ANEK LINES

Semi annual Financial report

for the period from January 1st to June 30th 2019

CONTENTS

The attached semiannual financial report has been prepared according to article 5 of the law 3556/2007 and has been approved for publishing by the Board of Directors of the parent company at the date of 30th September 2019 and is disclosed in the web address of the Company www.anek.gr

The attached semi annual financial report has been translated from the Greek original version.

ANEK LINES S.A
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STATEMENT OF BOARD OF DIRECTORS

(according to article 5 par.2 of Law 3556/2007)

The members of the Board of Directors of ANEK SA:

- Georgios Katsanevakis, Chairman,
- Ioannis Vardinoyannis, Managing Director,
- Spyridon Protopapadakis, Vice-Chairman as assigned

hereby represent that, to the best of our knowledge:

a) the semi-annual financial statements (separate and consolidated) for the period 1st January 2019 to 30th June 2019, prepared according to the applicable International Financial Reporting Standards, present truly and fairly the assets and liabilities, the equity and the financial results of the Company ANEK LINES SA, as well as of the consolidated companies according to paragraphs 3 to 5 of article 5 of Law 3556/2007, and

b) the semi-annual enclosed Report of Board of Directors presents fairly the information required according to paragraph 6 of article 5 of Law 3556/2007.

Chania, September 30th 2019

The Chairman	The Managing Director	The Vice-Chairman
GEORGIOS G. KATSANEVAKIS **ID Card No. AI 473513**	**IOANNIS I. VARDINOYANNIS** **ID Card No. Π 966572**	**SPYRIDON I. PROTOPAPADAKIS** **ID Card No. AA 490648**

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the Shareholders of the Company

ANEK LINES S.A.

Indroduction

We have reviewed the accompanying condensed separate and consolidated statement of financial position of ANEK S.A. (the "Company") as at 30 June 2019 and the relative condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes, that constitute the condensed interim financial information, which is an integral part of the six-month financial report under the 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 adopted by the European Union (EU) and which apply to Interim Financial Reporting (International Accounting Standard "IAS 34"). Our responsibility is to express a conclusion on this condensed interim 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 that have been incorporated into the Greek Legislation 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 International Accounting Standard IAS 34.

Material Uncertainty Related to Going Concern

We draw attention to Note 2 in the condensed interim financial information, which indicates that the working capital of the Company and the Group is negative by € -269,0 mil and € -262,8 mil respectively, the equity of the Company and the Group is negative by € -14,9 mil and € -7,7 mil respectively, while there are overdue liabilities to the banks. The above events and conditions indicate that a material uncertainty exists that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. In Note (2) in the condensed interim financial information are referred the measures that have been taken or planned by management for ensuring the Company and the Group to continue as a going concern. Our conclusion is not modified in respect of this matter.

Report on other Legal and Regulatory Requirements

Our review did not identify material inconsistency or error in the statements of the members of the Board of Directors and the information of the six-month Financial Report of the Board of Directors as these are defined in article 5 and 5a of L. 3556/2007, with respect to the condensed separate and consolidated financial information.

Athens, 30 September 2019

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SEMI ANNUAL REPORT OF THE BOARD OF DIRECTORS

The attached report of the Board of Directors of ***ANONIMI NAFTILIAKI ETAIREIA KRITIS S.A.*** *refers to the interim separate and consolidated financial statements as of 30 June 2019 and was prepared according to the article 5 of law 3556/2007 and the implementing decisions of the Hellenic Capital Committee and in particular the decision 7/448/11.10.2007. In the attached report is included information regarding the business activities of the Group and the Company, the financial position, the financial results and the significant events during the first half of 2019. Additionally, the report includes the main risks and uncertainties that the Company may face in the second semester of the year and the most significant related party transactions.*

I. OVERVIEW OF ACTIVITIES & FINANCIAL POSITION

The Greek economy in the first half of 2019 was developed at an average rate of 1,5%, being declined compared to the respective period of the previous year. The country's growth rate has been anemic and GDP growth sluggish. The measures adopted to stimulate economic activity are likely to lead to a higher growth rate in the second half of the year. Efforts to strengthen the Greek economy need to be intensified and processes and operational frameworks improved to create the conditions for strategic investments and a substantial improvement of the economic climate.

In the passenger shipping sector, the transportation work in the coastal shipping has increased compared to the previous year. However, fuel prices continued to rise in the first half of 2019 and increased by approximately 10% over the corresponding period of 2018.

The activity of the coastal shipping is characterized by strong seasonality, which has an impact on the income and operating results of the interim financial statements. The Group's highest sales are recorded in the third quarter of each year and are not reflected in the present financial statements, so the results for the first half of the year are not indicative of annual results.

ANEK Group in the first half of 2019, despite increased fuel costs and intensification of competition in relation with the comparable period, managed to improve its EBITDA and to reduce, respectively, its losses after taxes.

ANEK Group during the first half of 2019, operated through privately owned and chartered vessels in routes in Adriatic Sea (Ancona and Venice), Crete (Chania and Heraklion), Dodecanese islands and Cyclades. In Cyclades and Dodecanese continued to operate in public service routes. In Crete and Adriatic routes the Group's vessels continued executing combined itineraries jointly with vessels of "ATTICA S.A. HOLDINGS". In parallel, under the scope of a more efficient management of the fleet, have been occurred charters of Company's vessels abroad.

By executing 1% less itineraries compared to the first half of 2018, ANEK Group during the first half of 2019 in all routes operated has transferred 370 thousand passengers compared to 368 thousand in the previous corresponded period, 65 thousand private vehicles compared to 62 thousand same in the first half of 2018 and 68 thousand trucks compared to 69 thousand.

The key figures and their variations included in the Group's financial statements are as follows:

- **Turnover** remained almost stable, which in the first half of 2019 was formed at € 72,5 million versus € 72,9 million in the corresponding period of 2018.

- **Cost of Sales** for the first half of 2019 slightly decreased and formed at € 63,7 million from € 64,4 million in the first half of 2018.

- As a result of the above, Group's **Gross Profits** showed a slight rise and amounted to € 8,8 million versus € 8,4 million in the comparable period.

- Respectively, **Earnings before interest, taxes, depreciation and amortization (EBITDA)** in the first half of 2019 was improved amounting to profits of € 3,2 million compared to € 1,6 million in the corresponded period of the previous year.

- Group's **Net financial cost** for the first half of 2019 amounted to € 4,7 million versus € 5,0 million in the first half of 2018.

- Finally, as a result of all above, **Net results after tax and minority interests** in the first half of 2019 was improved and amounted to losses of € 7,9 million compared to € 9,1 million in the first half of 2018.

- **Key items of the statement of financial position**
    - Group's fixed assets as at 30.06.2019 amounted to € 273,5 million compared to € 278,5 million at the end of the previous year. Depreciation for the period amounted to € 5,7 million and additions to € 1,7 million (of which € 1,0 million relates to the rights of use of tangible assets recognized under IFRS 16), while the reductions amounted to € 1,0 million related to the effect of the suspension of consolidation of the subsidiary LANE.

- Group's trade receivables as at 30.6.2019 formed at € 42,8 million compared to € 27,2 million in 31.12.2018, while other short-term receivables amounted to € 10,5 million compared to € 5,5 million. The increase in receivables was due to the seasonality in sales.
- Cash and cash equivalents as at 30.06.2019 amounted to € 7,2 million compared to € 7,3 million at the end of the previous year.
- Group's long-term bank liabilities as at 30.06.2019 amounted to € 2,4 million compared to € 2,6 million at 31.12.2018. It is noted that since 31.12.2018 the long-term loans of the Parent Company were reclassified to short-term ones, given the fact that terms of the relevant loan contracts were not met, as regard the servicing of the loans. As a result, the Group's short-term bank liabilities formed at € 255,0 million compared to € 256,1 million at the end of the previous year.
- Trade payables as at 30.06.2019 amounted to € 45,7 million from € 41,0 million at 31.12.2018, while other short term liabilities amounted to € 28,6 million compared to € 16,6 million, mainly, due to the seasonality of sales (increase of deferred income by € 10,7 million referred to tickets for trips at a post later time of June 30th, 2019).

Cash flows

Group during first half of 2019 showed inflows from operating activities amounted to € 3,2 million compared to € 8,2 million in the first half of 2018. Investing activities showed outflows of € 1,3 million compared to € 6,2 million in the corresponding period. Finally, financing activities for the first half of 2019 showed outflows of € 2,1 million compared to € 4,3 million.

Financial ratios

- The gross profit margin (%) "Gross Profit / Turnover" of the Group for the first half of 2019 formed at 12,1%, compared to 11,6% in the first half of 2018.
- Indicators of general liquidity (:1) "Current assets / Current liabilities" and immediate liquidity (:1) "[Current assets - Inventory] / Current liabilities" were improved and stood at 0,20 and 0,19 respectively, versus 0,15 and 0,14 at 31.12.2018.
- The debt ratios (:1) "Liabilities / Equity" and "Long and short term borrowings / Equity" on 30.06.2019 are negative due to the Group's negative equity. The "Liabilities / (Equity + Liabilities)" ratio formed at 1,02 on 30.06.2019 compared to 1,03 at the end of year 2018, while the "Long and short term borrowings / (Equity + Liabilities)" ratio formed at 0,74 compared to 0,78.

II. SIGNIFICANT EVENTS OF FIRST HALF 2019 AND AFTERWARDS

ANEK's Ordinary General Meeting, held on September 9, 2019, approved the Board of Directors' recommendation to convene an Extraordinary General Meeting on the agenda of a share capital increase up to € 20 million, by issuing new voting shares with a preference right for the old shareholders and authorizing the Board of Directors to determine the individual terms and the time of this meeting.

III. MAIN RISKS AND UNCERTAINTIES FOR THE 2ND HALF

- **Risk of fuel prices fluctuation**

Fuel cost is the key operating cost incurred by the Group with a direct effect on the results of each period and thus, a rise in fuel prices is the most important risk faced by the Group. Fuel prices are settled in Euro, but they are indirectly affected by the EUR/USD exchange rate used as a basis for the determination of the international prices. The sensitivity of the results and of the equity to a change in the average cost of fuels per metric ton -ceteris paribus- for the first half of 2019 was as follows:

Fuel price change	Effect on results and equity
± 5% / metric ton	(-/+) € 1,24 million
± 10% / metric ton	(-/+) € 2,48 million
± 20% / metric ton	(-/+) € 4,96 million

- **Interest rate fluctuation risk**

H ANEK has entered into agreements for long-term syndicated loans, bilateral loans and credit accounts with different banks. Interests for all the above loans are calculated on the basis of the Euribor rate plus a margin. Consequently, the Company is exposed to a rate fluctuation risk, as it will be burdened with extra financial cost in the event of an increase in interest rates. The sensitivity of the results and equity to long term debt rate interest rate changes for the first half of 2019 was as follows:

Change of interest rate	Effect in the results and equity
± 0,5%	(-/+) € 0,62 million
± 1%	(-/+) € 1,24 million

- **Liquidity risk**

Liquidity risk is the risk that the Group or the Company may not be able to meet its financial obligations and disrupt their smooth operation. Due to the aforementioned reclassification of long-term borrowings to short-term liabilities, in accordance with paragraph 74 of IAS 1, the balance in the working capital of the Company and the Group was disturbed. However, the intention of the Group's management is to approach the creditor banks in order to resolve the issue of loan agreements. The Group's cash and cash equivalents as at 30.06.2019 amounted to € 7,2 million while to avoid the possibility of insufficient liquidity, the management of the Group ensures that bank loans are always available to cover emergencies in periods of low liquidity. Finally, it is noted that as stated above, the Company's Ordinary General Meeting in September 2019 approved the recommendation of the Board of Directors to convene an Extraordinary General Meeting on the agenda of a share capital increase up to € 20 million.

- **Credit risk**

Under the existing financial conditions, the counterparty credit risk is increased. The Group is monitoring its customers' balances closely by applying credit control procedures and defining credit limits and specific credit policies for all the customer categories. Where it is necessary, it has obtained additional guarantees to secure the credit granted even more. The accumulative provisions formed have reached the amount of € 44,0 million, and it is considered adequate to deal with credit risk, while, there is significant dispersion of the Group's receivables. Although, that there is a concentration of receivables by the Joint venture, these receivables refer to a large number of debtors (agents, truck companies etc.) that are settled through the Joint venture (as a special scheme) and therefore the risk of concentration is limited. Regarding cash and cash equivalents, the Group is not exposed to any credit risk as there is natural hedging, given that there are also loan agreements entered into with the cooperating financial institutions.

- **Competition**

The vessels of ANEK Group perform itineraries in routes where there is intensive competition, particularly in Greece-Italy and Piraeus-Crete routes. The effort made by each company to retain and increase its market share in the above markets may intensify competition even more, thus having an impact on their financial results. Moreover, as part of its shipping activities, the Group is trying to improve the allocation of vessels per route, examines the profitability of existing (and possible new) routes and set its prices at competitive levels. A potential intensification of competition in the markets where the Group operates may have a significant adverse effect on the Group's operating results, cash flows and financial position.

- **Foreign exchange risk**

Both the Company and the Group are not exposed to increased foreign exchange risk since most transactions with customers and suppliers abroad are made in euro. There is a limited exchange risk caused by the market value of spare parts and other materials, or services procured in foreign currencies, which is small in relation to the total of purchases and expenses.

- **Environmental risk**

According to the decision of the Committee on the Protection of the Environment of the International Maritime Organization IMO, from 1 January 2020 all vessels are required to use 0,5% sulfur mixed fuel. This obligation may result in unexpected changes in the prices of shipping fuels for the Group's exposure. Management is carefully examining alternatives to ensure that vessels comply with the new environmental legislation in 2020 and minimize the impact on the financial statements.

IV. PROSPECTS FOR THE 2ND HALF OF 2019

The transportation work during the summer period of 2019 on the routes of ANEK's activity was increased. As long as the trend is maintained by the end of the year, the annual results are expected to be further improved compared to these of previous year.

In general, the Group's prospects at operational level in the second half of 2019 will depend on the general course of the economy, the demand in coastal and Adriatic routes, the competition conditions in the sector and the fluctuation of international prices. Fuel prices during the summer months showed a relatively stabilizing trend, with fuel costs still being the key component of the Group's operating costs. Considering that the course of international oil prices is an unpredictable factor, any further assessment of their impact on the results of the financial year would be arbitrary.

V. RELATED PARTY TRANSACTIONS

The most important transactions and balances between the Parent Company and its subsidiaries (LANE, ETANAP, LEFKA ORI, AIGAION PELAGOS, ANEK HOLDINGS), its associate (ANEK LINES ITALIA) and its related party (JV ANEK S.A. & SUPERFAST ENDEKA (HELLAS) INC.), hereinafter “JOINT VENTURE”, mainly, pertain to vessels’ chartering, tickets issuance commissions, vessels’ agency, other services and the purchase of bottled water. It is noted that subsidiary LANE is not included in the consolidated financial statements for the first half of 2019, as the Group's management estimates that there has been a loss of control in accordance with IFRS 10 (see detailed note 1 of interim financial statements as at 30.06.2019). Executives’ fees refer to dependent employment services and BoD members’ fees pertain to fees paid and remunerations for meetings. The invoicing of transactions between the above companies was done in accordance with the arm’s length principle. Following are the most important transactions and balances between the Parent Company and its related parties, in accordance with IAS 24:

- **Income / Expenses**

  During the first half of 2019 ANEK invoiced the subsidiary AIGAION PELAGOS with the amount of € 4.032 thousand (€ 4.415 thousand in the first half of 2018) for chartering of vessels, tickets issuing commissions and management services provided. Also, subsidiary ETANAP invoiced the Parent Company for sale of products amounting to € 58 thousand (€ 55 thousand in the first half of 2018), while LEFKA ORI had revenue from ETANAP of € 25 thousand (€ 97 thousand in the first half of 2018). Finally, the relative ANEK LINES ITALIA in the first half of 2019 invoiced ANEK with an amount of € 123 thousand (€ 132 thousand for the comparable period) and ANEK - SUPERFAST JOINT VENTURE with an amount of € 781 thousand (versus € 779 thousand) for ticket issuance.

- **Dividends**

  Parent Company as at 30.06.2019 had a receivable for dividend of € 163 thousand from the subsidiary ETANAP, while in the first half of 2018 had received dividend of amount € 174 thousand.

- **Receivables / Liabilities**

  As at 30.06.2019 ANEK had a liability to the subsidiary ETANAP amounted to € 849 thousand (against € 930 thousand at 31.12.2018), a receivable from subsidiary LANE amounted to € 5.333 thousand (against € 5.197 thousand at 31.12.2018), a receivable from subsidiary AIGAION PELAGOS amounted to € 4.188 thousand (€ 3.575 thousand at the end of the previous year) and a receivable from subsidiary ANEK HOLDINGS of amount € 76 thousand (€ 75 thousand at 31.12.2018). Moreover, ANEK at 30.6.2019 had a liability to the associate ANEK LINES ITALIA amounting to € 1.509 thousand (against € 1.541 thousand at 31.12.2018) and a receivable from the JOINT VENTURE amounted to € 21.842 thousand (€ 10.936 thousand at 31.12.2018). At 30.06.2019, AIGAION PELAGOS had a receivable from LANE amounted to € 368 thousand (€ 367 thousand at 31.12.2018), while ANEK LINES ITALIA had a liability to JOINT VENTURE amounted to € 2.894 thousand (€ 534 thousand at the end of the previous year). Finally, at 30.06.2019, LEFKA ORI had a receivable from ETANAP amounted to € 92 thousand (€ 4 thousand at 31.12.2018).

- **Fees of BoD members and Directors**

  The gross fees of the Board of Directors and of the Group's executives refer to short term benefits and amount to € 796 thousand (€ 653 thousand for the Company) for the first half of 2019, compared to € 834 thousand (€ 624 thousand for the Company) for the first half of 2018. Moreover, at 30.6.2019 the Group had a liability to the above persons of amount € 27 thousand (€ 47 thousand at 31.12.2018).

Chania, September 30th, 2019

The Board of Directors

INTERIM SEPARATE & CONSOLIDATED FINANCIAL STATEMENTS AS OF 30 JUNE 2019

Financial statements amounts are expressed in thousands €.

Any differences in totals are due to the rounding of figures.

STATEMENTS OF COMPREHENSIVE INCOME

	Note	The Group		The Company	
		01.01.19-30.06.19	01.01.18-30.06.18	01.01.19-30.06.19	01.01.18-30.06.18
Revenue	4	72.503	72.876	66.093	66.878
Cost of sales		(63.723)	(64.444)	(59.055)	(59.727)
Gross profit / (losses)		**8.780**	**8.432**	**7.038**	**7.151**
Other operating income		518	293	733	526
Administrative expenses		(4.614)	(5.026)	(4.273)	(4.573)
Selling and marketing expenses		(6.855)	(6.761)	(5.797)	(5.748)
Other operating expenses		(331)	(695)	(315)	(352)
Earnings / (losses) before taxes, financing and investing results		**(2.502)**	**(3.757)**	**(2.614)**	**(2.996)**
Financial expenses		(4.720)	(5.021)	(4.714)	(4.968)
Financial income		30	22	5	16
Results from investing activities		99	(6)	94	(4)
Results from measurement of investments in associates		63	67	295	369
Earnings / (losses) before taxes		**(7.030)**	**(8.695)**	**(6.934)**	**(7.583)**
Income tax	10	(391)	(313)	(113)	(74)
Earnings / (losses) after taxes		**(7.421)**	**(9.008)**	**(7.047)**	**(7.657)**
Attributable to:					
Owners of the Parent company		(7.902)	(9.078)	-	-
Minority interests		481	70	-	-
Other comprehensive income / (losses) after taxes		-	-	-	-
Total comprehensive income /(losses) after taxes		**(7.421)**	**(9.008)**	**(7.047)**	**(7.657)**
Attributable to:					
Owners of the Parent company		(7.902)	(9.078)	-	-
Minority interests		481	70	-	-
Earnings / (losses) after taxes per share - basic (in €)	9	(0,0419)	(0,0481)	(0,0374)	(0,0406)
Earnings / (losses) after taxes per share impaired - basic (in €)	9	(0,0259)	(0,0336)	(0,0292)	(0,0282)
Earnings / (losses) before taxes, financing and investing results and depreciation (EBITDA)		**3.173**	**1.588**	**2.829**	**2.229**

The additional notes are an integral part of the above interim financial statements.

STATEMENT OF FINANCIAL POSITION

		The Group		The Company	
	Note	**30.06.19**	**31.12.18**	**30.06.19**	**31.12.18**
ASSETS					
Tangible fixed assets	*5*	273.507	278.489	266.234	270.437
Investments in property		1.756	1.758	680	683
Intangible assets		311	316	311	316
Investments in subsidiaries		-	-	5.987	5.918
Investments in associates		2.157	2.094	2.158	2.094
Other long-term receivables		1.434	1.428	1.412	1.407
Deferred tax receivables		242	243	-	-
Total non-current assets		**279.407**	**284.328**	**276.782**	**280.855**
Inventories		3.019	3.088	1.625	1.912
Trade receivables		42.850	27.204	40.922	31.708
Other receivables		10.488	5.534	10.311	4.784
Financial assets at fair value through profit & loss		2.867	2.915	1.875	1.177
Cash and cash equivalents	*6*	7.212	7.350	1.598	2.298
Total current assets		**66.436**	**46.091**	**56.331**	**41.879**
TOTAL ASSETS		**345.843**	**330.419**	**333.113**	**322.734**
EQUITY AND LIABILITIES					
Share capital (188.654.892 shares x € 0,30)		56.597	56.597	56.597	56.597
Share premium account		745	745	745	745
Reserves		25.124	9.607	23.563	8.062
Results carried forward		(101.916)	(82.987)	(95.796)	(73.248)
Total company shareholders' equity		**(19.450)**	**(16.038)**	**(14.891)**	**(7.844)**
Minority interest		11.773	7.169	-	-
Total equity		**(7.677)**	**(8.869)**	**(14.891)**	**(7.844)**
Long-term borrowings	*7*	2.413	2.623	2.413	2.623
Deferred tax liabilities		1.116	1.116	308	308
Retirement benefits provisions		2.489	2.445	2.349	2.301
Other provisions		1.239	1.500	1.179	1.179
Grants for assets		454	457	-	-
Capital lease liabilities		12.836	14.531	12.836	14.531
Other long term liabilities	*8*	3.718	2.891	3.597	2.891
Total non-current liabilities		**24.265**	**25.563**	**22.682**	**23.833**
Short-term bank borrowings	*7*	255.005	256.134	255.005	255.421
Trade payables		45.652	41.005	43.712	37.575
Other short term liabilities		28.598	16.586	26.605	13.749
Total current liabilities		**329.255**	**313.725**	**325.322**	**306.745**
Total liabilities		**353.520**	**339.288**	**348.004**	**330.578**
TOTAL EQUITY AND LIABILITIES		**345.843**	**330.419**	**333.113**	**322.734**

The additional notes are an integral part of the above annual financial statements.

STATEMENTS OF CHANGES IN EUITY

The Group	Note	Share Capital	Share premium	Asset revaluation reserves	Other reserves	Retained earnings	Total	Minority interests	Total
Balance 01.01.2018		**56.597**	**745**	**2.066**	**7.454**	**(67.007)**	**(145)**	**2.895**	**2.750**
Effect from application of IFRS 9						(668)	**(668)**		**(668)**
Restated balance 01.01.2018		**56.597**	**745**	**2.066**	**7.454**	**(67.675)**	**(813)**	**2.895**	**2.082**
Total comprehensive income for the 1st half of 2018						(9.078)	**(9.078)**	70	**(9.008)**
Reserves formed of subsidiaries					32	(32)	-	-	-
Effect from sale of own shares of a subsidiary						(16)	**(16)**	31	**15**
Dividends to non-controlling subsidiaries							-	(190)	**(190)**
Net equity as of 30.06.2018		**56.597**	**745**	**2.066**	**7.486**	**(76.801)**	**(9.907)**	**2.806**	**(7.101)**
Balance 01.01.2019		**56.597**	**745**	**2.121**	**7.486**	**(82.987)**	**(16.038)**	**7.169**	**(8.869)**
Total comprehensive income for the 1st half of 2019						(7.902)	**(7.902)**	481	**(7.421)**
Reserves formed of subsidiaries					22	(22)	-	-	-
Effect from the suspension of a subsidiary in the consolidation					(5)	4.495	**4.490**	4.470	**8.960**
Transfer of reserves					15.500	(15.500)	-	-	-
Dividends to non-controlling subsidiaries							-	(347)	**(347)**
Net equity as of 30.06.2019		**56.597**	**745**	**2.121**	**23.003**	**(101.916)**	**(19.450)**	**11.773**	**(7.677)**

The Company	Share Capital	Share premium	Asset revaluation reserves	Other reserves	Retained earnings	Total
Balance 01.01.2018	**56.597**	**745**	**933**	**7.098**	**(59.368)**	**6.005**
Effect from application of IFRS 9					(668)	**(668)**
Restated balance 01.01.2018	**56.597**	**745**	**933**	**7.098**	**(60.036)**	**5.337**
Total comprehensive income for the 1st half of 2018					(7.657)	**(7.657)**
Effect from sale of own shares of a subsidiary					(14)	**(14)**
Net equity as of 30.06.2018	**56.597**	**745**	**933**	**7.098**	**(67.708)**	**(2.335)**
Balance 01.01.2019	**56.597**	**745**	**964**	**7.098**	**(73.248)**	**(7.844)**
Total comprehensive income for the 1st half of 2019					(7.047)	**(7.047)**
Transfer of reserves				15.500	(15.500)	-
Net equity as of 30.06.2019	**56.597**	**745**	**964**	**22.598**	**(95.795)**	**(14.891)**

The additional notes are an integral part of the above interim financial statements.

STATEMENTS OF CASH FLOW

	The Group		The Company	
	01.01.19-30.06.19	**01.01.18-30.06.18**	**01.01.19-30.06.19**	**01.01.18-30.06.18**
Operating activities				
Earnings / (losses) before taxes	(7.030)	(8.695)	(6.934)	(7.583)
Adjustments for:				
Depreciation	5.707	5.435	5.443	5.225
Grants amortization	(32)	(90)	-	-
Provisions	192	134	184	120
Results of investing activities	(99)	(61)	(389)	(365)
Foreign exchange differences	108	373	108	360
Financial expenses (less financial income)	4.593	4.626	4.600	4.592
	3.439	**1.722**	**3.012**	**2.349**
Plus /(less) adjustments for changes of working capital accounts or related to operating activities:				
Reduction / (increase) of inventories	(4)	(517)	287	121
Reduction / (increase) of receivables	(15.400)	(15.111)	(14.721)	(15.263)
Increase/(reduction) of payable accounts (except loan liabilities) υποχρεώ-	19.337	26.074	17.724	25.447
Less:				
Interest and related expenses paid	(4.053)	(3.947)	(4.035)	(3.941)
Income tax paid	(78)	(49)	(78)	(49)
Total cash flows generated from operating activities (a)	***3.241***	***8.172***	***2.189***	***8.664***
Investing activities				
Acquisition of affiliates, securities and other investments	(604)	-	(604)	-
Proceeds from sale of securities and other investments	-	56	-	56
Acquisition of fixed assets	(735)	(6.297)	(533)	(5.261)
Proceeds from the sale of fixed assets	24	3	-	-
Interest received	1	9	1	1
Dividend received	-	-	-	-
Total cash flows generated from investing activities (b)	***(1.314)***	***(6.229)***	***(1.136)***	***(5.204)***
Financing activities				
Payments for capital leases	(916)	(1.375)	(916)	(1.375)
Payments for operational leases	(168)	-	(67)	
Proceeds from borrowings	-	754	-	739
Payment of borrowings	(770)	(3.543)	(770)	(3.543)
Dividends paid	(210)	(131)	-	-
Cash flows from financing activities (c)	***(2.064)***	***(4.295)***	***(1.753)***	***(4.179)***
Net increase/(decrease) in cash and cash equivalents (a)+(b)+(c)	**(137)**	**(2.352)**	**(700)**	**(719)**
Cash and cash equivalents at the beginning of the period	7.349	6.826	2.298	3.217
Cash and cash equivalents at the end of the period	**7.212**	**4.474**	**1.598**	**2.498**

The additional notes are an integral part of the above interim financial statements.

INFORMATION AND EXPLANATORY NOTES ON THE INTERIM FINANCIAL STATEMENTS OF THE PERIOD 01.01.2019 – 30.06.2019

Information and explanatory notes on the interim financial statements of the period 01.01.2019 – 30.06.2019 – Amounts in thousands € unless stated differently

1. General information for the Company and the Group

The Parent company was established in 1967 (Government Gazette 201/10.04.67) under the corporate name “ANONIMI NAFTILIAKH ETAIREIA KRITIS S.A.” trading as “ANEK LINES” (hereinafter “ANEK” or the “Company”, or the “Parent company”) and is operating in the passenger ferry shipping sector. The Company’s seat is located in the municipality of Chania – Crete, and its registered offices are located on 148 Karamanli Ave. ANEK is recorded in General Company Register under number 121557860000 and its website address is www.anek.gr. The Company’s shares have been listed since 1999 on the Athens Stock Exchange.

In addition to the Parent company, the Group includes the following subsidiaries and associates with the following participation percentages:

Name	*Group percentage*	*Registered office*	*Activity*
ETANAP S.A.	31,90%	Stilos, Chania	Production and sale of bottled water
LEFKA ORI S.A.	48,24%*	Stilos, Chania	Production and trade of plastic bottles and packaging products
ANEK HOLDINGS S.A.	99,32%**	Chania	Tourism - participation in other companies - consulting, etc.
AIGAION PELAGOS THALASSIES GRAMMES SHIPPING COMPANY	100%	Chania	Sailing company under Law 959/79
ANEK ITALIA S.r.l.	49%	Ancona, Italy	Agency and representation of shipping companies

** direct participation: 24% and indirect via ETANAP: 24,24%*

*** direct participation: 99% and indirect via ETANAP: 0,32%*

The aforementioned companies, in which ANEK participates by more than 50%, as well as “ETANAP” in which the Parent company has the control, have been included in the consolidated financial statements as at 30th June 2019 using the full consolidation method. “ANEK LINES ITALIA S.r.l.” in which the Parent Company participates by 49% was consolidated using the equity method.

In addition to the above, Parent Company holds a 50,11% stake in LASITHIOTIKI SHIPPING COMPANY (LANE) which was consolidated until 31.12.2018 using the full consolidation method. This subsidiary has not been included in the interim consolidated financial statements, as the Group's Management estimates that control loss has been incurred in compliance with IFRS 10. In accordance with IFRS 10 "Consolidated Financial Statements", an investor controls an issuer when it is exposed or has rights to floating returns in the context of its participation in the issuer and has the ability to affect those returns through its authority over the issuer. Therefore, an investor controls an issuer if it only has all of the following: (a) power over the issuer, (b) placements or rights with variable returns from its participation in the issuer and (c) ability to use its power over the issuer for affect the level of his performance. ANEK, although it holds 50,11% of the voting rights, has lost the ability (that is, control) to exercise its power over the issuer LANE to influence the amount of its returns, namely for the following reasons:

(a) The subsidiary's vessel, which is its sole asset, has suffered a significant and irreversible damage and is not controlled by the entity or the management of the Group as it is committed by creditors in an auction process.

b) The management of the Group, following the failure of LANE to comply with Article 106 of the Bankruptcy Code, has no realistic plan of recovery for the subsidiary nor can allocate funds to rescue it.

c) ANEK and the Group's management are unable to replace the deceased CEO and the two resigned members of LANE's Board of Directors.

(d) A creditor has required a file for bankruptcy and appointment of a bankruptcy trustee before the Multi-annual Court of Chania, which is scheduled for October 2019. As a result, the subsidiary is expected to go into bankruptcy and will thus be liquidated as a legal entity with the power to transfer bankruptcy.

e) ANEK or any other Group's company has not provided any guarantees for the debts and liabilities of the subsidiary, as LANE is a public limited company there is no liability of its shareholders for its debts. The shareholders will suffer the loss that corresponds only to the capital paid by them. Therefore, as LANE's solution is expected, its non-consolidation in the financial statements as at 30.06.2019 is consistent with the fair presentation and compliance with IFRS, meaning that the consolidated statement of financial position will not include LANE's net liabilities since these will finally burden its creditors. ANEK has fully devaluated its share in the subsidiary, while all the Group companies have made equal provisions for their receivables by LANE.

Following the suspension of the consolidation of LANE, the Group's equity benefited by € 8,96 million of which € 4,49 million is attributable to the Group and € 4,47 million to non-controlling interests.

The number of personnel employed as at 30 June 2019 was 824 for the Company (out of which 607 were employed as vessels' crew) and 890 for the Group (607 persons as vessels' crew). Respectively, at the end of the comparative period of 2018 the Company had a number of 857 and the Group 922 employees.

The interim financial statements as of 30th June 2019 were approved by the BoD of the Parent Company at the meeting of 30th September 2019.

2. Preparation basis of the financial statements and accounting principles

The interim separate and consolidated financial statements as of 30th June, 2019 (hereinafter the "financial statements") have been prepared according to the International Financial Reporting Standards (hereinafter "IFRS"), as issued by the International Accounting Standards Board (IASB) and adopted by the European Union, and more specifically to the IAS 34 "Interim financial reporting". Therefore, they do not include all the information required for the annual financial statements and should be read in conjunction with the published statements as of 31 December 2018 that have been posted on the Company's website at www.anek.gr.

The basic accounting principles adopted in the preparation of the interim financial statements are the same as those followed in the preparation of the annual financial statements as of 31.12.2018, except for the new standards and interpretations which are applicable after January 1st 2019 (see below regarding the effect of applying IFRS 16). The preparation of financial statements according to IFRS requires that the management makes estimates, assumptions and assessments that affect the assets and liabilities, the disclosures of contingent receivables and liabilities as of the date of the financial statements, as well as the published amounts of income and expenses. The actual results may differ from these estimates.

- **Going concern**

At the end of 2017, the Company completed three consecutive profitable years, while at the same time achieving a positive return on equity. However, the significant rise in fuel prices and the extraordinary provisions made in 2018 have led to negative net results and equity has again been negative. As at 30.06.2019 the Company's and the Group's equity is negative by € 14,9 million and € 7,7 million respectively. The improvement of the results of the first half of 2019 is a positive event, while further improvement is expected for the second half of the current year.

Also, as stated in note 7 of the interim financial statements for the first half of 2019, from 31.12.2018, the parent's long-term loans have been reclassified to short-term bank liabilities in accordance with paragraph 74 of IAS 1, given the fact that terms of the agreements were not met, in respect of debt servicing. As a result of the reclassification of long-term loans, the Group's short-term liabilities as at 30.06.2019 amounted to € 329,2 million, while total current assets amounted to € 66,4 million. It is noted that the loan agreements provide for the possibility of converting part of the bond loan into equity in case of negative equity and returning it to a positive level.

To address the issue of negative equity, ANEK's Ordinary General Meeting held on September 9, 2019, approved the recommendation of the Board of Directors to convene an Extraordinary General Meeting on the agenda of a share capital increase up to of € 20 million through the issuance of new ordinary voting shares, with a preference right over the old shareholders and authorising the Board of Directors to determine the individual terms and the time of this meeting.

In view of the above, the Group's financial statements have been prepared based on the going concern principle, as management estimates that the above actions will allow the Company to continue operating smoothly. Nonetheless, the possibility of failure to complete the above actions indicates that there is uncertainty about the possibility of smooth continuation of the Company's activity.

- **New standards and interpretations, revisions and amendments**

The International Accounting Standards Board (IASB), as well as the Interpretation Committee has issued a range of new IFRS and interpretations, which either are mandatory for accounting periods starting from January 1st 2019 and thereafter, or are not mandatory, as since the publishing date of the interim financial statements they have not been adopted from the European Union. The Group has adopted all the new IFRS and interpretations which are mandatory after January 1st 2019 and examines the effect in the financial statements of the potential adoption of the other IFRS and interpretations. The most significant new standards and interpretations are as follows:

(α) New Standards, interpretations, revisions and amendments of existing standards that have been adopted from the European Union and their application is mandatory from 1st January 2019 or after:

- **IFRS - Leases**

In January 2016, the IASB issued a new Standard, IFRS 16. The objective of the project was to develop a new Leases Standard that sets out the principles that both parties to a contract, i.e. the customer ('lessee') and the supplier ('lessor'), apply to provide relevant information about leases in a manner that faithfully represents those transactions. To meet this objective, a lessee is required to recognize assets and liabilities arising from a lease. With regard to the lessor's accounting treatment, IFRS 16 substantially incorporates the requirements of IAS 17. Therefore, the lessor continues to categorize leases into operating and financial leases and to apply different accounting for each type of contract. The Group chose to apply the standard to contracts recognized prior to the date of entry into force of IFRS 16 as leases, applying IAS 17 and IFRIC 4. Therefore, the Group will not apply the standard to contracts that were not previously defined as lease agreements in accordance with IAS 17 and IFRIC 4. The Group chose to use the exemptions provided for in the standard for lease agreements that expire within 12 months of the date of the initial application price and lease contracts for which the underlying is a low value. The Group leases office equipment (printers and photocopiers) that are considered low value. The Standard is effective from 1 January 2019 and the Group proceeded with full implementation without the reform of comparative numbers and recognizing assets as Rights of Use of € 1.004 thousand and equal lease liabilities.

- **Amendments to IFRS 9 - Prepayment Features with Negative Compensation**

In October 2017, the IASB published narrow-scope amendments to IFRS 9. Under the existing requirements of IFRS 9, an entity would have measured a financial asset with negative compensation at fair value through profit or loss as the "negative compensation" feature would have been viewed as introducing potential cash flows that were not solely payments of principal and interest. Under the amendments, companies are allowed to measure particular prepayable financial assets with so-called negative compensation at amortized cost or at fair value through other comprehensive income if a specified condition is met. The above amendments are effective from 01.01.2019 and do not affect materially the financial statements of the Group.

- **Amendments to IAS 28 - Long-term Interests in Associates and Joint Ventures**

In October 2017, the IASB published narrow-scope amendments to IAS 28. The objective of the amendments is to clarify that companies account for long-term interests in an associate or joint venture – to which the equity method is not applied – using IFRS 9. The above are effective for annual periods starting from 01.01.2019 and do not affect materially the financial statements of the Group.

- **Annual improvements to IFRSs - Cycle 2015 - 2017**

In December 2017, the IASB issued Annual Improvements to IFRSs – 2015-2017 Cycle, a collection of amendments to IFRSs, in response to several issues addressed during the 2015-2017 cycle. The issues included in this cycle are the following: **IFRS 3** and **IFRS 11:** Previously held interest in a joint operation, **IAS 12:** Income tax consequences of payments on financial instruments classified as equity, **IAS 23:** Borrowing costs eligible for capitalization. The amendments are effective for annual periods beginning on or after 1 January 2019 and do not affect materially the financial statements of the Group.

- **IFRIC 23 - Uncertainty over income tax treatments**

In June 2017, the IASB issued the new Interpretation IFRIC 23. IAS 12 “Income Taxes” specifies how to account for current and deferred tax, but not how to reflect the effects of uncertainty. IFRIC 23 provides requirements that add to the requirements in IAS 12 by specifying how to reflect the effects of uncertainty in accounting for income taxes. The above amendment is effective for annual periods beginning on or after 1 January 2019 and do not affect materially the financial statements of the Group.

- **Amendments to IAS 19 - Plan Amendment, Curtailment or Settlement**

In February 2018, the IASB published narrow-scope amendments to IAS 19, under which an entity is required to use updated assumptions to determine current service cost and net interest for the remainder of the reporting period after an amendment, curtailment or settlement to a plan. The objective of the amendments is to enhance the understanding of the financial statements and provide useful information to the users. The amendments are effective for annual periods beginning on or after 1 January 2019 and do not affect materially the financial statements of the Group.

(β) New Standards, Interpretations and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union:

- **Revision of the Conceptual Framework for Financial Reporting**

In March 2018, the IASB issued the revised Conceptual Framework for Financial Reporting (Conceptual Framework), the objective of which was to incorporate some important issues that were not covered, as well as update and clarify some guidance that was unclear or out of date. The revised Conceptual Framework includes a new chapter on measurement, which analyses the concept on measurement, including factors to be considered when selecting a measurement basis, concepts on presentation and disclosure, and guidance on de-recognition of assets and liabilities from financial statements. In addition, the revised Conceptual Framework includes improved definitions of an asset and a liability, guidance supporting these definitions, update of recognition criteria for assets and liabilities, as well as clarifications in important areas, such as the roles of stewardship, prudence and measurement uncertainty in financial reporting. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- **Amendments to References to the Conceptual Framework in IFRS Standards**

In March 2018, the IASB issued Amendments to References to the Conceptual Framework, following its revision. Some Standards include explicit references to previous versions of the Conceptual Framework. The objective of these amendments is to update those references so that they refer to the revised Conceptual Framework and to support transition to the revised Conceptual Framework. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above are effective from annual periods starting on or after 01.01.2020 have not been adopted by the European Union.

- **Amendments to IFRS 3 - Definition of a business**

In October 2018, the IASB issued narrow-scope amendments to IFRS 3 to improve the definition of a business. The amendments will help companies determine whether an acquisition made is of a business or a group of assets. The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. In addition to amending the wording of the definition, the Board has provided supplementary guidance. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above are effective from annual periods starting on or after 01.01.2020 have not been adopted by the European Union.

- **Amendments to IAS 1 and IAS 8 - Definition of material**

In October 2018, the IASB issued amendments to its definition of material to make it easier for companies to make materiality judgments. The definition of material helps companies decide whether information should be included in their financial statements. The updated definition amends IAS 1 and IAS 8. The amendments clarify the definition of material and how it should be applied by including in the definition guidance that until now has featured elsewhere in IFRS Standards. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above are effective from annual periods starting on or after 01.01.2020 have not been adopted by the European Union.

- **IFRS 17 - Insurance contracts**

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above are effective from annual periods starting on or after 01.01.2021 have not been adopted by the European Union.

– Amounts in thousands € unless stated differently

3. Seasonal nature of business activities

The activities of Group shipping companies are highly seasonal, which affects the income and results of the interim financial statements. More specifically, the transportation of passengers and vehicles is particularly increased during summer months – due to tourism – and holidays, while the transportation of trucks demonstrates slight fluctuations during the year. Therefore, the highest sales take place during the third quarter of each year (from 01.07 to 30.09), which includes the summer months and the operating results of the first semester are not indicative of the annual results.

4. Segmental information

The basic business activity of the Group is concentrated upon passenger ferry shipping activities, both domestic and abroad. The main sources of revenue are generated from passengers, vehicles and truck fares, as well as other on-board activities (bar, restaurants, stores and casinos). Revenues of non-shipping Group companies are included in the figure "Other activities". The following tables show the geographic allocation of activities of both the Group and the Company for the first half of 2019 and 2018:

	Shipping segment		**Other**	
01.01.19 - 30.06.19	**Domestic**	**Abroad**	**activities**	**Total**
The Group				
Total Revenues	21.497	46.233	4.772	72.503
Gross results	(547)	7.109	2.218	8.780
Additions in vessels	15	420	-	435
Depreciation of vessels	1.563	3.457	-	5.020
Net book value of vessels	86.007	172.080	-	258.087
Non-distributed assets	-	-	-	87.756
Total Assets as of 30.06.19	**-**	**-**	**-**	**345.843**
The Company				
Total Revenues	19.860	46.233	-	66.093
Gross results	(71)	7.109	-	7.038
Additions in vessels	15	420	-	435
Depreciation of vessels	1.563	3.457	-	5.020
Net book value of vessels	86.007	172.080	-	258.087
Non-distributed assets	-	-	-	75.026
Total Assets as of 30.06.19	**-**	**-**	**-**	**333.113**

– Amounts in thousands € unless stated differently

01.01.18 - 30.06.18	**Shipping segment Domestic**	**Abroad**	**Other activities**	**Total**
The Group				
Total Revenues	22.371	45.887	4.618	72.876
Gross results	647	5.691	2.094	8.432
Additions and transfers in vessels	786	19.047	-	19.833
Depreciation of vessels	1.238	3.653	-	4.891
Net book value of vessels	64.623	201.686	-	266.310
Non-distributed assets	-	-	-	83.855
Total Assets as of 30.06.18	**-**	**-**	**-**	**350.165**
The Company				
Total Revenues	20.991	45.887	-	66.878
Gross results	1.460	5.691	-	7.151
Additions and transfers in vessels	786	19.047	-	19.833
Depreciation of vessels	1.238	3.653	-	4.891
Net book value of vessels	63.665	201.686	-	265.351
Non-distributed assets	-	-	-	78.938
Total Assets as of 30.06.18	**-**	**-**	**-**	**344.289**

Revenue from domestic activities includes income from state subsidies for public services routes amounting to € 2.668 thousand for the Group. In the previous corresponded period the relevant amount was € 2.836 thousand.

Additions, depreciation and net book value of vessels were allocated to geographic activities depending on the time of operation of each vessel in domestic and abroad routes. Any further allocation would be arbitrary, given the fact that the above services and sources of income and cost were resulted from commonly used items of assets and equity and cannot be broken down into segments.

5. Fixed assets

The tables of tangible assets for the first half of 2019 and year 2018 for the Group and the Company are shown below:

– Amounts in thousands € unless stated differently

The Group	Vessels	Land and buildings	Other equipment	Property in progress	Rights of use	Total
Acquisition value 01.01.18	**437.989**	**18.443**	**13.813**	**882**	**-**	**471.127**
Additions	21.547	76	1.055	-	-	22.678
Reductions	-	(66)	(927)	-	-	(993)
Transfers	739	-	143	(882)	-	-
Adjustments	84	-	-	-	-	84
Acquisition value 31.12.18	**460.359**	**18.453**	**14.084**	**-**	**-**	**492.896**
Additions	435	172	44	-	1.004	1.655
Reductions	(8.689)	-	(255)	-	-	(8.944)
Acquisition value 30.06.19	**452.105**	**18.625**	**13.873**	**-**	**1.004**	**485.607**
Accumulated depreciation 01.01.18	**186.621**	**4.960**	**12.622**	**-**	**-**	**204.203**
Depreciation	10.107	698	373	-	-	11.178
Reductions	-	(66)	(908)	-	-	(974)
Accumulated depreciation 31.12.18	**196.728**	**5.592**	**12.087**		**-**	**214.407**
Depreciation	5.020	352	204	-	103	5.679
Reductions	(7.730)	-	(255)	-	-	(7.985)
Accumulated depreciation 30.06.19	**194.018**	**5.944**	**12.036**	**-**	**103**	**212.101**
Net book value 31.12.18	**263.631**	**12.861**	**1.997**	**-**	**-**	**278.489**
Net book value 30.06.19	**258.087**	**12.681**	**1.837**	**-**	**901**	**273.506**

The Company	Vessels	Land and buildings	Other equipment	Property in progress	Rights of use	Total
Acquisition value 01.01.18	**431.838**	**12.402**	**2.947**	**739**	**-**	**447.926**
Additions	21.547	38	17	-	-	21.602
Reductions	-	(66)	(809)	-	-	(875)
Transfers	739	-	-	(739)	-	-
Adjustments	84	-	-	-	-	84
Acquisition value 31.12.18	**454.208**	**12.374**	**2.155**	**-**	**-**	**468.737**
Additions	435	12	2	-	763	1.212
Reductions	-	-	-	-	-	-
Acquisition value 30.06.19	**454.643**	**12.386**	**2.157**	**-**	**763**	**469.949**
Accumulated depreciation 01.01.18	**181.429**	**4.136**	**2.867**	**-**	**-**	**188.432**
Depreciation	10.107	613	22	-	-	10.742
Reductions	-	(66)	(809)	-	-	(875)
Accumulated depreciation 31.12.18	**191.536**	**4.683**	**2.080**	**-**	**-**	**198.299**
Depreciation	5.020	313	19	-	64	5.416
Reductions	-	-	-	-	-	-
Accumulated depreciation 30.06.19	**196.556**	**4.996**	**2.099**	**-**	**64**	**203.715**
Net book value 31.12.18	**262.672**	**7.691**	**75**	**-**	**-**	**270.438**
Net book value 30.06.19	**258.087**	**7.390**	**58**	**-**	**699**	**266.234**

Reductions for the period

The Group's reductions for the period relate to the effect of the suspension of the consolidation of the subsidiary LANE on the Group's financial statements as at 31.12.2018 (see note 1).

Information and explanatory notes on the interim financial statements of the period 01.01.2019 – 30.06.2019 – Amounts in thousands € unless stated differently

Existing encumbrances on fixed assets

On the assets of the Group there are the following liens:

a) 1st mortgages on the vessels of € 343,8 million,

b) 2nd mortgages on the vessels of € 285,9 million and

c) Pre-notations on property of € 18,7 million pledges on machinery (of the subsidiary companies ETANAP and LEFKA ORI) of € 2,5 million.

The above liens exist to secure borrowing liabilities of a total amount of € 249,7 million as at 30.06.2019.

6. Cash and cash equivalents

The cash and cash equivalents analysis is as follows:

	The Group		The Company	
	30.06.19	**31.12.18**	**30.06.19**	**31.12.18**
Cash on hand	761	799	455	454
Bank accounts	6.451	6.551	1.143	1.844
	7.212	**7.350**	**1.597**	**2.298**

The main part of the Group's cash and cash equivalents is in euro.

7. Long term bank borrowings

The total long term loans of the Group and the Company on 30.06.2019 amounted to € 2,4 million concerning a Parent's bilateral loan concluded in 2014. It is noted that in the Parent's statement of financial position from 31.12.2018, the parent's long-term loans have been reclassified to short-term bank liabilities in accordance with paragraph 74 of IAS 1, given the fact that terms of the agreements were not met, in respect of debt servicing. According to the contracts, the lack of debt servicing is considered as fail of the Company to meet the terms and conditions undertaken, therefor the Company is obliged to repay the loans to the banks. These Parent's long-term loans, with a total initial amount of € 264,5 million, were concluded in March 2017 on a basis of a floating interest rate (Euribor plus spread) for a period of 7 years and a final repayment date on December 31 2023, and analyzed as:

- Bond syndicated loan of € 219,9 million (part of which amounting to € 22,0 million is convertible under conditions).
- Bilateral loan of € 44,6 million.

Collaterals have been provided to secure the aforementioned syndicated loans (shipping mortgages on vessels, concession of the proceeds of an insurance compensation) to the lending banks. According to the terms and conditions of the relevant agreements, the Company may repay these debts earlier free of charge. The loan agreements also lay down the conditions for termination thereof, including not in-time payment, non-compliance with the general and financial guarantees provides, as well as the provision of information. Also, the agreements involve economic sanctions concerning requirements for the conditioning of the minimum borrowing level, as for the securities offered. The Company has also provided specific guarantees in connection with its compliance with laws and regulations, maintaining its type of business activity, environmental issues, as well as insurance coverage.

– Amounts in thousands € unless stated differently

The balances of the above loans appearing in the attached balance sheets were measured at amortised cost using the effective interest method and were not essentially different from their fair values.

8. Other long term liabilities

Group's "other long term liabilities" as at 30.06.2019 amounting to € 3,7 million (compared to € 2,9 million as at 31.12.2018) include Parent Company's regulated tax obligations, the repayment of which extends beyond one year, as well as liabilities arising from the recognition of assets as rights of use due to implementation of IFRS 16.

9. Earnings / (losses) per share

Basic earnings / (losses) per share are calculated by dividing the earnings corresponding to the Parent shareholders by the weighted number of shares in circulation during the period. For the calculation of diluted earnings / (losses) per share the potential securities from the convertible bond of the Parent Company were taken into account in accordance with the relevant terms of issue as well as those set out in IAS 33.

	The Group		**The Company**	
	01.01.19-30.06.19	**01.01.18-30.06.18**	**01.01.19-30.06.19**	**01.01.18-30.06.18**
Earnings / (losses) after taxes corresponding to Parent shareholders	(7.902)	(9.078)	(7.047)	(7.657)
Weighted number of shares	*188.654.892*	*188.654.892*	*188.654.892*	*188.654.892*
Earnings / (losses) after taxes per share - basic (in €)	(0,0419)	(0,0481)	(0,0374)	(0,0406)
Earnings / (losses) after taxes per share –diluted (in €)	(0,0292)	(0,0336)	(0,0259)	(0,0282)

10. Income tax

The Company and the subsidiaries operating in shipping sector are not subject to income tax for the profits arising from this business activity. As income tax is considered the tax in regard to law 27/1975 (tax applied to the shipping tons of the total tonnage of the vessel), thus the results of the first half of the Group were charged by € 113 thousand. Moreover, the income tax for the Group's non-shipping companies amounted to € 277 thousand, while an amount of € 1 thousand referred to deferred taxes. The fiscal years of the parent company and subsidiaries not subject to tax audit, are presented in the following table:

Information and explanatory notes on the interim financial statements of the period 01.01.2019 – 30.06.2019 – Amounts in thousands € unless stated differently

Company	Unaudited years
ANEK S.A.	-
ETANAP S.A.	-
LEFKA ORI S.A.	-
ANEK HOLDINGS S.A.	2014 - 2018
AIGAION PELAGOS S.C.	2013 - 2018

It is noted that from the fiscal year 2011 and on, the Group companies are subject to the tax audit of the accountants according to the provisions of article 82 of Law 2238/94 and Article 65a of Law 4174/13. The fiscal compliance auditors' reports for the years 2011 - 2017 audits were issued without qualification. The finalization of the above audit is carried out according to POL 1034/2016. The audit for the year 2018 is in progress and the related reports are expected to be issued following the publication of the financial statements of 30.06.2019. However, no significant tax liabilities are expected to arise.

The Group companies have made provisions for additional taxes that may arise in the future tax closure of unaudited years. The cumulative provisions for tax differences of previous years amounted to € 416 thousand for the Company and € 476 thousand for the Group.

11. Balances and transactions with related parties

Balances (receivables / liabilities) with associated parties, as defined by IAS 24, as at 30th June 2019 and 31st December 2018 are as follows:

	The Group		The Company	
	30.06.19	31.12.18	30.06.19	31.12.18
Receivables from:				
- subsidiaries	5.714	-	9.760	8.847
- affiliates	14	-	-	-
- other related parties	21.842	10.936	21.842	10.936
	27.570	**10.936**	**31.602**	**19.783**
Liabilities to:				
- subsidiaries	-	-	849	930
- affiliates	1.632	1.664	1.509	1.541
- other related parties	-	-	-	-
- executives & BoD members	27	47	10	7
	1.659	**1.711**	**2.368**	**2.478**

The Group's receivables from subsidiaries relate to receivables from LANE which was not included in the consolidated financial statements for the first half of 2019 (see note 1).

Information and explanatory notes on the interim financial statements of the period 01.01.2019 – 30.06.2019 – Amounts in thousands € unless stated differently

The purchases and the sales with associated parties for the first half of 2019 and 2018 are as follows:

	The Group		The Company	
	01.01.19-30.06.19	01.01.18-30.06.18	01.01.19-30.06.19	01.01.18-30.06.18
Purchases of goods & services from:				
- subsidiaries	-	-	58	55
- affiliates	124	134	123	132
- other related parties	-	-	-	-
	124	**134**	**181**	**187**
Sales of services to:				
- subsidiaries	-	-	4.033	4.422
- affiliates	5	-	5	-
- other related parties	-	-	-	-
	5	**-**	**4.038**	**4.422**

Intercompany dividends

As at 30.06.2019, the Parent Company had a dividend receivable of the subsidiary "ETANAP" of € 163 thousand, while in the first half of 2018 had received a dividend of € 174 thousand.

Key management compensation

The gross fees to Directors and BoD members for fiscal years 2019 and 2018 refer to short term benefits and are analyzed as follows:

	The Group		The Company	
	01.01.19-30.06.19	01.01.18-30.06.18	01.01.19-30.06.19	01.01.18-30.06.18
Executive members of the BoD	344	385	201	206
Non-Executive Members of the BoD	-	13	-	8
Management executives	452	436	452	410
	796	**834**	**653**	**624**

12. Commitments and contractual liabilities

Operating leases

Group companies had entered into operating lease agreements mainly for leasing buildings and chartering vessels; the agreements will expire at different dates in the following five years. The minimum future payable lease and charter fees for buildings and vessels on non-reversible operating leases at 30.06.2019 are as follows:

In the following year	163
From the 2nd to the 5th year	428
Total	**591**

– Amounts in thousands € unless stated differently

Capital leases

The Parent Company has signed lease agreements for vessels and the future lease payments according the relevant contracts are as follows:

Within next year	4.172
Between 2 – 5 years	7.575
After 5 years	337
Total	**12.084**

Capital commitments

There were no capital commitments for the Company or the Group as at 30.06.2019.

Other commitments

There are certain commitments for the Group which are subject to state subsidized investment plans, as well as liabilities arising from agreements entered into for the servicing of public services routes (letters of guarantee, etc.).

13. Contingent liabilities / receivables – litigious disputes or disputes in arbitration

Litigations

There are no disputes in litigation or arbitration, or other liabilities burdening the Group, which could significantly affect its financial condition. At 30.06.2019 the accumulated relevant provisions amounted to € 763 thousand.

Contingent liabilities / receivables

The Group's contingent liabilities as at 30.06.2019 arising from its normal activity pertain to guarantees granted to secure liabilities and performance bonds amounting to € 1.012 thousand. Respectively, the Group has received guarantees for receivables amounting to € 2.393 thousand. Moreover, as mentioned above (note 10 "Income tax"), the tax liabilities of Group companies for certain fiscal years have not been finalised, but appropriate provisions have been formed for possible additional taxes. Finally, with regard to the Group's mortgages, see related analysis in note 5 "Fixed Assets".

"NORMAN ATLANTIC" case

In relation to the progress of the case of the fire incident on board the chartered vessel "NORMAN ATLANTIC" in December 2014 (see note 29 of the annual financial report 2014), it is noted that the investigation as to the causes of the incident is still under progress by the Italian and Greek authorities. The above mentioned incident has brought claims while a significant number of these have been settled extra judicially. At the same time is pending the litigations raised by a significant number of parties' sustained damages before the Greek and Italian courts against the Company, the ship-owner company and the managers of the vessel. The above mentioned compensations and expenses are covered by the Mutual Insurance Association, with which the Company has entered to Protection & Indemnity insurance cover and legal protection (FD&D). Therefore, the compensation process of above mentioned incident is not expected to burden the Company's financial results.

Maritime incident "EL. VENIZELOS"

On August 28, 2018 and while the vessel "EL. VENIZELOS" was sailing in the coastal area east of Hydra through "Piraeus - Chania" route, a fire broke out in the main garage. There was a direct reaction from the officers and the crew members, who took all the appropriate actions to activate the available extinguishing means, resulting in a fire restraint. Eventually, the vessel sailed to the port of Piraeus, where the fire extinguishing continued, and the disembarkation operation of the passengers was completed successfully and coordinated without any injury. The process of the out-of-court settlement of the claims raised from the event is ongoing, in particular as regards to the claims for loss of or damage to vehicles, cargo and passengers' luggage, and so far, no legal actions have been brought against the Company due to the above cause. The vessel is insured by an international organization for mutual protection of claims against third parties (Protection & Indemnity) and, therefore, all above claims are covered by this organization, therefore, no financial burdening is expected for the Company. At the same time the repairs of the damage have been completed, while the vessel is already fully operating. The relevant cost is covered by Hull and Machinery insurers, and the Company is burdened only with the insurance deductible amount, which is not significant.

14. Subsequent events

The Parent's Ordinary General Meeting, held on September 9, 2019, approved the Board of Directors' recommendation to convene an Extraordinary General Meeting on the agenda of a share capital increase up to € 20 million, by issuing new common voting shares, with a preference right for the old shareholders and authorizing the Board of Directors to determine the individual terms and the time of this meeting.

There are no other facts subsequent to June 30th 2019 which could substantially affect the financial position and the results of the Group and the Company, or that should be mentioned in the notes on the financial statements.

Chania, 30 September 2019

The Vice-Chairman	**The Managing Director**
Spyridon I. Protopapadakis **ID Card No. AA490648**	**Ioannis I. Vardinoyannis** **ID Card No. Π 966572**
The Chief Financial Officer	**The Chief Accountant**
Stylianos I. Stamos **ID Card No. M 068570** **The Chief Financial Officer**	**Ioannis E. Spanoudakis** **Economic Chamber License No. 20599, Class A** **The Chief Accountant**

DATA & INFORMATION FOR SEMI - ANNUAL PERIOD 2019

ANEK LINES S.A.

No of G.E.C.R.: 121557860000

Registered Office: 148 Karamanli Avenue, Chania

Financial data and information for the period 1 January 2019 - 30 June 2019

(according to 4/507/28.04.2009 resolution of Greek Capital Commitee)

The following data and information are to provide users with general information for the financial position and the results of operations of ANEK LINES SA and the Group. Therefore, it is recommended to any user, before proceeding to any kind of investing decision or other transaction with the Company, to visit the Company's web site, where the financial statements and the auditor's Report, when is reqiuired, are published.

Company's website: **www.anek.gr**
Date of approval of the interim financial statements by the Board of Directors: **September 30, 2019**
Certified auditors - accountants: Antonakakis Konstantinos (SOEL Reg. No: 13101) - Kollyris Nikolaos (SOEL Reg. No: 35591)
Auditing Firms: GRANT THORNTON (Reg. No 127), SOL SA (Reg. No 125)
Type of auditors' review report: Unqualified conclusion - Material Uncertainty Related to Going Concern

STATEMENT OF FINANCIAL POSITION (parent company and consolidated)

(Amounts in € thousand)	Group		Company	
	30.06.2019	**31.12.2018**	**30.06.2019**	**31.12.2018**
ASSETS				
Tangible assets	273.507	278.489	266.234	270.437
Investments in property	1.756	1.758	680	683
Intangible assets	311	316	311	316
Other non-current assets	3.833	3.765	9.557	9.419
Inventories	3.019	3.088	1.625	1.912
Trade receivables	42.850	27.204	40.922	31.708
Other current assets	13.355	8.449	12.186	5.961
Cash & cash equivalents	7.212	7.350	1.598	2.298
TOTAL ASSETS	**345.843**	**330.419**	**333.113**	**322.734**
EQUITY & LIABILITIES				
Share capital	56.597	56.597	56.597	56.597
Other equity items	(76.047)	(72.635)	(71.488)	(64.441)
Equity attributable to shareholders of the parent (a)	**(19.450)**	**(16.038)**	**(14.891)**	**(7.844)**
Minority interests (b)	11.773	7.169	-	-
Total Equity (c) = (a) + (b)	**(7.677)**	**(8.869)**	**(14.891)**	**(7.844)**
Long-term borrowings	2.413	2.623	2.413	2.623
Provisions and other long-term liabilities	21.852	22.940	20.269	21.210
Short-term borrowings	255.005	256.134	255.005	255.421
Other short-term liabilities	74.250	57.591	70.317	51.324
Total liabilities (d)	**353.520**	**339.288**	**348.004**	**330.578**
TOTAL EQUITY AND LIABILITIES (c) + (d)	**345.843**	**330.419**	**333.113**	**322.734**

STATEMENT OF CHANGES IN EQUITY (parent company and consolidated)

(Amounts in € thousand)	Group		Company	
	30.06.2019	**30.06.2018**	**30.06.2019**	**30.06.2018**
Equity at the beginning of the period (01.01.2019 and 01.01.2018, respectively)	(8.869)	2.750	(7.844)	6.005
Effect due to implementation of IFRS 9	-	(668)	-	(668)
Total comprehensive income after taxes	(7.421)	(9.008)	(7.047)	(7.657)
Dividents paid	(347)	(190)	-	-
Other equity movements	8.960	15	-	(14)
Equity at the end of the period (30.06.2019 and 30.06.2018, respectively)	**(7.677)**	**(7.101)**	**(14.891)**	**(2.334)**

ADDITIONAL DATA AND INFORMATION

1. Group entities that are included in the consolidated financial statements are presented in note 1 in the semi annual financial statements as of 30.06.2019 including locations, percentage Group ownership and consolidation method. It is noted that the interim financial statements for the first half of 2019 did not include the subsidiary LANE which was consolidated until 31.12.2018 under the full consolidated method, given that the Group's management estimates that there has been a loss of control in accordance with the requirements of IFRS 10 (see detailed note 1 of the interim financial statements as at 30.06.2019). **2.** The basic accounting principles adopted in the financial statements, are consistent with those of the annual financial statements as at 31.12.2018 adjusted with the revisions to IFRS. **3.** There are no litigious disputes or disputes in arbitration against the Group that could significantly affect the financial position.The recorded relevant provisions for the Groupand the Company amount to € 763 thousand. **4**. The number of employees at 30.06.2019 was 890 for the Group (824 for the Company) and at 30.06.2018 was 922 (857 for the Company). **5.** At the end of the period no shares of the parent company were possessed by the parent company neither by any subsidiary or associate company. **6.** The provisions for the un-audited tax years of the Group companies,which are presented in note 10 of the interim financial statements, amounted to € 476 thousand (€ 416 thousand for the Company. The accumulated provisions for doubtful debts amounted to € 43.960 thousand for the Group and € 42.612 thousand for the Company, while the provisions for retirement benefits amounted to € 2.489 thousand for the Group and € 2.349 thousand for the Company. **7.** The ratio "Earnings / (losses) after taxes per share basic - (in €)" are calculated based in the weighted average number of total shares. For the calculation of the diluted earnings per share were taken into account the potential shares from the Parent company's convertible bond according the relevant terms of issue and the IAS 33 requirements. **8.** "Other equity movements"in statement of changes in Equity for thw first half of 2019 refer to the effect of the cessation of the consolidation of subsidiary LANE, while for the comparative period referred to the effect from the sale of a subsidiary's own shares. **9.** Intercompany transactions (inflows and outflows) since the beginning of the current year and intercompany that have resulted from the transactions with the related parties, as defined by IAS 24, are as follows:

(Amounts in € thousand)	Group	Company
a) Inflows	5	4.038
b) Outflows	124	181
c) Receivables	27.570	31.602
d) Payables	1.632	2.358
e) Key management compensations	796	653
f) Receivables from key management	-	-
g) Payables to key management	27	10

TOTAL COMPREHENSIVE INCOME (parent company and consolidated)

(Amounts in € thousand)	Group from 01.01 to		Company from 01.01 to	
	30.06.2019	**30.06.2018**	**30.06.2019**	**30.06.2018**
Turnover	72.503	72.876	66.093	66.878
Gross profit	8.780	8.432	7.038	7.151
Earnings / (losses) before taxes, financing and investing results (EBIT)	(2.502)	(3.757)	(2.614)	(2.996)
Earnings / (losses) before taxes (EBT)	(7.030)	(8.695)	(6.934)	(7.583)
Earnings / (losses) after taxes (A)	(7.421)	(9.008)	(7.047)	(7.657)
Owners of the parent	*(7.902)*	*(9.078)*		
Minority interests	*481*	*70*	-	-
Other comprehensive income after taxes (B)	-	-	-	-
Total comprehensive income after taxes (A) + (B)	(7.421)	(9.008)	(7.047)	(7.657)
Owners of the parent	*(7.902)*	*(9.078)*	-	-
Minority interests	*481*	*70*	-	-
Earnings / (losses) after taxes per share basic - (in €)	(0,0419)	(0,0481)	(0,0374)	(0,0406)
Earnings / (losses) after taxes per share diluted - (in €)	(0,0292)	(0,0336)	(0,0259)	(0,0282)
Earnings before taxes, financing and investing results, depreciation and amortization (EBITDA)	3.173	1.588	2.829	2.229

CASH FLOW STATEMENT (parent company and consolidated)

(Amounts in € thousand)	Group from 01.01 to		Company from 01.01 to	
	30.06.2019	**30.06.2018**	**30.06.2019**	**30.06.2018**
Operating activities				
Earnings / (losses) before taxes	(7.030)	(8.695)	(6.934)	(7.583)
Adjustments for:				
Depreciation	5.707	5.435	5.443	5.225
Grants amortization	(32)	(90)	-	-
Provisions	192	134	184	120
Exchange differences	108	373	108	360
Results of investing activity	(99)	(61)	(389)	(365)
Impairment of fixed assets value	-	-	-	-
Financial expenses (less financial income)	4.593	4.626	4.600	4.592
	3.439	1.722	3.012	2.349
Adjustments for changes in working capital:				
Decrease / (increase) of inventories	(4)	(517)	287	121
Decrease / (increase) of receivables	(15.400)	(15.111)	(14.721)	(15.263)
Increase / (decrease) of liabilities (other than borrowings)	19.337	26.074	17.724	25.447
Less:				
Interest and financial expenses paid	(4.053)	(3.947)	(4.035)	(3.941)
Income tax paid	(78)	(49)	(78)	(49)
Cash flows from operating activities (a)	***3.241***	***8.172***	***2.189***	***8.664***
Investing activities				
Acquisition of affiliates, securities and other investments	(604)	-	(604)	-
Proceeds from the sale of securities and other investment	-	56	-	56
Purchase of tangible and intangible assets	(735)	(6.297)	(533)	(5.261)
Proceeds from the sale of property, plant and equipment	24	3	-	-
Interest received	1	9	1	1
Dividents received	-	-	-	-
Cash flow from investing activities (b)	***(1.314)***	***(6.229)***	***(1.136)***	***(5.204)***
Financing activities				
Payments for capital leases	(916)	(1.375)	(916)	(1.375)
Payments for operational leases	(168)	-	(67)	-
Proceeds from borrowings	-	754	-	739
Payment of borrowings	(770)	(3.543)	(770)	(3.543)
Dividends paid	(210)	(131)	-	-
Cash flow from financing activities (c)	***(2.064)***	***(4.295)***	***(1.753)***	***(4.179)***
Net increase / (decrease) in cash and cash equivalents (a) + (b) + (c)	**(137)**	**(2.352)**	**(700)**	**(719)**
Cash and cash equivalents at beginning of the period	7.349	6.826	2.298	3.217
Cash and cash equivalents at end of the period	**7.212**	**4.474**	**1.598**	**2.498**

Chania, 30 September 2019

THE VICE CHAIRMAN	THE MANAGING DIRECTOR	THE CHIEF FINANCIAL OFICCER	THE CHIEF ACCOUNTANT
SPYRIDON I. PROTOPAPADAKIS **ID. No. AA 490648**	**IOANNIS I. VARDINOYANNIS** **ID. No. Π 966572**	**STYLIANOS I. STAMOS** **ID. No. M 068570**	**IOANNIS E. SPANOUDAKIS** **H.E.C. License No. 20599/A' CLASS**