Meriaura Ltd

ANNUAL REPORT FOR THE 1 JANUARY–31 DECEMBER 2021 FINANCIAL PERIOD

Important factors and major events related to the development of operations during the financial period and after

Meriaura Ltd's turnover for the 2021 financial period was €52.9 million (€51.0 million in 2020). It increased about 4% from the previous financial period. The turnover for operations in bulk was €35.5 million (€33.9 million in 2020), and for project operations it was €15.3 million (€14.3 million in 2020). The proportion of the bulk business in the turnover was 67% (66% in 2020) and the project business was 29% (28% in 2020). The turnover in the bulk business increased by €1.6 million from the previous year and the project business by €1.0 million. The profitability of both the bulk and project business clearly improved compared to the previous year.

At the end of the 2021 financial period, the parent company, VG-Shipping Oy, and its subsidiary, Meriaura Ltd, made an asset deal where VG-Shipping Oy sold most of its business and fleet to Meriaura Ltd. The asset deal made operations clearer and more efficient than they were before. The deal took place on the last day of the year; therefore, its impact on Meriaura Ltd's operations is not evident in the result for the financial period. Meriaura Ltd issued a private offering to VG-Shipping Oy in connection with the asset deal; VG-Shipping Oy subscribed for all the offered shares.

Meriaura Ltd also purchased at the end of the period the financial management and HR operations it had purchased as services from Aura Mare Oy earlier.

Dry cargo vessels

The turnover for the bulk business grew to €35.5 million compared to the previous year. The business accounted for about 67% of the company's turnover. The dry bulk tonnage comprised 15 different vessels, 12 of which operated under the company's tonnage throughout the entire financial period. The aforementioned tonnage comprised chartered vessels from the parent company, VG Shipping Oy, and vessels hired from external partners. Three of the dry cargo vessels the company operates, i.e., M/S Mirva VG, M/S Eeva VG and M/S Aava VG, were owned by the parent company throughout the entire financial period, while M/S Helena VG was acquired in April and M/S Ramona in December. Two vessels, both with capacity for 8,000 tonnes, were chartered to an external operator for the entire financial period.

Steady demand and improved utilisation rate throughout the financial period supported the growth in turnover. The price of vessel fuel was markedly higher on average compared to the previous period. However, the freight rates for contract clients are usually agreed for the entire contract period; therefore, these prices remained stable during the period. Conversely, favourable demand in the on-the-spot market stimulated a clear increase in price levels compared to the previous period.

Similarly, the prices of hired tonnage increased immensely during the financial period, while the supply of vessels for hire decreased. The reason for this is the favourable demand that continued throughout the period, which lured shipowners into operating vessels in the on-the-spot market or short-term chartering. The price level for hired vessels that continued at the turn of the period increased significantly compared to the previous period.

The company has spread the risks related to hired tonnage by collaborating with several different shipowners. The forward contracts, pertaining to chartered vessels, with owners outside the

Group have also been spread. The contract periods for hired tonnage vary from one to three years.

Long-term, well-established client relationships form the basis of the company's portfolio. The duration of chartering contracts varies from a few months to several years. Long-term clients' transportation contracts, which were due to expire, were renewed and a few new, one- to two-year contracts were also concluded. The drastic cost increases were transferred to the freight prices, and a so-called bunker clause was included in the contracts as a way to control fluctuation in fuel prices. The proportion of charters increased during the financial period and represented about two thirds of the turnover; on-the-spot chartering accounted for the rest (one third). To achieve a better utilisation rate and operative efficiency, mutual compatibility in cargo flow has been included in the client portfolio. Seasonal variation between contract chartering and on-the-spot chartering still exists, but there was less of it during the financial period compared to the previous period.

Compared to the previous period, there was an improvement in the results of all the shipping segments, with the exception of long-term contracts involving 8,000 tonnages chartered to external operators. Their earnings remained stable income according to plan.

Specialised cargo vessels and project cargo business

The proportion of specialised vessels in the turnover was 29% in 2021. The turnover in the project cargo business was €15.3 million. The open deck carriers, M/S Meri and M/S Aura, owned by the parent company, operated mainly in the Baltic Sea and the North Sea during the entire financial period, as in previous periods. Likewise, M/S Polaris VG, also owned by the parent company, continued as a time-chartered vessel, operating regularly between Finland and Germany throughout the entire financial period.

The cargo on the open deck carriers comprises highly processed products, the transport of which requires thorough preparations in advance and specialised skills from both the organisation on land and the vessel's crew. Specialised vessel equipment and expertise allow the building of long-term partnerships, providing a framework for transportation year after year. Cargo segments can be divided mainly into three groups: offshore/wind power, ship building and port equipment.

The favourable demand that continued throughout the financial period secured a high capacity utilisation rate. The freight rates increased but not as much as those in the dry cargo segment. The economic growth that began after the first phases of the pandemic is evident in the orders by industrial clients, and the demand for project cargo transportation is expected to continue steadily in the upcoming years. Also, investments in renewable energy, especially, are expected to increase. The rise in energy prices may also increase the oil and gas industries' propensity to invest.

KIPSI (gypsum) project

Compared to the previous year, the second year of the KIPSI project, which is part of a programme for improved water protection ("Vesiensuojelun tehostamisohjelma") commissioned by the Ministry of the Environment, saw a decrease by 2,000 hectares (19%) in the area for which decisions were made concerning financial support for spreading gypsum on fields.

The area of fields treated with gypsum exceeded 8,000 hectares, and the treatment over a two-year period covered 16,900 hectares in total. The goal of the KIPSI project is to treat a total of 65,000 hectares. During the 2021 period, about 30,000 tonnes of gypsum was transported from Siilinjärvi. The number of shiploads decreased from 17 in the previous period to 11 in the 2021 period. The proportion of road hauling increased from slightly under 3,000 tonnes in the previous period to more than 7,000 tonnes in 2021. VG-Port Oy unloaded the shipments at the Naantali and Skogby ports. For road transport, a subcontractor’s warehouse in Pöytyä was used as a land terminal for interim storage.

Gypsum treatment on fields can significantly decrease surface soil erosion, thus reducing runoff of phosphorus and carbon. It has been proven to reduce phosphoric runoff by half during a course of five years. In 2022, the KIPSI project will be expanded to Länsi-Uusimaa, as stated in the agreement signed in 2020.

Personnel

An average of 17 people were employed at the company during the financial period. As a result of the asset deal at the turn of the year and concentrating operations, the number of employees increased and was 140 at the beginning of this year, 2022. The impact of the asset deal is visible as of 1 January 2022; therefore, the number of personnel is reported according to the number after the deal, i.e., from 1 January 2022.

Due to the pandemic, working remotely was highly recommended throughout the 2021 financial period. The company’s processes and procedures were adapted to the demands of the pandemic, allowing multilocational work. Based on the positive experiences arising from working remotely, the company will offer this opportunity, at least partially, to the employees in the land organisation in the future as well. One good aspect of remote work is that it offers more opportunities for recruitment than before.

A development project that involved the entire work community, which began the previous year, continued during the financial period. The purpose of it is to improve the internal working methods on the individual, team and organisational levels and commit the personnel more firmly to the common goals. To develop the employees’ expertise, they are offered opportunities for job rotation within the organisation and encouraged to participate in further education. The company invests in the personnel’s wellbeing and promotes job satisfaction by offering more extensive occupational health services than what legislation requires and an array of fringe benefits, among other incentives. The work wellbeing team, which meets regularly, strives to promote the personnel’s wellbeing and job satisfaction.

The company had an incentive scheme for the entire personnel during the financial period. The purpose was and is to commit them to the company’s goals and values.

Quality control system

The parent company and the subsidiary have had a joint quality control system (ISO 9001:2015) since 2018. The system was internally audited during the financial period, and the external certification was successfully reaudited in December 2021. System processes are regularly honed to offset changes in the operating environment and meet the needs of the organisation.

The company’s environmental management system was developed during the financial period with the help of the EcoCompass tool. The company has a long tradition of working for the good of the environment, and with a certified environmental management system it can reduce and control the damaging environmental impact of its operations more effectively than before and commit to continual improvement. The system covers the impact of all the business cluster’s operations on land and at sea. The certification is based on international environmental management standards, and the system helps us to communicate our environmental achievements transparently and credibly. Next, we will prepare to begin using the ISO 14001 standard.

Asset deal

A decision was made during the financial period to clarify the Group's operations by concentrating all the operational activities in the subsidiary, Meriaura Ltd.

In an asset deal on 31 December 2021, the parent company (VG-Shipping Oy) sold all its vessels, except M/S Ramona, as well as its vessel maintenance and crew service operations to Meriaura Ltd. Meriaura Ltd issued a private offering to VG-Shipping Oy in connection with the asset deal; VG-Shipping Oy subscribed for all the offered shares. Meriaura Ltd also purchased at the end of the period the financial management and HR operations it had purchased as services from Aura Mare Oy earlier.

Through these arrangements, Meriaura Ltd has become a company dealing in transportation and shipping operations. All its processes have been internalized and it operates as an integrated whole. The aim of the new structure is to optimise the operative processes and improve collaboration between the processes by concentrating them in the same organisation. Concentrating processes in the same organisation and under the same brand also clarifies service marketing.

Finances and funding

Compared to the previous financial period, the company's business profitability improved substantially in 2021. The company's net income in 2021 was €4.2 million (8% of the turnover), whereas the corresponding figures for 2020 were €1.2 million and 2%. The improvement in the result can be ascribed, above all, to the situation in the cargo market, steady demand and the vessels' improved utilisation rate.

Projection concerning probable future development

The demand for maritime transport has remained favourable in the company's primary market area, and a significant part of the capacity in use is covered by long-term carriage contracts. The problems in the delivery chains caused by the pandemic and general economic growth have supported the demand for maritime transport, increasing freights clearly above the long-standing average levels. The costs of hiring external tonnages increased drastically but the increased freight costs compensated for them. The supply of suitable rental equipment has decreased, but the company holds enough capacity to meet its contract obligations. The steep increase in prices of vessel fuel is imposing major additional costs which will largely be passed on to freight costs, thanks to the bunker clauses in the client contracts. Fuel prices are expected to be much higher than the previous period as a result of the increased geopolitical tension.

Most of the company's contract base comprises cargo flow that is not especially susceptible to trade fluctuation, such as fertilizers, feed materials, grains, renewable energy, and raw ore. The annual demand for fertilizers and feed materials is very stable. The annual crop yields affect how much grain is shipped, and the outdoor temperature affects the demand for energy raw materials. The demand for wood-based energy raw materials increases in trends, as more and more energy plants, which have previously used fossil fuels, are now increasing their use of renewable fuels. The company continually invests in improving the efficiency of biofuel transports and strives to further increase the capacity of vessels fit for the purpose.

In the development of its contract portfolio, the company has strived to find balance in imports and exports to minimise trips made with ballast water and to actively seek types of cargo that do not slow down loading and unloading due to their weather sensitivity. To improve efficiency, transports to ports that load and unload cargo on weekends have been increased.

Contract clients have predicted their volume will remain at least on the level of the previous period or that it will increase. However, the war in Ukraine initiated by Russia may affect our clients' plans and operations significantly.

Most significant operational risks and uncertainty factors

External factors, such as the general economic situation, international competitiveness of our client companies, willingness in the industry to make investments, regulation and other political decisions, affect the demand for the company's services. Russia's war of aggression in Ukraine and the subsequent geopolitical tension significantly increases uncertainty in the industry and weakens predictability. Sanctions and counter-sanctions, among other things, may have an impact on our industrial clients' flow of goods and volumes. The significant increase in energy prices and possible disturbances in fuel availability raise expenses. A significant number of the seamen on the vessels in our areas of operation are Ukrainian and Russian, which may make obtaining qualified crew members more difficult. There are also Ukrainians and Russians serving on both the company's own vessels and on time-chartered vessels.

Predicting the impact the prevalent crisis has on the demand for maritime transport is difficult. The possible deceleration in economic growth and general uncertainty may lead to a decline in transport volumes or, conversely, the impact may be the opposite when logistic chains are reorganised. The increase in fuel costs raises sea freight rates, but at the same time it improves the relative competitiveness of sea transports compared to other forms of transportation.

Mitigating climate change is both a challenge and an opportunity for the industry. Achieving the goals to reduce emissions calls for substantial investments in a more energy-efficient fleet and faster development and production of alternative fuels. The company has engaged in longstanding R&D and devised solutions to enable the use of waste-based biofuel on vessels. It has also commercialised sea transport contracts based on the use of biofuels. Projects intended to reduce the use of fossil fuels, which have already been well underway, will presumably increase in Finland and elsewhere in Europe as countries aim to reduce their dependency on Russian energy. Transportation of renewable energy will probably increase further, which will boost the bulk business. Then again, the project business is expected to benefit from a rise in renewable energy investments, such as land based and offshore wind turbines.

Flexible availability and cost level of suitable tonnage may, however, limit growth. Building new vessels has long been insufficient in replacing aging fleets. The supply of small ice-classed vessels, especially, will decrease further.

The fees for port calls also form a major cost item. The fees include port and tonnage dues, docking and undocking dues, pilotage dues and agent fees. Shipping companies cannot influence the aforementioned costs very much, and their relative proportion in operating costs has grown. The occasional congestion in the ports and, in many cases, stevedoring work that is only done on weekdays have a negative impact on capacity utilisation rates. Weather risks at sea and in the ports are difficult to predict and control. Extreme weather conditions are expected to increase as a result of climate change. The prevailing contract practices place this risk mainly on the shoulders of the shipping company.

Assessment of financial situation and result

The profitability of business clearly improved compared to the previous financial period. The improvement in the result can be ascribed, above all, to the bulk business, which benefitted from favourable demand and a successfully built client portfolio. The profitability of the project business improved and exceeded the level of the previous period and therefore can be considered favourable. The prospects for both the project and bulk business units for the ongoing financial period are good for the most part. The demand for services in both segments appears to be higher than the longstanding average, and the company's financial status is stable. In the asset deal, the company took over the loans for the vessels it purchased from VG-Shipping Oy which was originally responsible for the loans. The company has the viability to take care of the loans.

The effects of the pandemic on business have been mitigated, but the war in Ukraine and the ramifications increase market risks significantly higher than usual. The company constantly seeks opportunities to develop and expand its operations in a direction which will ensure its competitiveness in the long run.

Key figures describing the financial position and result

Meriaura Ltd	**2021**	**2020**	**2019**	**2018**	**2017**
Turnover	52,863	51,008	56,696	52,393	46,880
Net operating profit	4,217	1,204	-1,109	835	873
Net operating profit % (from net turnover)	8%	2%	-2%	2%	2%
Adusted result	4,180	1,112	-1,141	782	843
Profit % (from net turnover)	8%	2%	-2%	1%	2%
Adjusted shareholders' equity	36,289	2,108	997	2,137	1,355
Liabilities with interest	24,536	200			
Balance sheet total	96,277	4,927	3,924	5,290	4,706
Return on shareholders' equity %	22%	72%	-73%	45%	90%
Return on working capital %	7%	52%			
Equity ratio %	38%	43%	25%	40%	29%
Number of personnel (at end of period)	17	16	17	16	16
Personnel expenditures	1,885	1,347	1,395	939	1,275

The percentage of return on shareholders' equity has been calculated by proportioning the adjusted result to the average of the adjusted shareholders' equity at the beginning and the end of the financial period.

The liabilities with interest include loans with interest from credit institutions.

The asset deal between the parent company, VG-Shipping Oy, and the subsidiary, Meriaura Ltd, took place on 31 December 2021. On the same day, Meriaura Ltd purchased Aura Mare Oy's financial and HR administration operations. The influence of the asset deals can be seen in the balance sheet dated 31 December 2021. The number of personnel indicated herein are from before the asset deal because the impact of the deal on personnel expenditures will not show until 2022.

Company administration

Bengt-Erik Rosin functions as the company's managing director. Jussi Mälkiä was the full member of the board, while Mirva-Riinu Walls was the deputy member.

Company's number of shares

The company issued a private offering to the parent company at the end of the financial period. The parent company subscribed for all the issued shares. The company had a total of 3,012 shares at the end of the financial period. All the shares have equal rights. The shares are affected by a redemption clause. The shares do not have a nominal value.

Company ownership

VG-Shipping Oy (former Oy Gaiamare Ab) owns 100% of the company's share capital. It is the Group's parent company which is an associate of the Aura Mare Oy group. Aura Mare Oy owns 33.72% of VG-Shipping Oy.

Auditor

Authorised public accountant Fredrik Salonen has functioned as the company's incumbent auditor.

Result for the financial period

The company's result for the financial period indicates a profit of €4,180,476.28. Its distributable funds at the end of the financial period amounted to €6,280,364.69. The company's board of directors proposes the profit for the financial period be transferred to the profit/loss funds account and that no dividends be distributed.

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INCOME STATEMENT	01.01.2021 - 31.12.2021	01.01.2020 - 31.12.2020
TURNOVER	**52 862 627,06**	**51 007 650,68**
Other operating income	**5 472,90**	**3 934,65**
Materials and services		
Materials and supplies		
Purchases during financial period	-8 250 374,80	-6 977 072,24
Change in stocks positive (+) or negative (-)	99 854,52	-277 020,21
Outsourced services	-37 341 635,42	-39 847 285,65
Total materials and services	**-45 492 155,70**	**-47 101 378,10**
Personnel costs		
Salaries and remunerations	-1 562 549,63	-1 129 707,41
Social security contributions		
Pension expenses	-279 398,77	-185 461,02
Other personnel costs	-42 620,63	-32 314,42
Total personnel costs	**-1 884 569,03**	**-1 347 482,85**
Depreciation and write downs		
Planned depreciation	0,00	-52 150,37
Total depreciation and write downs	**0,00**	**-52 150,37**
Other operating costs	**-1 274 568,56**	**-1 306 226,18**
OPERATING PROFIT (LOSS)	**4 216 806,67**	**1 204 347,83**
Financial income and expenses		
Other interest and financial income		
From others	18 864,22	6 547,03
Interest expenses and other financial expenses		
To others	-37 791,81	-81 708,85
Total financial income and expenses	**-18 927,59**	**-75 161,82**
PROFIT BEFORE APPROPRIATIONS AND TAXES	**4 197 879,08**	**1 129 186,01**
Income taxes		
Taxes for current and prior periods	-17 402,80	-17 561,62
PROFIT (LOSS) FOR THE FINANCIAL PERIOD	**4 180 476,28**	**1 111 624,39**

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BALANCE SHEET	**31.12.2021**	**31.12.2020**
ASSETS		
FIXED ASSETS		
Intangible assets		
Goodwill	964 000,00	0,00
Consolidated goodwill	100 000,00	0,00
Total intangible assets	1 064 000,00	0,00
Tangible assets		
Machines and equipment	57 050 000,00	0,00
Total tangible assets	**57 050 000,00**	**0,00**
Investments		
Other shares and holdings	0,00	269,10
Total investments	**0,00**	**269,10**
TOTAL FIXED ASSETS	**58 114 000,00**	**269,10**
CURRENT ASSETS		
Inventories		
Other inventories	753 655,20	538 260,73
Total inventories	**753 655,20**	**538 260,73**
Non-current receivables		
Loans receivables	1 380 000,00	0,00
Total Non-current receivables	**1 380 000,00**	**0,00**
Current receivables		
Accounts receivables	1 846 090,68	2 047 303,14
Receivables from group companies	29 923 692,04	8 641,33
Other receivables	43 582,45	0,00
Accrued income	127 319,96	122 101,59
Total current receivables	**31 940 685,13**	**2 178 046,06**
Cash and bank receivables	4 089 195,45	2 210 783,60
TOTAL CURRENT ASSETS	**38 163 535,78**	**4 927 090,39**
TOTAL ASSETS	**96 277 535,78**	**4 927 359,49**

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BALANCE SHEET	**31.12.2021**	**31.12.2020**
LIABILITIES AND SHAREHOLDERS' EQUITY		
SHAREHOLDERS' EQUITY		
Share capital	8 400,00	8 400,00
Private offering	30 000 000,00	0,00
Retained earnings (loss)	2 099 888,41	988 264,02
Net profit (loss) for the financial period	4 180 476,28	1 111 624,39
TOTAL SHAREHOLDERS' EQUITY	**36 288 764,69**	**2 108 288,41**
LIABILITIES		
Non-current liabilities		
Loans from financial institutions	20 737 080,70	204 404,76
Total non-current liabilities	**20 737 080,70**	**204 404,76**
Current liabilities		
Loans from financial institutions	3 799 414,84	117 624,04
Advances received	0,00	450 398,21
Accounts payables	1 523 264,59	1 312 850,29
Payables to Group Companies	31 513 925,98	188 589,57
Other payables	331 566,45	107 585,40
Accruals	2 083 518,53	437 618,81
Total current liabilities	**39 251 690,39**	**2 614 666,32**
TOTAL LIABILITIES	**59 988 771,09**	**2 819 071,08**
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	**96 277 535,78**	**4 927 359,49**

SECURITIES AND CONTINGENT LIABILITIES

ACCOUNTING POLICY FOR FINANCIAL STATEMENT

The Group's corporate relationships

Parent company

The Group's parent company is VG-Shipping Oy, based in Turku, Finland. A copy of the Group's financial statement is available at the company's office in Linnankatu 88, FI-20100 Turku.

Valuation and cut-off principles and method

The company's non-current assets have been valued at their variable acquisition cost and the inventories at the variable acquisition cost according to the FIFO principle and the lowest value principle as per the Bookkeeping Act Chapter 5, section 6, subsection 1 (KPL 5, 6:1§).

The share capital is divided into 3,012 shares which all have equal rights.
The shares do not have a nominal value.

Meriaura Oy is liable to pay tax on tonnage. It also has small-scale income taxable business operations.

NOTES TO THE BALANCE SHEET ASSETS

FIXED ASSETS

		2021	2021
Development expense, goodwill or other long term expense			
	Goodwill	1 064 000,00	0,00
Machines and equipment			
	Machines and equipment	57 050 000,00	0,00
Investments			
	Other shares and holdings	0,00	269,10

CURRENT ASSETS

Inventories

	Raw materials and goods	753 655,20	538 260,73

Conversion principles of receivables and debts in foreign currency.

The receivables and debts in foreign currency have been valued at the currency rate in force on the day of transaction.

Essential items included in accrued income

Advances for port costs	97 046,59
Other accrued income	29 272,97
Total	126 319,56

NOTES TO THE BALANCE SHEET LIABILITIES

Itemization of shareholders' equity	2021	2020
Share capital at the beginning of period	8 400,00	8 400,00
Increase of share capital	0,00	0,00
Share capital at the end of period	8 400,00	8 400,00
Reserve for invested unrestricted equity at the beginning of period	0,00	0,00
Changes	0,00	0,00
Reserve for invested unrestricted equity at the end of period	0,00	0,00
Private offering	30 000 000,00	0,00
Rights issue	0,00	0,00
Private offering at the end of period	30 000 000,00	0,00
Retained earnings at the beginning of period	2 099 888,41	988 264,02
Paid dividends	0,00	0,00
Retained earnings at the end of period	2 099 888,41	988 264,02
Profit for the financial period	4 180 476,28	1 111 624,39
Total shareholders' equity	**36 288 764,69**	**2 108 288,41**

Calculation of unrestricted distributable equity acc. Companies Act, section 13, subsection 5 (OYL 13:5§)

	31.12.2021	31.12.2020
Reserve for invested unrestricted equity	0,00	0,00
Retained earnings	2 099 888,41	988 264,02
Profit for the financial period	4 180 476,28	1 111 624,39
Total funds eligible for profit distribution	**6 280 364,69**	**2 099 888,41**

Essential items included in accrued liabilities

Salaries payable	1 894 845,80
Social insurance contributions	88 304,20
Periodization of expenses	27 381,36
Other accruals	72 987,17
	2 083 518,53

NOTES TO THE BALANCE SHEET LIABILITIES

Itemization of shareholders’ equity	**2021**	**2020**
Share capital at the beginning of period	8 400,00	8 400,00
Increase of share capital	0,00	0,00
Share capital at the end of period	8 400,00	8 400,00
Reserve for invested unrestricted equity at the beginning of period	0,00	0,00
Changes	0,00	0,00
Reserve for invested unrestricted equity at the end of period	0,00	0,00
Private offering	30 000 000,00	0,00
Rights issue	0,00	0,00
Private offering at the end of period	30 000 000,00	0,00
Retained earnings at the beginning of period	2 099 888,41	988 264,02
Paid dividends	0,00	0,00
Retained earnings at the end of period	2 099 888,41	988 264,02
Profit for the financial period	4 180 476,28	1 111 624,39
Total shareholders’ equity	**36 288 764,69**	**2 108 288,41**

Calculation of unrestricted distributable equity acc. Companies Act, section 13, subsection 5 (OYL 13:5§)

	31.12.2021	**31.12.2020**
Reserve for invested unrestricted equity	0,00	0,00
Retained earnings	2 099 888,41	988 264,02
Profit for the financial period	4 180 476,28	1 111 624,39
Total funds eligible for profit distribution	**6 280 364,69**	**2 099 888,41**

Essential items included in accrued liabilities

Salaries payable	1 894 845,80
Social insurance contributions	88 304,20
Periodization of expenses	27 381,36
Other accruals	72 987,17
	2 083 518,53

SECURITIES AND CONTINGENT LIABILITIES

Liabilities and securities per balance sheet item and type of security

Nordea Bank Oyj	21 289 953,54	eur
Varma mutual pension insurance company	3 246 542,00	eur
Total	24 536 495,54	
of which due in over 5 years	1 990 022,00	eur
Finnvera Oyj has guaranteed these liabilities:	11 733 746,70	eur
Securities provided for the loans, Group:		
Loans on vessels	120 660 000,00	eur
Company loans	12 500 000,00	eur
Parent company's guarantees for Meriaura's liabilities		
to Nordea Bank Oyj	21 289 953,54	eur
to Finnvera Oyj	11 733 746,70	eur
Meriaura has a credit limit account (not used at the end of the period)	1 000 000,00	eur

Company credit cards:
On 31 December 2021, the liabilities for Nordea Bank's company cards were €3,503.42 in total.

APPENDICES REGARDING PERSONNEL AND BODY MEMBERS

Number of personnel	2021	2020
Number of personnel at the end of the period	17	16

BUSINESS WITH ASSOCIATE COMPANIES

During the 2021 financial period, Meriaura Ltd concluded a typical time-charter contract to hire seven vessels from its interest groups at the market price for its operations.
The parent company, VG-Shipping Oy, leased the vessels.
The parent company sold the aforementioned vessels as well as its crewing and shipping business to Meriaura Ltd in an asset deal. The purpose of the asset deal was to concentrate operations in one company and clarify the Group structure.

The company issued a private offering of 3,000 shares to the parent company. The parent company subscribed for all the shares.

Meriaura Ltd purchased administrative services and hires office space and minor equipment from its associate Aura Mare Oy. The prices of the services correspond to the market price.