



**Financial review Q4**  
**January–December 2021**  
**24 February 2022**

## FINNLINES' REVENUES INCREASED AND RESULT IMPROVED IN 2021

### JANUARY–DECEMBER 2021

- Revenue EUR 579.9 (484.0 in 2020) million, increase 20%
- Result before interest, taxes, depreciation and amortization (EBITDA) EUR 160.3 (140.8) million, increase 14%
- Result for the reporting period EUR 74.7 (69.7) million, increase 7%
- Interest bearing debt increased by EUR 18.7 million and was EUR 350.4 (331.7) million at the end of the period

### OCTOBER–DECEMBER 2021

- Revenue EUR 154.0 (120.9) million, increase 27%
- Result before interest, taxes, depreciation and amortization (EBITDA) EUR 39.1 (33.6) million, increase 16%
- Result for the reporting period EUR 5.7 (15.6) million, decrease 63%

### KEY FIGURES

MEUR	1–12 2021	1–12 2020	10–12 2021	10–12 2020
Revenue	579.9	484.0	154.0	120.9
<b>Result before interest, taxes, depreciation and amortisation (EBITDA)</b>	<b>160.3</b>	140.8	<b>39.1</b>	33.6
Result before interest and taxes (EBIT)	78.2	76.2	5.7	17.5
% of revenue	13.5	15.7	3.7	14.5
<b>Result for the reporting period</b>	<b>74.7</b>	69.7	<b>5.7</b>	15.6
Stakeholders' equity/share, EUR	14.84	14.07	14.84	14.07
Equity ratio, %	60.4	60.7	60.4	60.7
Net debt/EBITDA	2.2	2.3	2.2	2.3
Interest bearing debt, MEUR	350.4	331.7	350.4	331.7
Net gearing, %	45.6	45.5	45.6	45.5

### EMANUELE GRIMALDI, PRESIDENT AND CEO, IN CONJUNCTION WITH THE REVIEW

“The Finnlines Group recorded revenue totalling EUR 579.9 (484.0) million in the reporting period, an increase of 20% compared to the same period in the previous year. Shipping and Sea Transport Services generated revenue amounting to EUR 555.3 (461.8) million, of which passenger related revenue was EUR 47.8 (39.0) million. The revenue of Port Operations was EUR 47.0 (42.8) million. Cargo volumes are clearly above the 2020 level, and the number of passengers also increased compared to 2020. Revenue of Port Operations also increased due to the growth of cargo.

Cash flow was good and result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 160.3 (140.8) million, an increase of 14%. The result for the reporting period was EUR 74.7 (69.7).

We are proud to announce that 2021 was a good year for Finnlines. We served European industries, transported goods and passengers without any public Covid-related subsidies. Positive cargo development continued during the fourth quarter when cargo volumes increased nearly on all routes. The automotive industry suffered to some extent from shortage of the global semiconductor components. When travel restrictions were gradually eased, recreational travel recovered although passenger numbers remained far below the normal level.

Finnlines continues its EUR 0.5 billion Green Investment Programme in order to reduce its greenhouse gas emissions in its fleet according to targets and beyond set by IMO and EU. The EU Commission has also proposed to include maritime transport in the emissions trading system and EU will set a maximum limit on the greenhouse gas content of energy used by ships. In addition the EU Taxonomy Regulation is under preparation to classify all investments based on how “green” they are and also setting indicators for each industrial sector to introduce a defined criteria. The International Chamber of Shipping has put forward carbon tax system in autumn 2021 to support zero-emission development in the shipping sector.

The construction of three hybrid ro-ro vessels and two eco-efficient ro-pax vessels has progressed well. A series of the new “Eco-ships”, many of which already operate in the parent company’s, in Grimaldi Group’s, traffic, have proved to be excellent carriers with more capacity for cargo but lower energy consumption than vessels of the previous generation. The vessels are all hybrid and state-of-the-art vessels from the environmental point of view. Moreover, with past investments made in the fleet as well as all the actions in improving efficiency, productivity and financial performance, we can state, that Finnlines is a future-ready company with its diversified fleet to serve its customers and well-placed to compete with its green strategy.”

## **FINNLINES' BUSINESS**

Finnlines is a leading shipping operator of ro-ro and passenger services in the Baltic Sea, the North Sea and the Bay of Biscay. The Company's passenger-freight vessels offer services from Finland to Germany and via the Åland Islands to Sweden, as well as from Sweden to Germany. Finnlines' ro-ro vessels operate in the Baltic Sea, the North Sea and the Bay of Biscay. The Company has subsidiaries and sales offices in Germany, Belgium, Great Britain, Sweden, Denmark and Poland. In addition to sea transportation, the Company provides port services in Helsinki and Turku.

As an agent for Grimaldi Lines and Atlantic Container Line (ACL) in Finland and Russia, Finnlines connects Helsinki, St. Petersburg and Paldiski with the Grimaldi Group network in the Mediterranean, West Africa, as well as the Atlantic coast of both North and South America.

## **GROUP STRUCTURE**

Finnlines Plc is a Finnish public limited company, which operates under Finnish jurisdiction and legislation. At the end of the reporting period, the Group consisted of the parent company and 20 subsidiaries. In April 2021, Finnlines acquired the shares of real estate limited liability company Vuosaaren Porttikeskus, whose ownership at Vuosaari includes Gatehouse, Hansaterminal and P8-Porttikeskus parking house. Finnlines Group is headquartered in the Gatehouse.

Finnlines Plc is fully owned by the Grimaldi Group, which is one of the world's largest operators of ro-ro vessels and the largest operator of the Motorways of the Sea in Europe for both passengers and freight. The Grimaldi Group, headquartered in Naples, operates a fleet of more than 130 vessels and employs over 15,000 people. It serves over 140 ports in 50 countries in the Mediterranean Sea, North Europe, West Africa, North and South America. The Grimaldi Group comprises seven shipping companies, including Finnlines, Atlantic Container Line (ACL), Malta Motorways of the Sea (MMS) and Minoan Lines.

## **GENERAL MARKET DEVELOPMENT**

Finnlines' main operating area connects trade partners around the Baltic Sea. Based on the OECD Eurostat, the change of Gross Domestic Product in EU area increased by 3.9% during the third quarter of 2021 in comparison with the same period in 2020. Compared with the second quarter of 2021, the reported GDP in Germany increased by 1.8% in the third quarter of 2021, while in Sweden the corresponding increase was also 1.8%. In Finland GDP increased in the third quarter by 0.9% compared with the previous quarter. (Eurostat 2021.)

Based on the statistics by Statistics Finland for January–December, the Finnish seaborne imports carried in container, lorry and trailer units (measured in tons) increased by 5% and exports increased by 3%. During the same period private and commercial passenger traffic between Finland and Sweden increased by 15%, between Finland and Germany by 15%. (Statistics Finland).

## **FINNLINES TRAFFIC**

The bareboat chartering of MS Finnclipper ended at the beginning of November and the vessel returned to Finnlines' Malmö–Travemünde traffic in December 2021.

During the fourth quarter, Finnlines operated an average of 22 (19) vessels in its own traffic.

The cargo volumes transported during January–December totaled approximately 785 (723 in 2020) thousand cargo units, 171 (154) thousand cars (not including passengers' cars) and 1,410 (1,107) thousand tons of freight not possible to measure in units. In addition, some 572 (501) thousand private and commercial passengers were transported.

## **FINANCIAL RESULTS**

### **January–December 2021**

The Finnlines Group recorded revenue totalling EUR 579.9 (484.0) million in the reporting period, an increase of 20% compared to the same period in the previous year. Shipping and Sea Transport Services generated revenue amounting to EUR 555.3 (461.8) million, of which passenger related revenue was EUR 47.8 (39.0) million. The revenue of Port Operations was EUR 47.0 (42.8) million. Cargo volumes are clearly above the 2020 level, and the number of passengers also increased compared to 2020. Revenue of Port Operations also increased due to the growth of cargo. The internal revenue between the segments was EUR 22.3 (20.6) million.

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 160.3 (140.8) million, an increase of 14%.

Result before interest and taxes (EBIT) was EUR 78.2 (76.2) million.

As a result of the improved financial position, net financial expenses decreased to EUR -4.4 (-5.6) million. Financial income was EUR 0.2 (0.5) million and financial expenses EUR -4.6 (-6.1) million. Result before taxes (EBT) increased by EUR 3.2 million and was EUR 73.8 (70.6) million. The result for the reporting period was EUR 74.7 (69.7) million.

## October–December 2021

The Finlines Group recorded revenue totalling EUR 154.0 (120.9) million. The development of cargo volumes continued strong also in the last quarter of 2021. Passenger business continued to suffer from the effect of Covid-19, although the number of passengers increased compared to last year. Shipping and Sea Transport Services generated revenue amounting to EUR 148.0 (115.4) million and Port Operations EUR 11.5 (10.9) million. The internal revenue between the segments was EUR 5.6 (5.4) million.

Result before interest, taxes, depreciation and amortisation (EBITDA) was EUR 39.1 (33.6) million, an increase of 16%.

Result before interest and taxes (EBIT) was EUR 5.7 (17.5) million. The annual increase of vessel depreciation for fiscal year 2021 (EUR 17.3 million) has been booked as cost on the fourth quarter of 2021.

Net financial expenses were EUR -1.0 (-1.2) million. Financial income was EUR 0.1 (0.1) million and financial expenses totalled EUR -1.1 (-1.3) million. Result before taxes (EBT) decreased by EUR 11.7 million and was EUR 4.6 (16.3) million. The result for October–December was EUR 5.7 (15.6) million.

## STATEMENT OF FINANCIAL POSITION, FINANCING AND CASH FLOW

Interest-bearing debt increased by EUR 18.7 million to EUR 350.4 (331.7) million, excluding leasing liabilities of EUR 22.2 (17.7) million. Net interest-bearing debt excluding leasing liabilities at the end of period was EUR 348.5 (329.8) million. Net interest-bearing debt/EBITDA (rolling 12 months) ratio amounted to 2.2 (2.3) and the equity ratio calculated from the balance sheet was 60.4 ( 60.7) %. Net gearing resulted in 45.6 (45.5) %. Covid-19 pandemic has not affected the availability or terms of financing.

The Group's liquidity position is strong and at the end of the period, cash and cash equivalents together with unused committed credit facilities amounted to EUR 212.0 (226.8) million.

Net cash generated from operating activities remained strong and was EUR 146.7 (138.0) million.

## CAPITAL EXPENDITURE

The Finlines Group's gross capital expenditure in the reporting period totalled EUR 110.6 (50.4) million, including tangible and intangible assets. Total depreciation and amortisation amounted to EUR 82.1 (64.6) million. The investments consist of normal replacement expenditure of fixed assets, new cargo handling equipment, dry-dockings, buildings in Vuosaari Harbour and environmental investments prepayments related to green ro-ro and ro-pax newbuildings.

Finlines has continued to invest in sustainability and environmental technologies. In order to protect the fragile marine environment in the Baltic and the North Sea, the Company has started to install ballast water treatment systems on its vessels. The project will be completed in 2023.

Finlines' EUR 500 million investment programme, the Newbuilding Programme, continued in China. During 2021, all newbuilds were well under construction. The programme consists of three hybrid ro-ro vessels (Finneco I, II, III) and two eco-efficient ro-pax vessels (Finn Sirius and Finn Canopus). New vessels will further increase Finlines' energy efficiency and emission reduction and are a significant step towards an even more sustainable and eco-efficient fleet. Vessel deliveries are scheduled to take place during 2022–2023.

## PERSONNEL

The Group employed an average of 1,555 (1,534) persons during the reporting period, consisting of 858 (849) persons at sea and 697 (685) persons on shore. The number of persons employed at the end of the period was 1,619 (1,519) in total, of which 931 (834) at sea and 688 (685) on shore.

The personnel expenses (including social costs) for the reporting period were EUR 89.6 (83.4) million.

## THE FINNLINES SHARE

The Company's paid-up and registered share capital on 31 December 2021 totalled EUR 103,006,282. The capital stock consisted of 51,503,141 shares.

Finlines Plc is fully owned by the Grimaldi Group.

## RISKS AND RISK MANAGEMENT

The financial uncertainty caused by the Covid-19 pandemic, which broke out in early 2020, has eased in Finlines' business environment. Finlines' management has assessed that the pandemic will not affect the figures reported by the company, except for the reduced passenger business.

Finlines is exposed to business risks that arise from the capacity of the fleet existing in the market, counterparties, prospects for export and import of goods, and changes in the operating environment. The risk of overcapacity is reduced through scrapping of aging vessels, on the one hand, and the more stringent environmental requirements, on the other. The continuity of operations is ensured by safeguarding critical functions and essential resources. The majority of the Group's non-current assets consists of its fleet. The fleet is always insured to its full value.



Stricter environmental regulations (e.g. NOx, SOx and CO2 emission, wastewater and ballast water regulations) are the risk factors that could affect the Group's business. However, through the constant renewal and development of the fleet, using the latest technology and innovations, Finnlines is very well-positioned to greatly mitigate this risk.

The effect of fluctuations in the foreign trade is reduced by the fact that the Company operates in several geographical areas. This means that slow growth in one country is compensated by faster recovery in another. Finnlines continuously monitors the solidity and payment schedules of its customers and suppliers. Currently, there are no indications of imminent risks related to counterparties but the Company continues to monitor the financial position of its counterparties. Finnlines holds adequate credit lines to maintain liquidity in the current business environment.

Finnlines' cash and unused committed credit facilities amounted to over EUR 200 million and the Company has initiated cost saving plans in April 2020, which both have continued to enable the Company to mitigate the negative effects of Covid-19 pandemic.

#### **LEGAL PROCEEDINGS**

Finnlines has made an appeal to the Helsinki Administrative Court of the National Emergency Supply Agency's decision concerning the compensation of costs for securing maritime transport. Finnlines has also appealed to Market Court concerning the Finnish Transport and Communications Agency's calls for tenders concerning imposing a public service obligation for the aid of maritime traffic on the Turku/Naantali-Mariehamn/Långnäs-Stockholm, Kapellskär-Mariehamn, Naantali-Långnäs, Grisslehamn-Eckerö and Helsinki-Tallinn routes. In addition, Finnlines has made a complaint to the European Commission concerning Covid-19 situation related selective and discriminatory aid measures launched by the Finnish authorities.

Finnlines is in addition involved in a few legal proceedings and disputes whose outcome cannot be predicted, but taking into account the information that is available at present, their outcome is not expected to have any substantial impact on the Group's profit.

#### **CORPORATE GOVERNANCE**

The Corporate Governance Statement can be reviewed on the Company's website: [www.finnlines.com](http://www.finnlines.com).

#### **EVENTS AFTER THE REPORTING PERIOD**

There are no significant events to report.

#### **OUTLOOK AND OPERATING ENVIRONMENT**

The short-term global economic outlook seems to be positive although the pandemic continues to cause uncertainty with new mutations, which may affect travel and passenger volumes. Regarding the freight outlook and possible changes to it, Finnlines vessels are flexible in terms of cargo mix, thus less exposed to volatility in single market segments.

Finnlines is well-placed to compete with its strategy. Considering the ongoing Green Newbuilding Investment Programme, past investments made in the fleet as well as all the actions in improving efficiency, productivity and financial performance, the Finnlines Group's result before taxes is expected to improve from 2021.

The first financial review of 2022 for the period of 1 January–31 March 2022 will be published on Thursday 5 May 2022.

Finnlines Plc  
The Board of Directors

Emanuele Grimaldi  
President and CEO

#### **FURTHER INFORMATION**

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## ENCLOSURES

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- Consolidated statement of financial position, IFRS
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## DISTRIBUTION

Main media

This interim report is unaudited.

## REPORTING AND ACCOUNTING POLICIES

This interim report included herein is prepared in accordance with IAS 34 (Interim Financial Reporting) standard. The accounting policies are the same as those applied in the last annual financial statements.

Finnlines Plc entered into the tonnage taxation regime in January 2013. In tonnage taxation, shipping operations transferred from taxation of business income to tonnage-based taxation.

All figures in the accounts have been rounded and, consequently, the sum of individual figures may deviate from the presented sum figure.

The preparation of the interim financial statements in accordance with IFRS requires management to make estimates and assumptions and use its discretion in applying the accounting principles that affect the valuation of the reported assets and liabilities and other information such as contingent liabilities and the recognition of income and expenses in the income statement. Although the estimates are based on the management's best knowledge of current events and actions, actual results may differ from the estimates. The uncertainties related to the key assumptions were the same as those applied to the consolidated financial statements at the year-end 31 December 2020.

The financial uncertainty caused by the Covid-19 pandemic, which broke out in early 2020, has eased in Finnlines' business environment. Finnlines' management has assessed that the pandemic will not affect the figures reported by the company, except for the reduced passenger business.

The management has evaluated vessels' economic life span and residual values. As a result, due to expected economic life span of 25-30 years, depreciation time has been shortened by 5 years on average, starting from 1.1.2021.

Finnlines Group acquired shares of Kiinteistö Oy Vuosaaren Porttikeskus real estate company in April 2021. The property is mainly used as Finnlines' headquarter and for its own activities. The cost method in line with IAS 16 is applied for the whole property. Part of the buildings/premises are leased out to tenants under operating leases. The Group has changed the articles of association of the mutual real estate company into ordinary real estate company.

The agenda decision published by IFRS Interpretation Committee in April 2021 clarifies how to recognise costs of configuring or customising a supplier's application software in a Software as a Service (SaaS) arrangement. The agenda decision address whether an intangible asset may be recognized by the entity purchasing the service and if not how the configuration or customisation costs are accounted for. The agenda decisions have no effective date, so they are expected to be applied as soon as possible since published. The agenda decision does not have a material impact on the consolidated financial statements of Finnlines Group.

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME, IFRS**

<b>EUR 1,000</b>	<b>10–12 2021</b>	<b>10–12 2020</b>	<b>1–12 2021</b>	<b>1–12 2020</b>
<b>Revenue</b>	<b>154,016</b>	120,941	<b>579,944</b>	484,016
Other income from operations	<b>543</b>	184	<b>1,896</b>	1,303
Materials and services	<b>-54,177</b>	-36,075	<b>-192,991</b>	-137,964
Personnel expenses	<b>-23,292</b>	-19,923	<b>-89,602</b>	-83,376
Depreciation, amortisation and impairment losses	<b>-33,396</b>	-16,085	<b>-82,127</b>	-64,599
Other operating expenses	<b>-38,040</b>	-31,518	<b>-138,958</b>	-123,164
Total operating expenses	<b>-148,905</b>	-103,601	<b>-503,678</b>	-409,104
<b>Result before interest and taxes (EBIT)</b>	<b>5,654</b>	17,523	<b>78,161</b>	76,215
Financial income	<b>91</b>	75	<b>187</b>	494
Financial expenses	<b>-1,129</b>	-1,250	<b>-4,591</b>	-6,065
<b>Result before taxes (EBT)</b>	<b>4,616</b>	16,348	<b>73,758</b>	70,645
Income taxes	<b>1,100</b>	-789	<b>915</b>	-918
<b>Result for the reporting period</b>	<b>5,716</b>	15,559	<b>74,673</b>	69,727
<b>Other comprehensive income:</b>				
<b>Other comprehensive income to be reclassified to profit and loss in subsequent periods:</b>				
Exchange differences on translating foreign operations	<b>32</b>	12	<b>68</b>	-45
Fair value changes on currency derivatives	<b>1,963</b>	-6,570	<b>16,695</b>	-8,245
Other comprehensive income to be reclassified to profit and loss in subsequent periods, total	<b>1,994</b>	-6,558	<b>16,763</b>	-8,290
<b>Other comprehensive income not being reclassified to profit and loss in subsequent periods:</b>				
Remeasurement of defined benefit plans	<b>-51</b>	-120	<b>-51</b>	-120
Tax effect, net	<b>-38</b>	21	<b>-38</b>	21
Other comprehensive income not being reclassified to profit and loss in subsequent periods, total	<b>0</b>	-100	<b>-90</b>	-100
<b>Total comprehensive income for the reporting period</b>	<b>7,621</b>	8,901	<b>91,346</b>	61,336
<b>Result for the reporting period attributable to:</b>				
Parent company shareholders	<b>5,716</b>	15,559	<b>74,673</b>	69,727
	<b>5,716</b>	15,559	<b>74,673</b>	69,727
<b>Total comprehensive income for the reporting period attributable to:</b>				
Parent company shareholders	<b>7,621</b>	8,901	<b>91,346</b>	61,336
	<b>7,621</b>	8,901	<b>91,346</b>	61,336
<b>Result for the reporting period attributable to parent company shareholders calculated as earnings per share (EUR/share)</b>				
Undiluted / diluted earnings per share	<b>0.11</b>	0.30	<b>1.45</b>	1.35
Average number of shares				
Undiluted / diluted	<b>51,503,141</b>	51,503,141	<b>51,503,141</b>	51,503,141

Most of the items recognised in the Consolidated Statement of Comprehensive Income fall under the tonnage tax scheme.

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION, IFRS

EUR 1,000	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	1,004,024	967,748
Goodwill	105,644	105,644
Other intangible assets	3,116	3,671
Other financial assets	7,076	7,076
Receivables	8,121	3,929
Deferred tax assets	983	2,370
	<b>1,128,963</b>	<b>1,090,438</b>
<b>Current assets</b>		
Inventories	8,395	5,967
Accounts receivable and other receivables	119,275	86,471
Income tax receivables	48	32
Cash and cash equivalents	1,951	1,847
	<b>129,669</b>	<b>94,317</b>
<b>Non-current assets held for sale</b>	<b>14,610</b>	<b>14,610</b>
<b>Total assets</b>	<b>1,273,242</b>	<b>1,199,365</b>
<b>EQUITY</b>		
<b>Equity attributable to parent company shareholders</b>		
Share capital	103,006	103,006
Share premium account	24,525	24,525
Translation differences	141	114
Fund for invested unrestricted equity	40,016	40,016
Fair value reserve *	18,073	1,378
Retained earnings	578,535	555,413
	<b>764,296</b>	<b>724,453</b>
<b>Total equity</b>	<b>764,296</b>	<b>724,453</b>
<b>LIABILITIES</b>		
<b>Long-term liabilities</b>		
Deferred tax liabilities	44,003	46,509
Pension liabilities	3,143	3,331
Provisions	1,697	1,697
Loans from financial institutions	169,123	180,383
	<b>217,976</b>	<b>231,920</b>
<b>Current-liabilities</b>		
Accounts payable and other liabilities	87,257	73,798
Current tax liabilities	22	27
Provisions	215	220
Loans from financial institutions	203,476	168,946
	<b>290,970</b>	<b>242,992</b>
<b>Total liabilities</b>	<b>508,946</b>	<b>474,912</b>
<b>Total equity and liabilities</b>	<b>1,273,242</b>	<b>1,199,365</b>

\* Fair value reserve consists of fair value of effective part of foreign currency forward contracts, for which hedge accounting is applied.



## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2020, IFRS

EUR 1,000	Equity attributable to parent company shareholders						Total equity
	Share capital	Share issue premium	Translation differences	Unrestricted equity reserve	Fair value reserve	Retained earnings	
<b>Reported equity 1 January 2020</b>	<b>103,006</b>	24,525	140	40,016	9,623	537,310	714,620
<b>Comprehensive income for the reporting period:</b>							
Result for the reporting period						69,727	69,727
Exchange differences on translating foreign operations			-26			-19	-45
Fair value change on currency derivatives					-8,245		-8,245
Remeasurement of defined benefit plans						-120	-120
Tax effect, net						21	21
<b>Total comprehensive income for the reporting period</b>	<b>0</b>	<b>0</b>	<b>-26</b>	<b>0</b>	<b>-8,245</b>	<b>69,609</b>	<b>61,336</b>
Dividend						-51,503	-51,503
<b>Equity 31 December 2020</b>	<b>103,006</b>	<b>24,525</b>	<b>114</b>	<b>40,016</b>	<b>1,378</b>	<b>555,413</b>	<b>724,453</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY 2021, IFRS

EUR 1,000	Equity attributable to parent company shareholders						Total equity
	Share capital	Share issue premium	Translation differences	Unrestricted equity reserve	Fair value reserve	Retained earnings	
<b>Reported equity 1 January 2021</b>	<b>103,006</b>	<b>24,525</b>	<b>114</b>	<b>40,016</b>	<b>1,378</b>	<b>555,413</b>	<b>724,453</b>
<b>Comprehensive income for the reporting period:</b>							
Result for the reporting period						74,673	74,673
Exchange differences on translating foreign operations			27			42	68
Fair value change on currency derivatives					16,695		16,695
Remeasurement of defined benefit plans						-51	-51
Tax effect, net						-38	-38
<b>Total comprehensive income for the reporting period</b>	<b>0</b>	<b>0</b>	<b>27</b>	<b>0</b>	<b>16,695</b>	<b>74,626</b>	<b>91,346</b>
Dividend						-51,503	-51,503
<b>Equity 31 December 2021</b>	<b>103,006</b>	<b>24,525</b>	<b>141</b>	<b>40,016</b>	<b>18,073</b>	<b>578,535</b>	<b>764,296</b>

## CONSOLIDATED CASH FLOW STATEMENT, IFRS

EUR 1,000	1–12 2021	1–12 2020
<b>Cash flows from operating activities</b>		
Results for the reporting period	74,673	69,727
Adjustments		
Non-cash transactions	81,937	64,167
Unrealised foreign exchange gains (-) / losses (+)		
Financial income and expenses	4,407	5,568
Taxes	-915	918
Changes in working capital		
Change in accounts receivable and other receivables	-20,976	-66
Change in inventories	-2,428	185
Change in accounts payable and other liabilities	14,759	3,674
Change in provisions	-193	-143
Interest paid	-2,679	-3,589
Interest received	29	50
Taxes paid	-265	-252
Other financing items	-1,636	-2,209
<b>Net cash generated from operating activities</b>	<b>146,713</b>	<b>138,030</b>
<b>Cash flow from investing activities</b>		
Investments in tangible and intangible assets	-83,577	-50,401
Sale of tangible assets	375	126
Acquisition of subsidiary shares	-27,051	0
<b>Net cash used in investing activities</b>	<b>-110,253</b>	<b>-50,275</b>
<b>Cash flows from financing activities</b>		
Loan withdrawals	232,000	54,000
Net increase in current interest-bearing liabilities (+) / net decrease (-)	34,881	-2,973
Repayment of loans	-248,649	-91,204
Payment of lease liabilities	-3,090	-3,427
Dividends paid	-51,503	-51,503
<b>Net cash used in financing activities</b>	<b>-36,361</b>	<b>-95,108</b>
<b>Change in cash and cash equivalents</b>	<b>99</b>	<b>-7,353</b>
Cash and cash equivalents 1 January	1,847	9,208
Effect of foreign exchange rate change	5	-8
<b>Cash and cash equivalents at the end of periods</b>	<b>1,951</b>	<b>1,847</b>

## REVENUE AND RESULT BY BUSINESS SEGMENTS

	10–12 2021		10–12 2020		1–12 2021		1–12 2020	
	MEUR	%	MEUR	%	MEUR	%	MEUR	%
<b>Revenue</b>								
Shipping and sea transport services	148.0	96.1	115.4	95.5	555.3	95.8	461.8	95.4
Port operations	11.5	7.5	10.9	9.0	47.0	8.1	42.8	8.8
Intra-group revenue	-5.6	-3.6	-5.4	-4.5	-22.3	-3.9	-20.6	-4.3
<b>External sales</b>	<b>154.0</b>	<b>100.0</b>	120.9	100.0	<b>579.9</b>	<b>100.0</b>	484.0	100.0
<b>Result before interest and taxes</b>								
Shipping and sea transport services	4.6		16.6		73.6		72.5	
Port operations	1.0		0.9		4.6		3.7	
<b>Result before interest and taxes (EBIT) total</b>	<b>5.7</b>		17.5		<b>78.2</b>		76.2	
Financial income and expenses	-1.0		-1.2		-4.4		-5.6	
<b>Result before taxes (EBT)</b>	<b>4.6</b>		16.3		<b>73.8</b>		70.6	
Income taxes	1.1		-0.8		0.9		-0.9	
<b>Result for the reporting period</b>	<b>5.7</b>		15.6		<b>74.7</b>		69.7	

## REVENUE BY GEOGRAPHICAL AREA

EUR 1,000	1–12 2021	1–12 2020
<b>Revenue</b>		
Finland	238,251	195,838
Sweden	92,888	70,860
Germany	71,275	58,383
Other EU countries	152,350	130,703
Russia	9,893	6,751
Other	15,286	21,482
	<b>579,944</b>	484,016

The revenue from the geographical areas is reported according to the location of the customers.

## REVENUE BY FUNCTIONS

EUR 1,000	1–12 2021	1–12 2020
<b>Revenue</b>		
Freight and other shipping services	507,864	423,100
Passenger services	47,829	39,047
Port operations	24,251	21,870
	<b>579,944</b>	484,016

**PROPERTY, PLANT AND EQUIPMENT 2021**

EUR 1,000	Land	Buildings	Vessels	Machinery and equipment	Advance payments & acquisitions under construction	Total
<b>Reporting period ending 31 December 2021</b>						
Acquisition cost 1 January 2021	72	65,151	1,486,518	65,826	59,521	1,677,087
Exchange rate differences		-2		17		15
Increases	1,053	40,993	10,404	1,175	72,389	126,015
Disposals			-64	-143		-207
Reclassifications between items			667	0	-667	0
Reclassifications to non-current assets held for sale *		-3,297		-22,395		-25,691
<b>Acquisition cost on 31 December 2021</b>	<b>1,125</b>	<b>102,846</b>	<b>1,497,525</b>	<b>44,480</b>	<b>131,243</b>	<b>1,777,219</b>
Accumulated depreciation, amortisation and write-offs 1 January 2021		-24,522	-644,563	-44,175		-713,260
Exchange rate differences		2		-16		-14
Cumulative depreciation on reclassifications and disposals		-15,159	64	-250		-15,346
Depreciation for the reporting period		- 2,747	-74,750	-1,041		-78,538
<b>Accumulated depreciation, amortisation and write-offs 31 December 2021</b>		<b>-42,426</b>	<b>-719,249</b>	<b>-45,482</b>		<b>-807,157</b>
Reclassifications to non-current assets held for sale *		570		10,510		11,081
<b>Carrying value on 31 December 2021</b>	<b>1,125</b>	<b>60,990</b>	<b>778,276</b>	<b>9,508</b>	<b>131,243</b>	<b>981,142</b>

Not including right-of-use assets.

The carrying value of property, plant and equipment includes EUR 17.5 (17.3) million of capitalised interest during construction.

\* The Finnlines Group is negotiating a sale of Port Operations' assets with carrying value of EUR 14.6 (14.6) million. No impairment losses were recognised on the carrying values of these assets in 2020 or 2021, as according to management's estimate, the fair value of the assets classified as held for sale was higher than the carrying value at the balance sheet date 31 December 2020 and 31 December 2021.

EUR 1,000	Land and water	Buildings and structures	Machinery and equipment	Total
<b>Right-of-use assets 2021</b>				
Acquisition cost 1 January 2021	20,339	3,832	1,439	25,610
Exchange rate differences			1	1
Increases	7,379		181	7,561
Disposals		-2,099		-2,099
Reclassifications between items		0	0	0
<b>Acquisition cost 31 December 2021</b>	<b>27,719</b>	<b>1,733</b>	<b>1,622</b>	<b>31,074</b>
Accumulated depreciation, amortisation and write-offs 1 January 2021	-4,100	-2,202	-776	-7,078
Exchange rate differences			-1	-1
Cumulative depreciation on reclassifications and disposals		1,753		1,753
Depreciation for the reporting period	-1,919	-644	-304	-2,866
<b>Accumulated depreciation, amortisation and write-offs 31 December 2021</b>	<b>-6,019</b>	<b>-1,092</b>	<b>-1,081</b>	<b>-8,192</b>
<b>Carrying value 31 December 2021</b>	<b>21,700</b>	<b>640</b>	<b>541</b>	<b>22,882</b>
<b>Property, plant and equipment, total</b>				<b>1,004,024</b>

EUR 1,000	Buildings	Machinery and equipment	Total
<b>Assets classified as held for sale 1 January 2021</b>			
<b>Acquisition cost</b>			
Transfer to non-current assets held for sale	3,297	22,395	25,691
<b>Accumulated depreciation</b>			
Transfer to non-current assets held for sale	-570	-10,510	-11,081
<b>Carrying value 31 December 2021</b>	<b>2,726</b>	<b>11,884</b>	<b>14,610</b>

The Management has evaluated vessels' economic life span and residual values. As a result, due to the expected economic life span of 25-30 years, the depreciation time has been shortened by 5 years on average, starting from 1.1.2021. The annual increase of the 2021 fiscal year depreciation (EUR 17.3 million) has been booked as cost on the fourth quarter of 2021.

PROPERTY, PLANT AND EQUIPMENT 2020

EUR 1,000	Land	Buildings	Vessels	Machinery and equipment	Advance payments & acquisitions under construction	Total
Acquisition cost 1 January 2020	72	67,348	1,477,184	66,169	19,884	1,630,657
Exchange rate differences		2		-16		-14
Increases			9,477	265	40,307	50,049
Disposals		-515	-683	-708		-1,907
Reclassifications between items		14	540	116	-670	0
Reclassifications to non-current assets held for sale		-3,297		-22,395		-25,691
<b>Acquisition cost 31 December 2020</b>	72	63,552	1,486,518	43,431	59,521	1,653,093
Accumulated depreciation, amortisation and write-offs 1 January 2020		-23,747	-587,887	-43,878		-655,511
Exchange rate differences		-2		14		13
Cumulative depreciation on reclassifications and disposals		511	683	711		1,905
Depreciation for the reporting period		-1,918	-57,359	-1,023		-60,300
<b>Accumulated depreciation, amortisation and write-offs 31 December 2020</b>		-25,156	-644,563	-44,175		-713,894
Reclassifications to non-current assets held for sale		570		10,510		11,081
<b>Carrying value 31 December 2020</b>	72	38,966	841,955	9,766	59,521	950,280

Not including right-of-use assets.

EUR 1,000	Land and water	Buildings and structures	Machinery and equipment	Total
<b>Right-of-use assets 2020</b>				
Acquisition cost 1 January 2020	18,642	2,514	1,018	22,173
Exchange rate differences			-1	-1
Increases		1,321	424	1,745
Disposals				
Reclassifications between items		-3	-2	-5
<b>Acquisition cost 31 December 2020</b>	18,642	3,832	1,439	23,913
Accumulated depreciation, amortisation and write-offs 1 January 2020	-1,733	-861	-372	-2,966
Exchange rate differences			0	0
Cumulative depreciation on reclassifications and disposals		1	1	2
Depreciation for the reporting period	-1,733	-1,342	-405	-3,481
<b>Accumulated depreciation, amortisation and write-offs 31 December 2020</b>	-3,466	-2,202	-776	-6,444
<b>Carrying value 31 December 2020</b>	15,176	1,629	663	17,468
<b>Property, plant and equipment, total</b>				967,748

EUR 1,000	Buildings	Machinery and equipment	Total
<b>Assets classified as held for sale 1 January 2020</b>			
<b>Acquisition cost</b>			
Transfer to non-current assets held for sale	3,297	22,395	25,691
<b>Accumulated depreciation</b>			
Transfer to non-current assets held for sale	-570	-10,510	-11,081
<b>Carrying value 31 December 2020</b>	2,726	11,884	14,610



## LEASES

Finnlines does not apply practical expedient, by which service components are not separated from lease contract components.

Finnlines has included the value of option in such contracts where the leased facility has strategic long term value.

### Amounts recognized in profit or loss

EUR 1,000	1–12 2021	1–12 2020
Interest on lease liabilities 31 December	314	235
Expenses relating to short-term leases	309	2
Expenses relating to low-value assets	202	93
Service components of lease payments 31 December	51	196
Lease payments of all leases accounted according to IFRS 16	2,997	3,635
<b>Total cash flow of all leases 31 December 2021</b>	<b>3,559</b>	<b>3,926</b>

### Maturity analysis

EUR 1,000	2021	2020
<b>Contractual undiscounted cash flows</b>		
Less than one year	2,680	3,115
One to five years	8,421	8,028
More than five years	20,763	14,223
<b>Total undiscounted lease liabilities at 31 December</b>	<b>31,864</b>	<b>25,365</b>
Short term leasing liability	1,986	2,882
Long term leasing liability	20,202	14,779
<b>Lease liabilities included in statement of financial position at 31 December</b>	<b>22,188</b>	<b>17,661</b>

## FAIR VALUE HIERARCHY OF FINANCIAL INSTRUMENTS

**Level 1** - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

**Level 2** - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

The Group has loans from financial institutions and pension loans and commercial papers belonging to level 2. Also included in level 2 are foreign currency derivatives acquired to hedge against cash flow risk related to committed vessel orders. There is no material difference between carrying values and fair values of these instruments.

**Level 3** - Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Level 3 includes unlisted shares amounting to EUR 7.1 million (7.1 in 2020), which are valued at the lower of acquisition cost or probable value, as their fair value cannot be reliably measured. Majority of the unlisted shares consists of Steveco Oy's shares of which Finnlines owns 25.4%. This shareholding is presented in financial assets, because Finnlines does not have significant influence in Steveco Oy.

## CONTINGENCIES AND COMMITMENTS

EUR 1,000	2021	2020
Minimum leases payable in relation to fixed-term leases:		
<b>Vessel leases (Group as lessee)</b>		
Within 12 months	1,440	0
1–5 years	0	0
	1,440	0
<b>Vessel leases (Group as lessor)</b>		
Within 12 months	0	7,141
1–5 years	0	0
	0	7,141
<b>Other leases (Group as lessee)</b>		
Within 12 months	181	109
1–5 years	44	96
After 5 years	0	0
	225	205
<b>Other leases (Group as lessor)</b>		
Within 12 months	310	229
1–5 years	0	0
	310	229
<b>Collateral given</b>		
Loans from financial institutions	207,643	233,847
<b>Vessel mortgages provided as guarantees for the above loans</b>		
	539,500	539,500
<b>Other collateral given on own behalf</b>		
Pledges	340	340
<b>Other obligations</b>		
Obligations, related to vessel investments	319,221	358,044
Other external obligations	1,130	1,467
	320,350	359,511
<b>VAT adjustment liability related to real estate investments</b>	<b>5</b>	<b>2</b>

## REVENUE AND RESULT BY QUARTER

MEUR	Q1/21	Q1/20	Q2/21	Q2/20	Q3/21	Q3/20	Q4/21	Q4/20
<b>Revenue</b>								
Shipping and sea transport services	117.8	124.7	140.3	100.4	149.2	121.2	148.0	115.4
Port operations	11.7	10.9	12.5	10.4	11.3	10.6	11.5	10.9
Intra-group revenue	-5.4	-5.1	-6.0	-5.0	-5.4	-5.1	-5.6	-5.4
<b>External sales</b>	<b>124.1</b>	<b>130.5</b>	<b>146.8</b>	<b>105.8</b>	<b>155.1</b>	<b>126.7</b>	<b>154.0</b>	<b>120.9</b>
<b>Result before interest and taxes</b>								
Shipping and sea transport services	13.2	21.5	22.9	11.4	32.8	23.0	4.6	16.6
Port operations	0.9	0.6	1.5	0.8	1.2	1.4	1.0	0.9
<b>Result before interest and taxes (EBIT) total</b>	<b>14.1</b>	<b>22.1</b>	<b>24.4</b>	<b>12.2</b>	<b>34.0</b>	<b>24.5</b>	<b>5.7</b>	<b>17.5</b>
Financial income and expenses	-1.1	-1.5	-1.2	-1.4	-1.1	-1.5	-1.0	-1.2
<b>Result before taxes (EBT)</b>	<b>13.0</b>	<b>20.6</b>	<b>23.2</b>	<b>10.7</b>	<b>32.9</b>	<b>23.0</b>	<b>4.6</b>	<b>16.3</b>
Income taxes	0.2	0.1	-0.1	0.2	-0.2	-0.5	1.1	-0.8
<b>Result for the reporting period</b>	<b>13.2</b>	<b>20.7</b>	<b>23.1</b>	<b>11.0</b>	<b>32.7</b>	<b>22.5</b>	<b>5.7</b>	<b>15.6</b>
EPS (undiluted / diluted), EUR	0.26	0.40	0.45	0.21	0.63	0.44	0.11	0.30

## SHARE INFORMATION

	31 Dec 2021	31 Dec 2020
Number of shares	51,503,141	51,503,141

Finlines Plc is fully owned by the Grimaldi Group

## EVENTS AFTER THE REPORTING PERIOD

There are no significant events to report.

## CALCULATION OF RATIOS

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Earnings per share (EPS), EUR	=	$\frac{\text{Result attributable to parent company shareholders}}{\text{Weighted average number of outstanding shares}}$	
Shareholders' equity per share, EUR	=	$\frac{\text{Shareholders' equity attributable to parent company shareholders}}{\text{Undiluted number of shares at the end of period}}$	
Net gearing, %	=	$\frac{\text{Interest-bearing liabilities* - cash and bank equivalents}}{\text{Total equity}} \times 100$	
Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Assets total - received advances}} \times 100$	
Net debt to EBITDA ratio	=	$\frac{\text{Net Debt}}{\text{EBITDA past 12 months}}$	

\* Not including leasing liabilities.

Income tax expense is recognised based on the best estimate of the weighted-average annual income tax rate expected for the full financial year. In January 2013, the shipping operations of Finnlines Plc transferred to tonnage-based taxation.

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## RELATED PARTY TRANSACTIONS

In April 2021, Finnlines time-chartered MS Eurocargo Savona from the Grimaldi Group. There were no other material related party transactions during the reporting period.