



**PIRAEUS PORT AUTHORITY S.A**

**SIX-MONTH  
FINANCIAL REPORT  
FOR THE PERIOD**

**JANUARY 1 – JUNE 30, 2021**

IN ACCORDANCE WITH THE  
INTERNATIONAL FINANCIAL REPORTING STANDARDS  
(AS ADOPTED BY THE EUROPEAN UNION)

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**Statements of the Members of the Boards of Directors****(in accordance with article 5par. 2 of L. 3556/2007)**

The following statements, which are effected in accordance with article 5 par. 2 of the L. 3556/2007, as applicable, are given by the following Members of the Board of Directors of the Company:

1. YU Zeng Gang, Chairman of the Board of Directors
2. ZHANG Anming, Chief Executive Officer (Acting)
3. LI Jin, Member of the Board of Directors

The undersigned, in our above-mentioned capacity, and in particular the third as specifically appointed by the Board of Directors of the societe anonyme company under the name "Piraeus Port Authority Societe Anonyme" and trade title "PPA S.A." (hereinafter referred to as "Company" or as "PPA"), we state and we assert that to the best of our knowledge:

- (a) the interim condensed financial information of the Company for the period from January 1, 2021 to June 30, 2021, which were compiled according to the applicable International Financial Reporting Standards as adopted by the EU, provide a true and fair view of the assets and the liabilities, the equity and the results of the period of the Company, according to that stated in paragraphs 3 to 5 of article 5 of the L.3556/2007 and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.
- (b) the Report of the Board of Directors of the Company provide a true and fair view of the evolution, the achievements and the financial position of the Company, including the description of the main risks and uncertainties they face and relevant information that is required according to paragraphs 6 of article 5 of the L. 3556/2007, and the relevant executive Decisions of the Board of Directors of the Capital Market Commission.

Piraeus, September 28, 2021

YU ZENG GANG

ZHANG ANMING

LI JIN

Chairman of the

Chief Executive Officer (Acting)

Member of the  
Board of Directors)

Board of Directors

Passport No PE1895434

Passport No PE0942508

Passport No PE1614410

**BOARD OF DIRECTORS' REPORT ON THE INTERIM CONDENSED FINANCIAL INFORMATION  
of**

**«PIRAEUS PORT AUTHORITY S.A. -OLP S.A.»  
(according to the regulations of par. 6 of article 5 of L. 3556/2007)**

Regarding the Interim Condensed Financial information  
for the six month period ended June 30, 2021

The Board of Directors report on the interim condensed financial information was compiled and is in accordance with the prevailing legislation (par. 6 art. 5 of L.3556/2007) and the administrative decisions of the Capital Market Commission's Board of Directors (1/434/3-7-2007, 7/448/11-10-2007).

The report aims to inform investors about:

- The financial status, results and the general prospects of the Company for the aforementioned period as well as changes that were made.
- The most important events that took place in the first semester of the current financial period and their effect on the half year financial reports.
- The risks and uncertainties that may arise for the Company within the 2nd semester of 2020.
- The transactions and balances between the Company and any related parties, as well as the Board of Directors members' remuneration.

**A. REPORT ON 1ST SEMESTER 2021**

**Period results:**

**Statement of comprehensive income**

**- Revenues**

The total revenues of the first half of 2021 amounted to € 72.0 million, compared to the corresponding half of 2020 (€ 66.5 million), have increased by € 5.5 million or 8.3%. The increase is mainly due to the significant increase of revenues from the cruise sector, revenues of the car terminal sector as well as revenues from the coasting sector by 175.1%, 34.9% and 9.7% or by € 1.2 million, € 1.9 million and € 0.3 million, respectively. In addition, there was an increase in revenues from the concession agreement of Pier II and III by € 1.8 million or 5.7%. The above increase was mainly offset by the decrease of shipbuilding repair revenues by 8.9% or by € 0.7 million.

**- Expenses**

The key operating costs mainly relate to the payroll costs which in the 1st semester of 2021 increased and amounted to € 30.0 million compared to € 29.2 million in the corresponding half of 2020 (Note 26).

As far as for the other expenses, except for staff cost-other cost, they were amounted to previous year's figures with the largest increase appearing in "Third party services" by € 1.1 million, due to the adoption by the Company (December 2020) of the use external partners for the loading and unloading services as well as in the "Other staff costs" by € 0.6 million mainly due to repairs and maintenance of the Company's own tangible fixed assets.

The "Greek State Concession" presented an increase of € 0.2 million due to increase in revenues (Note 22).

The provisions for legal cases, for which a provision was made in the current period amounted to € 1.3 million. In previous period were made provisions of € 1.3 million and additionally provisions for legal cases were reversed by € 3.6 million which were re-evaluated by the Legal Department of the Company based on recent events or were finalized in its favor.

There was an increase in the consumption of materials by 40.0% which in the current period amounted to € 1.4 million while in the previous year was € 1.0 million.

Depreciation increased by € 0.1 million in the current period, amounted to € 8.9 million (June 30, 2020: € 8.8 million).

### **- Financial Income**

In financial income, a significant variance on credit interest on deposit was noted due to the decrease of bank interest during the current year (30.6.2021: € 7 thousands instead of € 232 thousands in 1<sup>ST</sup> semester of 2020).

### **- Net impairment losses on financial assets**

Provisions for trade and other receivables, related to the estimated credit losses according to the Company's accounting policy under IFRS 9, showed a decrease of € 0.4 million, due to the fact that during the current period a provision for doubtful receivables amounting to € 0.3 million was recorded and respectively an equivalent provision for doubtful other receivables was reversed. As a result no net impairment loss appears in the statement of comprehensive income.

### **-Other operating expenses**

Other operating expenses for the period amounted to € 0.4 million compared to the corresponding period of 2020 (€ 1.0 million) have been decreased by € 0.6 million. The decrease is mainly due to the reduction of third party compensation by € 0.3 million, the decrease of other expenses by € 0.2 million and the non-existence of loss on disposal of property, plant and equipment in current period. (June 30, 2020: € 0.1 million).

## **Statement of financial position**

### **-Total Assets**

Total assets as at 30.06.2021 amount to € 494.4 million, increased by 3.0% or € 14.2 million (31.12.2020: € 480.3 million).

The increase in total assets was mainly due to the following sub-items, namely:

- the increase of the unamortized balance of tangible property, plant and equipment by € 5.2 million (due to the additions 13.2 million of the year reduced by € 8.0 million current year depreciation),
- the increase in cash and cash equivalents by € 3.0 million
- the increase in trade and other receivables by € 7.8 million due to the increase in the balance of trade receivables and the increase of grant receivable.

This increase was mainly offset by the decrease in:

- the right of use assets amounting to 1.0 million mainly due to depreciation amounting to € 1.1 million plus the addition of the period amounting to € 0.1 million,
- in the deferred tax asset by € 1.1 million which mainly due to the decrease in the income tax rate from 24% to 22% in the current period 2021.

### **- Total Liabilities**

Total liabilities as at 30.06.2021 amounted to € 233.5 million, showing a decrease of € 0.8 million (31.12.2020: € 234.3 million).

The change in total liabilities is mainly due to the changes in the following sub-items, namely:

- decrease in bank debt by € 3.0 million due to the repayment of two installments of the long-term loan.
- decrease in accrued and other liabilities by the amount of € 0.9 million (Note 18).
- decrease in suppliers by the amount of € 2.5 million.
- decrease in short-term and long-term lease liabilities by € 2.3 million (Note 5) is mainly due to the payments of € 3.6 million which was offset by the finance cost of € 1.2 million.
- decrease in the deferred income by the amount of € 0.5 million.
- Increase in other non-current liabilities by the amount of € 0.3 million which refers to the current year provision of the long-term incentive bonus plan (Note 29).
- increase in grants by the amount of € 6.5 million (Note 13) relating to the grant received during the period of € 6.9 million which was offset by the current period's depreciation which amounted to € 0.4 million.
- increase in the provisions for legal cases by the amount of € 1.2 million (Note 15).
- increase in the provision for retirement incentives by the amount of € 0.3 million.

**Alternative Performance Measures (APMs):**

<b>Financial Structure ratios</b>
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	<u>30/6/2021</u>		<u>31/12/2020</u>	
<b>1. Current assets</b>	141,867,161.75		131,113,833.15	
<hr/> Total assets	494,437,787.09	<b>29%</b>	480,282,297.33	<b>27%</b>
<b>2. Total equity</b>	260,933,449.07		246,013,819.56	
<hr/> Total liabilities	233,504,338.02	<b>112%</b>	234,268,477.77	<b>105%</b>
<b>3. Total equity</b>	260,933,449.07		246,013,819.56	
<hr/> Non-current assets	352,570,625.34	<b>74%</b>	349,168,464.18	<b>70%</b>
<b>4. Current assets</b>	141,867,161.75		131,113,833.15	
<hr/> Current liabilities	28,255,740.64	<b>502%</b>	31,367,852.15	<b>418%</b>
<b>5. Borrowings</b>	47,499,999.99		50,499,999.99	
<hr/> Total equity	260,933,449.07	<b>18%</b>	246,013,819.56	<b>21%</b>

<b>Performance and efficiency ratios</b>
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	<u>30/6/2021</u>		<u>30/6/2020</u>	
<b>6. Profit before income taxes</b>	20,837,850.13		20,845,882.20	
<hr/> Revenue	71,999,559.77	<b>29%</b>	66,502,522.80	<b>31%</b>
<b>7. Profit before income taxes</b>	20,837,850.13		20,845,882.20	
<hr/> Total equity	260,933,449.07	<b>8%</b>	248,974,917.09	<b>8%</b>
<b>8. Gross profit</b>	33,417,042.14		29,910,410.44	
<hr/> Revenue	71,999,559.77	<b>46%</b>	66,502,522.80	<b>45%</b>
<b>9. EBITDA</b>	31,348,366.23		31,096,489.28	
<hr/> Revenue	71,999,559.77	<b>44%</b>	66,502,522.80	<b>47%</b>

The Company uses as Alternative Performance Measures (“APMs”) the above ratios in the context of making decisions concerning its financial, operational and strategic planning, as well as assessing and publishing its performance. These APMs help to understand better the Company's financial and operating results, financial position and cash flow statement. Alternative performance measures (APMs) must always be taken into account in combination with the financial results prepared in accordance with International Financial Reporting Standards (“IFRS”) and will not replace the latter under any circumstances.

**B. Highlights of the 1st semester 2021****▪ Major events****"Improvement of Infrastructure of Ship Repair Zone (including floating docks) -Phase B"**

The construction of the project "Improvement of Infrastructure of the Shipbuilding and Repair Zone (including floating docks) -Phase B" has started, work cost € 18,828,882.60.

The project concerns the upgrading of the existing port infrastructure, the construction of new infrastructure and E/M facilities. The works are summarized in:

- Upgrading of the existing quay walls of the registrar's fronts, the southern fronts and part of the eastern front of the eastern Pier I.
- Reconstruction of the superstructures of the above quay walls.
- Reconstruction of type A100 rails for the installation of two (2) new cranes at the present stage and in addition two more (2) in the near future, type Jib Cranes on the planned fronts (west side of Pier I) and east side of the Pier.
- Reconstruction of floors in a specific area of the shipbuilding and repair zone.
- Construction of a network for the collection of surface rainwater runoff and stormwater runoff from the railway vessels.
- Construction of two new Substation buildings and a Pumping Station.
- Upgrading of existing and installation of new E / M networks, equipment and infrastructure.

**Private mobile network at the Piraeus Container Terminal for the needs of PPA**

This private network serves data traffic and covers all Piraeus container terminals including Pier I, offering a guaranteed network capacity of 2.7Gbps, which supports the entire supply chain and daily port operations, such as loading and unloading, cargo storage, distribution and precision functions.

This state-of-the-art 4G / LTE network, presents unique innovations and can also support the use of NB-IoT technology, thus enabling installation of sensors and implementation of digital applications.

The technological upgrade of the Piraeus Container Terminal contributes to the improvement of its operations and the upgrading of the services it provides to its end customers. Moreover, thanks to the highly responsive and zero-latency architecture of this network, it is possible to continuously transmit data and process it in real time, which paves the way for future technological applications. Furthermore, through additional security protocols and thanks to the closed structure of the first private mobile network, top security is achieved in the data that it transfers.

**Signing of a procurement contract for Electric Stacking Cranes (E-RTG Cranes)**

PPA S.A. announced on 13/04/2021 the signing of a new supply contract for five (5) Stacking Cranes (E-RTG), which will be installed in Pier I of the Container Terminal. It is noted that the new electric E-RTGs are more environmentally friendly than conventional ones and their use will improve the environmental footprint of the port of Piraeus.

**Investments in Ship Repair Zone in Perama**

PPA S.A. announced on 08/04/2021 the approval of the tender evaluation regarding the "Supply of two (2) double level luffing jib cranes for the activities of Ship Repair Zone in Perama in the framework of the Mandatory Enhancement M.E.06" for the amount of nearly 8 million euros.

The super modern and state-of-the-art cranes will contribute to the upgrade of the Perama Ship Repair Zone facilities, enabling repair works for ships up to 55 meters high with a lifting capacity of 40 tons.

### **Company's Continuity Plan in the midst of the COVID-19 Pandemic**

On 30 January 2020, the World Health Organization (WHO) declared the spread of COVID-19 a "public health emergency of international concern", while on March 11, 2020 it was declared by WHO as a pandemic. Immediately the entire healthcare staff of the country was put on alert and a series of decisions were taken with the main aim being to slow down the spread of the virus while at the same time measures were announced to reduce the impact on social and economic level. The evolution of the COVID-19 pandemic, combined with the restrictive measures taken to address it, has had a negative economic impact worldwide and has inevitably affected and will continue to affect the national economy.

In this difficult time and within the above-described framework that led to unprecedented measures (eg lockdown) in almost all over the world, PPA SA, with responsibility and commitment to its corporate values, actively participated in the effort of the Greek state to limit the spread of coronavirus (COVID-19) and in the protection of the public and private health, successfully implementing a set of targeted measures to combat its transmission, in accordance with the decisions and recommendations of the Ministry of Health and National Public Health Organization, in order to ensure the health and safety of employees, customers and users of the port, who in combination are a key pillar of business development.

In particular, since the outbreak of the pandemic in Greece, the Company has implemented those policies that were deemed necessary and appropriate, in order to ensure its business continuity, its smooth operation and the reduction of negative consequences to the smallest possible extent, through the:

- Ongoing market research and procurement of personal protective equipment to maintain sufficient stock for employees
  - Supply a sufficient number of laptops with the appropriate software, allowing remote access to corporate resources to employees working from home. In total the Company procured, configured and distributed **156** laptops to office personnel.
  - Encouraging business partners for the use of electronic services
  - Maintenance of communication channel and constant updating by the competent authorities of the State and the Port (NPHO-EODY / Piraeus Port Health Services / Hellenic Coast Guard).
  - Stay in their home for 14 days, for those employees who returned from abroad, according to the instructions of the NPHO (EODY).
  - Adoption of teleworking for employees who can perform their work from home, so as to reduce overcrowding and avoid close contacts (In total 237 employees had followed the "Work from Home" practice with respective creation of 237 VPN accounts, for totally 8,787 days during the period from 01/01/2021 to 30/06/2021).
  - Granting "special purpose leave" to employees, in accordance with the instructions of the State Authorities (In total, 58 employees used the "Special Purpose Leave" practice for totally 1,444 days).
  - Restriction (where possible) of the entry of business partners into PPA's premises.
  - Disinfection of public areas (*most of the time on a daily basis*):
    - inside PPA's buildings (cashiers, desks, chairs, sofas etc.),
    - ferry Terminal waiting room (close to E7 gate)
    - PPA's public buses
- as well as increasing the frequency of cleaning and disinfecting workplaces where staff regularly move such as:
- waiting rooms, garages, etc.
  - vehicles / machinery used in freight loading (Cranes, RMGs, Straddle Carriers etc.).
- Installation of antiseptic hand bases at Cruise Terminal and PPA's buses, as well as at key points of the company's buildings.
  - Reproducing of informational videos of NPHO (EODY) at the passenger stations of Cruise Terminal and at the company's HQs.



- Installation of A4 size laminated posters with NPHO (EODY) guidelines regarding compliance with hygiene rules in prominent areas of the company's premises.
- Suspension of all business trips and delegations visits to and from abroad.
- Conduct of business meetings only via videoconferencing.
- Informing of maritime agencies about the actions to be taken by crews, in case of close contacting with PPA's employees. (Wearing masks etc.)
- Equipment of the company's ambulances with the necessary materials to be ready to deal with a potential incident.
- Creation of an Action Plan for a suspected case during work.
- Sending of informative messages via e-mail and SMS to all employees of the company, regarding preventive measures, in accordance with the instructions of NPHO (EODY).
- Supply of materials and personal protective equipment (antiseptic gels, FFP2 masks, surgical masks, gloves etc.) and distribution to all staff, considering their job position.
- Continuous communication of the Occupational Doctor with employees presenting symptoms, in order to provide medical instructions.

### **C. Evolution of Business Activities.**

#### **Cruise**

The resumption of the Cruise in Greece on May 14, 2021 was a significant boost, after six months of inactivity due to Covid-19 pandemic. There are first positive signs for the recovery of the industry, which is in an experimental stage as a prerequisite is the implementation of the strict Health Protocols for readiness and response to the SARS-CoV-2 coronavirus, as issued by the Government. The total passenger traffic for the first six (6) months of 2021 increased by 245.6% compared to the corresponding period of 2020, from 7,657 to 26,460 passengers. Home port passenger traffic increased by 73.46% (4,680 vs. 2,698), while transit passenger traffic also increased by 339.20% (21,780 vs. 4,959).

#### **Coastal Shipping**

Overall, the domestic passenger traffic and vehicle flow are almost at the same level as in the first half of 2020, as a second lockdown was imposed in our country from November 7, 2020 to May 14, 2021, limiting the maritime movements within Greece. More specifically, there is a significant decrease in the volume of passengers and vehicles in the first quarter of 2021 compared to the same period in 2020, while there is an increase in April, May and June 2021 compared to the corresponding months of 2020, due to the fact that the initial lockdown started to take place gradually from March 4, 2020. Therefore, the total number of passengers in the first half of the year compared to the same period of the previous year decreased by 4.7% (from 4,004,596 to 3,817,902 million passengers), while vehicle traffic increased by 6.5% (from 938,445 to 999,022 vehicles). Remarkably, the movement to the islands still presupposes compliance with health protocols, boarding with health declaration and limited occupancy of ships/itineraries (85% with cabins and 80% without cabins).

#### **Car Terminal**

During the first half of 2021, volume at Car Terminal increased by 46.4% reaching the levels of 2019. Both local volume (+37.6%) and transshipment volume (+49.9%) showed a marked increase. The increase in demand for passenger cars contributed from the saving of money made by a large part of the population during the pandemic as well as the concern about the increased transmissibility of the virus when using public transport. Another important factor in the increase in passenger car imports was the start of the tourist season in May, the preparation of which had begun in previous months. As a result, the local cargo increased to 58,289 units from 42,353 (+37.6%) and the transshipment cargo increased to 159,140 units from 106,155 (+49.9%).

### ***Container Terminal***

Traffic at the Container Terminal of Pier I in the first half of 2021 reached 302.470 TEU, recording a 6,2% increase over the corresponding period of 2020. More specifically, an increase in transshipment cargo was noted from 235.514 TEU to 243.448 (3,4%), as well as an increase in local cargo (imports and exports) by 19,4% (from 49.426 TEU to 59.022) <sup>1</sup>. The overall increase in cargo volume is the result of COSCO Shipping contribution as well as the strategic agreement between PPA S.A. and PCT S.A. that supports a more efficient use of infrastructure with synergies between Piraeus Terminals.

### ***Ship Repair***

During the first half of 2021, the dry-dockings followed the upward trend of 2020 as the restrictive measures and travel bans imposed by the government led to the interruption of ferry and cruise itineraries, the first of the two being a dominant user of ship repair works at Piraeus port. Therefore, the above-mentioned situation encouraged ship repair works. As a result, dry-docking days increased by 14% with dry-docking vessels increasing by 5% (from 76 to 80) compared to the corresponding period of 2020. On the contrary, the infrastructure works for the implementation of the Master Plan had as a result the reduction of the repair posts during the first half of 2021 in the whole ship repair zone and more specifically, in Perama, Molos Drapetsona and DEI Pier where the number of repaired vessels recorded a decrease of -5% (from 151 to 143) compared to the corresponding period of 2020.

## **D. Environmental, Social, Working Issues**

### ***D.1. Care for the Environment***

PPA SA, as a member of the European EcoPorts Network, implements an environmental management program which is in line with the European System PERS (Port Environmental Review System), established by the European Sea Ports Organization (ESPO).

Within the framework of the PERS environmental management system, PPA SA has developed and implements a specific environmental policy and maintains an updated record of the environmental parameters related to the company's activities. In accordance with European and International standards, PPA SA aims at the continuous improvement of its environmental performance, by protecting the environment and preserving natural resources for future generations as follows:

I.Environmental quality monitoring programs across the port area related to:

- Acoustic environment: noise measurements.
- Air pollution: Permanent air quality measurement station and 24-hour recording.
- Marine environment: sea water quality measurements.

It is noted that in the current period procedures are underway for the alignment of the above Monitoring Programs according to the provisions of the new Decision of Environmental Terms Approval of PPA SA.

II.Integrated waste management system produced in areas of PPA, which includes:

- Separate management of all generated waste streams.
- Recycling of packaging (paper, aluminum, plastic, tetrapak) through the use of a dense network of collection points in passenger terminals, offices and other areas of the port.
- Segregation of waste in order to keep environmental indicators by activity.

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<sup>1</sup> Total container throughput 2020: 284.940 TEUs. The small differences with respect to the throughput data of 2020 published in last year's semi-annual financial report, arise due to the finalization of the categories of cargo, at a time later than last year's publication.

III. Ship-generated Waste Management Plan in accordance with the European regulations and the International Convention on Marine Pollution MARPOL 73/78. According to the Plan a system for Port Reception Facilities is established for the collection and management of solid and liquid ship-generated waste.

IV. Contingency plans for the prevention and preparedness of response to marine and land pollution from petroleum products and harmful substances and daily monitoring of the cleaning of the marine and land area of the PPA SA.

#### ***D.2. Social Responsibility***

The Company pays particular attention to social contribution, as demonstrated and expressed through the timeless efforts and initiatives of both Management and Employees.

The Company aims to contribute to the development of its society and especially the creation of added value for the communities that surround it.

PPA SA activities, with regards to aiding the community, are related with:

- Boosting employment and the local economy.
- Economic support of social groups through ongoing (monthly) support of social institutions of neighboring municipalities.
- Facilitating the charitable effort of the Holy Metropolis of Piraeus.
- Aiding orphanages, special schools, sports clubs and cultural associations of Piraeus Region.

#### ***D.3. Care for the employees***

##### ***Health and Safety in the working environment***

The Company attributes utmost importance to the provision of safe workplaces for employees, traders, passengers etc. All areas of the Port are regularly inspected to ensure that employees comply with health and safety legislation and the instructions of those responsible.

PPA SA also monitors and controls the compliance of third parties (contractors) with the Occupational Health and Safety legislation, requiring health and safety plans before and during the implementation of technical projects.

For this purpose, two (2) safety engineers, one of them exclusively employed for the needs of NEZ and a doctor are employed, reporting any safety issues to the Management of the company, in accordance with Law No. 3850/2010. Potential accidents are recorded and investigated, and corrective actions are taken in order for the accidents not to be repeated.

Additionally, at high-risk areas (Container Terminal and Perama Shipyards Zone) two ambulances with trained rescue personnel remain installed and available on a 24-hour basis, enforcing the contract (financial object of € 416,000) for the «provision of emergency pre-hospital care for two years through the staffing of the two (2) ambulances of the PPA SA».

## ***Training***

Education is PPA's development objective to improve the service and increase productivity.

PPA S.A. is planning employee training programs, in which they are invited to participate at the expense of the Company and is establishing an Annual Training Program which is formed by the Human Resources Dept. This Annual Training Program is either a result of the Department's call to all Departments to submit requests-proposals for training seminars' conduction for their staff or anytime throughout the year if it is considered necessary.

The approval for the implementation of the Annual Training Program is taken by Management. In cases where the conduct of a seminar can be integrated into subsidized programs by LAEK 0.06%, the Human Resources Department carries out appropriate actions to obtain that grant.

### For 2021 1<sup>st</sup> semester

- There were **102** employees' participation in **20** Web Seminars (**163** hours in total).
- Seminars concern training mainly on Internal Audit, Human Resources, IT subjects & Fire safety.

In total, the above educational programs covered **35%** of the total budget approved for **2021**.

- Also, based on the development and specialization of its personnel, for the third year PPA SA offers, in collaboration with the Postgraduate Program "Organization, Operation, Development & Port Management", which is organized by the Department of Business Administration of the University of West Attica, the granting of scholarships to PPA employees.

Respectively the 1<sup>st</sup>semester of **2020** we had **98** participations of PPA's staff in **8** in & out –house seminar (in total duration **226** hours).

#### **D.4. Certifications & Implementation of Standards and other requirements**

##### **Quality, Environmental & Energy Management Certification (ISO 9001:2015 - ISO 14001:2015 - ISO 50001:2018)**

In the 2<sup>nd</sup> semester of 2020, the scope of the ISO 9001:2015 & ISO 14001:2015 certification for quality and environmental management was extended to include a number of additional key activities with regards to the Ship Repair activities and the management of co-funded projects, such as the Cruise South Expansion Project.

With this extension of certifications' scope, PPA SA has achieved the certification as per ISO 9001:2015 & ISO 14001:2015 for all its activities:

- Provision of Port Cruise, Ferry, Ro-Ro and Container Terminal Services.
- Management of Logistics center.
- Provision of Dry Docking Services for the Repair of Vessels (Two (2) Graving Docks at Akti Vasiliadi and three (3) Floating Docks at Perama Ship Repair Zone) and sub-concessions of berthing posts and land space for the repair of vessels (Perama Ship Repair Zone, Drapetsona Pier, DEI Pier).
- Port construction and maintenance projects management.
- Management for the Implementation of co-funded projects characterized as Public ones:
  - Technical Infrastructure Works,
  - Procurement Contracts and Services.

The ISO 9001:2015 certification for the Management of co-funded projects characterized as Public ones replaced the Managerial Adequacy certification as per ELOT 1429:2008 standard.

Also, in the 2<sup>nd</sup> semester of 2020, PPA SA achieved its initial certification as per ISO 50001:2018 standard for its energy management at all its activities. A major achievement that will contribute to reducing energy consumption, minimizing the CO2 footprint of port operations and reduce operational cost, while promoting the efficient use of energy, as we move towards the decarbonization.

The Energy Management System developed as per ISO 50001:2018 was integrated to the already certified Integrated Quality & Environmental Management System.

Through the Integrated Quality, Environmental & Energy Management System that is applied in line with these three (3) standards' requirements, PPA SA works in a consistent way to understand customers' needs and expectations, continually improve the level of services provided, address the environmental challenges emerged in daily operation and improve the energy performance.

This Integrated Quality, Environmental & Energy Management System as per ISO 9001:2015, ISO 14001:2015 and ISO 50001:2018 was audited for all PPA activities within the framework of the annual surveillance audits and its compliance with the three (3) standards and effectiveness were evidenced during an external audit conducted in May 2021 by Lloyd's Register (LR).

According to PPA SA's Quality - Environmental - Energy Policy, that is available on PPA SA official website, the company is committed to improving the quality of the provided services, the environmental and energy performance and setting quality, environmental & energy objectives to address risks and opportunities, significant environmental aspects and significant energy uses. These objectives are continuously monitored and reviewed.

Risks and opportunities are defined through systematic analysis of internal and external issues. Significant environmental aspects are defined through assessment of the impact port activities pose or may pose to the environment. Significant energy uses are defined through Annual Energy Reviews.

Also, internal inspections are conducted regularly and the top management, through the Management Reviews, assesses the effectiveness of the Integrated Quality, Environmental & Energy Management System, the achievement of the objectives set and supports actions to ensure continual improvement.

PPA SA through the certification as per these three (3) standards also contributes to the achievement of UN Sustainable Development Goals.

Global Reporting Initiative (GRI) Standards for Corporate Social Responsibility Reporting

The Corporate Social Responsibility Report has been prepared in accordance with GRI standards.

AEOF license

PPA SA is an Authorized Economic Operator (AEOF/ Security and Safety). The relevant license facilitates the implementation of customs procedures, providing a competitive advantage to PPA SA.

***D.5.Participation in European Financed Programs***

The PPA SA continued to be actively involved in the field of research and development in 2021. PPA SA cooperates closely with Greek and foreign stakeholders by implementing initiatives towards developing new technological applications and innovative procedures that create new growth and optimized operation horizons, ensuring the competitiveness and inclusiveness of Port of Piraeus in the relevant decision making.

In 2021, PPA S.A. participated as a partner in eleven (11) European research and development projects, which continue to be under implementation in 2021, details of which are shown in the table below:

no	Program	Project Name	Full Name	Budget	EU Funding
1	CEF	Poseidon MED II	Poseidon MED II	€ 915,000	50%
2	CEF	EALING	European flagship action for cold ironing in ports	€ 191,220	50%
3	ADRION	SUPER-LNG	Sustainability PERFORMANCE of LNG-based maritime mobility	€ 92,200	85%
4	ADRION	MultiAPPRO	Multidichiplinary approach and solutions to development of intermodal transport in region	€ 117,260	85%
5	ADRION	NEORION	Green ShipBuilding	€ 135,535	85%
6	H2020	PIXEL	Port IoT for Environmental Leverage	€ 274,250	100%
7	H2020	TRESSPASS	robust Risk basEd Screening and alert System for PASSengers	€ 230,625	70%
8	H2020	D4Fly	Detecting Document frauD & iDentity on the fly	€ 111,125	100%
9	CEF	GREEN C PORTS	Green and Connected Ports (GREEN C PORTS)	€ 455,500	50%
10	H2020	ARSINOE	Climate resilient – regions through solutions and innovations	€ 497,500	70%
11		DeepDemo	Deep Demonstration project	-----	-----

Within 2021, one European research and development projects were submitted for funding, with PPA SA participating as a coordinator of the consortium and whose assessment is expected in 2021. Details of which are shown in the table below:

no	Program	Project Name	Full Name	Budget	EU Funding
1	CEF	CiPORT	Cold Ironing in the Port of Piraeus	€ 180,000	50%

Concerning the promotion of the company and its participation in the formulation of the European transport strategy and policy, representatives of P.P.A. S.A. participate as speakers in a series of Conferences of the ADRION, MED, ENI MED CBC, EUSAIR, CEF programs where the pioneering technologies and applications in the port services are presented with special emphasis to the adaptation of the Green Deal priorities on environmental sustainability and the transformation of ports to energy hubs.

#### **E. Prospects and expected developments, Main Risks and Uncertainties in the 2nd semester.**

The nature of business activities of PPA's depends on various domestic and international macroeconomic and geopolitical conditions focusing on the countries of the Southeastern Mediterranean and countries served through the port of Piraeus. They are further affected by developments in the global port industry in general, as well as by the development of individual port activities which are directly linked to the PPA investment program as well as the level of services provided to port users.

On March 11, 2020, the World Health Organization (WHO) officially designated Covid19 as a pandemic. As a result of the pandemic, economic activity in many European and Asian countries declined dramatically due to the restrictive measures implemented. The measures implemented primarily reduced production, affecting the transport chains of semi-finished products, which in turn negatively affected the transported product volumes.

During the restrictive measures, Piraeus operated uninterrupted throughout the pandemic, although in many ports increased service times and reduced productivity were observed. In addition, travel restrictions within the country and internationally have reduced passenger traffic volumes resulting in a major reduction in shipping and a complete cessation of cruising worldwide.

Gradually, the whole of Europe began to break free from restrictions after the first quarter of 2021. As a result, the first half of 2021 recorded mixed trends with the second quarter showing signs of recovery of passenger traffic and the resumption of cruising in Piraeus took place even before the opening of the Caribbean market which is the largest market in the industry.

In view of the above, in the first half of 2021, the impact of the Covid19 pandemic on port activities is mainly focused on passenger stations (cruise and coastal shipping) while commercial terminals (Containers and Cars) show a positive trend with a reversal of the first quarter.

The opening of the cruise in Greece took place on May 14, 2021 and Piraeus welcomed the first cruise ship with transit passengers on May 18. The first cruise ship with homeport operations was serviced in Piraeus on June 12, 2021. All cruise companies within the framework of their safety protocols operate at a lower percentage of bed capacity. As a result, the average passenger volume per ship is significantly reduced. Based on the reservations on June 30, 439 ships are expected to be served in Piraeus by the end of the year, of which 218 are de-boarding ships. These protocols were drafted by the PPA with the full assistance of the health and government authorities and are reviewed and adapted on an ongoing basis. The security protocols applied in Piraeus allow the safe management of passengers and cruises and at the same time support the national effort for visits to other ports in the country, contributing to the economic recovery.



In coastal shipping, there was no complete ban on itineraries, the movement of passengers was allowed only to permanent residents of the islands and in trucks to ensure the adequacy of market supplies. As a result of reduced demand, the number of ship departures decreased significantly and passenger traffic was significantly affected. In the first half of 2021 and until the end of June, traffic is 4.7% lower than in the corresponding period of 2020. However, the recovery in passenger volumes is felt in the second quarter as passenger volumes increased by 45.2% compared to the corresponding quarter of 2020 but are down 38.2% compared to the same quarter of 2019. On the contrary, vehicles moving in coastal shipping record a 6.5% increase in the first half of 2021 compared to 2020 but remain reduced compared to the first half of 2019 by 18.6%.

The course of the pandemic and the degree of recovery of tourism, regardless of whether new lockdowns are adopted, will definitely affect a part of the population that will avoid boat trips. Therefore, it is not estimated that there will be a rapid recovery in passenger volume in the remaining half of the year.

Given these business conditions, the operational viability of shipping companies will be adversely affected, which in turn will affect the number of services offered in the second half of the year. In addition, an aggravating factor is the increase in the price of fuel, which in combination with the reduced traffic volumes and the limitations in the capacity utilisation burdens the economic efficiency of the ships.

As a result, there are expected to be changes in both ship ownership and the frequency of voyages and number of itineraries, mainly of energy-intensive fast vessels.

The Container terminal remained fully operational throughout the pandemic. The slowdown in the economy due to the restrictive measures, affected the overall cargo volumes internationally but mainly restricted sailings<sup>2</sup>.

In the first half of the year, flows recovered sharply and the PPA in Pier I recorded an increase of 6.1% compared to the corresponding period in 2020. The largest increase was recorded in domestic cargo (19.9%). At the same time, however, in the shipping sector, capacity supply did not return after the blank sailings and average loading prices on the main Asia - Europe route is very high<sup>3</sup>. These increases also affect commodity prices and, if maintained for a long time, could also affect the volumes of products transported. In its April forecast, the IMF<sup>4</sup> estimates global economic growth of 6.0% for 2021 and a slowdown of 4.4% for 2022. The Commission<sup>5</sup> estimates growth of 4.8% for 2021 and a slowdown of 4.5% for 2022. Consequently, the impact of the pandemic will be maintained at least until 2022 and the pace of recovery will depend not only on health measures but also on the effectiveness of economic measures to revive economies. Consequently, cargo volume forecasts are considered positive in the short term, provided that there will be no further spreads leading to new health measures. At the same time, however, in the medium term, estimates should be cautious as no rapid increase in economic activity is expected. Especially for the Greek economy, the recent start of the tourist season does not show signs of upheaval as only recently was given unrestricted access to the English market which is critical for the industry. Estimated revenues from tourism flows are between €5 billion and 9 billion, significantly lower than the € 17.7 billion recorded in 2019<sup>6</sup> and may affect the recovery rate of demand and consequently the port volumes for the second half of 2021.

Car factories at the height of the pandemic ceased operations altogether or significantly reduced production. In addition, the restrictive measures adopted by most EU countries significantly affected car sales in 2020.

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<sup>2</sup> <https://sustainableworldports.org/wp-content/uploads/2020-07-06-COVID19-Barometer-Report.pdf> [Accessed 15 Jul. 2021]

<sup>3</sup> <https://unctad.org/news/shipping-during-covid-19-why-container-freight-rates-have-surged> [Accessed 15 Jul. 2021]

<sup>4</sup> <https://www.imf.org/en/Publications/WEO/Issues/2021/03/23/world-economic-outlook-april-2021> [Accessed 15 Jul. 2021]

<sup>5</sup> [https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-performance-country/greece/economic-forecast-greece\\_en](https://ec.europa.eu/info/business-economy-euro/economic-performance-and-forecasts/economic-performance-country/greece/economic-forecast-greece_en) [Accessed 15 Jul. 2021]

<sup>6</sup> <https://sete.gr/el/stratigiki-gia-ton-tourismo/vasika-megethi-tou-ellinikoy-tourismoy/> [Accessed 15 Jul. 2021]



Nevertheless, in the second half of 2021 the recovery was rapid. Demand for new cars increased by 25.2% to a total of about 5.4 million units. However, this is still 1.5 million units below the volume before COVID in the first six months of 2019<sup>7</sup>. During the same period, the traffic volumes of Piraeus increased rapidly, recording an increase of 46.4% compared to 2020 and fully recovering to the levels of 2019. Nevertheless, in the overall sector it is known that car factories face problems in the supply of semiconductors. In several cases, factories have stopped operating awaiting new supplies and it is estimated that the growth rate of car traffic will slow significantly in the coming months<sup>8</sup>. The rate of solution of the problem of lack of components will determine the rate of increase of finished vehicles and of course the volumes in Piraeus.

In the shipbuilding sector, the numbers of the first half of the year record mixed trends as there is an increase in ships in the tanks but a decrease in the positions of repaired ships. PPA has launched a major program to upgrade the infrastructure of repair sites to improve and expand services worth 55m. euro. During the works some slots will not be made available decreasing capacity until at least mid-2022.

**Amendment of the Concession Agreement dated 24-6-2016 with the title “Concession Agreement regarding the use and exploitation of certain Areas and assets within the Port of Piraeus”.**

In the framework of Amicable Settlement between the Hellenic Republic - HRADF and COSCO Shipping (Hong Kong) Co. Limited, regarding the issue of extending the time of completion of the Mandatory Enhancement and the transfer of 16% of the shares of PPA SA under guarantee, is provided the Amendment of the Concession Agreement between PPA SA and the Hellenic Republic.

The main points of the amendment of the dated 24-06-2016 Concession Agreement between PPA SA and the Hellenic Republic, are the following:

- 1. Non-imposition of liquidated damages for the non-time completion of the first mandatory enhancements under article 16 of the Concession Agreement 5 (a) (i)*
- 2. Extension of the first investment period for five (5) years*
- 3. Possibility of suspension of the first investment period – Establishment of an amicable settlement mechanism – Possibility of replacing of the first investment period*
- 4. Non-imposition of liquidated damages against PPA in case of suspension*
- 5. Extension of the second investment period*
- 6. Introduction of a flexible procedure for the approval of final studies and non-mandatory PPA investments*
- 7. Extension of the grace for the partial achievement of minimum levels of services*

The PPA SA Board of Directors approved on July 29th the Draft of the amendment of the Concession Agreement dated 24-6-2016 with the title “Concession Agreement regarding the use and exploitation of certain Areas and assets within the Port of Piraeus”, in accordance with articles 99-101 of law 4548/2018 and after having followed all the provided disclosure obligations.

On September 22nd, 2021 the Chairman of the PPA SA BoD Mr. YU Zeng Gang signed on behalf of the Company the amendment of the Concession Agreement between the Hellenic State and PPA SA, which will enter into force upon its ratification by the Greek Parliament.

<sup>7</sup> <https://www.acea.auto/pc-registrations/passenger-car-registrations-25-2-first-half-of-2021-10-4-in-june/> [Accessed 15 Jul. 2021]

<sup>8</sup> <https://www.acea.auto/news/semiconductors-shortage-acea-letter-to-commissioner-breton/> [Accessed 15 Jul. 2021]

**F. RELATED PARTIES:**

The Company provides services to certain related parties in the normal course of business. The Company's transactions, receivables and liabilities balances with related companies are as follows:

Related party	Period ended	Sales to related parties	Purchases from related parties
PIRAEUS CONTAINER TERMINAL S.A	30.06.2021	38,141,541.53	33,500.00
	30.06.2020	34,418,890.22	786.60
COSCO SHIPPING LINES GREECE S.A	30.06.2021	15,095.82	5,321.43
	30.06.2020	4,270.18	-
PCDC S.A	30.06.2021	17,827.63	-
	30.06.2020	18,005.77	1,599.60
COSCO SHIPPING DEVELOPMENT CO. LTD	30.06.2021	27,300.00	-
	30.06.2020	35,220.00	-
COSCO SHIPPING TECHNOLOGY Co LTD	30.06.2021	-	5,817.42
	30.06.2020	-	36,741.71
COSCO (HONG KONG) INSURANCE BROKERS L.T.D.	30.06.2021	-	239,047.48
	30.06.2020	-	285,247.72
COSCO SHIPPING TECHNOLOGY (BEIJING)	30.06.2021	-	7,027.95
	30.06.2020	-	-
COSCO SHIPPING PORTS LIMITED	30.06.2021	-	59,789.73
	30.06.2020	-	-
	<b>30.06.2021</b>	<b>38,201,764.98</b>	<b>350,504.01</b>
	<b>30.06.2020</b>	<b>34,476,386.17</b>	<b>324,375.63</b>

  

Related Party	Period/ Year ended	Amounts due from related parties	Amounts due to related parties
PIRAEUS CONTAINER TERMINAL S.A	30.06.2021	7,738,919.53	-
	31.12.2020	1,992,540.54	4,526.33
COSCO SHIPPING LINES GREECE S.A.	30.06.2021	500.00	9,446.30
	31.12.2020	382,088.08	570.40
PCDC S.A.	30.06.2021	240.71	-
	31.12.2020	316.74	-
COSCO (HONG KONG) INSURANCE BROKERS L.T.D.	30.06.2021	-	-
	31.12.2020	-	478,094.95
COSCO SHIPPING DEVELOPMENT CO. LTD	30.06.2021	27,456.91	-
	31.12.2020	156.91	-
	<b>30.06.2021</b>	<b>7,767,117.15</b>	<b>9,446.30</b>
	<b>31.12.2020</b>	<b>2,375,102.27</b>	<b>483,191.68</b>

The revenues of € 34,092,943.46 (30.06.2020:32,262,644.07) (Note 21) from Piraeus Container Terminal S.A. (PCT S.A.) are related to the fixed and variable revenue from the concession agreement (PIER II & III) and revenues of € 4,048,598.07 (30.06.2020: 2,156,246.15) related to mooring and loading/uploading. In addition, the Company has received from PCT S.A letters of guarantee regarding the concession contract, the upgrade of pier II and the construction of pier III (Note 19). Finally, PPA in April 2020, signed a contract about the provision of project management services with PCT S.A. for the business operation of Pier I of PPA S.A. On December 29, 2020, the letter of guarantee from PCT S.A. with the amount € 42.0 million, reduced by 50% to € 21.0 million in previous year, and the letter of guarantee with the amount € 475,000.00, reduced from € 950,000.00 by 50% in previous year, were returned to PCT S.A. On the same date, a new letter of guarantee of € 663,000.00 regarding the rest of the construction of the west side of Pier III for the construction works of Pier II and III was received (Note 19).

The transaction with COSCO SHIPPING DEVELOPMENT CO. LTD relates to its ship repair service.

The transaction with COSCO SHIPPING PORTS LIMITED relates to SAP tax interface services.

The transaction with COSCO (HONG KONG) INSURANCE BROKERS L.T.D. of the current and the previous period relates to the insurance coverage of PPA S.A. regarding third party liability, employer' s liability, property and business interruption and directors and officers liability for the period from 1.11.2020-31.10.2021 and 1.11.2019-31.10.2020 respectively, according to article 17 of the Concession Agreement (Law 4404/2016).

**Board of Directors Members Remuneration:** For the period ended on June 30, 2021, remuneration and attendance costs, amounting to € 427,501.98 (June 30, 2020: € 445,336.12) were paid to the Board of Directors members. Furthermore, during the period ended June 30, 2021 emoluments of € 288,614.80 (June 30, 2020: € 271,382.21) were paid to Managers/Directors for services rendered.

The Extraordinary General Meeting of the Company's shareholders on September 23, 2019 approved the long-term incentive bonus plan, which is cash settled of a certain number of Units. Beneficiaries of the program are members of the Board of Directors, senior executives and other key management and business executives who have a significant influence on the performance and uninterrupted operation of the Company.

The total number of Incentive Units in the Program is six hundred sixty-six thousand (666,000). The Board of Directors of the Company at the meeting of October 25, 2019 named the beneficiaries of 498,200 units at the first award date (October 8, 2019). The minutes of the Board of Directors of December 22, 2020 named the beneficiaries of the program including the new-coming qualified managers and/or promoted managers and canceling the Incentive Units of the beneficiaries who left the Company during the period between the grant date and 31 October 2020 along with the remaining unallocated units and as a result the total number of Incentive Units was 491.200. Following this decision of the Board of Directors, there is no change in the Units of the program.

The amount payable to the beneficiaries is determined by the increase in the share price from the grant date (8/10/2019: € 22.53) and the redemption date. In addition, the redemption of the Units depends on the achievement of predetermined performance criteria of the Company and the Beneficiaries.

The fair value of the long-term incentive bonus plan as of December 31, 2019 was determined using the Binomial model. The valuation of the liability amounted to € 928,523.57 on 30.06.2021 (31.12.2020: € 667,691.29 and is included in other non-current liabilities.

As of 30.06.2021 and on 31.12.2020, no unit of the program has been vested by the beneficiaries.

**G. GOING CONCERN DISCLOSURE:**

The Company, for the preparation of the Interim Condensed Financial Information of June 30, 2021, has adopted the going concern basis. For the application of this principle, the Company took into account the current financial developments as well as the risks arising from the financial environment and made estimates for the shaping, in the near future, of the trends and the economic environment in which it operates. The main factors that can affect the implementation of this principle are mainly related to the economic environment in Greece and internationally, tourism and the consequences of the pandemic (COVID-19) in the Greek economy and internationally.

As part of the consideration of whether to adopt the going concern basis in preparing the Interim Condensed Financial Information, management reviewed a range of scenarios and forecasts. The assumptions have been modelled on the estimated potential impact and plausible negative scenarios, along with the Company's proposed responses as a result of the COVID-19 pandemic. The Company's strong balance sheet and liquidity position, its operation in several segments, the strong and dynamic management and the experienced human resources as well as the optimistic indications status inversion after the development of the vaccination program against COVID-19 in Greece and internationally, will allow the Company to successfully overcome this period of uncertainty.

Accordingly, and having reassessed the principal risks, the Directors continue to adopt the going concern basis of accounting in preparing the Interim Condensed Financial Statements and have not identified any material uncertainties to the Company's ability to continue trading as a going concern over a period of at least 12 months from the date of approval of these condensed consolidated interim financial statements.

Piraeus, September 28, 2021

THE CHAIRMAN OF BoD

YU Zeng Gang



[Translation from the original text in Greek]

## Report on Review of Interim Financial Information

### To the Board of directors of Piraeus Port Authority S.A.

#### Introduction

We have reviewed the accompanying condensed statement of financial position of Piraeus Port Authority S.A. (the “Company”), as of 30 June 2021 and the related condensed statements of comprehensive income, changes in equity and cash flow statements for the six-month period then ended, and the selected explanatory notes that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007.

Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard “IAS 34”). Our responsibility is to express a conclusion on this interim condensed financial information based on our review.

#### Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as they have been transposed into Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.

#### Report on other legal and regulatory requirements

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying condensed interim financial information.



PricewaterhouseCoopers S.A.  
268 Kifissias Avenue  
152 32 Halandri  
SOEL Reg.No. 113

Athens, 28 September 2021  
The Certified Auditor

Socrates Leptos – Bourgi  
SOEL Reg. No. 41541

**STATEMENT OF COMPREHENSIVE INCOME FOR THE PERIOD ENDED JUNE 30, 2021**

	<u>Notes</u>	<u>01.01-30.06.2021</u>	<u>01.01-30.06.2020</u>
Revenue	<b>21</b>	71,999,559.77	66,502,522.80
Cost of sales	<b>22</b>	<u>(38,582,517.63)</u>	<u>(36,592,112.36)</u>
<b>Gross profit</b>		<b>33,417,042.14</b>	<b>29,910,410.44</b>
Administrative expenses	<b>22</b>	(12,698,609.75)	(8,251,956.55)
Net impairment losses on financial assets	<b>9</b>	-	(413,729.85)
Other operating expenses	<b>23</b>	(359,024.99)	(964,593.44)
Other operating income	<b>23</b>	2,079,868.21	2,012,658.18
Financial income	<b>24</b>	49,438.78	249,761.45
Financial expenses	<b>24</b>	<u>(1,650,864.26)</u>	<u>(1,696,668.03)</u>
<b>Profit before income taxes</b>		<b>20,837,850.13</b>	<b>20,845,882.20</b>
Income taxes	<b>7</b>	<u>(5,744,105.49)</u>	<u>(5,324,249.45)</u>
<b>Net profit after taxes</b>		<b>15,093,744.64</b>	<b>15,521,632.75</b>
<b>Net other comprehensive income not to be reclassified in profit or loss in subsequent period:</b>			
Actuarial losses	<b>14</b>	(223,224.53)	-
Income taxes	<b>7</b>	<u>49,109.40</u>	-
<b>Other total comprehensive income after tax</b>		<b>(174,115.13)</b>	-
<b>Total comprehensive income after tax</b>		<b>14,919,629.51</b>	<b>15,521,632.75</b>
<b>Profit per share (Basic and diluted)</b>	<b>27</b>	<b>0.6037</b>	<b>0.6209</b>
Weighted Average Number of Shares (Basic)	<b>27</b>	25,000,000	25,000,000
Weighted Average Number of Shares (Diluted)	<b>27</b>	25,000,000	25,000,000

The accompanying notes are an integral part of Interim Condensed Financial Information

**STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2021**

	<u>Notes</u>	<u>30.06.2021</u>	<u>31.12.2020</u>
<b>ASSETS</b>			
<b>Non current assets</b>			
Property, Plant and Equipment	4	276,740,227.29	271,519,477.50
Right-of-use assets	5	60,197,840.07	61,203,389.45
Investment property		734,338.38	734,338.38
Intangible assets		1,103,930.14	1,409,534.21
Other non-current assets	6	5,785,030.22	5,151,580.60
Deferred tax assets	7	8,009,259.24	9,150,144.04
<b>Total non current assets</b>		<b>352,570,625.34</b>	<b>349,168,464.18</b>
<b>Current assets</b>			
Inventories	8	3,644,287.62	3,703,288.52
Trade Receivables and other receivables	9	23,490,372.16	15,659,463.09
Restricted cash	10	213,267.48	213,267.48
Cash and cash equivalents	10	114,370,734.49	111,354,314.06
		<b>141,718,661.75</b>	<b>130,930,333.15</b>
Non-current assets held for sale	4	148,500.00	183,500.00
<b>Total Current Assets</b>		<b>141,867,161.75</b>	<b>131,113,833.15</b>
<b>TOTAL ASSETS</b>		<b>494,437,787.09</b>	<b>480,282,297.33</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	11	50,000,000.00	50,000,000.00
Other reserves	12	82,383,250.62	82,383,250.62
Retained earnings		128,550,198.45	113,630,568.94
<b>Total equity</b>		<b>260,933,449.07</b>	<b>246,013,819.56</b>
<b>Non-current liabilities</b>			
Long-term borrowings	16	41,499,999.99	44,499,999.99
Lease liabilities	5	62,951,718.35	65,301,685.19
Government grants	13	31,976,856.66	25,468,216.27
Reserve for staff retirement indemnities	14	15,420,047.29	15,161,000.68
Provisions	15	17,939,172.50	16,728,405.67
Other non-current liabilities	29	928,523.57	667,691.29
Deferred income	19	34,532,279.02	35,073,626.53
<b>Total Non-Current Liabilities</b>		<b>205,248,597.38</b>	<b>202,900,625.62</b>
<b>Current Liabilities</b>			
Trade accounts payable		5,404,832.21	7,862,340.65
Short term of long term borrowings	16	6,000,000.00	6,000,000.00
Lease liabilities	5	1,262,013.87	1,236,796.23
Income tax		176,464.79	-
Accrued and other current liabilities	18	15,412,429.77	16,268,715.27
<b>Total Current Liabilities</b>		<b>28,255,740.64</b>	<b>31,367,852.15</b>
<b>Total liabilities</b>		<b>233,504,338.02</b>	<b>234,268,477.77</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>494,437,787.09</b>	<b>480,282,297.33</b>

The accompanying notes are an integral part of Interim Condensed Financial Information

**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED JUNE 30, 2021**

<u>Notes</u>	<u>Share capital (Note 11)</u>	<u>Statutory reserve (Note 12)</u>	<u>Other reserves (Note 12)</u>	<u>Retained earnings</u>	<u>Total</u>
<b>Total Equity at January 1, 2020</b>	<b>50,000,000.00</b>	<b>12,775,515.17</b>	<b>68,287,029.53</b>	<b>102,390,739.64</b>	<b>233,453,284.34</b>
Net profit after taxes	-	-	-	15,521,632.75	15,521,632.75
Total comprehensive income after income taxes of the period	-	-	-	-	-
<b>Total comprehensive income after income taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>15,521,632.75</b>	<b>15,521,632.75</b>
<b>Total Equity at June 30, 2020</b>	<b>50,000,000.00</b>	<b>12,775,515.17</b>	<b>68,287,029.53</b>	<b>117,912,372.39</b>	<b>248,974,917.09</b>
<b>Total Equity at January 1, 2021</b>	<b>50,000,000.00</b>	<b>14,096,221.09</b>	<b>68,287,029.53</b>	<b>113,630,568.94</b>	<b>246,013,819.56</b>
Profit after income taxes	-	-	-	15,093,744.64	15,093,744.64
Other comprehensive loss after income taxes	-	-	-	(174,115.13)	(174,115.13)
<b>Total comprehensive income after income taxes</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,919,629.51</b>	<b>14,919,629.51</b>
<b>Total Equity at June 30, 2021</b>	<b>50,000,000.00</b>	<b>14,096,221.09</b>	<b>68,287,029.53</b>	<b>128,550,198.45</b>	<b>260,933,449.07</b>

The accompanying notes are an integral part of Financial Statements



**CASH FLOW STATEMENT FOR THE PERIOD ENDED JUNE 30, 2021**

	<b>Notes</b>	<b>01.01-30.06.2021</b>	<b>01.01-30.6.2020</b>
<b>Cash flows from Operating Activities</b>			
Profit before income taxes		20.837.850,13	20.845.882,20
Adjustments for:			
Depreciation and amortisation	<b>25</b>	8.284.216,91	8.205.628,24
Amortisation of subsidies	<b>25</b>	(432.362,46)	(432.362,52)
Depreciation right-of-use assets	<b>25</b>	1.057.236,17	1.030.434,78
Finance cost for lease liabilities	<b>24</b>	1.211.938,05	1.230.521,07
(Gain)/ Loss on disposal of property, plant & equipment and non current assets held for sale	<b>4,23</b>	(22.000,00)	116.163,73
Financial expenses, net	<b>24</b>	389.487,43	216.385,51
Provisions for cash settled share based payments	<b>29</b>	260.832,28	-
Provision for staff retirement indemnities	<b>14</b>	551.822,08	367.067,21
Other Provisions		1.210.766,83	(2.054.801,32)
<b>Operating profit before working capital changes</b>		<b>33.349.787,42</b>	<b>29.524.918,90</b>
<b>(Increase)/Decrease in:</b>			
Inventories		59.000,90	245.179,53
Trade and other receivables		(7.905.106,35)	(2.760.526,60)
Other long term assets		210,00	592,00
<b>Increase/(Decrease) in:</b>			
Trade accounts payable		(1.032.648,77)	(2.084.775,97)
Accrued and other current liabilities		(885.480,85)	(6.769.365,30)
Deferred income	<b>19</b>	(541.347,51)	(523.949,28)
Interest paid		(173.166,95)	(176.710,25)
Payments for staff leaving indemnities	<b>14</b>	(516.000,00)	(150.000,00)
Interest income on debtors late payments	<b>24</b>	42.484,22	17.875,34
Income taxes paid	<b>7</b>	(3.449.647,08)	-
<b>Net cash from Operating Activities</b>		<b>18.948.085,03</b>	<b>17.323.238,37</b>
<b>Cash flow from Investing activities</b>			
Grants received	<b>13</b>	5.887.758,15	5.147.718,36
Proceeds from the sale of property, plant and equipment and non current asset held for sale	<b>4</b>	57.000,00	50,00
Capital expenditure for property, plant and equipment and intangible assets		(14.316.437,81)	(3.545.867,00)
Advances for capital expenditure for property, plant and equipment	<b>6</b>	(941.444,13)	(5.487.743,36)
Interest and related income received	<b>24</b>	6.954,56	19.345,63
<b>Net cash used in Investing Activities</b>		<b>(9.306.169,23)</b>	<b>(3.866.496,37)</b>
<b>Cash flows from Financing Activities</b>			
Net change in long-term borrowings	<b>16</b>	(3.000.000,00)	(3.000.000,00)
Interest paid		(37.121,33)	(518.864,63)
Lease payments	<b>5</b>	(3.588.374,04)	(3.558.751,67)
<b>Net cash used in Financing Activities</b>		<b>(6.625.495,37)</b>	<b>(7.077.616,30)</b>
<b>Net increase in cash and cash equivalents</b>		<b>3.016.420,43</b>	<b>6.379.125,70</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>10</b>	<b>111.354.314,06</b>	<b>106.730.436,86</b>
<b>Cash and cash equivalents of the end of the period</b>	<b>10</b>	<b>114.370.734,49</b>	<b>113.109.562,56</b>

The accompanying notes are an integral part of Interim Condensed Financial Information

**NOTES TO THE INTERIM CONDENSED FINANCIAL INFORMATION  
FOR THE PERIOD ENDED JUNE 30, 2021**

**1. ESTABLISHMENT AND ACTIVITY OF THE COMPANY**

“Piraeus Port Authority S.A” (from now on “PPA S.A.” or “Company”) was established in 1930 as Civil Law Legal Corporation (C.L.L.C.) by Law 4748/1930, which was revised by L.1559/1950 and was ratified by L.1630/1951 and converted into a Société Anonyme (S.A.) by Law 2688/1999. The Company is located at Municipality of Piraeus, at 10 Akti Miaouli street.

The Company’s main objective based on its articles of incorporation is to perform its obligations, conduct its activities and exercise its faculties under or in respect of the concession agreement between the Company and the Hellenic Republic dated 13 February 2002 regarding the use and exploitation of certain areas and assets within the Port of Piraeus, as amended and in force.

The Company may, by way of an illustrative but no means exhaustive list, conduct and be engaged in the following activities:

- to use all rights assigned to the Company pursuant to the Concession Agreement and maintain, utilize and exploit all concession assets in accordance with the Concession Agreement;
- provide services and facilities to vessels, cargo and passengers, including ship berthing and cargo and passenger handling to and from the port;
- install, organize and exploit all kinds of port infrastructure;
- undertake any activities related to the port and all other commercial activities associated with or reasonably incidental to the operation of the port of Piraeus;
- engage third parties to provide any kind of port services;
- award contracts for works;
- engage in such further activities as are prudent or customary for the proper conduct of its business and operations in accordance with the Concession Agreement; and
- engage in any and all activities, transactions or operations of a type that are generally conducted by commercial corporations.

The main activities of the Company are anchoring services of vessels, handling cargo, loading and unloading services as well as goods storage and car transportation. The Company is also responsible for the maintenance of port facilities, the supply of port services (water, electricity, telephone connection etc. supply), for services provided to travelers (coastal and cruise ships) and for renting space to third parties.

The Company is governed by the principles of L. 4548/2018 as replaced the Company Law 2190/1920 and the founding Law 2688/1999, as amended by Law 2881/2001 and Law 4404/2016.

The duration period of the Company is one hundred (100) years from the effective date of Law 2688/1999. This period may be extended by special resolution of the shareholders general meeting.

The Company is a subsidiary of COSCO SHIPPING (Hong Kong) Limited which controls 51.00% of the voting rights, with date of transfer of such rights on 10 August 2016. COSCO SHIPPING (Hong Kong) Limited is 100% held by China Shipping Company Limited, which is 100% held by China COSCO SHIPPING Corporation Limited, a Chinese state-owned company. As a result, China COSCO SHIPPING Corporation Limited, by indirectly holding 100% of COSCO SHIPPING (Hong Kong) Limited, indirectly holds 51% of the voting rights in PPA.

The Company’s number of employees as at June 30, 2021 amounted to 980 At December 31, 2020, the respective number of employees was 991.

## **2. BASIS OF PREPARATION OF FINANCIAL INFORMATION**

### **(a) Basis of Preparation of Financial information:**

The accompanying interim condensed financial information that refer to the period ended on June 30, 2021, have been prepared in accordance with the International Accounting Standard (IAS) 34 “Interim Financial Reporting”.

The Company, for the preparation of the Interim Condensed Financial Information of June 30, 2021, has adopted the going concern basis.

The accompanying interim condensed financial information do not include all the information required in the annual financial information and therefore should be examined in combination with the published annual financial information for the year ended 2020, which are available on the internet in the address [www.olp.gr](http://www.olp.gr).

### **(b) Approval of Financial information:**

The Board of Directors of Piraeus Port Authority S.A. approved the six-month financial report for the period ended at June 30, 2021, on September 28, 2021.

### **(c) Significant Accounting Judgments and Estimates:**

The Company makes estimates and judgments in order to select the most appropriate accounting principles in relation to future developments and transactions. Estimates and judgments adopted in the preparation of the interim condensed financial information are consistent with those followed in the preparation of the annual financial statements for the year ended December 31, 2020, adjusted, where appropriate, by the impact of the COVID-19 pandemic.

The impact of COVID-19 on specific segments of activity in 2020 as well as the deterioration of the macroeconomic environment, led the Company to proceed on December 31, 2020 with an assessment of impairment of the recoverable amount for the sectors of activity that were significantly affected and recorded losses due to COVID-19 pandemic impact and deteriorating macroeconomic conditions.

On June 30, 2021, the Company conducted an interim assessment of impairment of the recoverable amount for the sectors that were significantly affected by the impact of the COVID-19 pandemic in the previous year, although in the first half of 2021 there were positive signs for inversion of the negative status of the pandemic’s effect, mainly due to the vaccination program implemented in Greece and internationally.

In relation with the container segment, the recoverable amount of the sector was determined by the value in use which was calculated based on adjusted discounted cash flows and revised business plans of the sector. The pre-tax interest rate used to discount the projected cash flows is 6.80% (31.12.2020: 7.00%). Sensitivity analysis was performed on the positive or negative change in the discount rate and revenues by 0.25% and 0.50% respectively. Based on the results, the present value exceeds the carrying amount of the tangible assets of the container terminal and therefore on 30 June 2021, no impairment was recorded.

Regarding the cruise sector, which was most affected by the impact of COVID-19, the recoverable amount was determined by the value in use, which was calculated based on discounted cash flows and revised business plans for the sector. The pre-tax interest rate used to discount the projected cash flows is 6.80% (31.12.2020: 7.00%). Sensitivity analysis was performed on the positive or negative change in the discount rate and income by 0.25% and 0.50% respectively. Based on the results, the present value exceeds the carrying amount of tangible fixed assets of the cruise segment and therefore on 30 June 2021, no impairment was recorded. In addition, the Company has included disclosures evaluating the impact of the pandemic COVID-19 in notes:

- Trade and other receivables (Note 9)
- Revenue (Note 21)
- Other operating income (Note 23)

### 3. PRINCIPAL ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the interim condensed financial information, are consistent with those used in the preparation of the annual financial statements of the Company for the year ended December 31, 2020, except for the adoption of new standards and interpretations applicable for fiscal periods beginning at January 1, 2021.

***New standards, amendments to standards and interpretations:*** Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1 January 2021. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

#### **Standards and Interpretations effective for the current financial year**

##### **IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'**

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications.

##### **IFRS 9, IAS 39, IFRS 7 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2'**

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose.

#### **Standards and Interpretations effective for subsequent periods**

**IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'** (effective for annual periods beginning on or after 1 April 2021). The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022.

**IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use'** (effective for annual periods beginning on or after 1 January 2022). The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities.

**IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract'** (effective for annual periods beginning on or after 1 January 2022). The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

**IAS 1 (Amendment) ‘Classification of liabilities as current or non-current’** (effective for annual periods beginning on or after 1 January 2023). The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the ‘settlement’ of a liability. The amendment has not yet been endorsed by the EU.

**IAS 1 (Amendments) ‘Presentation of Financial Statements’ and IFRS Practice Statement 2 ‘Disclosure of Accounting policies’** (effective for annual periods beginning on or after 1 January 2023). The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures. The amendments have not yet been endorsed by the EU.

**IAS 8 (Amendments) ‘Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates’** (effective for annual periods beginning on or after 1 January 2023). The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. The amendments have not yet been endorsed by the EU.

**IAS 12 (Amendments) ‘Deferred tax related to Assets and Liabilities arising from a Single Transaction’** (effective for annual periods beginning on or after 1 January 2023). The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

**Annual Improvements to IFRS Standards 2018–2020** (effective for annual periods beginning on or after 1 January 2022)

IFRS 9 ‘Financial instruments’

The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 ‘Leases’

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

The Company's Management is in the process of assessing the impact of the standards or the modification of the standards on its financial position or performance.

**International Financial Reporting Interpretations Committee (IFRIC) Agenda Decision**

**IAS 19 (Employee Benefits) Attributing Benefit to Periods of Service**

The IFRS Interpretations Committee (IFRS IC or IFRIC) issued, in May 2021, a final decision “Attributing Benefit to Periods of Service (IAS 19 Employee Benefits)” where additional explanatory application guidance is provided on the method used to attribute employee benefits on specific defined benefit schemes with similar characteristics of the scheme contemplated in article 8 of legislation N.3198/1955 which refers to staff retirement indemnity.

The application guidance modifies the method currently used in Greece to apply the basic principles of IAS 19 and as a result, entities which prepare financial statements under IFRS are required to change their accounting policy accordingly. The tentative decision is effective immediately however, it was impracticable to be applied in the interim condensed financial information as at 30th June 2021.

Any changes will be presented as a change in accounting policy and applied retrospectively in the annual financial statements for the year ending 31 December 2021, adjusting comparatives balances for 2020 and the opening balance of shareholders' equity for amounts relating to previous periods, as if the new policy had always been applied.

The impact on the Company's financial statements from the adoption of this decision cannot be fairly evaluated at this point in time.

**4. PROPERTY, PLANT AND EQUIPMENT**

Property, plant and equipment are analysed as follows:

	Buildings	Machinery & equipment	Motor vehicles and floating docks	Furniture, fixtures and fittings	Advances & Assets under construction	Total
<b>ACQUISITION COST</b>						
Balance January 1, 2020	256,400,163.38	159,280,463.64	44,655,182.32	9,709,204.41	7,291,245.34	477,336,259.09
Additions	53,632.30	687,892.34	8,583.20	308,393.42	15,981,979.65	17,040,480.91
Disposals/ write off	-	(2,010,271.46)	-	(626.01)	(60,352.32)	(2,071,249.79)
Non current assets held for sale	-	(8,138,347.13)	-	-	-	(8,138,347.13)
Transfers	139,400.00	2,063,200.00	-	233,270.00	(2,435,870.00)	-
Transfers to intangibles	-	-	-	-	(1,218,076.30)	(1,218,076.30)
<b>Balance December 31, 2020</b>	<b>256,593,195.68</b>	<b>151,882,937.39</b>	<b>44,663,765.52</b>	<b>10,250,241.82</b>	<b>19,558,926.37</b>	<b>482,949,066.78</b>
Additions	201,562.45	193,679.68	175,980.00	85,227.59	12,542,613.93	13,199,063.65
Transfers	-	155,395.80	-	-	(155,395.80)	-
<b>Balance June 30, 2021</b>	<b>256,794,758.13</b>	<b>152,232,012.87</b>	<b>44,839,745.52</b>	<b>10,335,469.41</b>	<b>31,946,144.50</b>	<b>496,148,130.43</b>
<b>DEPRECIATION</b>						
Depreciation January 1, 2020	(88,789,001.99)	(97,338,242.67)	(10,163,957.60)	(6,721,673.06)	-	(203,012,875.32)
Depreciation	(7,890,676.52)	(6,303,114.87)	(1,496,534.90)	(583,831.13)	-	(16,274,157.42)
Non current assets held for sale	-	6,278,142.11	-	-	-	6,278,142.11
Disposals	-	1,578,675.35	-	626.00	-	1,579,301.35
<b>Depreciation December 31, 2020</b>	<b>(96,679,678.51)</b>	<b>(95,784,540.08)</b>	<b>(11,660,492.50)</b>	<b>(7,304,878.19)</b>	<b>-</b>	<b>(211,429,589.28)</b>
Depreciation (Note 25)	(3,947,280.62)	(2,973,292.11)	(750,409.52)	(307,331.61)	-	(7,978,313.86)
<b>Depreciation June 30, 2021</b>	<b>(100,626,959.13)</b>	<b>(98,757,832.19)</b>	<b>(12,410,902.02)</b>	<b>(7,612,209.80)</b>	<b>-</b>	<b>(219,407,903.14)</b>
<b>NET BOOK VALUE</b>						
January 1, 2020	167,611,161.39	61,942,220.97	34,491,224.72	2,987,531.35	7,291,245.34	274,323,383.77
December 31, 2020	159,913,517.17	56,098,397.31	33,003,273.02	2,945,363.63	19,558,926.37	271,519,477.50
June 30, 2021	156,167,799.00	53,474,180.68	32,428,843.50	2,723,259.61	31,946,144.50	276,740,227.29

During the period ended June 30, 2021, the total investments of the Company's property, plant and equipment amounted to € 13,199,063.65 and related mainly to the improvement of port infrastructure under construction as well as and purchase of machinery and equipment (at 01.01-30.06.2020 amounted to € 1,631,937.84).

There is no property, plant and equipment that have been pledged as security.

**Non-current assets held for sale**

In December 2020, the Company's management approved the disposal of four (4) Quay Cranes with a net book value of € 1,860,205.02. For the above quay cranes, taking into account the valuation that was obtained by an independent appraiser, Company conducted a relevant tender process to sell the assets directly at scrap value of € 185,000.00 with a corresponding cost to sell of € 1,500.00. As the net book value of the quay cranes exceeded the fair value less cost to sell, an impairment loss was recorded amounting to € 1,676,705.02, from the application of IFRS 5. The impairment loss was charged to the "PCT-Concession of Pier II and III" segment and is included in the statement of comprehensive income. As at December 31, 2020 the difference of € 183,500.00 between the net book value of the property, plant and equipment and the impairment loss, was reclassified under non-current assets held for sale, applying the provisions of IFRS 5 "Non-current assets held for sale and discontinued operations".

During the current period, one Quay Crane which had been recorded in non-current assets held for sale at the amount of € 35,000.00, was sold at a price of € 57,000.00 as a result the value of non-current assets held for sale was reduced equally and on June 30 2021 amounted to € 148,500.00. The profit of the sale amounted to € 22,000 was recorded in other income in current period. (Note 23).

The sale for the other three Quay Cranes was completed in September 2021 (Note 31).

**5. RIGHT OF USE ASSETS – LEASE LIABILITIES**

The recognised right-of-use assets and lease liabilities as at June 30, 2021 and December 31, 2020 are analysed as follows:

	<u>30.06.2021</u>	<u>31.12.2020</u>
<b><u>Right-of-use assets</u></b>		
Concession Agreement with Greek State	59,805,972.36	60,782,396.40
Motor vehicles	<u>391,867.71</u>	<u>420,993.05</u>
	<b><u>60,197,840.07</u></b>	<b><u>61,203,389.45</u></b>
	<u>30.06.2021</u>	<u>31.12.2020</u>
<b><u>Lease-liabilities</u></b>		
Current	1,262,013.87	1,236,796.23
Non-current	<u>62,951,718.35</u>	<u>65,301,685.19</u>
	<b><u>64,213,732.22</u></b>	<b><u>66,538,481.42</u></b>

The amounts recognized in the statement of comprehensive income and the movement of the right of use of assets and the lease liability from January 1, 2021 to June 30, 2021 are analysed as follows:

	Right-of-use assets			Lease liability
	Concession Agreement with Greek State	Motor vehicles	Total	
<b>Balance 1.1.2021</b>	<b><u>60,782,396.40</u></b>	<b><u>420,993.05</u></b>	<b><u>61,203,389.45</u></b>	<b><u>66,538,481.42</u></b>
Additions	-	51,686.79	51,686.79	51,686.79
Depreciation (Note 25)	(976,424.04)	(80,812.13)	(1,057,236.17)	-
Finance cost (Note 24)	-	-	-	1,211,938.05
Payments	-	-	-	(3,588,374.04)
<b>Balance 30.06.2021</b>	<b><u>59,805,972.36</u></b>	<b><u>391,867.71</u></b>	<b><u>60,197,840.07</u></b>	<b><u>64,213,732.22</u></b>



	<b>Right-of-use assets</b>			
	<b>Concession Agreement with Greek State</b>	<b>Motor vehicles</b>	<b>Total</b>	<b>Lease liability</b>
<b>Balance 1.1.2020</b>	<b>62,735,244.48</b>	<b>249,230.90</b>	<b>62,984,475.38</b>	<b>67,407,072.16</b>
Additions	-	261,038.55	261,038.55	261,038.55
Cancellation of contracts	-	(54,248.00)	(54,248.00)	(54,875.73)
Depreciation (Note 25)	(976,424.04)	(54,010.74)	(1,030,434.78)	-
Finance cost (Note 24)	-	-	-	1,230,521.07
Payments	-	-	-	(3,558,751.67)
<b>Balance 30.06.2020</b>	<b>61,758,820.44</b>	<b>402,010.71</b>	<b>62,160,831.15</b>	<b>65,285,004.38</b>

Lease expense for leases with duration less than 12 months for the period ended June 30, 2021 amounted to € 74,633.85 (30.06.2020: € 110,500.51).

## 6. OTHER NON-CURRENT ASSETS

This account consists of the following:

	<u>30/6/2021</u>	<u>31/12/2020</u>
Guarantees to third parties	323,407.75	323,407.75
Car leases guarantees	74,877.00	75,087.00
Advances to suppliers	5,386,745.47	4,753,085.85
<b>Total</b>	<b>5,785,030.22</b>	<b>5,151,580.60</b>

During the previous year, an advance payment of € 5,147,718.36 was given to a supplier for the commencement of work for the project " Expansion of the cruise Passenger Port". According to the signed contract with the supplier, from the amount of the initially given advance, 5% is withheld on the issued invoices related to the execution of works, which on 31 December 2020 amounted to € 394,632.51 and the respective receivable amounted to € 4,753,085.85. As of June 30, 2021, an amount of € 307,784.51 was withheld on the value of the invoices issued and the balance of the receivable amounted to € 4,445,301.34.

In addition, during the current period, an advance payment of € 941,444.13 was given to a supplier for the commencement of work for the project " Improvement of Infrastructure of the Ship Repair Zone". According to the signed contract, during the execution of the project, 5% of the issued invoices will be withheld from the amount of the advance payment initially given.

## 7. INCOME TAX (CURRENT AND DEFERRED)

With article 22 of law 4646/2019, the income tax rate for legal entities from the fiscal year 2020 amounted to twenty-four percent (24%). With the of Law 4799/2021, the income tax rate of legal entities was reduced to 22% for the tax revenues of the year 2021 and onwards.

The amounts of income taxes are analysed as follows:

	<u>1/1-30/06/2021</u>	<u>1/1-30/06/2020</u>
Current income taxes	4,554,111.29	5,015,591.47
Deferred income taxes	1,189,994.20	308,657.98
<b>Total</b>	<b>5,744,105.49</b>	<b>5,324,249.45</b>
<b>Other Comprehensive Income</b>		
Deferred income taxes	(49,109.40)	-
<b>Total</b>	<b>(49,109.40)</b>	-

The payments made for the income tax liability for the current period amounted to € 3,449,647.08 and concerns to the last two installments of the income tax declaration of the previous year (30.06.2020: € 0).

For the Company, the tax audit for the financial years 2011 to 2019 was performed by the statutory auditors. The tax audit for 2020 financial year is in progress by the Company's statutory auditors. The tax certificate will be granted after the publication of these Interim Condensed Financial Information.

The movement of deferred tax asset is analyzed as follows:

	<u>30/6/2021</u>	<u>30/6/2020</u>
<b>Opening balance</b>	<b>9,150,144.04</b>	<b>9,956,955.39</b>
Income taxes (debit)	(1,189,994.20)	(308,657.98)
Income taxes credit – Other Comprehensive Income	49,109.40	-
<b>Closing balance</b>	<b><u>8,009,259.24</u></b>	<b><u>9,648,297.41</u></b>

The deferred tax asset balance from provisions includes the relevant deferred tax on the provision on doubtful receivables which has been established mainly in previous years (before 2016) when the Company was operating under specific legislation Law 1559/1950 and Law 2688/1999. The Company believes that they have taken the ultimate possible measure for collecting a long outstanding receivable balance, part of which has been assigned to tax authority for collection. For such doubtful receivable balances of € 24.1 million referring to € 2.6 million deferred tax asset recorded in the Company book, the Company intends to utilize this deferred asset writing off these balances in the future. That intention was declared in a notice letter to the Ministry of Finance but no response has been received yet. A response is critical for any future action to be determined by the Company.

## 8. INVENTORIES

The balance of inventories is analysed as follows:

	<u>30/6/2021</u>	<u>31/12/2020</u>
Consumable materials	408,766.66	440,605.94
Spare parts and equipment	3,235,520.96	3,262,682.58
<b>Total</b>	<b><u>3,644,287.62</u></b>	<b><u>3,703,288.52</u></b>

The total cost of inventory consumption for the period ended June 30, 2021 amounted to € 1,432,309.50 while that of the respective period ended June 30, 2020 amounted to € 1,037,058.40 (Note 22). There was no inventory devaluation to their net realizable value.

**9. TRADE AND OTHER RECEIVABLES**

This is analysed as follows:

	<u>30/6/2021</u>	<u>31/12/2020</u>
Trade Debtors	57,228,062.53	48,811,422.55
Minus: Provision for doubtful debts	(40,224,120.27)	(39,885,944.27)
<b>Total trade receivables</b>	<b><u>17,003,942.26</u></b>	<b><u>8,925,478.28</u></b>
Personnel loans	417,338.26	381,765.94
Prepaid Expenses	455,115.52	1,247,232.97
Income tax advance	-	888,394.50
Advances to suppliers	1,287,966.11	1,303,319.16
Other receivable	2,095,048.86	2,073,731.79
Grant receivable	4,435,004.69	3,381,759.99
Minus: Provision for other receivables and advances to suppliers	(2,204,043.54)	(2,542,219.54)
<b>Total other receivables</b>	<b><u>6,486,429.90</u></b>	<b><u>6,733,984.81</u></b>
<b>Total trade and other receivables</b>	<b><u>23,490,372.16</u></b>	<b><u>15,659,463.09</u></b>

**Personnel loans:** The Company provides interest-free loans to its personnel. The loan amount per employee does not exceed approximately € 3,000.00 and loan repayments are made by withholding monthly instalments from the employee salaries.

**Other receivable:** Other receivable includes the short term of the compulsory seizure of Piraeus municipality amounted to € 238,838.62 (2020: € 238,838.62), for which the Company's Legal Department estimates that will be received in 2021, as well as receivable from third parties and municipality of Drapetsona amounted to € 1.856.210,24 (2020: € 1,834,893.17).

**Income tax advance:** As at December 31, 2020 the Company had an income tax advance receivable of € 888,394.50 whereas on June 30, 2021 the income tax payable amounted to € 176,464,79.

**Prepaid expenses:** Prepaid expenses of current period includes an advance payment of the commission for the guarantee of the existing loans amounting to € 228,809.82. Prepaid expenses of prior year includes an advance payment of the commission for the guarantee of the existing loans amounting to € 457,619.66 as well as advance payment to the insurance company regarding to property insurance premiums.

**Grant receivable:** The receivable claim of grant for the current period and previous year concerns the balance to be collected from the Attica Regional Fund of the approved grant of the project "Expansion of the Passenger Port for cruise ship" (Note 13).

The movement in the provision for doubtful accounts receivable is analyzed as follows:

	<u>30/6/2021</u>	<u>30/6/2020</u>
Beginning balance	39,885,944.27	40,114,312.20
Provision for the period	338,176.00	413,729.85
<b>Ending balance</b>	<b><u>40,224,120.27</u></b>	<b><u>40,528,042.05</u></b>

Trade receivables are normally settled on 10 days' terms. One single customer represents 53% of the Company's total revenue (31.12.2020: 54%). The outstanding amount of the customer Piraeus Container Terminal S.A. as at June 30, 2021 amounted to € 7.7 mill (31.12.2020: 2.0 millions) (Note 29).

For trade receivables and other receivables, the Company has calculated estimated credit losses (ECLs) based on lifetime expected credit losses. Taking into consideration that trade receivables are normally settled within 10 days from the issuance of the invoice, the risk of default and the expected loss rate of 0.5% has been determined by management whereas for all balances that are outstanding for more than 10 days, the Company has considered the risk of default, the days past due and the historical credit losses experienced adjusted to reflect current and forward-looking information per debtor to measure the expected credit losses for each individual trade receivable balance. In the current COVID-19 impacted environment, the Company is actively monitoring the recoverability of trade receivables and ensures that the loss allowance recorded reflects, on a timely basis management's best estimate of potential losses in compliance with IFRS 9.

The movement of the allowance for doubtful other receivables and advances to suppliers is analysed as follows:

	<u>30/6/2021</u>	<u>30/6/2020</u>
<b>Beginning balance</b>	<b>2,542,219.54</b>	<b>2,204,043.54</b>
Provision for the period	-	-
Reversal of provision	(338,176.00)	-
<b>Ending balance</b>	<b><u>2,204,043.54</u></b>	<b><u>2,204,043.54</u></b>

The net impairment losses on financial assets are analysed as follows:

	<u>30/06/2021</u>	<u>30/06/2020</u>
<b><u>Impairment losses</u></b>		
Movement in loss allowance for trade receivables	-	413,729.85
<b>Net impairment losses on financial assets</b>	<b>-</b>	<b><u>413,729.85</u></b>

## 10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents are analyzed as follows:

	<u>30/6/2021</u>	<u>31/12/2020</u>
Cash in hand	39,963.12	37,747.04
Cash at banks	114,330,771.37	111,316,567.02
<b>Total</b>	<b><u>114,370,734.49</u></b>	<b><u>111,354,314.06</u></b>
Restricted cash	213,267.48	213,267.48
<b>Total</b>	<b><u>114,584,001.97</u></b>	<b><u>111,567,581.54</u></b>

Cash at banks earns interest at floating rates based on monthly bank deposit rates. Interest earned on cash at banks is accounted for on an accrual basis and for the period ended June 30, 2021, amounted to € 6,954.56 (for the period ended June 30, 2020, amounted to € 231,886.11) and is included in financial income in the statement of comprehensive income (Note 24).

Furthermore restricted cash of € 213,267.48 refers to compulsory seizure of Company's deposits, in favor of a municipality against which there are pending trials.

**11. SHARE CAPITAL**

The Company's share capital amounts to € 50,000,000.00, fully paid up and consists of 25,000,000 ordinary shares, of nominal value € 2.00 each. In the Company's share capital there are neither shares which do not represent Company's capital nor bond acquisition rights.

**12. RESERVES**

Reserves are analyzed as follows:

	<u>30/06/2021</u>	<u>31/12/2020</u>
Statutory reserve	14,096,221.09	14,096,221.09
Special tax free reserve L. 2881/2001	61,282,225.52	61,282,225.52
Specially taxed income reserve	728,128.36	728,128.36
Taxed reserve L. 4172/2013 art. 72	6,087,915.56	6,087,915.56
Taxed reserve based on general provisions	188,760.09	188,760.09
<b>Total</b>	<b><u>82,383,250.62</u></b>	<b><u>82,383,250.62</u></b>

**Statutory reserve:** Under the provisions of Greek corporate Law companies are obliged to transfer at least 5% of their annual net profit, as defined, to a statutory reserve, until the reserve equals the 1/3 of the issued share capital. The reserve is not available for distribution throughout the Company activity.

**Special tax free reserve Law 2881/2001:** This reserve was created during the PPA S.A. conversion to a Société Anonyme. The total Company net shareholder funds (Equity) was valued, by the article 9 Committee of the Codified Law 2190/1920, at € 111,282,225.52, € 50,000,000.00 out of which was decided by Law 2881/2001 to form the Company share capital and the remaining € 61,282,225.52 to form this special reserve.

**Untaxed or specially taxed income reserve:** This is interest income which was either not taxed or taxed by withholding 15% tax at source. In case these reserves are distributed, they are subject to tax on the general income tax provision basis. Based on Article 72 par.11 of Law 4172/2013 those reserves are subject (from 1 January 2014) to an independent taxation at a rate of 19%. On December 30th, 2014, the Company proceed to the taxation of those reserves which amounted to € 1,428,029.58. After the tax deduction the taxed reserves of Article 72 N.4172/2013 and the taxed reserve with the general provisions amounting to € 6,087,915.56 and € 188,760.09 respectively were created.

**13. GOVERNMENT GRANTS**

The movement of government grants is analyzed as follows:

	<u>30/06/2021</u>	<u>31/12/2020</u>
<b>Opening</b>	<b>38,242,578.05</b>	<b>28,094,773.09</b>
Approved grant in current year	6,941,002.85	10,147,804.96
<b>Closing</b>	<b>45,183,580.90</b>	<b>38,242,578.05</b>
Accumulated amortization	(13,206,724.24)	(12,774,361.78)
<b>Net Book Value</b>	<b><u>31,976,856.66</u></b>	<b><u>25,468,216.27</u></b>

Grants received up to December 31, 2011 relate to the requirements of the Olympic Games of 2004 (€ 11,400,000.00) and on the construction of infrastructure for the OSE S.A. port station (€ 3,700,000.00).

Also, a grant of € 3,653,518.80 has been received in 2012 and is divided in a) € 2,536,168.80, which relates to the widening of the quay Port Alon and b) € 1,117,350.00 for the construction of new dock at the area of Agios Nikolaos in the central port of Piraeus, under the operational program "Improvement of accessibility-energy" of the Attica region. Finally, a grant amounted to € 9,901,740.45 has been received in December 2013 and relates to the operational program "Support Accessibility" of the Ministry of Infrastructure, Transport and Network and in particular in two projects which have been completed. According to a decision of Attica Region issued during 2018, it was decided to return the amount of € 13,735.39 for the correction of the subsidy for the project "Widening of the quay Port Alon".

Moreover, according to a decision of Attica Region issued during 2018, it was decided to return the amount of € 546,750.77 for the correction of the subsidy for the project "Construction of new dock of Ag. Nikolaos».

During the previous year, the Attica Regional Fund approved a grant of € 10,147,804.96 for the project "Expansion of the Passenger Port for the service of the cruise" and the amount of € 6,766,044.97 was collected. The above amount concerns two payment orders for the project of the expansion of the Themistocleous pier and the construction of a new Pier on the south side of the central port, with a total approved amount of € 97,720,853.49 from the ATPIC WPP (NSRF 2013 - 2020) according to the decision 403 / 11-2-2020.

During the current period, the Attica Regional Fund approved a grant of € 6,941,002.85 for the project "Expansion of the Passenger Port for the service of cruise" which is under construction. A grant receivable of the approved amount of € 4.435.004,69 (Note 9) is outstanding for payment on 30/06/2021 (31.12.2020 € 3,381,759.99), whereas during the current period an amount of € 5,887,758.15 was received.

Grants are considered as deferred revenue and are recognized as income at the same depreciation rate as the relevant subsidized fixed assets are depreciated (Note 25). Grants received for assets under construction are not depreciated until the fixed assets are complete and operational.

There are no other obligations regarding the received grants.

**14. RESERVE FOR STAFF RETIREMENT INDEMNITIES**

The relevant provision movement for the period ended on June 30, 2021 and the financial year ended December 31, 2020 is as follows:

<b>Liability in Statement of Financial Position 1.1.2020</b>	<b>12,869,348.79</b>
Current cost of Employment	751,469.45
Cost of employment	1,560,534.67
Interest cost on liability	160,866.86
Loss from financial assumption change-OCI	668,709.00
Experience gain-OCI	(163,994.33)
Benefits paid	(685,933.76)
<b>Liability in Statement of Financial Position 31.12.2020</b>	<b>15,161,000.68</b>
Current cost of Employment	367,272.49
Cost of employment	127,695.84
Interest cost on liability	56,853.75
Experience loss-OCI	223,224.53
Benefits paid	(516,000.00)
<b>Liability in Statement of Financial Position 30.06.2021</b>	<b>15,420,047.29</b>

At 30 June 2021 the total cost of employment amounted to € 551,822.08 (30 June 2020: € 367,067.21) and is included in payroll and related costs (Note 26).

The principal actuarial assumptions used are as follows:

	<u>2021</u>	<u>2020</u>
Discount Rate	0.75%	0.75%
Salaries increase	0.00%	0.00%
Average annual growth rate of long-term inflation	1.50%	1.50%

**15. PROVISIONS**

The Company has made provisions for various pending court cases as at June 30, 2021 amounting to € 17,939,172.50 (31.12.2020: € 16,728,405.67) for lawsuits from personnel and other third party.

The movement of the provision is as follows:

	<u>30/6/2021</u>	<u>30/6/2020</u>
<b>Opening balance</b>	<b>16,728,405.67</b>	<b>18,400,468.08</b>
Charge of the year (Note 22)	1,279,182.54	1,260,029.45
Provision used	(45,526.29)	(214,693.80)
Reversal of provision (Note 22)	(22,889.42)	(3,513,866.82)
<b>Closing balance</b>	<b>17,939,172.50</b>	<b>15,931,936.91</b>

The current's period provision relates to legal cases of employees and other third parties amounting to € 979,182.54 and € 300,000.00 respectively (31.12.2020: € 1,089,922.20 and € 1,212,548.83). The provision used relates to legal cases which have been finalized against the Company and a provision has been made in prior years. The current and prior year reversal of the provision relates to legal cases which have been reassessed by the Company's legal department based on current developments or finalized in favor of the Company.

**16. LONG AND SHORT-TERM BORROWINGS**
**a) Long-term borrowings**

The Long-term borrowings as at June 30, 2021 and December 31, 2020 respectively, are as follows:

	<u>30/06/2021</u>	<u>31/12/2020</u>
Total of Long term borrowings	47,499,999.99	50,499,999.99
Minus:		
Short term portion of Long term borrowings	<u>6,000,000.00</u>	<u>6,000,000.00</u>
<b>Long term portion</b>	<b><u>41,499,999.99</u></b>	<b><u>44,499,999.99</u></b>

Balance included in the following loans between the Company and the European Investment Bank:

1. Loan of € 35,000,000.00 for the construction of Container Terminal Pier I, issued on 30/7/2008.

The repayment of the loan will be in thirty (30) semi-annual installments, payable from December 15, 2013 up to and including June 15, 2028. As amended in October 2, 2017 the loan bears an annual interest rate, that is the sum of a variable interest rate and a margin of 0.25% which is payable quarterly.

From this contract there are obligations and restrictions for the Company, the most important of which are summarized as follows: (i) to submit the annual financial statements within 1 month of publication along with a Certificate of Compliance audited by a recognized firm of certified auditors, and (ii) to hold throughout the duration of the loan and until fully repaid, the following financial ratios, calculated on annual financial statements, audited by certified auditors, for each financial year:

1. EBITDA [Profit / (loss) before interest, taxes, depreciation and amortization] / Interest  $\geq$  3.00
2. Total net bank debt / EBITDA [Profit / (loss) before interest, tax, depreciation, amortization]  $\leq$  9.80
3. Total shareholders' equity  $\geq$  140 million

2. Loan of € 55,000,000.00 for the construction of Container Terminal Pier I issued on the 10/02/2010.

The repayment of the loan will be in thirty (30) semi-annual installments, payable from 15 June 2015 up to and including 15 December 2029. As amended in October 2, 2017 the loan bears an annual interest rate, that is the sum of a variable interest rate and a margin of 0.25% which is payable quarterly.

From this contract there are obligations and restrictions for the company, the most important of which are summarized as follows: (i) to submit the annual financial statements within 1 month of publication along with a Certificate of Compliance audited by a recognized firm of certified auditors, and (ii) to hold throughout the duration of the loan and until fully repaid, the following financial ratios, calculated on annual financial statements, audited by certified auditors, for each financial year:

1. EBITDA [Earnings before interest, taxes, depreciation and amortization] / Interest  $\geq$  3.00
2. Total net bank debt / EBITDA [Earnings before interest, taxes, depreciation, amortization]  $\leq$  9.80
3. Current assets / current liabilities  $\geq$  1.2
4. Total shareholders' equity  $\geq$  140 million.



On September 26, 2017 a Guarantee Issuance Facility Agreement was signed between the Company and the "Export Import Bank of China", in respect of the issuance of guarantees of an initial amount of € 75,074,999.99 to support the loans from the European Investment Bank outstanding debt. The amount of guarantee is variable and is based on an amortization table linked to the total outstanding balance of both loans agreements. The guarantee bears an issuance fee of zero point six per cent (0.6%) of the relevant maximum guarantee amount. This fee paid for the period ended June 30, 2021 amounted to € 228,809.82 (30.06.2020: € 229,436.71) and is included in financial expenses (Note 24).

For the period ended June 30, 2021 and 2020, total interest expense on long-term borrowings, amounted to € 36.949,44 and € 59,883.42 respectively and is also included in financial expenses (Note 24).

On November 8, 2019 a loan agreement of € 100,000,000.00 was signed between PPA S.A. and the European Investment Bank. The purpose of the loan is to invest in the expansion and upgrading of many areas of Piraeus Port, including the extension of the car terminal, improving the infrastructure of the ship repair zone, the development of a new logistics Port Center, the construction of a new cruise service facility, the acquisition of new container terminal equipment and the renovation-upgrading of other port and electromechanical installations. Guarantor of P.P.A. regarding the loan is the Export-Import Bank of China (based on contract 14/11/2019) and a letter of guarantee amounting to € 105,000,000.00 will be issued at the time the loan is drawn down.

From the agreement's sign off until June 30, 2021 the Company had not withdraw any amount, under this facility.

**b) Short-term borrowings:**

The Company has a credit line available for € 50,000,000.00 with National Bank of Greece valid until December 31, 2021. The credit line bears annual variable interest rates of Euribor, plus margin 2.9%. The Company has not utilised any amount under the overdraft agreement.

**17. DIVIDENDS**

**Dividend distribution proposal:** On February 22, 2021 the Board of Directors of the Company proposed the distribution of dividend for the year 2020 amounting to € 10,000,000.00 or € 0.4000 per share, which was approved by the General Meeting of the Company on July 15, 2021 (Note 31).

**18. ACCRUED AND OTHER CURRENT LIABILITIES**

This account is analyzed as follows:

	<u>30/6/2021</u>	<u>31/12/2020</u>
Taxes payable (except Income taxes)	1,759,361.22	2,709,518.61
National insurance and other contribution	1,712,224.05	3,234,001.17
Salaries Payable	1,862,228.61	658,960.07
Concession Agreement Liability	842,779.98	1,331,551.38
Other creditors	752,224.26	713,878.03
Other Short Term Obligations	849,256.64	1,372,644.95
Regulatory Authority for Ports	637,622.29	415,235.58
Greek State committed dividends	804,000.00	804,000.00
Customers' payment in advance	3,492,461.56	3,767,972.17
Provision for employee's voluntary retirement	277,500.00	256,500.00
Accrued expenses	2,422,771.16	1,004,453.31
<b>Total</b>	<b><u>15,412,429.77</u></b>	<b><u>16,268,715.27</u></b>

**Taxes Payable:** Current period's amount consists of: a) Value Added Tax € 617,700.12 (2020: € 1,005,387.62), b) Employee withheld income tax € 830,606.66 (2020: € 1,379,371.83) and c) other third party taxes € 311,054.44 (2020: € 324,759.16).

**Concession Agreement Liability:** The liability relates to the variable amount of annual fee with an equal debit in the expense account "Concession agreement fee" (Note 22) and excludes the fixed minimum annual fee for the current period of € 1,750,000.00. Regardless of the application of IFRS 16, the Company's contractual obligation to pay to the Greek State as at 31 December 2020 amounted to € 2,592,779.98 (31 December 2020: € 4,831,551.38) and was calculated as a percentage of 3.5% on the total revenue of the current year excluding financial revenues.

**Payment in advance:** The Company receives payments in advance for services rendered on an ordinary basis, which are then settled on a regular basis. Customer payments in advance amounted to € 3,492,461.56 (31.12.2020: € 3,767,972.17).

**19. DEFERRED INCOME**

- a) On April 27, 2009 “PCT S.A.” paid € 50,000,000.00 as a one-off consideration for the use of port facilities of Piers II and III of SEMPO of PPA (N.3755/2009). From the aforementioned amount, € 2,930,211.41 was offset with the cost of supplies and parts provided by PCT S.A., while the remaining amount of € 47,069,788.59 is amortized over the concession period. On August 2009, PPA S.A received from PCT S.A. three letters of guarantee amounted to € 61.4 million, € 21.0 million and € 42.0 million respectively for the concession agreement, the upgrade of PIER II and the construction of PIER III respectively. The letter of guarantee of € 21.0 million has been expired and returned in 2013. On September 2016, the last letter of guarantee of € 42.0 million, was reduced by 50% to € 21.0 million, upon completion of the project construction of the eastern side of PIER III. The letter of guarantee of € 61.4 million from China Development Bank was replaced with an equal letter of guarantee of COSCO SHIPPING Port Ltd. and came into effect on 26.8.2019. In addition, the Company has received from PCT S.A. letter of guarantee for the construction of the petroleum pier of € 950,000.00, which was reduced by 50% to € 475,000.00. On December 29, 2020, the letter of guarantee from PCT S.A with the amount of € 42.0 million (which had been reduced by 50% to 21.0 million) and the letter of guarantee with the amount € 475,000.00 were returned. On the same date the Company received a letter of guarantee of € 663,000.00 regarding the rest of the construction of the west side of Pier III. The initial concession period was thirty (30) years, which was increased to thirty five (35) years, after the completion the construction of the port infrastructure on the east side of Pier III.

Following the transfer of the cumulative amount € 15,802,000.45 on revenue of the years 2009 until June 30, 2021 the new balance at June 30, 2021 amounted to € 31,267,788.14 (December 31, 2020: € 31,940,213.69).

- b) The Company receives Fixed Annual Consideration from PCT S.A based on the length and surface of conceded land. Fixed Annual Considerations is invoiced in advance in April and October of each fiscal year. As a result, the Company has recognized deferred revenue of € 3,160,771.86 and € 3,099,349.84 as at June 30, 2021 and December 31, 2020 respectively.

<b>Balance December 31, 2019</b>	<b><u>36,300,733.27</u></b>
<b>Less:</b> Amortization of the year – Initial concession	(1,344,851.10)
<b>Less:</b> Deferred Fixed Annual Consideration for the period 1.1.2020-31.3.2020 realized	(3,015,668.46)
<b>Plus:</b> Deferred Fixed Annual Consideration for the period 1.1.2021-31.3.2021	3,099,349.84
<b>Balance December 31, 2020</b>	<b><u>35,039,563.55</u></b>
<b>Less:</b> Amortization of the year – Initial concession	(672,425.55)
<b>Less:</b> Deferred Fixed Annual Consideration for the period 1.1.2021-31.3.2021 realized	(3,099,349.81)
<b>Plus:</b> Deferred Fixed Annual Consideration for the period 1.7.2021-30.9.2021	3,160,771.86
<b>Balance June 30, 2021</b>	<b><u><u>34,428,560.05</u></u></b>

- c) Additionally, as at June 30, 2021, deferred income includes an amount of € 103,718.97 which relates to the deferred income from rentals (31.12.2020: € 34.062,98).

## 20. SEGMENT INFORMATION

The Company operates in Greece, regardless of the fact that its clientele includes international companies. Additionally, the Company has no other commercial or industrial activities other than the provision of services solely in the Port area and does not have income or assets from foreign customers (based on the geographical area in which they operate).

The port of Piraeus is a port engaging in complex activities, putting work in many areas of port activity , such as containers Car-terminal, coasting, cruise, Ro-Ro, ship repairing, environmental and logistics services.

It is the main port of coastal connecting mainland Greece and the islands, the main cruise port service in the country , the main container port and the main car – terminal port of the country.

PPA S.A. provides all the requested port services: water, fuel oil, solid and liquid slot tankers, jack residual oil, electricity, fiber optics and internet, victuals, repairs, environmental services and is fully connected to all activities with modern computer systems.

The management of PPA SA monitors, at the level of results, the above activities and takes business decisions based on the implemented internal management information system.

Based on the above and in accordance with the provisions of IFRS 8, the Company has determined to disclose the following segments:

- Container Terminal
- Handling Car
- Coasting
- Cruise
- Ship repairing
- Other segments (water supply, space management, merchandise management)

The other segments include activities representing less than 10 % of total revenue and profit in all segments and therefore are not disclosed as separate operating segments.

The Company level, includes revenues and expenses that are not allocated by operating segment because management monitors them at entity level.

Management does not make business decisions and does not monitor periodically the assets and liabilities of the business sectors and for this reason does not make the relevant disclosures as required by the provisions of IFRS 8.

The segment information for the period ended June 30, 2021 and June 30, 2020, is analysed as follows:

30.06.2021	CONTAINER TERMINAL		CAR TERMINAL	COASTING	CRUISE	SHIP REPAIRING (TANKS AND DOCK)	OTHER SEGMENTS	COMPANY	TOTAL
	CONTAINER TERMINAL OPERATION	CONCESSION ARRANGEMENT PIER II&III							
Revenues	13,990,188.10	34,092,943.48	7,499,695.46	3,532,265.41	1,961,978.99	7,381,437.33	3,541,051.00	-	71,999,559.77
Cost of sales	(18,620,902.84)	(1,859,885.16)	(4,823,975.45)	(2,271,454.71)	(2,367,465.68)	(5,199,598.44)	(3,439,235.35)	-	(38,582,517.63)
<b>Gross profit/(loss)</b>	<b>(4,630,714.74)</b>	<b>32,233,058.32</b>	<b>2,675,720.01</b>	<b>1,260,810.70</b>	<b>(405,486.69)</b>	<b>2,181,838.89</b>	<b>101,815.65</b>	-	<b>33,417,042.14</b>
Other expenses	(2,073,132.27)	(5,223,998.34)	(1,022,240.91)	(391,053.82)	(63,976.57)	(1,221,641.52)	(633,179.68)	(2,428,411.63)	(13,057,634.74)
Other income	-	-	-	-	-	592,745.07	819,748.32	667,374.82	2,079,868.21
Financial income	-	-	-	-	-	-	-	49,438.78	49,438.78
Financial expenses	(373,532.85)	(887,489.07)	(68,318.85)	(24,005.10)	(8,975.99)	(66,331.35)	(35,727.50)	(186,483.55)	(1,650,864.26)
<b>Profit/ (loss) before income taxes</b>	<b>(7,077,379.86)</b>	<b>26,121,570.91</b>	<b>1,585,160.25</b>	<b>845,751.78</b>	<b>(478,439.25)</b>	<b>1,486,611.09</b>	<b>252,656.79</b>	<b>(1,898,081.58)</b>	<b>20,837,850.13</b>
Income taxes	-	-	-	-	-	-	-	(5,744,105.49)	(5,744,105.49)
<b>Net profit / (loss) after taxes</b>	<b>(7,077,379.86)</b>	<b>26,121,570.91</b>	<b>1,585,160.25</b>	<b>845,751.78</b>	<b>(478,439.25)</b>	<b>1,486,611.09</b>	<b>252,656.79</b>	<b>(7,642,187.07)</b>	<b>15,093,744.64</b>
Depreciation and amortisation (including right-of-use assets depreciation)	3,532,183.38	1,688,660.91	485,352.33	566,922.76	658,792.60	1,174,826.67	802,230.43	121.54	8,909,090.62
<b>(Losses)/Earnings before Interest, Taxes, Depreciation and Amortisation</b>	<b>(3,171,663.63)</b>	<b>28,697,720.89</b>	<b>2,138,831.43</b>	<b>1,436,679.64</b>	<b>189,329.34</b>	<b>2,727,769.11</b>	<b>1,090,614.72</b>	<b>(1,760,915.27)</b>	<b>31,348,366.23</b>

30.06.2020	CONTAINER TERMINAL		CAR TERMINAL	COASTING	CRUISE	SHIP REPAIRING (TANKS AND DOCK)	OTHER SEGMENTS	COMPANY	TOTAL
	CONTAINER TERMINAL OPERATION	CONCESSION ARRANGEMENT PIER II&III							
Revenues	13,072,519.01	32,262,644.10	5,557,896.41	3,219,191.73	713,183.99	8,100,305.00	3,576,782.56	-	66,502,522.80
Cost of sales	(18,168,523.21)	(1,957,167.75)	(4,149,070.43)	(2,096,130.94)	(1,780,408.92)	(4,918,660.41)	(3,522,150.70)	-	(36,592,112.36)
<b>Gross profit/(loss)</b>	<b>(5,096,004.20)</b>	<b>30,305,476.35</b>	<b>1,408,825.98</b>	<b>1,123,060.79</b>	<b>(1,067,224.93)</b>	<b>3,181,644.59</b>	<b>54,631.86</b>	-	<b>29,910,410.44</b>
Other expenses	(1,954,121.64)	(5,023,975.19)	(758,416.82)	(355,998.41)	(34,921.75)	(1,350,862.07)	(659,227.76)	507,243.80	(9,630,279.84)
Other income	-	-	-	-	-	572,484.03	920,039.64	520,134.51	2,012,658.18
Financial income	-	-	-	-	-	-	-	249,761.45	249,761.45
Financial expenses	(527,781.70)	(583,727.33)	(101,193.53)	(59,984.97)	(14,250.70)	(157,402.02)	(78,094.79)	(174,232.99)	(1,696,668.03)
<b>Profit/ (loss) before income taxes</b>	<b>(7,577,907.54)</b>	<b>24,697,773.83</b>	<b>549,215.63</b>	<b>707,077.41</b>	<b>(1,116,397.38)</b>	<b>2,245,864.53</b>	<b>237,348.95</b>	<b>1,102,906.77</b>	<b>20,845,882.20</b>
Income taxes	-	-	-	-	-	-	-	(5,324,249.45)	(5,324,249.45)
<b>Net profit / (loss) after taxes</b>	<b>(7,577,907.54)</b>	<b>24,697,773.83</b>	<b>549,215.63</b>	<b>707,077.41</b>	<b>(1,116,397.38)</b>	<b>2,245,864.53</b>	<b>237,348.95</b>	<b>(4,221,342.68)</b>	<b>15,521,632.75</b>
Depreciation and amortisation	3,432,373.43	1,762,881.98	416,305.17	566,458.59	624,153.67	1,206,229.01	795,177.19	121.46	8,803,700.50
<b>(Losses)/Earnings before Interest, Taxes, Depreciation and Amortisation</b>	<b>(3,617,752.41)</b>	<b>27,044,383.14</b>	<b>1,066,714.33</b>	<b>1,333,520.97</b>	<b>(477,993.01)</b>	<b>3,609,495.56</b>	<b>1,110,620.93</b>	<b>1,027,499.77</b>	<b>31,096,489.28</b>

**21. REVENUES**

Revenues are analyzed as follows:

	<u>1/1-30/06/2021</u>	<u>1/1-30/06/2020</u>
<b>Revenue from:</b>		
Loading and Unloading	16,907,019.36	14,377,577.12
Storage	1,738,387.07	1,594,899.11
Supply of water	583,714.83	841,405.63
Dry docking services	3,784,710.36	4,038,825.84
Cruise services	1,961,978.99	313,978.23
Ferry services	3,532,265.41	2,529,298.38
Environmental services	1,001,373.93	1,070,223.23
Mooring	1,534,548.31	2,448,682.14
Shipbuilding Repair Zone services	3,596,726.97	4,061,479.16
Other supporting services	3,081,701.56	2,834,920.80
Revenue from concession of liquid wastes' collection and transportation	184,189.51	128,589.09
<b>Total</b>	<b><u>37,906,616.30</u></b>	<b><u>34,239,878.73</u></b>
 <b>Revenue from Fixed and Variable Consideration:</b>		
Revenue from concession agreement Pier II+III	33,392,053.92	31,565,259.24
Other revenue from concession agreement Pier II+III	700,889.55	697,384.83
<b>Total</b>	<b><u>34,092,943.47</u></b>	<b><u>32,262,644.07</u></b>
<b>Grant Total</b>	<b><u>71,999,559.77</u></b>	<b><u>66,502,522.80</u></b>

The increase in revenue for the current period is mainly due to the increase in cruise revenue by € 1,648,000.76 as well as Ferry services revenue by € 1,002,967.03 due to the reversing of the negative impact of the COVID-19 pandemic. Additionally, an increase of Loading and Unloading revenue by € 2,529,442.24 was noted due to the overall increase in cargo volume as a result of COSCO Shipping contribution as well as the strategic agreement between PPA S.A. and PCT S.A that supports a more efficient use of infrastructure with synergies between Piraeus Terminals.

The above increase was mainly offset by a decrease in mooring revenues by € 914,133.83 as well as Shipbuilding repair zone services revenues by € 464,752.19.

Cruise industry was severely affected by the COVID-19 pandemic. The vast majority of cruise lines have been significantly reduced or completely suspended from the beginning of the pandemic and throughout 2020. The resumption of the Cruise in Greece on May 14, 2021 was a significant boost, after six months of inactivity due to Covid-19 pandemic. There are first positive signs for the recovery of the industry, which is in an experimental stage as a prerequisite is the implementation of the strict Health Protocols for readiness and response to the SARS-CoV-2 coronavirus, as issued by the Government. The total passenger traffic for the first six (6) months of 2021 increased by 245.6% compared to the corresponding period of 2020, from 7,657 to 26,460 passengers. Home port passenger traffic increased by 73.46% (4,680 vs. 2,698), while transit passenger traffic also increased by 339.20% (21,780 vs. 4,959).

The increase in revenue from the concession Piers II + III is mainly due to the increase in the variable consideration, which amounted to € 27,070,509.96 (30.06.2020: € 25,366,559.56).

**22. ANALYSIS OF EXPENSES**

Expenses (cost of sales and administrative expenses) are analyzed as follows:

	<u>1/1-30/6/2021</u>	<u>1/1-30/6/2020</u>
Payroll and employee related costs (Note 26)	30,042,336.72	29,223,394.38
Third party fees	1,472,598.00	411,780.57
Third party services	5,048,811.84	4,452,967.08
Depreciation- Amortization (Note 25)	8,909,090.62	8,803,700.50
Taxes and duties	267,042.26	241,907.04
General expenses	2,009,865.34	2,279,066.98
Cost of sales of inventory and consumables (Note 8)	1,432,309.50	1,037,058.40
Provision for pending lawsuits (Note 15)	1,256,293.12	(2,253,837.37)
Consession agreement fee (Note 18)	842,779.98	648,031.33
<b>Total</b>	<b><u>51,281,127.38</u></b>	<b><u>44,844,068.91</u></b>

The above expenses are analyzed as follows:

	<u>1/1-30/06/2021</u>	<u>1/1-30/06/2020</u>
Cost of sales	38,582,517.63	36,592,112.36
Administrative expenses	12,698,609.75	8,251,956.55
<b>Total</b>	<b><u>51,281,127.38</u></b>	<b><u>44,844,068.91</u></b>

**23. OTHER OPERATING INCOME / EXPENSES**
**OTHER OPERATING INCOME**

	<u>1/1-30/06/2021</u>	<u>1/1-30/06/2020</u>
Rental income	1,417,089.39	1,492,523.67
Income from European Union programs	193,471.22	364,712.41
Insurance compensation	167,052.84	-
Rental subsidy due to COVID-19	102,400.73	-
Various other operating income	199,854.03	155,422.10
<b>Total</b>	<b><u>2,079,868.21</u></b>	<b><u>2,012,658.18</u></b>

Rental income relates to rents from the lease of land and building facilities of the Company. These include the amount related to the investment properties.

According to legislative regulations, the companies that have been taken special and extraordinary measures to suspend or temporarily ban operation for preventive or repressive reasons related to pandemic COVID-19, is exempted from the obligation to pay 40% of the total rent from March 2020 to June 2021. The Company applied the above legal regulations for the lease of its premises to third parties. As a state subsidy for the reduction of rents the Company received the amount of € 102,400.73 during the current period.



**OTHER OPERATING EXPENSES**

	<u>1/1-30/06/2021</u>	<u>1/1-30/06/2020</u>
Third parties compensation	114,517.40	441,246.18
Loss on disposal of fixed assets	0.00	116,163.73
Other expenses	244,507.59	407,183.53
<b>Total</b>	<b><u>359,024.99</u></b>	<b><u>964,593.44</u></b>

The third parties compensations relates mainly to interest compensations according to court decisions finalized against Company.

**24. FINANCIAL INCOME/ (EXPENSES)**

The amounts are analyzed as follows:

	<u>01/01-30/06/2021</u>	<u>01/01-30/06/2020</u>
Interest income and related financial income	6,954.56	231,886.11
Finance cost for lease liabilities (Note 5)	(1,211,938.05)	(1,230,521.07)
Interest expense and related financial expenses	(438,926.21)	(466,146.96)
	<b><u>(1,643,909.70)</u></b>	<b><u>(1,464,781.92)</u></b>
Interest income on debtors late payments	42,484.22	17,875.34
<b>Total</b>	<b><u>(1,601,425.48)</u></b>	<b><u>(1,446,906.58)</u></b>

**25. DEPRECIATION- AMORTISATION**

The amounts are analyzed as follows:

	<u>01/01-30/06/2021</u>	<u>01/01-30/06/2020</u>
Depreciation of property, plant and equipment (Note 4)	7,978,313.86	8,082,286.66
Software depreciation	305,903.05	123,341.58
Depreciation of right of use assets (Note 5)	1,057,236.17	1,030,434.78
Fixed assets subsidies depreciation - Government Grants (Note 13)	(432,362.46)	(432,362.52)
<b>Total</b>	<b><u>8,909,090.62</u></b>	<b><u>8,803,700.50</u></b>



## 26. PAYROLL AND RELATED COSTS

The amounts are analyzed as follows:

	<u>01/01-30/06/2021</u>	<u>01/01-30/06/2020</u>
Wages and salaries	22,559,058.88	22,453,378.33
Social security costs	5,138,676.47	5,395,741.56
Other staff costs	1,021,947.01	588,707.28
Provision for staff leaving indemnities (Note 14)	551,822.08	367,067.21
Employee retirement incentives	510,000.00	418,500.00
Provision for cash-settled share based payments	260,832.28	-
<b>Total</b>	<b><u>30,042,336.72</u></b>	<b><u>29,223,394.38</u></b>

The Company announced in prior years the offer of voluntary retirement incentives to those employees who are close to retirement date.

During the previous period, an employee used an incentive amount of € 22,500.00, as a result of which the relevant provision that had been made on 31/12/2019 was reversed. Also, an additional provision of € 328,500.00 was made for 3 workers and 12 employees as well as incentives of € 90,000.00 paid for 2 workers and 2 employees. The balance of the provision for retirement incentives as of June 30, 2020 amounted to € 351,000.00.

In the current period 5 workers and 5 employees made use of the incentives of total € 255,000.00 and an additional provision of € 255,000.00 was made for 4 workers and 6 employees. Also, the relevant provision was used for 4 workers amount of € 90,000.00 and 7 employees amount of € 144,000.00 on 31/12/2020. The balance of the provision for retirement incentives as of June 30, 2021 amounts to € 277,500.00 (31.12.2020: € 256.500,00) (Note 18).

## 27. EARNINGS PER SHARE

The earnings per share for June 30, 2021 and 2020 are as follows:

	<u>01/01-30/06/2021</u>	<u>01/01-30/06/2020</u>
<b>Net profit for the year</b>	15,093,744.64	15,521,632.75
Weighted average number of shares	<u>25,000,000</u>	<u>25,000,000</u>
<b>Basic Earnings per share</b>	<b><u>0.6037</u></b>	<b><u>0.6209</u></b>

**28. COMMITMENTS AND CONTIGENCIES**

- (a) **Litigation and Claims:** The Company is currently involved in a number of legal proceedings and has various claims of a total amount of approximately € 145,8 million concerning mainly labour disputes and legal proceedings with municipalities around the port, arising in the ordinary course of business. Based on currently available information, management and its legal department believe that the outcome of these proceedings will not have a significant effect on the Company's operating results or financial position, except for the recorded provisions in Note 15.
- (b) **Liabilities arising from letters of Guarantee:** The Company has issued letters of guarantee amounting to € 19,941,326.61 (December 31, 2020: € 19,941,326.61), of which € 4,546,581.01 (December 31, 2020: € 4,611,093.11) in favor of the General Directorate of Customs (E 'and F' Customs Office) of the Ministry of Economy for the operation of all warehouses for temporary storage of goods PPA S.A. Under the current concession agreement of 24.06.2016 between PPA and the Greek Government, PPA has issued a letter of guarantee in favor of the Ministry of Finance General Secretariat of Public Property amounted to € 15,000,000.00.
- (c) **Future minimum rentals receivable:** Future minimum rentals receivable, under non-cancellable operating leases as at June 30, 2021 are as follows:

	<u>30/6/2021</u>
Within 1 year	15,693,722.13
Between 1 and 2 years	14,769,422.42
Between 2 and 3 years	14,218,042.49
Between 3 and 4 years	13,938,275.05
Between 4 and 5 years	13,695,206.06
Over 5 years	<u>251,486,162.96</u>
<b>Total</b>	<b><u>323,800,831.11</u></b>

- (d) **Commitments for investments based on concession arrangement:** Pursuant to the provisions of the Concession Agreement signed between the Company and the Hellenic Republic dated on 24.06.2016, as ratified by Law 4404/2016 (Gov. Gazette A '126 / 08.07.2016), the Company has the contractual obligation for the implementation of investments in projects within the Port of Piraeus for the five years, August 2016 - August 2021 amounting to € 293.8 million. The Concession Agreement included specific terms regarding the conditions for the imposition of Liquidated Damages by the Hellenic Republic, in case of non-execution of Mandatory Enhancements by August 2021. The possibility of imposing Liquidated Damages based on the Concession Agreement was evaluated, during the previous period, by the Company's Management and was deemed remoted, as the Company was able to prove that the delays in the execution of the mandatory investment projects were outside the reasonable control of the Company and therefore fell within the exemption from the imposition of penalty clauses of article 16.5(a) (i) of the Concession Agreement. This assessment was verified by the fact that the negotiation process between PPA S.A. and the Hellenic Republic, as well as the majority shareholders of COSCO SHIPPING (Hong Kong) Limited and HRADF was successfully completed, regarding the contractual settlement of the issues that arose during the execution of the Concession Agreement, specifically regarding the delays in the execution of projects due to reasons that were beyond the reasonable control of the Company. In the framework, of the above amicable settlement, a new amending agreement was signed on 22.09.2021.

As at June 30, 2021, the mandatory investments comprise of:

- completed mandatory investments of € 59.8 million (31.12.2020: € 59.3 million),
- projects under construction € 30.7 million (31.12.2020: € 18.6 million)  
as well as prepayment for a mandatory investment of € 5.4 million (31.12.2020: € 5.1).

- (e) **Contractual commitments with creditors:** with regard to (d) above and other contracts signed, the outstanding balance of the contractual commitments with suppliers on significant infrastructure projects (construction, maintenance, improvements, etc.) at June 30, 2021 amounted to approximately € 133.0 million (December 31, 2020: approximately € 132.7 million) of which approximately € 88.6 million relates to the project "Passenger Port Expansion - South Zone - Phase A" (December 31, 2020: approximately € 95.1 million).
- (f) **Special Contribution to Social Insurance Institute (IKA – TEAM):** On November 7, 2011 the Company notified the management of IKA of its intention to stop paying the special contribution in favor of the supplementary fund of Company's employees, since after the merger of IKA with IKA – TEAM the management of the Company considered that there was no further obligation. From October 2013, The Company decided to cease the payments to those institutions. The management of the Company believes that this contingent liability could be settled without significant adverse effects on its financial position.

## 29. RELATED PARTY TRANSACTIONS

The Company provides services to certain related parties in the normal course of business. The Company's transactions, receivables and liabilities balances with related companies are as follows:

Related party	Period ended	Sales to related parties	Purchases from related parties
PIRAEUS CONTAINER TERMINAL S.A	30.06.2021	38,141,541.53	33,500.00
	30.06.2020	34,418,890.22	786.60
COSCO SHIPPING LINES GREECE S.A	30.06.2021	15,095.82	5,321.43
	30.06.2020	4,270.18	-
PCDC S.A	30.06.2021	17,827.63	-
	30.06.2020	18,005.77	1,599.60
COSCO SHIPPING DEVELOPMENT CO. LTD	30.06.2021	27,300.00	-
	30.06.2020	35,220.00	-
COSCO SHIPPING TECHNOLOGY Co LTD	30.06.2021	-	5,817.42
	30.06.2020	-	36,741.71
COSCO (HONG KONG) INSURANCE BROKERS L.T.D.	30.06.2021	-	239,047.48
	30.06.2020	-	285,247.72
COSCO SHIPPING TECHNOLOGY (BEIJING)	30.06.2021	-	7,027.95
	30.06.2020	-	-
COSCO SHIPPING PORTS LIMITED	30.06.2021	-	59,789.73
	30.06.2020	-	-
	<b>30.06.2021</b>	<b>38,201,764.98</b>	<b>350,504.01</b>
	<b>30.06.2020</b>	<b>34,476,386.17</b>	<b>324,375.63</b>

**PIRAEUS PORT AUTHORITY S.A**

Interim Condensed Financial Information for the period ended June 30, 2021

(amounts in Euro, unless stated otherwise)

Related Party	Period/ Year ended	Amounts due from related parties	Amounts due to related parties
PIRAEUS CONTAINER TERMINAL S.A	30.06.2021	7,738,919.53	-
	31.12.2020	1,992,540.54	4,526.33
COSCO SHIPPING LINES GREECE S.A.	30.06.2021	500.00	9,446.30
	31.12.2020	382,088.08	570.40
PCDC S.A.	30.06.2021	240.71	-
	31.12.2020	316.74	-
COSCO (HONG KONG) INSURANCE BROKERS L.T.D.	30.06.2021	-	-
	31.12.2020	-	478,094.95
COSCO SHIPPING DEVELOPMENT CO. LTD	30.06.2021	27,456.91	-
	31.12.2020	156.91	-
	<b>30.06.2021</b>	<b>7,767,117.15</b>	<b>9,446.30</b>
	<b>31.12.2020</b>	<b>2,375,102.27</b>	<b>483,191.68</b>

The revenues of € 34,092,943.46 (30.06.2020:32,262,644.07) (Note 21) from Piraeus Container Terminal S.A. (PCT S.A.) are related to the fixed and variable revenue from the concession agreement (PIER II & III) and revenues of € 4,048,598.07 (30.06.2020: 2,156,246.15) related to mooring and loading/uploading. In addition, the Company has received from PCT S.A letters of guarantee regarding the concession contract, the upgrade of pier II and the construction of pier III (Note 19). Finally, PPA in April 2020, signed a contract about the provision of project management services with PCT S.A. for the business operation of Pier I of PPA S.A. On December 29, 2020, the letter of guarantee from PCT S.A. with the amount € 42.0 million, reduced by 50% to € 21.0 million in previous year, and the letter of guarantee with the amount € 475,000.00, reduced from € 950,000.00 by 50% in previous year, were returned to PCT S.A. On the same date, a new letter of guarantee of € 663,000.00 regarding the rest of the construction of the west side of Pier III for the construction works of Pier II and III was received (Note 19).

The transaction with COSCO SHIPPING DEVELOPMENT CO. LTD relates to its ship repair service.

The transaction with COSCO SHIPPING PORTS LIMITED relates to SAP tax interface services.

The transaction with COSCO (HONG KONG) INSURANCE BROKERS L.T.D. of the current and the previous period relates to the insurance coverage of PPA S.A. regarding third party liability, employer' s liability, property and business interruption and directors and officers liability for the period from 1.11.2020-31.10.2021 and 1.11.2019-31.10.2020 respectively, according to article 17 of the Concession Agreement (Law 4404/2016).

**Board of Directors Members Remuneration:** For the period ended on June 30, 2021, remuneration and attendance costs, amounting to € 427,501.98 (June 30, 2020: € 445,336.12) were paid to the Board of Directors members. Furthermore, during the period ended June 30, 2021 emoluments of € 288,614.80 (June 30, 2020: € 271,382.21) were paid to Managers/Directors for services rendered.

The Extraordinary General Meeting of the Company's shareholders on September 23, 2019 approved the long-term incentive bonus plan, which is cash settled of a certain number of Units. Beneficiaries of the program are members of the Board of Directors, senior executives and other key management and business executives who have a significant influence on the performance and uninterrupted operation of the Company.

The total number of Incentive Units in the Program is six hundred sixty-six thousand (666,000). The Board of Directors of the Company at the meeting of October 25, 2019 named the beneficiaries of 498,200 units at the first award date (October 8, 2019). The minutes of the Board of Directors of December 22, 2020 named the beneficiaries of the program including the new-coming qualified managers and/or promoted managers and canceling the Incentive Units of the beneficiaries who left the Company during the period between the grant date and 31 October 2020 along with the remaining unallocated units and as a result the total number of Incentive Units was 491.200. Following this decision of the Board of Directors, there is no change in the Units of the program.

The amount payable to the beneficiaries is determined by the increase in the share price from the grant date (8/10/2019: € 22.53) and the redemption date. In addition, the redemption of the Units depends on the achievement of predetermined performance criteria of the Company and the Beneficiaries.

The fair value of the long-term incentive bonus plan as of December 31, 2019 was determined using the Binomial model. The valuation of the liability amounted to € 928,523.57 on 30.06.2021 (31.12.2020: € 667,691.29 and is included in other non-current liabilities.

As of 30.06.2021 and on 31.12.2020, no unit of the program had been vested by the beneficiaries.

### 30. FINANCIAL INSTRUMENTS

**Fair Value:** The carrying amounts reflected in the accompanying statement of financial position for cash and cash equivalents, trade and other accounts receivable, prepayments, trade and other accounts payable and accrued and other current liabilities approximate their respective fair values due to the relatively short-term maturity of these financial instruments.

The fair value of variable rate loans and borrowings approximate the amounts appearing in the statement of financial position.

The Company categorized its financial instruments carried at fair value in three categories, defined as follows:

Level 1: Quoted (unadjusted) values from active financial markets for identical negotiable assets or liabilities.

Level 2: Other techniques for which all inflows that have a significant impact on the recorded fair value are identified or determined directly or indirectly from active financial markets.

Level 3: Techniques that use inflows that have a significant impact on the recorded fair value and are not based on quoted prices from active financial markets.

During the period ended June 30, 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfers into and out of Level 3 fair value measurements.

As at June 30, 2021 and December 31, 2020, the Company held the following financial instruments:

<b>June 30, 2021</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial liabilities</b>				
Interest bearing loans and borrowings (including short term portion)	-	47,499,999.99	-	<b>47,499,999.99</b>
Investment property	-	-	734,338.38	<b>734,338.38</b>
Non-current assets held for sale	-	148,500.00	-	<b>148,500.00</b>
<b>December 31, 2020</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>Financial liabilities</b>				
Interest bearing loans and borrowings (including short term portion)	-	50,499,999.99	-	<b>50,499,999.99</b>
Investment property	-	-	734,338.38	<b>734,338.38</b>
Non-current assets held for sale	-	183,500.00	-	<b>183,500.00</b>

### 31. SUBSEQUENT EVENTS

The Annual General Meeting of the Company approved on July 15, 2021 the proposal of the Board of Directors for the distribution of a dividend for the fiscal year 2020 amounting to € 10,000,000.00 or € 0.4000 per share. The dividend for the year 2020 was paid on July 31, 2021.

On September 16, 2021 the sale of the three Quay Cranes that were included on June 30, 2021 in the item "Non-current assets held for sale" was completed in the value of € 230,000.00 (Note 4) from which a gain of € 81,500.00 was arose.

On September 22, 2021 the Amendment Agreement of the Concession Agreement was signed between the Hellenic Republic and PPA SA (Note 28 d.) which will enter into force upon ratification by the Greek Parliament.

Except for the above, there are no other subsequent events after June 30, 2021 that may significantly affect the Company's financial position.

Piraeus, September 28, 2021

CHAIRMAN OF THE BOARD OF  
DIRECTORS

CHIEF EXECUTIVE OFFICER (ACTING)

FINANCIAL MANAGER

YU ZENG GANG

ZHANG ANMING

IOANNIS KOUKIS

Passport No PE1895434

Passport No PE0942508

License No. O.E.E. 0007437  
A' Class