	**-**	**-**

Due to the special tax regime there are no deferred taxes for Company (note 3.16).

14. Tangible and intangible assets

The Group

	Land	Buildings Technical works	Transportation equipment	Vessels – Drydockings – Vessels' other equipment	Furniture – Computers – Other equipment – Mobile phones & tablets	Computer Software – Operational rights	Totals
Cost at 1/1/2020	**2,110**	**6,320**	**8**	**399,870**	**3,782**	**8,310**	**420,400**
Acquisitions and additions 1/1 – 31/12/2020	0	0	0	75,188	217	55	**75,460**
Less / (plus) : Disposals – Transfers – Write offs 1/1 – 31/12/2020	0	0	0	130,340	5	716	**131,061**
Less : Retrospectve application of accounting policy of spare parts	0	0	0	6,809	0	0	**6,809**
Costs at 31/12/2020	**2,110**	**6,320**	**8**	**337,909**	**3,994**	**7,649**	**357,990**
Cost at 1/1/2021	**2,110**	**6,320**	**8**	**337,909**	**3,994**	**7,649**	**357,990**
Acquisitions and additions 1/1 – 31/12/2021	0	2	0	4,048	135	67	**4,252**
Less : Disposals – Transfers – Write offs – Impairment loss 1/1 – 31/12/2021	0	0	0	0	11	0	**11**
Costs at 31/12/2021	**2,110**	**6,322**	**8**	**341,957**	**4,118**	**7,716**	**362,231**
Accumulated Depreciation at 1/1/2020	**0**	**3,890**	**8**	**156,039**	**3,154**	**5,852**	**168,943**
Depreciation for the year 1/1 – 31/12/2020	0	250	0	14,625	233	1,670	**16,778**
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2020	0	0	0	57,884	3	0	**57,887**
Less : Retrospectve application of accounting policy of spare parts	0	0	0	4,050	0	0	**4,050**
Accumulated Depreciation at 31/12/2020	**0**	**4,140**	**8**	**112,780**	**3,384**	**7,522**	**127,834**
Accumulated Depreciation at 1/1/2021	**0**	**4,140**	**8**	**112,780**	**3,384**	**7,522**	**127,834**
Depreciation for the year 1/1 – 31/12/2021	0	243	0	19,265	246	59	**19,813**
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2021	0	0	0	4,050	11	0	**4,061**
Accumulated Depreciation at 31/12/2021	**0**	**4,383**	**8**	**127,995**	**3,619**	**7,581**	**143,586**
Net book value at :							
1/1/2020	**2,110**	**2,430**	**0**	**243,831**	**628**	**2,458**	**251,457**
31/12/2020	**2,110**	**2,180**	**0**	**229.179**	**610**	**127**	**234.206**
31/12/2021	**2,110**	**1,939**	**0**	**213,962**	**499**	**135**	**218,645**

(amounts in thousands of €)

	Land	Buildings Technical works	Transportation equipment	The Company Vessels – Drydockings – Vessels' other equipment	Furniture – Computers – Other equipment – Mobile phones & tablets	Computer Software – Operational rights	Totals
Cost at 1/1/2020	**2,110**	**6,320**	**8**	**356,472**	**3,782**	**8,310**	**377,002**
Acquisitions and additions 1/1 – 31/12/2020	0	0	0	75,188	217	55	**75,460**
Less / (plus) : Disposals / Transfers / Write offs 1/1 – 31/12/2020	0	0	0	130,340	5	716	**131,061**
Less : Retrospectve application of accounting policy of spare parts	0	0	0	6,358	0	0	**6,358**
Costs at 31/12/2020	**2,110**	**6,320**	**8**	**301,320**	**3,994**	**7,649**	**321,401**
Cost at 1/1/2021	**2,110**	**6,320**	**8**	**301,320**	**3,994**	**7,649**	**321,401**
Acquisitions and additions 1/1 – 31/12/2021	0	2	0	4,048	135	67	**4,252**
Less : Disposals – Transfers – Write offs – Impairment loss 1/1 – 31/12/2021	0	0	0	0	11	0	**11**
Costs at 31/12/2021	**2,110**	**6,322**	**8**	**294.962**	**4,118**	**7,716**	**315.043**
Accumulated Depreciation at 1/1/2020	**0**	**3,890**	**8**	**116,488**	**3,154**	**5,852**	**129,392**
Depreciation for the year 1/1 – 31/12/2020	0	250	0	14,583	233	1,670	**16,736**
Less : Retrospectve application of accounting policy of spare parts	0	0	0	3,845	0	0	**3,845**
Less : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2020	0	0	0	57,884	3	0	**57,887**
Accumulated Depreciation at 31/12/2020	**0**	**4,140**	**8**	**69.342**	**3,384**	**7,522**	**84.396**
Accumulated Depreciation at 1/1/2021	**0**	**4,140**	**8**	**73,187**	**3,384**	**7,522**	**88,241**
Depreciation for the year 1/1 – 31/12/2021	0	243	0	19,428	246	59	**19,976**
Less / (plus) : Disposed / Transferred assets accumulated depreciation 1/1 – 31/12/2021	0	0	0	0	11	0	**11**
Accumulated Depreciation at 31/12/2021	**0**	**4,383**	**8**	**88,770**	**3,619**	**7,581**	**104,361**
Net book value at :							
1/1/2020	**2,110**	**2,430**	**0**	**239,984**	**628**	**2,458**	**247,610**
31/12/2020	**2,110**	**2,180**	**0**	**225.620**	**610**	**127**	**230.647**
31/12/2021	**2,110**	**1,939**	**0**	**210,240**	**499**	**135**	**214,923**

The fair value of the Croup's vessels on 31/12/2021, as determined by independent appraisers, amounted to € 230,000, while the fair value of the property is € 8,603. Was examined whether there are any indications of impairment and no reason for impairment arisen. To secure an approved short–term borrowings two of the Company's properties have been mortgaged of total undepreciated value €1,098.

The depreciation of property plant and equipment is recorded in the following captions of the statement of profit or loss and other comprehensive income:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Cost of sales	19,303	16,261	19,466	16,219
Administrative expenses	405	407	405	407
Selling expenses	105	110	105	110
Totals	**19,813**	**16,778**	**19,976**	**16,736**

15. Investment Property

The movement of the above caption is presented on the table below:

	The Group			The Company		
	Land	Buildings	Totals	Land	Buildings	Totals
Cost at 1/1/2020	557	1,195	1,752	557	1,195	1,752
Acquisitions – additions 1/1 – 31/12/2020	0	2	2	0	2	2
Costs at 31/12/2020	557	1,197	1,754	557	1,197	1,754
Cost at 1/1/2021	557	1,197	1,754	557	1,197	1,754
Acquisitions – additions 1/1 – 31/12/2021	0	17	17	0	17	17
Costs at 31/12/2021	557	1,214	1,771	557	1,214	1,771
Accumulated Depreciation at 1/1/2020	0	659	659	0	659	659
Depreciation for the year 1/1 – 31/12/2020	0	41	41	0	41	41
Accumulated Depreciation at 31/12/2020	0	700	700	0	700	700
Accumulated Depreciation at 1/1/2021	0	700	700	0	700	700
Depreciation for the year 1/1 – 31/12/2021	0	41	41	0	41	41
Accumulated Depreciation at 31/12/2021	0	741	741	0	741	741
Net book value at :						
1/1/2020	557	536	1,093	557	536	1,093
31/12/2020	557	497	1,054	557	497	1,054
31/12/2021	557	473	1,030	557	473	1,030

The property's fair value at 31/12/2020 as determined by independent appraisers is € 1,395while there was no reason for any impairment of the property. On the mentioned property, net book/undepreciated value is € 1,029 and to be secured Company's obligations, lien is recorded.

16. Investments in subsidiaries

Investments in subsidiaries are as follows :

company	Participation amount	
	31/12/2021	31/12/2020
Minoan Italia S.p.A.	9,000	10,000
Totals	**9,000**	**10,000**

The Company adjusted the value of its investment in Minoan Italia S.p.A. to € 9,000 (impairment by € 1,000) so as to reflect the amount of equity of the subsidiary. The subsidiary has a satisfactory liquidity (€ 4,753) and is considering activities that can develop.

17. Financial assets at fair value though P&L

The financial assets at fair value though P&L amounting € 93 on 31/12/2021 and on 31/12/2020 too. The current period's amount refers to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. Furthermore as at 31/12/2021 it was examined whether there are any indications of impairment for the remaining non-current financial assets and it was found that there was such, but on the other hand the resulting amount was insignificant and it is not included in these notes where amounts are presented in thousands of euros.

18. Other long term assets–receivables

In the other non–current assets, mainly included receivables of value € 21,432 which are expected to be collected in a period of over a year, have been transferred. For these receivables during the previous and the current fiscal years, the Company has respectively recorded provisions and adjustments to present value amounting to € 12,062. The respective amounts for 2020 were for the receivables € 22,362 and for the provisions – adjustments to present value € 9,972. The variation is mainly due to a contractual receivable of the Group.

(amounts in thousands of €)

19. Inventories

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Merchandise	1,177	1,164	1,177	1,164
Consumables	4,551	3,416	4,551	3,170
Totals	**5,728**	**4,580**	**5,728**	**4,334**

In inventories will be from now on also monitored vessels' spare parts effective from January 1st of 2020. This amendment comes as a result in relevant account policy followed, as analytically described in note 3.5.

20. Trade and Other receivables–Other current assets

	Trade and Other Receivables			
	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Customers – Cheques Receivable	13,654	9,687	13,654	9,687
Other Receivables	2,565	7,771	1,003	3,247
Totals	**16,219**	**17,458**	**14,657**	**12,934**
	Other current assets			
	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Prepaid Expenses	975	985	975	985
Accrued Income	62	88	62	88
Totals	**1,037**	**1,073**	**1,037**	**1,073**

The Company and the Group's exposure to credit risks, as well as the impairment losses related to trade and other receivables are analyzed in note 27.2.

21. Cash and Cash equivalents

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Cash on hand	335	243	335	243
Cash in banks and time deposits	7,651	9,492	2,899	3,526
Totals	**7,986**	**9,735**	**3,234**	**3,769**

Deposits are located mainly in banks with high credit rating index.

22. Share capital

(The amounts of note 22 are presented in €)

The share capital of the Company is divided into 106,980,050 ordinary shares with a nominal value of € 2.25 each. The weighted average number of shares on 31/12/2021 and on 31/12/2020 was 106,980,050. Both the Company and its subsidiary did not held own shares during the year.

23. Reserves

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Statutory reserve	13,883	13,883	12,779	12,779
Accumulated actuarial results recognized in equity	67	31	67	31
Totals	**13,950**	**13,914**	**12,846**	**12,810**

(amounts in thousands of €)

Statutory reserve: According to the Greek corporate law (art.158 law 4548/2018), the Company is required to transfer an amount equal to at least 5% of its net realized profit to a statutory reserve, until such a reserve equals 1/3 of the issued share capital. This reserve can be used exclusively before any distribution of dividends to off–set a deficit.

Accumulated actuarial results recognized in equity: As defined in IAS 19 are recognized directly in the other comprehensive income of the period in which they occur and not be transferred to the income statement in a subsequent period but are recognized directly in equity of the Company and the Group (note 25). Minor change has taken place in the amounts of 2020 due to the application of IAS 19 according to IFRIC interpretation/guideline as already mentioned in note 3.12.2.

24. Dividends

According to the Greek Corporate law, companies should distribute as dividend to their shareholders, provided there is a positive balance of retained earnings, at least an amount equal to 35% of the annual net realized profits (after the deduction of the statutory reserve). Nil dividend distribution can be approved by the General Assembly by shareholders representing the 80% of the paid–in share capital. Under the above terms, for the year 2021 the Company is not entitled to distribute dividend.

25. Employee defined benefit obligations

According to the Greek Labour Law, employees upon retirement are entitled to compensation which amounts to 40% of the amount that would become payable upon dismissal.
The table below shows the present value of the employee defined benefit obligations:

	31/12/2021	31/12/2020
Present value of defined benefit obligations	519	471
Total liability	**519**	**471**

From the above amount of € 519 part of it reaching the amount of € 60 is in current liabilities.
The amount, recorded as an expense at 31/12/2021 and 31/12/2020 respectively, is analyzed as follows:

	The Group	The Company
Balance as at 1/1/2020	**479**	**479**
Current Service Cost	57	57
Interest Cost	4	4
Benefits paid	-72	-72
Cost of settlement	187	187
Actuarial (gain) recognized in the statement of changes in equity	-31	-31
Balance as at 31/12/2020	**624**	**624**
Balance as at 1/1/2021	**624**	**624**
Current Service Cost	60	60
Interest Cost	2	2
Benefits paid	-554	-554
Cost of settlement	423	423
Actuarial loss recognized in the statement of changes in equity	-36	-36
Balance as at 31/12/2021	**519**	**519**

The amount, recorded as an expense at 31/12/2021 and 31/12/2020 respectively, is analyzed as follows:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Current Service Cost	60	57	60	57
Interest Cost	2	4	2	4
Benefits paid	423	187	423	187
Totals	**485**	**248**	**485**	**248**

(amounts in thousands of €)

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Administrative expenses	137	169	137	169
Selling expenses	346	79	346	79
Cost of sales	2	0	2	0
Totals	**485**	**248**	**485**	**248**

The movement of the defined benefit obligations for the years 2019 – 2021 is presented below:

	31/12/2021	31/12/2020	31/12/2019
Defined Benefit Obligations	519	471	479

The total amount of Employee Defined Benefit Obligations is unfunded.
The main assumptions used are as follows:

- Discount Rate for 2021 is 1.00% while for 2020 is 0.50%
- Long–term average annual salaries reaches 2.00% for 2021 and for 2020 too
- The average annual long term inflation rate for 2021 is 1.90% while for 2020 is 1.70%

If the discount rate used in the valuation was 0.50% higher, then the defined benefit obligation for staff retirement indemnities for the Company would decrease by 3.13%. If the discount rate used in the valuation was 0.50% lower, then the defined benefit obligation for staff retirement indemnities for the Company would increase by 3.28%.

Changes have taken place in the amounts of 2020 due to the application of IAS 19 according to IFRIC interpretation/guideline as already mentioned in note 3.12.2.

26. Contractual obligations & Trade and Other payables

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Contractual obligations (note 3.19)				
Customer advances	3,738	2,381	3,738	2,381
Deferred income	2,548	1,105	1,213	697
Totals	**6,286**	**3,486**	**4,951**	**3,078**
Trade and other payables				
Suppliers – cheque payables	6,679	6,574	6,679	6,536
Withholding taxes–social security contributions payable	2,674	2,190	2,674	2,190
Sundry creditors	8,552	9,574	8,551	9,575
Accrued expenses	1,532	1,575	1,532	1,575
Totals	**19,437**	**19,913**	**19,436**	**19,876**

27. Financial Risk Management

27.1 General

The Company and the Group are exposed mainly to the following financial risks which might possibly be affected by the macroeconomic and operating environment as analyzed below.
This note presents information about the Group's exposure to each of the above risks, the Group's objectives, policies and processes for measuring and managing risk, and the Group's management of capital. Further quantitative disclosures are included throughout these financial statements.
The Board of Directors has overall responsibility for the establishment and oversight of the Company's and the Group's risk management framework. The Board has delegated authority to the finance division for monitoring of financial risks. The Company's and Group's risk management policies are established to identify and analyze the risks faced by the Group, to set appropriate risk limits and controls, and to monitor

(amounts in thousands of €)

risks, adherence to limits and to hedge such risk depending on the prevailing market conditions each period of time. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. Cash and cash equivalents are also elements with high credit risk as the current conditions in Greece exert considerable pressure on domestic banks. In order for the risk to be reduced, the Company's and Group's cash and cash equivalents are only deposited for a short amount of time.

27.2 Credit risk

The Company's turnover comes from a range of categories like passenger and private vehicles transportation, on board sales (restaurants, bars and shops), transportation of freight units and vessels' chartering. Hence, the Company's customer base is analyzed as follows:
a) Those with professional collaboration such as:
• Travel Agents
• Central Agents
• Cargo Companies
• Cargo Owners
• Car rental companies
• Shipping Companies
b) Individuals-Passengers
There are ongoing efforts to attract more potential customers (in all the above categories) in order to enhance sales and develop the Company's customer base. Under the Company's set credit policy, every new customer is analyzed individually for creditworthiness before the Company's standard payment and credit terms and conditions are offered. The Company constantly monitors the balance of its clients and examines the prospect of forming provisions. Hence, a possible failure of the clients to meet their obligations, may affect the Company's results through the creation of relevant provisions.

27.2.1 Credit risk exposure

The carrying value of "Trade and Other Receivables" and "Other investments" indicate the maximum exposure to credit risk. In order to secure the aforementioned trade risk exposure, the Company receives letters of guarantee, pre–notations and shares pledged from its customers. The carrying value of "Trade and Other Receivables" along with the received guarantees, are presented below:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Long term receivables	13,461	12,390	9,370	12,390
Short term receivables	16,219	17,457	14,657	12,934
Guarantees received	-5,960	-5,975	-5,960	-5,975

For securing long–term doubtful receivables net amounting to € 6,756 (9,604 in 2020) the Company has received pledges on shares of non–listed companies. Moreover, legal proceedings are in progress against property of the debtors and property pre–notations have received.

27.2.2 Impairment loss

The aging of the trade and other receivables, at the balance sheet dates were as follows:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Short term receivables				
Not past due	9.712	11.958	8.149	7.433
Past due 1-30 days	1.251	2.038	1.251	2.038
Past due 31-120 days	4.597	2.754	4.597	2.754
Past due 121-365 days	147	139	147	139
Past due over a year *	513	569	513	569
Totals	**16.220**	**17.458**	**14.657**	**12.933**
Long term receivables*	13.461	12.390	9.370	12.390
Totals	**29.681**	**29.848**	**24.027**	**25.323**

(amounts in thousands of €)

* including debtors in litigation and settlement agreements

The Group and the Company proceeded with no impairment losses which would have reduced the "Trade and Other Receivables" caption, related to receivables that are past due for over one year, since negotiations with most of the debtors are in good level. The movement of the allowance is analysed in the table below:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Opening Balance	19,787	18,092	19,787	18,092
Plus : Impairment loss	0	1	0	1
Less : Transfer of impairment on long-term receivables	0	0	0	0
Less : Write off of Impairment loss	0	-1,737	0	-1,737
Less: Reversal of impairment loss due to debt recovery	1	43	1	43
Closing Balance	**19,786**	**19,787**	**19,786**	**19,787**
Impairment on long-term receivables	0	0	0	0
Closing Balance	**19,786**	**19,787**	**19,786**	**19,787**

The allowance for impairment is used to record impairment losses, unless the Company estimates that no recovery of the pending amount is expected, where in such cases the non–recoverable amounts are directly written–off against the receivables.

27.3 Liquidity risk

The liquidity risk is referred to the Company's or the Group's ability to meet their financial obligations as they fall due.The approach adopted by the Company and the Group regarding liquidity management is to ensure the necessary liquidity to meet their liabilities when due. Therefore, it has ensured an appropriate combination of cash, cash equivalents and approved bank credits.
On 31/12/2021 the Group's cash and cash equivalents amounted to € 7,986 while on 31/12/2020 amounted to € 9,735. Furthermore, the Group maintains credit line with commercial bank, which as of 31/12/2021 and 31/12/2020 amounted to € 7,000, which it was unused. The interest charged on the credit line is based on the EURIBOR rate and the bank's margin. Moreover, a lien has been registered on two of the Company's properties. Considering that the available bank credit balance, the lack of debt obligations and the level of the Group's cash balance, the Management is in a position to claim the non–existence of liquidity risk in the foreseeable future. The contractual expiry dates of the Company's financial liabilities based on the agreements effective on the balance sheet date and also based on the negotiations with the lending banks are as follows:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
	Within 1 year			
Contractual obligations & Trade and other payables	23,049	21,208	21,713	20,763
Bond loan*	-	-	-	-
	23,049	**21,208**	**21,713**	**20,763**

27.4 Market conditions risk

A common feature of a perfectly competitive market is the freedom of entry and exit. Thus, the deliberate routes in which the Company operates are highly competitive. The effort for growth and increase of each company's market shares could possibly create an overwhelming competition reflected to the financial results of the sector. In this respect the Company, in cooperation with the overlying parent company's Group, reschedules its itineraries seeking efficiency and profit while remaining competitive in terms of pricing, and also, maintains branches in Greece and abroad. A possible intensification of the market conditions in the routes the Company operates could lead to adverse impacts on its operating results, cash position and financial performance. The Company, in cooperation with the overlying parent company's Group, monitors closely the above mentioned competition and acts accordingly.

(amounts in thousands of €)

27.5 Currency risk

Considering the fact that all transactions performed abroad are mainly in the Euro currency, after the adoption of the common European currency, the company's foreign exchange risk is almost eliminated.
Indirectly, the Company is exposed to currency risk from the bunkers supplies.

27.5.1 Interest rate risk

Following the full repayment of the Group's borrowings within 2018, the exposure to interest rate risk has almost eliminated and exists only for cash and cash equivalents.
At the balance sheet date, the financial instruments of the Company and the Group, subject to interest rate fluctuations, were as follows:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Fixed rate instruments				
Cash and cash equivalents	7,986	9,735	3,234	3,769
Floating rate instruments				
Long term borrowings and bank overdrafts	22	0	22	0

27.6 Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business.
The Board of Directors monitors the return on invested capital, aiming to its maximization so as to ensure the distribution of dividends according to the relevant legislation and meeting the Group's commitments.

27.7 Supply chain

The Company has developed a supply chain in order to serve both the needs for its marine operation (fuel supplies, spare parts, etc.) as well as the needs of its hotelier business (stores, restaurants and bars). No particular difficulty or delay in the supply of goods and services has been observed. In addition, the long-term cooperation and the trust relationship that has been developed amongst the Company and its suppliers facilitate all parties to overcome any difficulty that may arise.

27.8 Fuel prices

The main risk in which the Company is exposed is the sensitivity of fuel prices. Due to the nature of the sector and as fuel cost is the most significant part of cost of sales, the Company is exposed to the said risk. Moreover, the Company considers several financial derivatives' strategies that will be used accordingly in case the proper situation arises.
An important factor in the level of fuel prices was the installation on all ships of the Group of special systems for the retention of harmful substances in the atmosphere / exhaust filters (scrubbers) in 2019, which allowed the consumption of cheaper fuel compared to what Ships that have not installed such filters must consume (according to relevant instruction of the International Maritime Organization (IMO) with validity from 01/01/2020). Moreover the recent large increase in fuel prices in the context of the wider energy crisis that exists worldwide, has led to an even greater opening of the price gap between the types of fuel that can be consumed by the Group's vessels in relation to respectively what the competition is obliged to consume on vessels they have not installed these scrubbers, thus strengthening the Group's position in the competition.

27.9 Environmental risk

The Company attributes great attention to environmental issues. In this context, being aware of how important it is to safeguard and to protect the environment from human activities, business evolution and technological progress, it has been created an environmental policy, which complies not only with the IMO ISM Code and ISO 14001:2004 but also with the environmental regulatory framework.

28. Fair value estimation

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.

(amounts in thousands of €)

Level 2: other techniques for which all data with significant effect on the recorded fair value are visible, either directly or indirectly.
Level 3: techniques using data with significant effect on the recorded fair value and based on apparent market data.
On 31/12/2021 and 31/12/2020 respectively, the Group and the Company held the following financial instruments measured at fair value:

		The Group		The Company	
	Level	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Financial instruments					
Other Financial assets on fair value through P&L	3	93	93	93	93

The financial assets of Level 3 are related to investments in stocks of two non-listed cooperative banks and one non-listed domestic company in which the Group holds negligible shares. Their valuation is based on their financial statements, which reflect the assets at fair value.
Finally, the fair value of the following financial assets and liabilities is reflected in their book value:

- Trade and other receivables
- Other current assets
- Cash and cash equivalents (other than bank overdrafts)
- Trade and other payables
- The following assets and liabilities of the Group are held for sale:
  - Cash and cash equivalents
  - Other current assets
  - Trade and other payables
  - Other current liabilities

29. Related Party transactions

During 2008, the company "Grimaldi Group S.p.A." having its registered address in Palermo Italy, acquired the majority of the Company's shares, and thus became the ultimate controlling party exercising control on the Company and the Group.
Related parties are considered the Group of the ultimate parent company, the members of the Board of Directors and management of subsidiaries of the Group, as well as the financially dependent members and first–degree relatives of the members of the Board of Directors and Management, and the associate companies.
Presented in the tables below are the receivable and payable balances between the related parties on 31/12/2021 and 31/12/2020, as well as purchases (services received) and sales (services provided) for the years 2021 and 2020:

29.1 Group of Ultimate Parent Company

31/12/2021					The Company		The Group
	Minoan Lines Shipping S.A.					Minoan Italia S.p.A.	
company	Grimaldi Group S.p.A. *	Grimaldi Euromed S.p.A.	Grimaldi Deep Sea S.p.A.	Grimaldi Logistica Espana S.L.	Totals		Totals
due from	155	0	0	0	**155**		**155**
payable to	0	7,264	9	0	**7,273**		**7,273**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

31/12/2020					The Company		The Group
	Minoan Lines Shipping S,A,					Minoan Italia S,p,A,	
company	Grimaldi Group S,p,A, *	Grimaldi Euromed S,p,A,	Grimaldi Deep Sea S,p,A,	Grimaldi Logistica Espana S,L,	Totals		Totals

due from	107	0	87	0	**194**	**194**
payable to	0	6,847	0	15	**6,862**	**6,862**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

1/1-31/12/2021				**The Company**		**The Group**
	Minoan Lines Shipping S.A.				**Minoan Italia S.p.A.**	
company	**Grimaldi Group S.p.A. ***	**Grimaldi Euromed S.p.A.**	**Grimaldi Deep Sea S.p.A.**	**Totals**	**Grimaldi Group S.p.A. ***	**Totals**
Expenses related to the on board sales (concession fees etc)	-	3,567	-	**3,567**	-	**3,567**
Attributing agency costs	-	-1,765	0	**-1,765**	-	**-1,765**
Bunkers cost	-	-	-	**0**	-	**0**
Other expenses	2	207	-	**209**	24	**234**
Proceeds from sale of tangible assets	-	0	-	**0**	-	**0**
Totals	**2**	**2,009**	**0**	**2,011**	**24**	**2,036**
Revenue from crew coat reduction	-	472	-	**472**	-	**472**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	15	5,674	0	**5,689**	-	**5,689**
Revenue related to the on board sales	-	272	-	**272**	-	**272**
Chartering revenue	-	0	-	**0**	-	**0**
Revenue from bunker disposal	-	0	-	**0**	-	**0**
Other revenue	-	1	-	**1**	-	**1**
Proceeds from sale of tangible assets	-	0	-	**0**	-	**0**
Totals	**15**	**6,419**	**0**	**6,434**	**0**	**6,434**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

1/1-31/12/2020				**The Company**		**The Group**
	Minoan Lines Shipping S,A,				**Minoan Italia S,p,A,**	
company	**Grimaldi Group S,p,A, ***	**Grimaldi Euromed S,p,A,**	**Grimaldi Deep Sea S,p,A,**	**Totals**	**Grimaldi Group S,p,A, ***	**Totals**
Expenses related to the on board sales (concession fees etc)	-	4,649	-	**4,649**	-	**4,649**
Attributing agency costs	-	-4,048	-19	**-4,067**	-	**-4,067**
Bunkers cost	-	-	-	**0**	-	**0**
Other expenses	8	349	-	**357**	24	**381**
Proceeds from sale of tangible assets	-	71,321	-	**71,321**	-	**71,321**
Totals	**8**	**72,271**	**-19**	**72,260**	**24**	**72,284**
Revenue from crew coat reduction	-	577	-	**577**	-	**577**
Revenue from services rendered (commissions, fees and other revenue related to agency operation)	18	5,564	6	**5,588**	-	**5,588**

(amounts in thousands of €)

Revenue related to the on board sales	-	2,158	-	**2,158**	-	**2,158**
Chartering revenue	-	661	-	**661**	-	**661**
Revenue from bunker disposal	-	149	-	**149**	-	**149**
Other revenue	-	20	-	**20**	-	**20**
Proceeds from sale of tangible assets	-	72,563	-	**72,563**	-	**72,563**
Totals	**18**	**81,692**	**6**	**81,716**	**0**	**81,716**

** Grimaldi Tours and Grimaldi Group (Roma) are included*

29.2 Subsidiaries

31/12/2021	
company	**Minoan Italia S.p.A.**
Minoan Lines Shipping S.A.	
due from / payable to	-

31/12/2020	
company	**Minoan Italia S.p.A.**
Minoan Lines Shipping S.A.	
due from / payable to	-

1/1-31/12/2021	
company	**Minoan Italia S.p.A.**
Minoan Lines Shipping S.A.	-

1/1-31/12/2020	
company	**Minoan Italia S.p.A.**
Minoan Lines Shipping S.A.	-

All the above transactions, as referred in notes 30.1 and 30.2, were entered into at arm's length.

29.3 Members of the Board of Directors and Management

The remuneration to the Members of the Board of Directors and the Company's management are analysed as follows:

	31/12/2021	**31/12/2020**
Executive directors	417	414
Non – executive directors	325	324
Management	1,113	1,573
Totals	**1,855**	**2,311**

Of the total remunerations above, an amount of € 82 remains unpaid as of 31/12/2021 and 31/12/2020 too. Moreover, during the year ended 31/12/2021, the Company concluded no commercial transactions with entities owned by BoD members compared to last year's € 4, while as of 31/12/2021 from such transactions an amount of € 164 was receivable compared to last year's € 176 receivable.
Finally, during the year ended 31/12/2021, transactions with relatives of the management and of executives amounted to € 220, compared to € 177 of previous year, while as of 31/12/2021 it was unpaid the amount of € 28 (the relative amount of 2020 was € 18). The nature of these transactions was mainly labour (payroll/dismissal allowances) and commercial cooperation (compensation for goods and services received).

(amounts in thousands of €)

30. Contingent liabilities

The contingent liabilities are the following:
(a) By letter dated 15/6/2015, the Greek Capital Market Commission informed the Company, that as a consequence of its shareholding structure as of 31/12/2014, falls under par. 4 of article 7 of the Ministerial Decision 54138/B΄ 2197 (Government Gazette 1913B'–09/12/2010) provided an increased periodical contribution, amounting, for the year 2015, to € 252. The Company, by calling into question that the conditions for being subject to the said provisions are met, has taken legal steps against this decision before the competent Administrative Courts. The Company is convinced that the Courts will rule in its favor, and for that reason no relevant provision has been established.
(b) The companies of the Group, which are either consolidated or integrated by the equity method in the financial statements, have not been audited and consequently their tax obligations have not yet been finalized by the tax authorities, for the financial years presented below:

Company	Unaudited tax years
Minoan Lines Shipping S.A.	2016–2021
Minoan Italia S.p.A.	2015–2021

The Company has not been audited by the tax authorities for the financial year 2016 and onwards. Respectively, the Italian subsidiary Minoan Italia S.p.A. has not been audited for the years 2016 to 2021. On 12/6/2017, the audit of the subsidiary by the Italian tax authorities for the years 2012–2014 started. Until the approval date of the annual financial report, this audit is in progress and has not been finalized. Concerning the opinion of its Tax Advisors, the company's management assesses that no significant additional taxes and surcharges will be imposed. Minoan Italia S.p.A. had a tax ruling on revenues from bare-boat charter contracts for vessels registered in the "International Register", which was generated from the Revenue Agency of Palermo. An amount of approximately €1.5 million has been deposited with the authorities as security for the case to progress, and is presented under current assets in the Group's financial statements. Even though the law firm responsible for this case and management of the Group believe that ultimately the Group will be successful in this case, in the event this does not materialize a total loss of €5 milliion is expected to be realized by the Group. The subsidiary has adequate liquidity to cover any potential losses.
For the year 2011 onwards, the Company receives annually a "Tax Compliance Report ". The "Tax Compliance Report" is issued by the statutory auditor that audits the annual financial statements. Following the completion of a tax audit, the auditor issues the "Tax Compliance Report" which submits electronically to the Ministry of Finance.
For the Company the "Tax Compliance Report" for the unaudited by the tax authorities years 2016–2020 has been issued by the statutory auditors and no adjustments with respect to the tax expense and corresponding tax provision as reflected in the annual financial statements of those years has arisen.
The aforementioned audit for the year 2021 is still in progress by Deloitte Certified Public Accountants SA. The related «Tax Compliance Report» will be provided after the publication of 2021 Annual Report. If the completion of the tax audit bring additional tax liabilities the Company's management considers that these will have no material impact on the financial statements.

31. Audit fees

The auditing and other fees of the statutory audit firms reffered to the years 2021 and 2020 respectively are analyzed as follows:

	The Group		The Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
For auditing services	71	71	71	71
For the Annual Tax Certificate	31	31	31	31
For other services	6	6	6	6
Σύνολα	**108**	**108**	**108**	**108**

32. Subsequent events

There are no other events, which took place after the statement of financial position date as of 31/12/2021 that might require an adjustment to, or disclosure, in the Parent or Group financial statements in accordance with International Financial Reporting Standards.

Heraklion, April 12th 2022

The Chairman of the B.o.D.	The Managing Director	The Accounting Manager
Emanuele Grimaldi	Antonios Maniadakis	Giorgos Karouzos
Pass No IT / AA 2179472	ID C No AO 973960	ID C No AK 744272 H.E.C. ID No 101758 – A' Class

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Independent Auditor's Report

To the Shareholders of "Minoan Lines Shipping Company S.A."

Report on the Audit of Separate and Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying separate and consolidated financial statements of Minoan Lines Shipping Company S.A. (the "Company") which comprise of the separate and consolidated statement of financial position as of 31 December 2021, and the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the year then ended and the notes to the separate and consolidated financial statements including a summary of significant accounting policies.

In our opinion, except for the possible effects of the matter discussed in the paragraph "Basis for Qualified Opinion" the separate and consolidated financial statements present fairly, in all material respects, the financial position of Minoan Lines Shipping Company S.A. and its subsidiary (the "Group") as of 31 December 2021 , its financial performance and cash flows for the year then ended in accordance with the provisions of International Financial Reporting Standards as adopted by the European Union.

Basis for Qualified Opinion

Included in Other long term assets- receivables on the face of the separate and consolidated statement of financial position are certain assets with a gross carrying amount of K€ 16.997 as at 31 December 2021 and K€ 17.097 as at 31 December 2020, against which a provision has been recorded of K€ 10.240 as at 31 December 2021 and of K€ 7.492 as at 31 December 2020. During the course of our audit, we were not provided with sufficient appropriate audit evidence to support the reasonableness of the provision established as at 31 December 2021. As a result, we are unable to assess whether such a provision is adequate as at 31 December 2021 and have therefore, qualified our report in this respect for the possible effects on the profit or loss and equity.

We conducted our audit in accordance with the International Standards of Auditing as these have been adopted by Greek Legislation. Our responsibilities, according to these standards are described further under the paragraph of our report "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements". We have been independent of the Company and its subsidiary during the whole period of our appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants, as adopted by Greek Legislation and the ethical requirements related to the audit of financial statements in Greece. We have fulfilled our ethical obligations in accordance with the requirements of the applicable law and the aforementioned Code of Conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Management's Responsibility for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these separate and consolidated financial statements in accordance with International Financial Reporting Standards as those have been adopted by the European Union and for such internal control system as management determines is necessary to enable the preparation and fair presentation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

During the preparation of the separate and consolidated financial statements, management is responsible for the assessment of the Company's and Group's ability to continue as a going concern by disclosing, when required, the matters related to the going concern and the use of going concern's accounting principle, unless the management either intends to liquidate the Company or the Group or to cease their activity or does not have any other realistic option than to proceed with these actions.

Auditor's Responsibility for the Audit of the Separate and Consolidated Financial Statements

Our objective is to obtain reasonable assurance that the separate and consolidated financial statements, as a whole, are free from material misstatement, due to fraud or error and to issue an auditor's report, which includes our opinion.
Reasonable assurance is a high level of assurance, however it is not a guarantee that the audit which is performed in accordance with the ISAs as adopted by the Greek Legislation will always detect a material misstatement, in case it exists. Misstatements may result from fraud or error and are considered as material when individually or cumulatively could reasonably be expected to influence the financial decisions of users taken on the basis of these separate and consolidated financial statements.

As part of the audit, according to the ISAs as adopted by the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit.

In addition:

- We identify and evaluate the risk of material misstatements in the separate and consolidated financial statements, due to fraud or error, by designing and performing audit procedures that address these risks and we obtain audit evidence that is sufficient and appropriate to be the basis of our opinion. The risk of not detecting a material misstatement due to fraud is higher than that due to error, as fraud may involve collusion, forgery, deliberate omissions, false representations or bypassing of internal controls.

- We understand the internal control procedures that are related to audit in order to design audit procedures appropriate to the circumstances, but not to express an opinion on the effectiveness of the Company's and the Group's internal controls.

- We assess the appropriateness of the accounting policies and methods used and the reasonableness of accounting estimates and relevant disclosures made by the management.

- We conclude on the appropriateness of the use by the management of the going concern principle and based on the audit evidence obtained whether there is material uncertainty on the Company's and the Group's ability to continue as a going concern. If we conclude that there is material uncertainty, we are obliged to draw the attention in the audit report on the disclosures in the separate and consolidated financial statements or whether these disclosures are insufficient to modify our opinion. Our conclusions are based on audit evidence obtained until the date of the auditor's report. However, future events or conditions may cause the Company and the Group to cease its operation as a going concern.

- We evaluate the overall presentation, the structure and the content of the separate and consolidated financial statements, including disclosures, and whether the separate and consolidated financial statements present the underlying transactions and the events in a manner that it achieves a fair presentation.

Deloitte.

- We obtain sufficient and appropriate audit evidence for the financial information of the companies or their business transactions within the group to express an audit opinion on separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and its subsidiary. We remain solely responsible for the audit opinion.

Among other issues, we communicate to the management for the planned scope and the timetable of the audit, as well as for significant audit findings, including any significant deficiencies in internal control that are identified during our audit.

Report on Other Legal and Regulatory Requirements

Taking in consideration that the management has the responsibility of the preparation of Board of Directors' Report, in accordance with the requirements of the paragraph 5 of article 2 (part 2) of the law 4336/2015, we note that:

a) In our opinion, the Board of Directors' Report has been prepared in accordance with the current legal requirements of the articles 150 and 153 of Law 4548/2018 and its content corresponds to the attached separate and consolidated financial statements for the year ended 31 December 2021.

b) Based on our knowledge, we obtained during our audit of the "Minoan Lines Shipping Company S.A." and its environment, we have not identified material inaccuracies in the Board of Directors' Report.

Translation of the Greek audit report

Athens, 27 May 2022
The Certified Public Accountant

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