FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY

TZIMA LOCATION – 194 00 KOROPI ATTICA, GREECE
General Commercial Registry No. 582101000

Annual Financial Report
For financial year 2021
(January 1st 2021 - December 31st 2021)

According to article 4 of L. 3556/2007

And the relevant authorized and executive decisions issued by the Board of Directors of the Hellenic Capital Market Commission

It is confirmed that the present Annual Financial Report that concerns the financial year 2021 (January 1st 2021 – December 31st 2021), has been approved by the Board of Directors of "FLEXOPACK PLASTICS S.A." on the 19th of April 2022 and is posted on the internet on the Company's official website www.flexopack.com. The Annual Financial Report will remain available to investors on the internet for a period of at least ten (10) years from its preparation date and initial release.

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CHAPTER 1: Statements by Representatives of the Board of Directors

(According to article 4 par. 2 of L. 3556/2007, as is in effect)

1. Georgios Ginosatis of Spyridonos, resident of Koropi Attica, 6 Karaiskaki Str., Chairman of the Board of Directors.
2. Stamatios Ginosatis of Spyridonos, resident of Koropi Attica, 204 Vas. Konstantinou Str., Deputy Chief Executive Officer.
3. Asimina Ginosati of Dimitrios, resident of Koropi Attica, 204 Vas. Konstantinou Str., Executive Member of the Board of Directors.

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We, the following signatories, under our capacity as mentioned above, according to the stipulations by law (article 4 par. 2, case c, of Law 3556/2007) and specifically pursuant to the relevant special decision by the Board of Directors of the Société Anonyme Company with the name "FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY" and with the distinctive title "FLEXOPACK S.A.", (hereinafter the **"Company"** or **"FLEXOPACK"**), hereby state and confirm that to our knowledge:

(a) The annual Financial statements of the Company for financial year 2021 (1.1.2021 - 31.12.2021), individual and consolidated, which were prepared in accordance with the current accounting standards in effect, accurately present the assets and liabilities, the equity and results for the period of the Company, as well as of the companies included in the consolidation and considered aggregately as a whole, and

(b) the annual Report of the Board of Directors of the Company depicts in true manner the most significant events occurring during the financial year 2021 (01.01.2021-31.12.2021), their effect on the annual Financial Statements, including the description of the major risks and uncertainties which the Company faces, the important changes taking place between the Company and its related parties (as they are defined by IAS 24), as well as the development of the activities, the performance and position of the Company and the companies included in the consolidation regarded as a whole.

Koropi, 20 April 2022

The parties of the statement

Georgios Ginosatis	Stamatios Ginosatis	Asimina Ginosati
ID NO. AE 153990	ID NO. S 500301	ID NO. AB 243605

CHAPTER 2: Annual Report by the Board of Directors (including the Corporate Governance Statement), for financial year 2021

The current Annual Management Report by the Board of Directors (hereinafter for the sake of brevity the "Report" or "Annual Report"), refers to the financial year 2021 (01.01.2021 – 31.12.2021) was prepared and is in line with the relevant provisions of 4548/2018 "Reform of the Law of Societe Anonymes" (Government Gazette A᾽ 104 / 13.06.2018) as it is in force today, and also with the provisions of Law 3556/2007 (Government Gazette 91A/30.04.2007) and especially the article 4, and with the relevant, as stated by law, executive decisions issued by the Hellenic Capital Market Commission and specifically Decisions No. 1/434/2007 and 8/754/14.04.2016,as the latter is in force after its amendment by the decision with number 12A / 889 / 31.08.2020 of the Board of Directors of the Hellenic Capital Market Commission.

The present Report includes in synopsis and in understandable, essential and comprehensive manner all sub-sections required, according to the above regulatory framework, and depicts in clear and true manner all the relevant by law information, so as to create an essential and in depth sum of information for the activities during the period under consideration of the Societe Anonyme under the name "FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY" (which in the current Report will be called for the sake of brevity as "Company" or "FLEXOPACK") as well as of FLEXOPACK Group.

Given the fact that the Company prepares consolidated and non-consolidated (separate) Financial Statements, the present Report is exclusive, with however as its basic and primary reference the Company's consolidated financial data and those of its related companies. References to non-consolidated financial data in the following analysis, are made in specific points deemed reasonable or necessary by the Company's Board of Directors, for the better understanding of the Report's contents and also for the more effective provision of information towards the investment community.

The subsidiaries and related companies, which are included in the consolidated Financial Statements and the percentages of the Company's participation in these entities, are mentioned in note 3.1.1 of the annual Financial Statements.

The present Report is included in total with the annual Financial Statements (separate and consolidated) of the year 2021 and the other required by law information and statements in the Annual Financial Report which concerns the financial year 2021.
The sub-sections of the Report and the content of such are as follows:

SECTION A'
Significant events of financial year 2021

The significant events that occurred during the closing financial year 2021 as well as their impact on the annual Financial Statements have as follows:

1. Annual Ordinary General Shareholders' Meeting of the Company

On Friday 25 June 2021, at 15:00, the Annual Ordinary General Meeting of the Company's shareholders was held at the Company's headquarters (Koropi, Attica, Tzima location, Hephaestus Street), which was attended in person or by a representative, by shareholders representing 9,441,792 common registered shares and equal number of voting rights, i.e. 81.23% of the total 11,623,574 shares and equal number of voting rights of the Company.

It is noted that for 96,450 common, registered shares the representation and voting rights were suspended, according to the provisions of article 50 paragraph 1 par. A of Law 4548/2018, as own (treasury) shares of the Company and the said shares were not calculated for the formation of a quorum.

The Annual General Meeting of the Company's shareholders proceeded with the following decisions on the subjects of the daily agenda.

With regard to the 1st issue, it unanimously approved the Annual Financial Statements (Company and consolidated) relating to the financial year 2020 (01.01.2020 - 31.12.2020) and, in overall, the annual Financial Report for that year, which was prepared according to the law and published by the Company on the latter's legally registered webpage in GEMI (General Electronic Commercial Registry) and via dispatch to the website of the Organized Market where the Company's shares are traded, as well as to the Hellenic Capital Market Commission.

With regard to the 2nd issue, it unanimously approved the annual Management Report of the Board of Directors, which is entirely included in the Minutes of the Company's Board of Directors of 27th April 2021, as well as the Audit Report as of 28th April 2021, of the Chartered Auditor-Accountant of the Company, Mr. Manolis Michalios, regarding the annual financial statements relating to the financial year 2020.

With regard to the 3rd issue, the Company submitted and presented to the Shareholders' Meeting, in accordance with the provisions of article 44 par. 1, section h of Law 4449/2017, as it is valid after its amendment by the article 74, par. 4 of Law 4706/2020, the Annual Report of the Audit Committee for the financial year 2020 (01.01.2020 - 31.12.2020), in order to fully, adequately and thoroughly inform the shareholders regarding the work of the Committee during the closed financial year.

With regard to the 4th issue, the Meeting unanimously approved the allocation and distribution of the results of the financial year 2020 (01.01.2020-31.12.2020) and in particular approved on the one hand the formation of the Company's ordinary and special reserves and on the other hand the distribution (payment) to the shareholders of the Company of a total amount of 1,011,250.94 Euros (gross amount), i.e. amount of 0.087 Euros per share (gross amount) from the earnings of the closing year. From the above amount, meaning the dividend paid, the proportional tax of 5% will be withheld and therefore the total amount of the dividend will settle at 0.08265 Euro per share.

It is pointed out that the 96,450 treasury shares held by the Company were excluded from the payment of dividends and consequently the amount of the dividend corresponding to the treasury shares increased the above dividend of all other shares in accordance with the article 50 of Law 4548/2018.

Beneficiaries of the above dividend were appointed the shareholders of the Company registered in the files of the Dematerialized Securities System (DSS) on Tuesday, July 13, 2021 (record date).
Dividend cut-off date was set for Monday, July 12, 2021, in accordance with article 5.2 of the Athens Stock Exchange Regulations.

The payment of the dividend started on Monday, July 19, 2021 and was carried out based on the procedure provided by the Regulation of the Athens Stock Exchange by the paying Bank "NATIONAL BANK OF GREECE SA".
Simultaneously with the same unanimous decision, the General Meeting of Shareholders authorized the Board of Directors of the Company to handle any relevant issue for the proper and timely implementation of the above-mentioned decision on the distribution (payment) of dividend.

With regard to the 5th issue, the Meeting unanimously approved, following a voting from the shareholders based on name, the general administration performed by the members of the Board of

Directors during the year ended on 31.12.2020 and the discharge of the Auditors of the Company from any liability stemming from their actions and the overall management of the closing financial year of 2020 (01.01.2020 - 31.12.2020) and the annual financial statements of that year.

With regard to the 6th issue, the Meeting approved unanimously and following the relevant proposal of the Audit Committee, the election of the Auditing Firm Grant Thornton Certified Auditors and Consultants Societe Anonyme" (registered in the Public Registry of article 14, Law 4449/2017) for the ordinary audit of the annual and semi-annual financial statements of the Company for the current financial year 2021 (01.01.2021 - 31.12.2021).

It is noted that the above Auditing Firm will also undertake the process of issuing the annual tax certificate and the tax compliance report of the Company for the year 2021, in accordance with the provisions of article 65A of Law 4174/2013.

Finally, by the same unanimous decision, the Meeting authorized the Board of Directors to make a final agreement with the above Audit Company regarding the amount of its remuneration (concerning the audit to be performed and the issuance of the tax certificate), as well as to send the written notice-mandate to the elected Audit Company within five (5) days from the date of its election.

With regard to the 7th issue, it unanimously approved the remuneration, compensation and overall benefits paid and / or granted to the members (executive and non-executive ones) of the Board of Directors for the services provided to the Company and for their participation in the latter's management during the closing financial year 2020 (01.01.2020 - 31.12.2020).

With regard to the 8th issue, the Meeting unanimously approved the Remuneration Policy Report of the financial year 2020 (01.01.2020- 31.12.2020), which was prepared in accordance with the provisions of article 112 of Law 4548/2018 and contains a comprehensive overview of the total remuneration of the members of the Board of Directors (executive and non-executive), including the Chief Executive Officer (one and / or more), and also provides explanation on the manner with which the Company implemented the respective Remuneration Policy for the immediately preceding financial year.

With regard to the 9th issue and in the context of the immediate, substantial and effective compliance and adaptation of the Company with the requirements and regulations of Law 4706/2020 (Government Gazette A' 136/17.07.2020) on corporate governance and in particular on the one hand with the provisions and the essential criteria and conditions of independence of the proposed independent members, and on the other hand with the provisions on suitability, diversity and adequate representation by gender in the Board of Directors, the Meeting unanimously approved the election of a new nine-member (9-member) Board of Directors, by re-election of the following persons: 1) Georgios Ginosatis of Spyridon, 2) Stamatios Ginosatis of Spyridon, 3) Asimina Ginosati of Dimitrios, 4) Stamatina Ginosati of Georgios, 5) Dimitrios Ginosatis of Stamatios, 6) Spyridon Ginosatis of Stamatios and 7) Aliki Benroubi of Sam Samuel, from its outgoing members, as well as the election of the following members: 1) Ioannis Papamichalis of Efstratios and 2) Ioannis Tsoukaridis of Petros, as its new members.

Following the above, the new Board of Directors of the Company, whose term of office will be, in accordance with the provisions of article 9, par. 2 of the Articles of Association, five years, i.e. until June 25, 2026, extended until the expiration of the term within which the next Ordinary General Meeting is convened and until a relevant decision is made, it consists of the following members:
1) Georgios Ginosatis of Spyridon,
2) Stamatios Ginosatis of Spyridon,
3) Asimina Ginosati of Dimitrios,

4) Stamatina Ginosati of Georgios,
5) Dimitrios Ginosatis of Stamatios,
6) Spyridon Ginosatis of Stamatios,
7) Ioannis Papamichalis of Efstratios,
8) Ioannis Tsoukaridis of Petros,
9) Aliki Benroubi of Sam Samuel.

At the same time, with the same unanimous decision, the Meeting appointed as independent members of the Board of Directors of the Company the following: 1) Ioannis Papamichalis of Efstratios, 2) Ioannis Tsoukaridis of Petros and 3) Aliki Benroubi of Sam Samuel, given the fact that as it was observed by the Board of Directors of the Company, they fully comply with the provisions of the current legislative and regulatory framework in general (namely both from the current until 17.07.2021 article 4, par. 1 of Law 3016/2002 and, in particular, from article 9, par. 1 and 2 of Law 4706/2020) concerning the conditions and criteria of independence.

With regard to the 10th issue, the Meeting decided unanimously, in accordance with the provisions of article 44 of Law 4449/2017, as in force following its amendment by article 74 of Law 4706/2020, the election of a new Audit Committee, which will constitute an Independent Joint Committee and will consist of three (3) members, of which one (1) will be independent non-executive member of the Board of Directors of the Company and two (2) will be third parties - non-members of the Board of Directors.

From the above members of the Audit Committee, the conditions of independence of both article 4, par. 1 of Law 3016/2002, which is maintained in force until 17.07.2021, and of article 9, par. 1 and 2 of Law 4706/2020, are fulfilled on the one hand in the person of the independent non-executive member of the Board of Directors, and on the other hand in one of the third persons – who are non-members of the Board of Directors.

Furthermore, the term of the Audit Committee was decided to coincide with the term of the Board of Directors of the Company, which was elected by the above Ordinary General Meeting of shareholders, i.e. to be five years, expiring on June 25, 2026, extended until the expiration of the term within which the next Ordinary General Meeting must be convened, in no case however may it exceed six years.

Within the above framework, the following persons were elected as members of the new Audit Committee:
1) Dimitrios Panagotas of Ioannis, Certified Public Auditor-Accountant with suspended capacity (SOEL Reg. No. 34971), non-Member of the Board of Directors - third person.
2) Nikolaos Vlachos of Matthaios, non-Member of the Board of Directors - third person.
3) Aliki Benroubi of Sam Samuel, Independent Non-Executive Member of the Board of Directors.

The above members of the Audit Committee were elected upon a proposal of the Board of Directors, following the fulfilment of the conditions of article 44, par. 1 of Law 4449/2017, as in force. Specifically:

The members of the Audit Committee have in their entirety sufficient knowledge of the sector in which the Company operates, namely the sector of packaging materials (industrial products and services). In particular, Mr. Dimitrios Panagotas, due to his wider professional involvement and participation in the previous Audit Committee of the Company, acquired in the context of his duties and communication with the individual Departments and Directorates a clear knowledge of the business environment and its operating conditions, whereas Mr. Nikolaos Vlachos participated in the Board of Directors of the Company for a period of time, more than a decade. Finally, Ms. Aliki Benroubi participates in the management of the Company for a period of more than three years. As a result, the above persons have obtained a complete and clear picture of the business model of the Company, of the products and services produced and traded by the Company itself as well as of the way of the Company's organization and operation.

The criterion of sufficient knowledge and experience in auditing or accounting is proven in the person of Mr. Dimitrios Panagotas, given that he is a Certified Public Auditor-Accountant in suspension, with a broad background in terms of knowledge and with rich professional experience, which will contribute decisively to the implementation of responsibilities and tasks required by the Audit Committee and also in the best possible way.

The conditions and criteria of independence provided by the current regulatory framework (article 4, par. 1 of Law 3016/2002 valid until 17.07.2021 and article 9, par. 1 and 2 of Law 4706/2020) are met in the person of: 1) Dimitrios Panagotas of Ioannis and 2) Aliki Benroubi of Sam Samuel, given the fact that the particular persons:

(a) do not hold directly or indirectly a percentage of voting rights greater than 0.5% of the Company's share capital; and
(b) are free from any financial, business, family or other dependent relationship which may affect their decisions and their independent and objective judgment.

With regard to the 11th issue, the Meeting unanimously approved the remuneration, salaries, compensations and other benefits in general, which will be paid to the members of the new Board of Directors during the current corporate year 2021 (01.01.2021-31.12.2021), which are in harmonization and compliance with the approved and current Remuneration Policy of the Company, while with the same unanimous decision it provided the relevant permission for advance payment of such fees to the above persons for the period until the next Ordinary General Meeting, in accordance with the provisions of article 109 of Law 4548/2018, as in force.

With regard to the 12th issue, the Meeting unanimously approved the Suitability Policy of the members of the Board of Directors of the Company, which was prepared in accordance with the provisions of article 3 of Law 4706/2020 and the guidelines of the Hellenic Capital Market Commission, as analyzed in particular in number 60/18.09.2020 Circular which aims to formulate the specific framework and criteria for selection, appointment, replacement and renewal of the term of office of the members of this corporate body.

With regard to the 13th issue, the Meeting unanimously approved the provision of authorization, in accordance with article 98 paragraph 1 of L. 4548/2018, to the members of the Board of Directors and the Managers of the Company to participate in the Board of Directors or the Management of Group Companies (existing and / or future), which pursue the same, related or similar purposes and to perform actions related to the business objectives of the Company.

2. Formation into a body of the Board of Directors elected by the Annual Ordinary General Meeting of shareholders of June 25, 2021

The new nine-member (9-member) Board of Directors of the Company, which was elected by the Annual Ordinary General Meeting of shareholders of June 25, 2021, was formed into body on the same day as follows:

1) George Ginosatis of Spyridon, Chairman of the Board (non-executive member).
2) Stamatina Ginosati of Georgios, Vice President of the Board of Directors (executive member).
3) Stamatios Ginosatis of Spyridon, Chief Executive Officer (executive member).
4) Asimina Ginosati of Dimitrios, Member of the Board of Directors (executive member).
5) Dimitrios Ginosatis of Stamatios, 1st Deputy Chief Executive Officer (executive member).

6) Spyridon Ginosatis of Stamatios, 2nd Deputy Chief Executive Officer (executive member).
7) Ioannis Tsoukaridis of Petros, Member of the Board of Directors (independent non-executive member).
8) Ioannis Papamichalis of Efstratios, Member of the Board of Directors (independent non-executive member).
9) Aliki Benroubi of Sam Samuel, Member of the Board (independent non-executive member).

According to article 9, par. 2 of the Company's Articles of Association, the term of the new Board of Directors is five years, i.e. until June 25, 2026, extended until the expiration of the term within which the next Ordinary General Meeting of shareholders must convene and until a relevant decision is taken, but in no case may the tem of the Board of Directors exceed six (6) years.

3. Election of the Chairman of the Audit Committee - Formation into a body

Following the election of a new three-member Audit Committee by the Annual Ordinary General Meeting of Shareholders of June 25, 2021, which constitutes an Independent Joint Committee, and the appointment of its Members, the above Committee convened on June 28, 2021 a special meeting on a single issue in the daily agenda which referred to the election of the Chairman and its formation into a body.
During the above meeting, Mr. Dimitrios Panagotas son of Ioannis, Certified Public Auditor-Accountant in suspension, non-Member of the Board of Directors of the Company (third person), was unanimously elected as Chairman of the Audit Committee, after a vote.
Following the above, the Audit Committee was constituted as follows:
1. Dimitrios Panagotas of Ioannis, Certified Public Auditor-Accountant in suspension, non-Member of the Board of Directors (third person), Chairman of the Audit Committee.
2. Aliki Benroubi of Sam Samuel, Independent Non-Executive Member of the Board, Member of the Audit Committee.
3. Nikolaos Vlachos of Matthaios, non-Member of the Board of Directors (third person), Member of the Audit Committee.

4. Remuneration and Nomination Committee - Establishment and formation into body

Following the relevant decision of the Board of Directors on 14 July 2021 on the establishment of a unified three-member Remuneration and Nomination Committee with a five-year term, expiring on June 25, 2026, and extended until the expiration of deadline within which the next Ordinary General Meeting of Shareholders must convene, and also following the appointment of its members, who are in their majority Independent Non-Executive Members of the Board of Directors, the above Committee met on 15 July 2021 in a special meeting with the sole agenda of election of the Chairman and its formation into a body.

During the above meeting, Ms. Aliki Benroubi of Sam Samuel was unanimously elected as the Chairman of the Remuneration and Nomination Committee, after a relevant vote. Ms. Benroubi is an Independent Non-Executive Member of the Company's Board of Directors.

Following all the above, the Remuneration and Nomination Committee was formed as follows:

1) Aliki Benroubi of Sam Samuel, Independent Non-Executive Member of the Board of Directors, Chairman of the Remuneration and Nomination Committee.
2) Ioannis Papamichalis of Efstratios, Independent Non-Executive Member of the Board of Directors, Member of the Remuneration and Nomination Committee.
3) Georgios Ginosatis of Spyridon, Non-Executive Member of the Board of Directors, Member of the Remuneration and Nomination Committee.

It is reminded, for the purposes of completeness, that the Independent Non-Executive Members of the Board of Directors and members of the Remuneration and Nomination Committee, namely Ms. Aliki Benroubi of Sam Samuel and Mr. Ioannis Papamichalis of Efstratios, fully comply with the provisions of the current regulatory framework and in particular of article 4, par. 1 of Law 3016/2002, which was maintained in effect until 17.07.2021, as well as of article 9, par. 1 and 2 of Law 4706/2020, laying out the respective conditions and criteria of independence. This is a fact which has been fully audited and ascertained, i.e. whether the status of Independent Non-Executive Member can be attributed to the above natural persons, by the Board of Directors during the process of its relevant proposal to the Annual Ordinary General Meeting of shareholders on 25 June 2021.

5. Establishment of a subsidiary in Ireland

The Management of the Company proceeded within April 2021 with the establishment of a new commercial company under the name "FLEXOPACK IRELAND LIMITED" domiciled in Dublin, Republic of Ireland.

The new trading company is wholly controlled by the Cypriot subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (100% controlled by the Company) and its operational organization and activities are to be launched and implemented in the near future.

The establishment of this new company is part of the broader strategic planning of the Group towards the targeted expansion, upgrade and modernization of the global distribution network of its products and aims to further strengthen and substantially expand its presence in the market of of Ireland. It also aims at the complete, fastest and most efficient service of the specific geographical market through the significant experience and know-how of the Group.

6. Share capital increase of the subsidiary "FLEXOPACK INTERNATIONAL LIMITED"

The Management of the Company proceeded to the share capital increase by an amount of 300 thousand Euros, of the fully owned, 100%, subsidiary company "FLEXOPACK INTERNATIONAL LIMITED" based in Larnaca, Cyprus.
This share capital increase was implemented with the aim of:

(a) the further financing and share capital increase by an amount of 200 thousand Euros of the Group’s subsidiary based in Lyon, France under the name "FLEXOPACK FRANCE" (in which the above Cypriot subsidiary holds 100% of the voting rights) as the latter (FLEXOPACK FRANCE) is in a phase of significant growth in turnover and is in urgent need of financial support, and
(b) the payment and coverage of the initial share capital, amounting to 100 thousand Euros, of the subsidiary FLEXOPACK IRELAND.

7. Stock Option Plan granted to the members of the Board of Directors of the Company and to the senior executives and other managers according to the provisions of article 113 of Law 4548/2018.

The Board of Directors of the Company, during its meeting of 17th May 2021 and following authorization granted from the Annual General Meeting of shareholders of June 29, 2018, established a new program for the distribution of shares to the members of Board of Directors, the management members and the Company’s executives, in the form of the stock options, in accordance with the applicable regulatory framework and specifically in accordance with the provisions of Article 113 of Law 4548/2018.

The maximum number of shares that can be granted under the above program is 75,200 shares.

The plan consists of granting options to the participants, so that the latter can acquire shares of the Company through their participation in the latter's share capital increase at a fixed price, amounting to three (3.00) Euros per stock option.

The exercise of the option and the respective deposit --by the beneficiary-- of the value of options will take place from 29.03.2023 to 20.04.2023 at the bank account of the Company which will be announced to the beneficiaries in time.

The exercise of the stock options requires prior written notice from the beneficiary of his/her intention to exercise the relevant option by 28 December 2022, i.e. three (3) months before the above maturity date.

According to the article 113, par. 3 of Law 4548/2018, after the exercise of the stock options by the participants, the Board of Directors will issue and deliver the shares to the beneficiaries and right afterwards it will take a decision to increase the share capital of the Company based on the amount corresponding to the rights exercised. Subsequently, the Board of Directors will take a decision to certify the payment of the share capital.

With the decision of 24.05.2021 of the Board of Directors of the Company, the beneficiaries were appointed according to the more specific provisions of the Plan and, in particular, options for 75,200 shares of the Company were granted accordingly.

It is also noted that with the decision of 09.01.2020 of the Board of Directors of the Company, and following the authorization provided by the Annual Ordinary General Meeting of shareholders of 29 June 2018, the members of the Board of Directors, the management and other senior executives of the Company have been already granted options for 75,000 shares.

8. Issuance of a Common Bond Loan with a total nominal value of 7,000,000 Euros.

A) Following the decision of its Board of Directors dated 15 November 2021, the Company signed on November 17, 2021, a Contract for the Coverage of a Common Bond Loan through a private placement, in accordance with the provisions of Law 4548/2018 and of Law 3156/2003, as currently in effect, amounting to seven million Euros (7,000,000) via coverage by "National Bank of Greece SA". "National Bank of Greece SA" was appointed Power of Attorney and Representative of the Bondholders.

The Company utilized the above loan as follows: (a) an amount of three million six hundred forty six thousand euros (3,646,000) for the refinancing of an existing common bond loan and (b) an amount of three million three hundred fifty four thousand euros (3,354,000), to meet needs in terms of working capital of a long-term nature and to further serve its corporate objectives.

9. Preparation and approval by the Board of Directors of the updated Rules of Procedure of the Company

The Board of Directors during its meeting of July 16, 2021 approved the updated Rules of Procedure of the Company in order for their content to be in full compliance and harmonization with the provisions of the new legislative and regulatory framework on corporate governance, as defined in the provisions of article 14 of Law 4706/2020 (Government Gazette A' 136/17.07.2020).

10. Establishment of a new company in Denmark

The Management of the Company proceeded in October of the closing year 2021 with the establishment of a new commercial company with the name "FLEXOPACK DENMARK APS" based in Copenhagen, Denmark.
This new commercial company is fully controlled by the Cypriot subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (100% owned by the Company), while its operational organization and activity is expected to start and be implemented in the near future.
The establishment of this new company is part of the broader strategic planning of the Group for the targeted expansion, upgrade and modernization of the global sales network and distribution of its products. It also aims to further strengthen and substantially expand its presence in the Danish market and the broader geographical area, by pursuing at the same time the most complete, fastest and efficient service of the market through capitalizing also on the Group's experience and know how.

11. Issuance of tax certificate for the year 2020

The Company on October 25, 2021 pursuant to the provisions of paragraph 4.1.3.1 sect. 12 of the Athens Exchange Regulation and article 17 of Regulation No. 596/2014 of the European Parliament and of the Council as of April 16, 2014, notified the investors' community that, after completion of the special tax audit for the fiscal year 2020(tax year 2020) carried out by the statutory auditors of the Company, in accordance with the provisions of article 65A of Law 4174/2013 as in force today, a tax certificate was issued for the Company with a conclusion "without reservation".
Corresponding tax certificates with conclusion "without reservation" for the fiscal year 2020 (tax year 2020) were also issued for the associate companies "INOVA SA" and "VLACHOU BROS SA".

12. Approval of inclusion in the Development Law 4399/2016

With the decision number 125461 / YPE / 7 /00042/E / Law 4399 / 2016 / 19-11-2021 of the General Directorate of Private Investments of the Ministry of Development and Investments, it was approved the inclusion into the provisions of Law 4399/2016, of an investment of the company concerning the "Expansion of factory capacity" via the addition of Mechanical equipment for the production of a new plastic packaging solution. The total eligible, enhanced cost of the investment amounts to 3,785,960 Euros and the benefit that will arise for the company in the form of tax exemption will amount to 378,596 Euros.

SECTION B΄

Major risks and uncertainties

Given its exporting activities and particularly its high extrovert strategy, the Group operates within an intense competitive international environment. The Group's general activities create several financial and other risks, including exchange rate risk, interest rate risk, credit and liquidity risk. The basic risk management policies that the Group applies during the performance of its business activity are determined by its Management. The overall risk management plan of the Group focuses on the fluctuations of the financial markets and aims to mitigate and also minimize the potential adverse effects of these fluctuations on the financial performance and results of the Group as a whole.

The Group's financial assets and financial liabilities mainly consist of cash & cash equivalents, trade receivables, loans and other receivables, bank loans, lease liabilities as well as liabilities towards suppliers and related liabilities.
The Board of Directors is responsible for the effective monitoring of the exposure to business risks and in this context it acts with the aim of maintaining stability while at the same time facilitating continuation of operations and the development of the Company.

The Management is responsible for the implementation of the Business Risk Management System in the daily life of the organization. In particular, the Management is responsible for the systematic identification and evaluation of risks that affect business activities and in addition, oversees the formulation and timely implementation of risk management plans. It regularly evaluates the effectiveness and the need to adjust risk management plans to achieve optimal management.

I. Financial risks

The most common financial risks which the Group is exposed to are the following:

A. Exchange Rate Risk

The Group operates on a global level and realizes transactions in foreign currency, mainly: a) in U.S. dollar (U.S.D.), b) in Polish zloty (PLN), c) in Australian dollar (AUD) and in British Pound (GBP).

The Group's exposure to foreign exchange risk mainly emerges from existing or expected cash flows in foreign currency (exports-imports), as well as from investments in foreign countries under a different currency (other than Euro) whose equity is exposed to exchange rate risk during the translation of their financial statements for consolidation purposes.

The foreign exchange risk that emanates from transactions in foreign currency according to the above is hedged with the use of placements in foreign currency and foreign exchange futures, depending on the needs each time.

The Group monitors on constant basis the movements of the above exchange rates and the particular risk, as consequence of the broader uncertainty that exists in the global environment, exists and may significantly affect the results of the Group during the current year 2022.

A relevant analysis is presented in the note 5A of the annual Financial Statements, with regard to the above effect.

B. Credit risk

Credit risk is the possibility that a counterparty will cause financial loss to the Group and the Company due to the breach of its contractual obligations.

The maximum credit risk to which the Group and the Company are exposed, at the date of preparation of the financial statements, is the book value of their financial assets.

The Group does not face significant credit risk until today. Trade receivables stem from a wide client base, both from Greece and mainly from abroad. The Group's turnover mainly consists of transactions with reliable and creditworthy firms and companies in general, with most of which it sustains a long-term collaboration and relation of mutual trust in the majority of cases.

It should be noted that the Group has established and systematically applies credit control procedures that aim at minimizing bad debt. The Credit Control Department defines credit limits per customer and specific sales and cash collection terms are applied, while possible security is requested when deemed necessary. To the greatest possible extent, the Group continuously and systematically monitors the performance and financial position of its customers, in order to be pro-active and to evaluate the need to take specific measures per customer, also according to the market characteristics and difficulties where each customer operates in.

No doubtful debtors exist that have not been covered by provisions for doubtful receivables.

It is also noted that the particular risk, although existent mainly due to the impact of the Covid 19 pandemic on the global business environment, is considered for the time being as relatively limited and controllable according to the historic data possessed by the Group and in the context of the precautionary measures that have been taken and as well as the procedures that have been established.

Potential credit risk exists in cash and cash equivalents as well. The particular risk may arise from a possible inability of the collaborating financial institution to meet its obligations towards the Group. The Group applies procedures that limit its exposure to credit risk in relation to each financial institution which the Group collaborates with.

A relevant analysis is presented in the note 5C of the annual Financial Statements.

C. Liquidity risk

In general, the monitoring of liquidity risk is focused on systematic monitoring and effectively managing cash inflows and outflows on a constant basis, in order for the Group to be able to smoothly and consistently meet its cash liabilities.

Liquidity risk is maintained at low levels by holding and ensuring adequate cash balances, while it should also be noted that there are adequate unused credit lines with financial institutions in order to face any possible shortage in cash. Such case however, despite the clearly negative circumstances and conditions particularly seen in the domestic economy over the past years, has not yet appeared.

However, given the concerns about the course of the global economy due to the effects of the pandemic, it cannot be ruled out that this risk may affect, to a controlled degree, the liquidity of the Group.

A relevant analysis is presented in the note 5D of the annual Financial Statements.

D. Cash flow risk due to changes in interest rates

The Group's operating revenues and cash flows are affected by changes in interest rates, however the Group's relatively low level of bank debt as well as the fact that the long-term bank debt is based on fixed interest rates, render the above risk as controlled and not capable to materially affect the Group's activity and growth.

A relevant analysis is presented in the note 5B of the annual Financial Statements.

II. Other risks to which the Group is exposed

A. Risk arising from competition of foreign and domestic firms

The competition in the international market where the Group and the Company activate is becoming constantly stronger.
The Group based on the fully staffed and equipped Research and Development Department it owns, and on the long-term presence in the sector it possesses, manages to differentiate its products from the current competition and to present innovative diversified solutions. The quality of the Group's produced products, the strong recognition, and especially the brand name of the Group and the Company further contribute towards this direction.
Despite the above, the particular risk due to the stronger competition seen on international level is real and exists, and therefore it may affect the performance and results of the Group during the fiscal year 2022.

B. Risk of reduced demand due to consumption slowdown

The Group is active in an intensive and competitive global environment. Its specialized know-how in conjunction with the research, development and creation of new products and strong infrastructure in production equipment, assist the Group to remain competitive as well as expand or achieve its penetration in new markets.

The products of the Group are used mainly in food packaging which, since food is of first need, are usually affected the least from consumption slowdown, however they may be affected subsequently by external factors that may prevail in the markets in which the Group is active. External factors that may harm demand for the Group’s products include the probability of illnesses in meat, the change in food and nutrition patterns, climate changes, a slowdown of the global economy etc.

As major disruptions in the supply chain continue to occur at this stage both in the Eurozone and globally due to the restrictive measures taken to curb the Covid-19 pandemic, this risk is assessed as significant and may affect the Group's performance and financial results during the current financial year 2022, however to a limited extent, based on the information available at the preparation date of this Report. This evidence and related data are periodically reviewed due to the high volatility of the wider economic environment.

C. Risk related to the cost of production

(a) risk of increasing raw material prices

The Group is exposed to price volatility of raw materials that it acquires internationally. This volatility may result from abrupt changes in oil production prices, other chemical products or other reasons.

It should be noted that as a result of the Covid-19 pandemic, since the beginning of the year 2021 there has been a significant disruption in the transport and supply chains with their main characteristics being the following:

1. Continuing shortages of key raw material categories worldwide.
2. Significant and continuous increases in the price of raw materials in the international market.
3. Significant increase in transport costs and in particular the charter rates for container transport.

In addition, recent developments as a result of the war in Ukraine may have a negative impact on the prices of the Group's raw materials.
In this context, the Group takes all necessary measures to ensure the adequacy of raw materials.

In order to reduce this risk, the Group’s inventory and commercial policy is adjusted accordingly in order to diversify and transfer part of this risk, to the extent that this is possible and according to the current conditions present each time as regards to competition.

Following the above, this risk in case of inability to substantially transfer the increase in the cost of raw material prices to the price of the final product, is assessed as particularly significant and may adversely affect the Group's results during the current year.

b) risk of rising electricity prices.

Consumption of electric energy is also a significant cost factor as regards to the Group’s production activity.

During the fourth quarter of the closing year 2021, there was a significant increase in energy costs and consequently an additional burden on the level of the production costs.

This risk has become even more substantial in the wake of recent developments following Russia's invasion of Ukraine, as international oil and gas prices have risen sharply to unprecedented heights.
To address this risk, the Group invests in low power consumption equipment.

In view of the above, this risk is assessed by the Company's Management as particularly significant in the sense that it can substantially affect the results and performance of the Group as a whole during the current fiscal year 2022.

D. Risks related to work safety

Work safety for the Group's employees is a top priority and necessary condition when operating its production facilities. A plan that focuses on establishing a safety culture throughout all the Group's activities and operations, as well as on targeting the constant training and education of the Company's personnel is applied on a continuous and constant basis. Moreover, broad educational programs are applied to systematically and fully train and educate employees on workplace safety and hygiene issues. The application of such programs is continuously reviewed by the Company's relevant Department with the assistance of specialized professionals - Security Technicians with whom the Company collaborates.

E. Environmental risks

Protection of the environment and sustainable development are fundamental principles for the Group. For this reason, the Group takes strict measures in the areas where it operates, which in several cases extend further than those imposed by law. The Group invests in best available techniques for protecting the environment, it closely monitors planned changes in environmental law and it ensures to take the necessary measures in advance so as to avoid any risk of not complying with the current legislative and regulatory framework.

F. Risks related to climate change

Climate change is a global environmental issue with implications that significantly affect human health, working conditions and safety at work.

The optimal response to the risk of climate change comprises a fundamental commitment of the Group, which in addition to its legal obligation also considers this issue as a moral obligation to contribute actively and substantially to the efforts of both the international community and our country to combat climate change-related risks.

The Group recognizes both the risks associated with the phenomenon of climate change, and its obligations in relation to the need for continuous improvement of its environmental performance.

The mitigation of the effects of climate change affects inevitably and determines significantly the business strategy of the Group through the adoption and implementation of measures to reduce its environmental footprint and the systematic effort to use environmentally friendly sources of energy.

The Group monitors and records on a systematic basis the environmental impact of its business activities and takes measures to reduce its environmental footprint. FLEXOPACK aims at the continuous reduction of carbon emissions which are mainly due to the consumption of electricity which is the main source of energy of the Company.

The Group's vision is to continue to be one of the most important Greek companies with a strong international presence and with a parallel contribution to sustainable development. The desire of the Group is to enhance its long-term value through the production of technologically advanced products that meet the most demanding international standards along with quality, safety and sustainable development standards.

In this context, the Group promotes and implements a policy, which focuses on the following areas:

- Demonstration of preparedness for emergencies,
- application of emergency prevention, detection and management procedures,
- design and construction of facilities aiming at the greatest possible energy savings,
- frequent maintenance and constant renewal and upgrade of the used mechanical equipment, in order to leave a low energy footprint,
- continuous information, training and awareness raising of personnel on climate change issues,
- integration into the system of recycling and alternative packaging management, in order to prevent the generation of packaging waste and the reuse, recycling and effective utilization of all materials,
- selection of recyclable, if possible, raw materials with the lowest possible energy footprint,
- application of technologies for reduction of direct and indirect emissions of greenhouse gases from energy consumption,
- monitoring of the policy followed by the Group suppliers regarding the implementation of procedures for dealing with climate change and the use of renewable energy sources along with the provision of relevant recommendations and suggestions, where necessary,
- building relationships of trust with the local communities in which the Group develops its business activities; continuous care to minimize the inconveniences caused.

G. Risks due to the spread of COVID-19 pandemic

The new coronavirus SARS-CoV-2, which causes the COVID-19 pandemic and was first detected in December 2019 in a region of China and has since spread around the world, has had extremely adverse effects on both global and domestic economic growth.

It is noted that from the first moment of the outbreak of pandemic, the Group adopted strict protocols and procedures for health safety in accordance with the applicable regulatory framework and the relevant guidelines of the competent authorities and thanks to the consistent observance and implementation of these procedures managed to ensure the uninterrupted operation of all its production units as well as their sub-departments and directorates, thus contributing to the broader national effort to deal with the pandemic crisis.

The Management of the Group, prioritizing the protection and safety of its employees, closely monitors the developments related to the COVID-19 pandemic and takes timely and effective measures to manage the effects of the pandemic, to ensure its business continuity and smooth operation as well as to reduce the negative consequences to the least extent possible.

To ensure the health of the Company's employees and associates, the following measures have been implemented starting from the year 2020:

- setting up an action coordination team, with the participation of the Factory Manager, production department managers and personnel management,
- preparation of a comprehensive preventive action plan,
- constant communication and coordination with the Occupational Physician, for the appropriate and valid briefing of all employees regarding the meticulous observance of the rules of personal hygiene and the other recommendations and instructions of EODY (National Public Health Organization),
- provision of personal protective equipment such as masks, gloves and antiseptics,
- carrying out regular disinfections at the Company's premises,
- conducting Covid tests on the personnel in collaboration with diagnostic centers,
- installation of special thermal camera for the daily thermometry of the staff and associates and anyone entering the Company's premises,

- placement of special separation areas and implementation of telework for a large part of the administrative personnel,
- preventive removal of persons belonging to vulnerable groups,
- tightening of the rules regarding the movements as well as the entry and exit of both the personnel and the associates of the Company and third parties in its facilities,
- Prohibition of business trips unless there is a special exceptional approval of the Management.

The degree of uncertainty regarding the course and further spread of the Covid-19 pandemic remains quite significant, while its economic impact both globally and at the level of different countries will depend on the duration and severity of the health crisis, on the level of compliance with vaccination plans in order to achieve immunity with regard to largest possible percentage of population, as well as the emergence of new mutations which may in turn result into new pandemic waves. Therefore, the articulation of any conclusions regarding the risks, the impact and the possible effects of pandemic on the commercial activity and the financial results of the Company and the Group remains uncertain. However it should be also noted that despite the extremely unpredictable circumstances that arose and the very strict restrictive measures that were taken by the authorities, the Company managed to ensure its uninterrupted business continuity and to achieve satisfactory level of results.

SECTION C
Significant transactions with related parties

The present section includes the most important transactions made during the financial year 2021 between the Company and its related parties as defined by IAS 24 and in particular:

a) Transactions between the Company and each related party that have materially affected the financial position or performance of the Company during the specific fiscal year.
b) Any changes in the transactions between the Company and each related party described in the last Annual Report, which could have a material effect on the financial position or performance of the Company during financial year 2021.

It is noted that the following reference to those transactions, includes the following elements:
(a) The amount of such transactions for the year 2021
(b) The outstanding balance of these transaction at the yearend (31/12/2021)
(c) The nature of the related party relationship with the Company and
(d) Any information on transactions, which is necessary for the understanding of the Financial Position of the Company, but only if such transactions are material and have not been concluded under normal market conditions.

The most significant transactions carried out during the closing year 2021 (01.01.2021-31.12.2021) between the Company and its associates (as defined by IAS 24) are presented in the following table.

1/1/-31/12/2021

COMPANY	Sales of goods and services	Purchases of goods and services	Receivables	Liabilities
Subsidiaries				
FLEXOPACK POLSKA Sp. Zo.o	5,080	8,139	5,421	1,239
FLEXOSYSTEMS Ltd -Belgrade	700	0	125	0
FLEXOPACK PTY LTD- AUSTRALIA	15,398	6	9,743	0
FLEXOPACK TRADE AND SERVICES UK LIMITED	7,269	0	2,973	0
FLEXOPACK IRELAND	0	0	0	0
FLEXOPACK DENMARK	0	0	0	0
FLEXOPACK FRANCE	906	0	218	0
FLEXOPACK USA	10,800	0	3,882	0
FLEXOPACK NZ LIMITED	4	0	0	0
	40,157	**8,145**	**22,363**	**1,240**
Related/Associate Companies				
INOVA SA	318	2	91	1
VLAHOU BROS SA	3,043	314	1,311	176
OTHER RELATED PARTIES	0	143	0	0
	3,361	**460**	**1,402**	**177**
Grand Total	**43,518**	**8,604**	**23,765**	**1,417**

Benefits towards management and executives

	1/1/-31/12/2021	1/1/-31/12/2020
Transactions and fees of senior executives and members of the management	2,541	2,195
Receivables from senior executives and management	0	0
Liabilities towards senior executives and management	124	62

Pursuant to the decision of the Board of Directors of the Company dated 24/05/2021 (in application and execution of the previous decision of 17/05/2021 of the Board of Directors and in the context of the authorization granted by the Annual Ordinary General Meeting of shareholders as of June 29, 2018), options for the acquisition of 75,200 shares of the Company were granted and in particular 49,800 stock options to the members of the Board of Directors of the Company and 25,400 stock options to its managers and senior executives in accordance with the more specific terms and conditions of the stock option plan established under article 113 of Law 4548/2018. (Note 6.35)

Notes:

It is also noted:

1. No other transactions related to the Company parties exist according to the provisions of the International Accounting Standard 24 apart from the above mentioned.
2. No loans or any other credit facilitations have been granted to the Board members or other senior executives of the Company and their families.
3. With regard to the Company’s natural persons or executives of the Management, apart from the above fees, no other transactions exist between the Company and the particular directors or the members of the Board of Directors.

4. There were no changes in the transactions between the Company and its related parties that could have a material impact on the Company's financial position and performance for the period 1/1/2021-31/12/2021.
5. The Company has granted the following guarantees and loans in favor of its subsidiary "FLEXOPACK POLSKA Sp. Zo.o".
   (a) A guarantee towards a banking institution based in Poland for a maximum amount of 2.682 million Euros, as insurance against the repayment of a long-term bank loan, of 2.682 million Euros. The balance of the above loan as of 31.12.2021 had settled at 2.035 million Euros.
   (b) A guarantee for a maximum amount of 2.800 million PLN (610,000 Euros approximately) as insurance against the repayment of a short-term credit line towards the above subsidiary.
6. The Company has also provided a guarantee towards a banking institution in favor of its subsidiary "FLEXOPACK PTY LTD" based in Australia, with a maximum guarantee amount of approximately 74,000 Euros.
7. The transactions described above have been carried out under normal market conditions and do not contain any exceptional, favorable or special features, which would make necessary additional analysis per related party.
8. There is no separate transaction that is assessed as significant, within the meaning of Circular number 45/2011 of the Hellenic Capital Market Commission.
9. The Company's transactions and outstanding balances with subsidiaries have been eliminated from the consolidated financial statements.

The most significant transactions that took place during the previous fiscal year 2020 (01.01.2020-31.12.2020) are shown in note 6.30 of the annual Financial Statements.

SECTION D
Development, performance and financial position

This section includes a brief review of the development, performance, activity and position of the Group and the Company.

A. Statement of Financial Position

Items (in thousand Euro) of the Statement of Financial Position for the year 2021 are presented below along with the most important changes that occurred versus the corresponding year of 2020.

STATEMENT OF FINANCIAL POSITION

EUR THOUS.	**GROUP**				**COMPANY**			
ASSETS	**31/12/2021**	**31/12/2020**	**Change**	***% Ch.***	**31/12/2021**	**31/12/2020**	**Change**	***% Ch.***
Non-current assets	60,772	62,509	-1,737	*-2.8%*	59,284	60,361	-1,077	*-1.8%*
Cash and cash equivalents	19,138	18,021	1,117	*6.2%*	15,700	14,673	1,026	*7.0%*
Other current assets	63,262	42,296	20,966	*49.6%*	56,919	42,437	14,482	*34.1%*
Total Assets	**143,172**	**122,826**	**20,346**	***16.6%***	**131,902**	**117,470**	**14,432**	***12.3%***
EQUITY								
Total Equity	**93,717**	**83,952**	**9,765**	***11.6%***	**92,655**	**86,073**	**6,583**	***7.6%***
LIABILITIES								
Total bank debt	16,068	14,999	1,068	*7.1%*	13,232	12,077	1,155	*9.6%*
Other long-term liabilities	2,808	3,579	-771	*-21.5%*	1,976	2,919	-943	*-32.3%*
Suppliers and other short-term liabilities	27,503	15,643	11,860	*75.8%*	21,442	12,017	9,425	*78.4%*
Liabilities due to income tax	3,077	4,653	-1,577	*-33.9%*	2,597	4,384	-1,787	*-40.8%*
Total Liabilities	**49,455**	**38,874**	**10,581**	***27.2%***	**39,247**	**31,398**	**7,849**	***25.0%***
Total Equity & Liabilities	**143,172**	**122,826**	**20,346**	***16.6%***	**131,902**	**117,470**	**14,432**	***12.3%***

The most significant changes in the consolidated financial position of 31/12/2021 compared to the corresponding period of 31/12/2020 are due to the increase in inventories and suppliers.
In particular:
a) Increase of the account "Inventories" (note 6.7) by 11.678 million Euros was mainly due to the inventory policy followed by the Group to ensure the adequacy of raw materials, since the beginning of the year, as a result of the supply chain disruption and the significant increase in their price.
b) As a consequence of the above, the account "Suppliers and related liabilities" (note 5.17) increased by 10.257 million Euros.
The total liabilities of the Group on 31/12/2021 amounted to 49.455 million Euros, the equity settled at 93.717 million Euros and the cash and cash equivalents to 19.138 million Euros.

B. Statement of Income

Items of the statement of income for the year 2021 are presented below, along with the most significant changes from the items of the statement of income for the year 2020.

FLEXOPACK

FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY

STATEMENT OF INCOME

EUR THOUS.	**GROUP**				**COMPANY**			
	1/1-31/12/2021	**1/1-31/12/2020**	**Change**	***% Ch.***	**1/1-31/12/2021**	**1/1-31/12/2020**	**Change**	***% Ch.***
Turnover	**114,181**	**96,953**	**17,228**	***17.8%***	**93,166**	**82,317**	**10,848**	***13.2%***
Gross Profit	28,388	26,888	1,500	*5.6%*	19,680	20,946	(1,266)	*-6.0%*
Administrative Expenses	(4,862)	(4,418)	(444)	*10.0%*	(3,709)	(3,328)	(380)	*11.4%*
Research & Development Expens	(1,569)	(1,410)	(159)	*11.2%*	(1,447)	(1,305)	(142)	*10.9%*
Distribution Expenses	(9,673)	(6,632)	(3,041)	*45.9%*	(5,256)	(3,567)	(1,689)	*47.4%*
Other Operating Income-Expense	258	322	(64)	*-19.8%*	228	345	(117)	*-34.0%*
Operating Profit	**12,543**	**14,750**	**(2,207)**	***-15.0%***	**9,496**	**13,091**	**(3,595)**	***-27.5%***
Financial (expenses) - income	(377)	(543)	166	*-30.5%*	(282)	(408)	126	*-30.9%*
Other Financial Results	(64)	(1,337)	1,273	*-95.2%*	(115)	(403)	288	*-71.4%*
Proportional result of related companies	717	725	(8)	*-1.1%*	-	-	-	-
Earnings before taxes	**12,818**	**13,595**	**(777)**	***-5.7%***	**9,099**	**12,280**	**(3,181)**	***-25.9%***
Income tax	(2,411)	(3,218)	806	*-25.1%*	(1,813)	(2,895)	1,082	*-37.4%*
Earnings after taxes	**10,407**	**10,378**	**29**	***0.3%***	**7,286**	**9,385**	**(2,099)**	***-22.4%***
Depreciation / Amortization	**6,006**	**5,948**	**58**	***1.0%***	**4,416**	**4,405**	**11**	***0.3%***
EBITDA	**18,548**	**20,697**	**(2,149)**	***-10.4%***	**13,912**	**17,496**	**(3,584)**	***-20.5%***

The following are noted with regard to the above items of the consolidated statement of income concerning the year 2021 versus the previous fiscal year.
Consolidated sales amounted to 114.181 million Euros, increased by 17.8%, while gross profit amounted to 28.388 million Euros posting an increase of 5.6%.
Operating profit amounted to 12.543 million Euros, posting a decrease of 15.0%.
Earnings before taxes, financial and investment results, and depreciation (EBITDA) amounted to 18.548 million Euros decreased by 10.4%.
Earnings before taxes amounted to 12.818 million Euros, recording a decrease of 5.7%.
The income tax for the year 2021 has been calculated with a tax rate which settles at 22%. The corresponding tax rate for the year 2020 was 24%.
The calculation of deferred taxes was performed with the new tax rate and this adjustment led to a reduction of the deferred tax of the Group and the Company by 130 thousand Euros which was recorded in the income statement.
Profits after taxes amounted to 10.407 million Euros increased by 0.3%.

In particular, the results were negatively affected by the following main factors.
The global economic activity that was hit by the unprecedented and severe disruption due to the Covid-19 pandemic has been disrupting the transport and supply chains as well as the energy market with the following main features.

1. Continuing shortages of key raw material categories worldwide.

2. Significant and continuous increases in the price of raw materials in the international market.
3. Significant increase in transport costs and in particular the charter rates for container transport.
4. Significant increase in energy costs.

C. Items of the Statement of Cash Flows

The following table depicts the items of the cash flow statement for the year 2021 compared to the corresponding cash flow statement for the year 2020.

STATEMENT OF CASH FLOWS

EUR THOUS.	GROUP		COMPANY	
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020
Net cash flows from operating activities	5,908	12,104	5,040	13,576
Net cash flows from investment activities	(3,874)	(6,861)	(3,458)	(8,089)
Net Cash flows from financing activities	(1,031)	(2,850)	(555)	(4,098)
Net (decrease)/ increase in cash and cash equivalents	1,003	2,392	1,026	1,389
Cash and cash equivalents at the beginning of the period	18,021	15,470	14,673	13,285
Effect from foreign exchange differences	114	158	0	0
Cash and cash equivalents at the end of the period	19,138	18,021	15,700	14,673

D. Financial Ratios

The major financial ratios are presented below.

Financial Ratios

	GROUP		COMPANY		
	31/12/2021	31/12/2020	31/12/2021	31/12/2020	Explanation
Capital Structure	65.5%	68.4%	70.2%	73.3%	Total Equity / Total Assets
Liquidity Ratio	2.4	2.6	2.8	3.0	Total Current Assets / Total Short-term Liabilities
Profit Margin	11.2%	14.0%	9.8%	14.9%	Earnings before Taxes / Total Turnover
Return on Equity	13.7%	16.2%	9.8%	14.3%	Earnings before Taxes / Total Equity

E. Alternative Performance Measures (APM)

The Alternative Performance Measure (APM) constitutes a financial ratio or an indicator measuring the historic or future financial performance with regard to the financial position or the cash flows. The APM is

not stipulated or required by the existing framework of financial information (IFRS).
The general principle of the Group is to present the particular alternative performance measures in a clear and transparent manner so that these indicators are appropriate and useful for decision making purposes by the readers of the financial statements.
The APM should be taken into consideration always in conjunction with the financial results that have been prepared in accordance with the IFRS and in no case should function as alternative ones.
The Management monitors the following alternative performance measures:

a) Capital Management

The goals of the Group with regard to the capital management refer to the uninterrupted course of its business activities, the assurance of the financing of investment plans and the optimal allocation of capital targeting the reduction of cost of capital.
For the purposes of capital management, the Group systematically monitors the ratio:
"Net debt to Total employed capital".
The net debt is calculated as the total short-term and long-term interest bearing liabilities minus the total cash and cash equivalents.
The total capital employed is calculated through the sum of the net bank debt and the total equity.

For the fiscal years ended on 31st December 2021 and 2020 respectively, the particular ratio settled as follows:

EUR THOUS.

	Group		Company	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Long-term debt obligations	12,540	11,699	10,875	9,664
Short-term bebt obligations	3,528	3,300	2,357	2,413
Total bank debt	**16,068**	**14,999**	**13,232**	**12,077**
Liabilities for Leases	926	1,117	388	676
Total Bank Debt	**16,994**	**16,117**	**13,620**	**12,754**
Minus : Cash and cash equivalents	19,138	18,021	15,700	14,673
Net Bank Debt (1)	**(2,145)**	**(1,905)**	**(2,079)**	**(1,919)**
Total Equity (2)	**93,717**	**83,952**	**92,655**	**86,073**
Total Employed Capital (1)+(2)	**91,573**	**82,047**	**90,576**	**84,153**
Net Bank Debt / Total Employed Capital	**-2.3%**	**-2.3%**	**-2.3%**	**-2.3%**

The Group may affect its capital structure via the repayment or the collection of additional bank debt, through share capital increase or return of capital to shareholders, and via the distribution or not of dividends and through other distributions.

b) Earnings before interest, taxes, depreciation and amortization (EBITDA)

For the fiscal years ended on 31st December 2021 and 2020 respectively, the particular figure settled as follows: (amounts are expressed in thousand Euros)

EUR THOUS.

	GROUP		COMPANY		
	1/1-31/12/2021	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**	**# Note**
Operating Profit	12,543	14,750	9,496	13,091	Statement of Income
Depreciation of tangible fixed assets	5,044	5,163	3,741	3,883	Cash Flow Statement
Amortization of intangible assets	377	341	377	341	Cash Flow Statement
Amortization of right-of-use assets	590	531	303	268	Cash Flow Statement
Amortization of investment grants	(6)	(88)	(6)	(88)	Cash Flow Statement
Earnings before interest, taxes, depreciation and amortization (EBITDA)	**18,548**	**20,697**	**13,912**	**17,496**	

SECTION E

Analytic information, according to article 4 par. 7 l. 3556/2007, as currently in effect, and respective explanatory Report

According to article 4 par. 7 of Law 3556/2007 the Company is obliged to disclose analytic information in the present Report, as regards to a number of issues. Therefore, in compliance with the relevant legal provision, the following are disclosed:

1) The Company's share capital, following the last equivalent increase and decrease which was approved by the Annual General Shareholders' Meeting on 28.06.2019, amounted to 6,328,812.96 Euro as of 31.12.2021, is paid up in full and is divided into 11,720,024 common voting registered shares with a nominal value of 0.54 Euro each.

It is noted that the relevant amendment of the article 5 of the Company's Articles of Association, following the decision of the annual Ordinary General Meeting of Shareholders on 28th June 2019, was approved with the decision 80363/01.08.2019 (ΑΔΑ: Ψ7ΣΝ465ΧΙ8-Ο7Μ) of the Department of Public SA and Sports SA of the Division of Companies and GEMI of the General Market Division of the General Secretary of Trade and Consumer Protection of the Ministry of Finance and Development, which was registered in the General Electronic Commercial Registry (GEMI) on 01.08.2019 with registration number 1808333.

All Company shares (dematerialized common registered) are listed and traded on the Athens Exchange.

Each share includes all the rights and obligations defined by law and the Company's Articles of Association. Ownership of a share automatically implies the complete and unreserved acceptance of the Company's Articles of Association and of the decisions made in accordance with law and the Company's Articles of Association, by the pertinent bodies of the Company.
Each share provides one (1) voting right.

2) There are no limitations as regards to transfers of Company shares, either from the company's Articles of Association, or from specific agreements, or from other regulatory provisions etc., except for limitations emanating by three (3) existing Agreements of Subordinated Bond Loans issued by the Company, according to which the Ginosati family aggregately should own a percentage of at least 34% of the Company's paid up share capital, in order to maintain the capacity of a "Controlling Majority".

3) The Company's main participations (direct and indirect) are as follows:
(a) FLEXOPACK POLSKA Sp.z.o.o: foreign Company domiciled in Poland. The Company now holds 100.00% of shares and voting rights,
(b) "FLEXOSYSTEMS Ltd Belgrade", foreign company, based in Serbia. The Company holds 100% of shares and voting rights,
(c) «FLEXOPACK INTERNATIONAL LIMITED»: Foreign company domiciled in Larnaca, Cyprus, fully owned by the Company (100% of the total shares and voting rights),
(d) «FLEXOPACK PTY LTD»: Foreign company domiciled in Brisbane, Australia, fully owned (100%) by the subsidiary «FLEXOPACK INTERNATIONAL LIMITED» (indirect participation of the Company),
(e) «FLEXOPACK PROPERTIES PTY LTD»: Foreign company domiciled in Brisbane, Australia, fully owned (100%) by the subsidiary «FLEXOPACK INTERNATIONAL LIMITED» (indirect participation of the Company),
(f) « FLEXOPACK NZ LIMITED »: Foreign company domiciled in Auckland, New Zealand, fully owned (100%) by the subsidiary « FLEXOPACK PTY LTD » (indirect participation of the Company).
(g) «FLEXOPACK TRADE AND SERVICES UK LIMITED»: Foreign company domiciled in Norwich, UK, fully owned (100%) by the subsidiary «FLEXOPACK INTERNATIONAL LIMITED» (indirect participation of the Company),
(h) "FLEXOPACK FRANCE": a foreign company based in Lyon, France, which is also 100% owned by the subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation of the Company)
(i)FLEXOPACKUSA INC.: foreign company domiciled in the state of Delaware, USA, fully owned (100%) by the subsidiary «FLEXOPACK INTERNATIONAL LIMITED» (indirect participation of the Company),
(j) FLEXOPACK IRELAND LIMITED: foreign company domiciled in Dublin, Ireland, fully owned (100%) by the subsidiary «FLEXOPACK INTERNATIONAL LIMITED» (indirect participation of the Company),
(k) FLEXOPACK DENMARK APS: foreign company domiciled in Copenhagen, Denmark, fully owned (100%) by the subsidiary «FLEXOPACK INTERNATIONAL LIMITED» (indirect participation of the Company),
(l) INOVA PLASTICS SA: Domestic company in which the Company holds 50% of shares and voting rights,
(m) VLACHOU BROS SA: Domestic company in which the Company holds 47.71% of shares and voting rights,

Furthermore, regarding the direct or indirect significant holdings in the voting rights of the Company, within the meaning of articles 9 to 11 of law 3556/2007, and on the basis of the relevant notifications received by law (and the MAR) in the Company on behalf of the shareholders, these have as follows:

(I) Stamatios Ginosatis: 30.886% (direct participation)
It is noted that on 19.12.2013, Mr. Stamatios Ginosatis transferred under the cause of selling, the bare ownership of 1,609,933 common, registered Company shares to Mr. Dimitrios Ginosatis, while at the same date, he transferred, also under the cause of selling, the bare ownership of 1,609,933 common, registered shares to Mr. Spyridon Ginosatis. Mr. Stamatios Ginosatis retained the lifetime usufruct of all of the transferred shares, i.e. of 3,219,866 shares, which includes the voting rights and the right to receive the corresponding dividends.

(II) George Ginosatis: 17.437% (direct participation)
It is noted that on 19.12.2013, Mr. George Ginosatis transferred, under the cause of selling, the bare ownership of 881,787 common, registered shares to Ms. Stamatina Ginosati, while at the same date, he transferred, also under the cause of selling, the bare ownership of 881,787 common, registered shares to Ms. Catherine Ginosati. Mr. George Ginosatis retained the lifetime usufruct of all the transferred shares, i.e. of 1,763,574 shares, which includes the voting rights and the right to receive the corresponding dividends.

(III) Nikolaos Ginosatis: 16.289% (direct participation)
It is noted that on 19.12.2013, Mr.Nikolaos Ginosatis transferred, under the cause of selling, the bare ownership of 600,000common, registered shares to Ms. Stamatina Ginosati, maintaining the lifetime

usufruct of all the transferred shares, which includes the voting rights and the right to receive the corresponding dividends.
(d) Canaccord Genuity Wealth (International) former Collins Stewart (CI) Limited: 5.107 % (direct participation)

4) There are no shares, which provide special control rights.

5) To the Company's knowledge, no restrictions on voting rights exist for the Company's shareholders. However, the notes presented in 3) (I) (II) and (III) with regard to the beneficial interest of the major shareholders are highlighted.

6) To the Company's knowledge, there are no agreements between shareholders that imply limitation on the transfer of shares or limitations on the exercise of voting rights.

7) As regards to the appointment and replacement of the Company's Board members and concerning the amendment of the Company's Articles of Association, there are no rules that differ than those stipulated in L. 4548/2018, as such is in effect today.

8) There is no permanent special authorization of the Board of Directors or certain members to issue new shares or purchase own shares, according to article 49 of law 4548/2018. The relevant competence and authority is provided to the Board of Directors of the Company by decision of the General Meeting of its shareholders. Already, during the annual Ordinary General Meeting of the Company's shareholders of June 26, 2020, it was decided, among other things, the purchase by the Company, in accordance with the provisions of article 49 of Law 4548/2018, as in force, within a period of twenty-four (24) months from the date of the above decision, i.e. no later than 26.06.2022, of a maximum of 586,001 common, registered shares, which correspond to 5% of the total existing shares of the Company, with a range of purchase prices between three Euros (€ 3.00) per share (minimum) and eight Euros (€ 8.00) per share (maximum).At the same time the Board of Directors of the Company was granted the authorization for the proper implementation and application of this stock repurchase plan. With the decision of the Board of Directors of the Company dated 13.07.2020, the process of implementation and realization of the above-mentioned plan for the purchase of own shares began, while in this context the Company proceeded on 22.07.2020, through an over-the-counter (OTC) transfer, to the purchase of 96,450 own shares with an average purchase price of four Euros (€ 4.00) per Share. At the time of preparation of this Report, the Company holds 96,450 treasury shares, which correspond to a percentage of 0.82% of the Company's total shares.

9) There is no significant agreement contracted by the Company, which becomes in effect, is amended or terminated in case of change in the Company's control following a tender offer, with the exception of:
(a) The signed, on 09.03.2020, agreement for the coverage of the common Bond Loan between the Company and "ALPHA BANK SOCIETE ANONYME" (Trustee of the payments), agreement which provides for the right of the Bondholder to denounce the loan "if the Issuer's current shareholding structure is altered, directly or indirectly, as regards to the controlling majority and specifically if the Ginosatis family in total ceases to own a percentage at least equal to 34% of the paid in share capital and equal voting rights",
(b) the signed bond agreement dated 17.11.2021 between the Company and the National Bank of Greece SA; (a representative of the Bondholders and the attorney-at-law of payments), which also provides for the right of the Bondholder to terminate "if the percentage of participation in the paid-up share capital of the Issuer belonging to the Ginossatis family is less than 34% of that with the voting rights"; and
(c) The signed, on 24.12.2018, agreement for the coverage of the common Bond Loan between the Company and "EUROBANK ERGASIAS S.A." (representative of the Bondholders and Trustee of the payments), agreement which provides for the right of the Bondholder to denounce the loan "if the

Issuer's current shareholding structure is altered as regards to the controlling majority and specifically if the Ginosatis family in total ceases to own a percentage at least equal to 34% of the paid in share capital of the issuer".
The aforementioned terms (terms of change in control) are absolutely common practices and are included in all Common Bond Loans which are covered or subscribed by the banking institutions (in fact the controlling majority is usually defined as over 50%).

10) There is no agreement between the Company and the Board members or employees, which provides for indemnity in case of resignation or termination of employment without reason or termination of employment term or their employment emanating from any public tender offer.

Explanatory report regarding the information, prepared according to the article 4 par. 8 L. 3556/2007

The numbering in the present explanatory Report (which is prepared according to article 4 par. 8 of L. 3556/2007) follows the respective relevant numbering of information of article 4 par. 7 of L. 3556/2007, as such information is presented above:

1. The structure and form of the Company's share capital is presented in detail in article 5 of the Company's Articles of Association. The Company's shares were listed on the Athens Exchange on April 2nd 1996 and since then are traded without interruption.
2. No such limitation is imposed either by law, either by the company's Memorandum of Association, or by any other agreement, apart from the common Bond Loan Agreements, reference to which is made also in Section E.9.
3. Data regarding the number of shares and voting rights owned by individuals with significant participations, have been presented according to the relevant disclosures notified according to law (and the MAR – Market Abuse Regulation) to the Company, on behalf of shareholders.
4. There are no other categories of shareholders, namely there are only common registered shares with voting rights.
5. No such limitations have been notified to the Company.
6. Likewise no such agreements have been notified to the Company.
7. In the particular matters, the Company's Articles of Association do not deviate from the provisions of Law 4548/2018 as it is currently in force.
8. Pursuant to a relevant decision of the Annual Ordinary General Meeting of Shareholders of 26.06.2020, the Board of Directors of the Company was granted the authorization to purchase a maximum of 586,001 own shares, within a period of twenty-four (24) months from the date of the above decision and in accordance with the terms and restrictions set by article 49 of law 4548/2018, with a range of purchase prices between three Euros (€ 3.00) per share (threshold) and eight Euros (€ 8.00) per share (ceiling).The relevant procedure in order to implement the decision taken above, was activated on 13.07.2020. The above program is still in force and at the date of preparation of this Report the Company holds 96,450 treasury shares.
9. In the lack of such agreements, apart from those mentioned, no clarification is deemed necessary.
10. Likewise, in the lack of such agreements no clarification is deemed necessary.

SECTION F

FLEXOPACK Business Model

FLEXOPACK's business model aims to create value for all social partners, i.e. employees, shareholders, customers, suppliers, and the wider community as a whole.

Group Profile

The Company and the Group are active in the field of production of flexible plastic packaging items intended mainly for the food industry, but also for other advanced special applications.

The Company, since its establishment in 1979 by the Ginosati brothers, has experienced significant and continuous growth and the course of its turnover and profitability has been steadily upward to date. The profits were channeled in investments for the production and development of the necessary know-how.

The Company since September 1995 holds an ISO:9001 quality assurance certificate, issued by the company Bureau Veritas, for the research, development, production, distribution and technical support of its products.

Also in April 2003 it was certified with the new hygiene standard British Retail Consortium (BRC). This standard –which constitutes a pan-European recognition - introduces the highest requirements for hygiene, product safety and quality.

The Company possesses a large customer base and has developed strong export activity in about 40 countries, such as USA, Australia, United Kingdom, Poland, Germany, Belgium, Israel, Spain, Italy, Turkey, Norway, France, Switzerland, etc.
The sales of the Group outside Greece represented on 31/12/2021 a percentage of 87% of its turnover.

The Group's vision is:
- the effective coverage of the wider and more demanding needs of the flexible packaging market,
-the emergence and capturing of a strong position in a dynamic global market that requires exceptional flexibility,
-predicting and addressing ongoing challenges for new and innovative packaging solutions,
-profitable development with the use of modern technology and the implementation of a dynamic strategic plan.

The strategic directions of the Group for the realization of this vision are:
-Intense extroversion and penetration into new markets abroad.
- Emphasis on research and development for the creation of innovative products with high added value.
-Corporate philosophy and customer-focused culture.
-New investments in high-tech mechanical equipment for the production of films with a smaller thickness to reduce the environmental footprint.

Group Structure

FLEXOPACK has a 100% stake in eleven (11) subsidiaries based in Australia (2 subsidiaries), New Zealand, USA, UK, Poland, Serbia, France, Ireland, Cyprus and Denmark (direct and indirect holdings). This infrastructure is necessary to exist and be maintained as the Company addresses the global market and its main competitors are international groups with very strong capital structure, multi-year presence and already developed strong commercial networks.
The Group has industrial facilities in Greece, Poland and Australia, with state-of-the-art mechanical equipment.
It also has distribution and marketing companies in seven (7) countries and in particular in the United Kingdom (UK), France, the United States of America (USA), Serbia, Denmark, Ireland and New Zealand, while the model focuses on strengthening its presence through subsidiaries in other countries, with the aim of meeting the needs of the global market more effectively and in particular more directly.

Areas of activity and products

The products of the Group are widely used in the food industry and in particular in items that are part of the daily food choices of consumers such as: packaging for meat, seafood, poultry, dairy and other applications. The products are designed to prevent waste and improve the presentation of food, while extending the shelf life of packaged foods by retaining their nutrients.

Group strategy

The successful course of FLEXOPACK Group is based on the triptych:
-Research and development
-Sustainability
-Quality assurance

Research and Development

FLEXOPACK possesses a special Department of Research and Development, staffed with highly specialized scientific personnel, which through continuous market research and monitoring aims to develop new products and upgrade as well as evolve the existing ones, in order to more fully cover the ever-changing market and customer requirements for the production of thinner, more transparent, lower cost and more sophisticated films in every respect.

Furthermore, the Company places special emphasis on the high quality of its products and on the impeccable organization of their production methodology, along with the constant and absolute observance of all the necessary safety rules, quality control and other procedures.

The specialized team of the Directorate of Research and Development consists of scientists and engineers with high theoretical training, rich professional experience and specialized know-how. In collaboration with suppliers and customers, it designs and develops new innovative products that set the standard in packaging technology.

The Research and Development Center, located in the main production facilities in Koropi, Attica, collaborates in some research projects with universities and other educational institutions and is the "heart" of the product development and testing program in order to achieve the optimal packaging solution for any use and application. All products produced by the Company are subject to strict inspection and testing procedures, in order to ensure full and absolute compliance with international standards.

The Department is equipped with the most modern machines for analysis and evaluation of the attributes of plastic films.

The operation of the above department and the general policy of the Company regarding its organization and efficiency, is included and summarized in the following triptych: upgrading of existing products, development of new products and utilization - exploitation of all new technological possibilities and practices.

The Company has composed and patented approximately 50 patents which are privately owned. These patents have been filed in many countries and in highly demanding markets including the USA, Australia, Japan, New Zealand, as well as the European Patent office.

More specifically, the pillars of the company's Research & Development Department are the following:

The protection of the quality and safety of the product so that Flexopack's packaging solutions ensure the quality of the packaged product throughout its life cycle and as a consequence contribute to the reduction of food waste.
Increasing the shelf life of the packaged product especially in sensitive goods such as fresh meat.

The development of technologies in order to reduce the volume / weight of plastic utilized in packaging the final product (lightening of packaging).
Recyclable plastic packaging is also being produced by the Company so that the largest possible part of this production can be recycled.
Optimizing the use of recycled raw materials.
The search and use of plastic raw materials which come from alternative biological sources (non fossil fuel feedstock).
The development of plastic films that allow paper packaging to acquire functional characteristics that until now were only possible with purely plastic packaging.

Quality assurance

FLEXOPACK has been established to provide extremely high quality products internationally. Its continuous and focused efforts to improve the quality of products produced and services provided are supported by an effective Quality Assurance Department. The Group has in place a system of complete traceability of the products from the raw material to the retail sale, with the result that every customer is able to easily follow the reverse course from the final product to the specific batch of raw materials used, without casting any doubt about the quality of the final product, the process applied or the raw materials used.

The Company achieves its quality objectives by observing the following fundamental principles:

- Faithful and continuous compliance with strict policies, procedures and standards,
- Provision of high quality products that exceed customer expectations,
- Effort for the absence of defects and waste reduction,
- Creating together with customers and suppliers a team that embraces the same values and the same corporate culture.
- Efficiency with priority on safety,
- Teamwork combined with the recognition and reward of excellence at the individual level,
- Continuous effort for competitiveness and progress in all areas of its business,
- Ensuring its viability and business continuity as well as the stable returns for its shareholders.

Sustainability

Environmental sustainability

The Company recognizes the need for continuous improvement of its environmental targets based on the principle of sustainable development and compliance with current regulation and international standards, aims for balanced economic development in harmony with nature. Aiming at a course of sustainable development, the Company carries out its activities in a way that ensures the protection of the environment, the local community and the public.

The Company's policy for ensuring the protection of the environment is based in particular on the following fundamental principles:

- takes measures for the protection of the environment in accordance with the environmental legislation and the approved environmental conditions in relation to its operating license,
- implements an Environmental Management System in all the activities of its production process,

• adopts specific rules of environmental controls in its internal production operation,
• improves its overall environmental behavior, especially in terms of preventing environmental pollution and dealing with emergencies,
• is based on the ecological sensitivity and the environmental vision, which is expressed through the total workforce of the Company,
● seeks to act responsibly even in the field of procurement, aiming at reducing its environmental footprint (e.g. detailed examination of the technical characteristics of products, ensuring their recyclability, supply of materials produced through as environmentally friendly as possible methods etc.) and at the use of recycled plastic as raw material always with a view to quality assurance and compliance with relevant legislation.

Finally, it must be noted that the production process has been planned in a way that renders the use of available sources efficient and minimizes the negative effect on the environment.
The Company is an official member of SEDEX - Supplier Ethical Data Exchange. The relevant inspection that took place validated the responsible practices of the company in the areas of management of environmental issues and safeguarding of the rights and ethical rules in the working environment.

Business sustainability

In addition to optimizing the environmental impact of its products, FLEXOPACK is committed to continuously reducing the carbon footprint of the production process, investing in the latest technologies that allow it to reduce energy consumption, water use and waste generation.
The waste management system focuses on recycling, thus reducing the environmental impact of solid waste on the planet.
Flexopack was successfully evaluated by the experts of EcoVadis for Corporate Sustainability (CSR - Corporate Social Responsibility) and was awarded the Silver Medal in 2020 (to be re-evaluated in 2022) for the following activities:
-Environment
-Work Practices and Human Rights
-Business Practices
-Sustainable Procurement

Optimization of environmental performance of products

The Group, through the continuous research and use of the most technologically advanced machines, aims at the development of products with reduced environmental burden and the utilization of recyclable materials without compromising the quality of the final product, whereas the aim of the Company is to cause the least potential impact on the natural environment. To this end, it implements strict policies for the protection of the environment and the management of industrial risks.

The Company is an active member of CEFLEX, an initiative that brings together the entire management value chain, in order to jointly address complex technical and business barriers to flexible packaging in a circular economy.

Social responsibility

The personnel of FLEXOPACK (technical and administrative) is the backbone of the company. Its responsibility and commitment is to create and maintain a completely safe working environment with the ultimate goal, in view of the utilization of high technology but heavy-duty mechanical equipment, the existence of minimal, if not zero, injuries and accidents during the provision of work. The competent Management of the Company continuously takes all the necessary measures and proceeds with the adoption of practices, in order to fully comply with the current provisions of the labor legislation.

It further monitors and ensures the elimination of any discrimination on the grounds of sex, nationality, age, marital status, sexual orientation or any involvement in trade unions and urges its personnel to respect the diversity of each employee, supplier and customer, and not to accept any behavior that creates, directly or indirectly, any form of discrimination.

Information on labor issues

On 31/12/2021 the Group employed 457 people and the Company 322 people, under regular employment terms i.e. as full time employees. It should be noted that the Company maintains an excellent relationship with its employees and no work problems arise since one of the top priorities for the Company is to maintain and promote a peaceful work environment and to continuously improve and upgrade working conditions, in order to achieve the best possible utilization of human resources on a production level. The Group takes diligent care of the health and safety of employees, by taking all necessary measures and adopting practices in order to fully comply with the applicable provisions of labor and insurance legislation.

(a) Policy concerning diversity and equal opportunities

The Group's Management does not make any discrimination in relation to recruitment, remuneration and promotion based on gender, race, religion, color, nationality, religious beliefs, age, family status, sexual orientation, any participation in unions or any other characteristics. The only factors which are taken into consideration, with an emphasis on the principles of meritocracy, consist of the experience, the personality, the education, the specialization and the broader skills of the individual, whereas the Company encourages and recommends to all of its employees to respect the diversity of the personnel, suppliers and customers of the Group and to reject any behavior that makes discrimination of any nature.

(b) Respect to the employee rights

The Management of the Group applies with no deviation the effective labor legislation and respects the relevant provisions and clauses with regard to the child labor, human rights as well as the ability of employees to participate in unions.

(c) Health and safety at work

The protection of health and safety of employees is a top priority for the Group's Management, which systematically monitors and inspects all potential risks that may emerge from the business activities, and takes all the necessary precautionary measures for the avoidance of accidents. At the same time, the entire personnel attend educational seminars covering the areas of health and safety at work.
Moreover, the Group's Management ensures the compliance to the fire safety rules and manages effectively any extraordinary cases or needs, whereas it takes care for the training of the personnel in the areas of fire protection, fire incidents, use of portable fire protection means, as well as the performance of drills as precautionary actions in order to encounter real cases of danger whenever needed. Finally, all the above are being complemented by additional benefits which facilitate the daily life of the employees such as the regular visits made by occupational doctors.

(d) Employee benefits

Given the fact that the balance between work and personal life is a crucial factor which affects the efficiency and productivity of employees, the Group applies a series of benefits and policies towards this direction for the employees and their families, which are summarized in the following:

-- Facilitation of the employees with flexible working schedules in cases of special need (illness, briefing about the progress of the employees' children, etc.),
-- Financial assistance towards financially disadvantaged employees in order to manage unexpected cases and needs,
-- Healthcare coverage and insurance of serious illness in case there is no such financial capability,
-- Advance payment of salaries for health reasons or for coverage of special needs of employees,
-- Granting of loans to employees facing financial difficulties.

(e) Education and development of employees

The business success of both the Group and especially the Company is based on its people. The Company offers a work environment which is characterized by stability so that all employees are encouraged to remain productive and oriented towards the achievement of the most optimal result, to undertake initiatives to the benefit of the corporate interest and to manage their own development with zeal and integrity. Through the highly recruited Department of Human Resources, the Management of the Company can distinguish the abilities of the employees and appoint them to the positions where these employees will contribute the maximum result and will also have the opportunity to excel. The size of the Company and its growth allow its employees to assume the most suitable position and to utilize their knowledge and skills to the highest degree as well as to further develop these skills.

Sustainable Development Report

The Management has assigned an Auditing Company of recognized prestige the preparation of a relevant Sustainable Development Report, in which the Company's performance in the areas of environment, society and corporate governance will be recorded with accuracy, objectivity and impartiality. The Report will also depict the Company's ability to create value and formulate effective strategies with a long-term horizon.

SECTION G
Other information, Treasury shares, Events after the reporting period

1. None of the Group's companies has branches, apart from the parent Company whose old building, which is located across from the new industrial plan, is considered as a branch. During the closing year there was no transfer of domicile for any of the Group's companies, nor was any decision made regarding the opening or operation of any branch.

2. None of the companies included in the consolidation possess shares or units of par. 1e of article 26 of law 4308/2014, except for the parent company, which currently holds 96,450 own shares, acquired in accordance with its specific regulations and provisions of the Stock Repurchase Plan, approved by the Annual Ordinary General Meeting of Shareholders on June 26, 2020.

3. There are no other significant events that took place after the end of the fiscal year 2021 and up to the date of preparation of this Report and which are worthy of special reference in this Report apart from the following:

• On February 24, 2022, there was a Russian invasion of Ukraine, which at the time of preparation of the present Financial Report was in full swing. Although the Company maintains no significant business exposure in the countries involved in the conflict (Note 6.36) and therefore no significant impact (direct or indirect) has arisen with regard to its operations, the concern in the international community due to high prices of energy, industrial metals and other goods is particularly intense.

Following the Russian invasion of Ukraine and the "response" of the Western countries with economic retaliation, the deterioration of financial conditions must be taken for granted, due also to the fears of a long-term exclusion of Russian natural resources from the world market.
At this time, any prediction regarding the impact of the war on turnover, financial results and financial position of both the Group and the Company is uncertain, as it is directly related to the duration and intensity of the war activity, the length of time during which the economic measures against Russia remain in force, as well as the way by which the crisis may be resolved.

In any case, the Company's Management closely monitors the developments and the consequent problems, having as ultimate objective the adequacy of raw materials, the uninterrupted supply of the production process and the effective management of the rising production costs.

SECTION H’
CORPOTATE GOVERNANCE STATEMENT

CONTENTS

INTRODUCTION

1. CORPORATE GOVERNANCE

1.1 Concept

According to the Corporate Governance Principles of the Organization for Economic Cooperation and Development (OECD), corporate governance means the system of relationships established between the Company's Management, shareholders, employees and any other interested party, and aims at the creation, development and viability of strong, healthy and competitive businesses.

As a set of principles, corporate governance is in fact a matter of self-regulation, namely it is not limited to the application of mandatory, by laws, clauses and regulations, but is based on the voluntary acceptance and application of rules understood as specific practices.
Based on these rules, the management is exercised, monitored, organized and controlled, the corporate operations are performed, the relations with the shareholders and the external agents (shareholders, suppliers, customers, public administration, etc.) that are interconnected with the Company are formed, the achievement of objectives that have been set, identified and managed real or potential risks.

The promotion of corporate governance principles aims to increase the credibility of the Greek capital market towards international and domestic investors, to enhance transparency, improve the competitiveness of Greek companies and strengthen their internal operating structures. In addition, a framework of good and adequate corporate governance can, through the consolidation of trust in the business environment, bring together, in an effective and beneficial way, the interests of business, citizens and society.

1.2 Regulatory framework for corporate governance

In our country, the corporate governance framework for societe anonyme companies, whose securities are listed on a regulated market, consists on the one hand in the adoption of mandatory law, on the other hand in the application of corporate governance principles, as well as in the adoption of best practices and recommendations through self-regulation.

Specifically, this framework includes:

(a) Law 4706/2020 (Government Gazette A 136/17.07.2020), with the provisions of which the legislative framework for corporate governance is substantially reformed and updated, taking into account the changes in the legislative and regulatory framework governing the action of listed companies at EU level, during the intervening period since the introduction of Law 3016/2002 (original legislation on corporate governance) until today, as well as current trends in corporate governance. In particular, the new regulations seek to substantially upgrade the required organizational structures and corporate governance procedures of societe anonyme companies, so that they, on the one hand, meet the increased demands of the modern capital market, and on the other hand, not to affect the functional and decisive autonomy of the business entity. The aim of the new legislation is to consolidate good and effective governance practices and consequently to strengthen the confidence of shareholders or their prospective shareholders.

(b) the decisions of the Hellenic Capital Market Commission issued under the authority of the above law;

(c) certain provisions of Law 4548/2018 and

(d) the principles, best practices and recommendations of self-regulation, incorporated in the new Greek Code of Corporate Governance, which was drafted by the Hellenic Corporate Governance Council (ESED) in June 2021 and replaced the Code in force since October 2013.

2. GREEK CORPORATE GOVERNANCE CODE

2.1 Notification of voluntary compliance of the Company with the Corporate Governance Code

The Company, in compliance with the provisions of article 17 par. 1 of law 4706/2020, proceeded under the relevant decision of its Board of Directors dated 16.07.2021 to the adoption and implementation of the new Greek Corporate Governance Code (available at https://www.esed.org.gr), into which (Code) states that it is subject to the following detailed deviations and exceptions.

2.2 Deviations from the Corporate Governance Code and their justification. Special provisions of the Code that the Company does not apply and an explanation of the reasons for non-implementation

The central goal of the current Greek Corporate Governance Code (hereinafter referred to as the "Code" or "CGC") is the creation of an accessible and comprehensible reference guide, which sets in a codified way in a single text, high (higher than mandatory) requirements and specifications of corporate governance.

In particular, the Code does not address issues that constitute mandatory legal provisions (laws and regulative decisions); on the contrary, it establishes principles beyond the mandatory framework of corporate governance legislation and addresses issues that either: (a) are not regulated by law, or b) are regulated, but the current framework allows selection or derogation, or (c) are regulated to their minimum content. In these cases, the Code either complements the mandatory provisions, or introduces stricter principles, drawing on experience from European and international best practices, always guided by the characteristics of Greek business and the Greek stock market.

The Code is implemented based on the "Comply or explain" principle. This principle requires companies that apply the Code to either comply with all of its provisions, or to justify the reasons for their non-compliance with its specific special practices. The explanation of the reasons for non-compliance should not be limited to a simple reference to the practice with which the company does not comply, but should be justified in a specific, definite, comprehensible, substantive and convincing manner.

The Company first confirms with this Statement that it faithfully and strictly applies the current provisions of Greek legislation regarding corporate governance, as in force today (Law 4706/2020, Law 4548/2018 and Law 4449/2017).

However, in relation to the specific practices and principles established by the Code, there are currently some deviations (including the case of non-application), for which deviations an analysis follows and explanation of the reasons justifying them.
In particular, the existing deviations in relation to the specific practices and principles established by the Code are the following:

- ***The non-executive members of the Board of Directors do not meet at least annually, or even extraordinarily when it is deemed appropriate without the presence of executive members, in order to discuss the performance of the latter.***

This deviation is justified by the fact that the Company has a Remuneration and Nomination Committee, which consists of non-executive members of the Board of Directors and even independently in their majority, which periodically monitors and evaluates the adequacy, suitability, skills and abilities, experience, individual performance and efficiency of all members of the Board of Directors, and especially the executives, who are responsible for the implementation of the Company's strategy and the achievement of its objectives. After all, there is complete transparency between the members of the Board of Directors and whenever there is a need or it is ascertained the existence of any weakness or malfunction, in-depth discussions take place, in which the problems presented are analyzed and criticism is made on statements, actions or decisions of its members, bar none.

- ***The Board of Directors has not adopted Rules of Operation, which at least describes the way it meets and makes decisions and the procedures it follows.***

This deviation is explained by the fact that the provisions of the Articles of Association and the Internal Operating Regulation of the Company in combination with the existing legal framework (Laws 4548/2018 and 4706/2020) are considered sufficient, reasonable and satisfactory for the general organization and operation of the Board of Directors, ensure the full, correct, efficient and timely fulfilment of its duties and the adequate consideration of all issues on which it is called to take decisions and form a flexible and effective framework of meetings and decision-making.

- ***At the beginning of each calendar year, the Board of Directors does not adopt a meeting calendar and an annual action plan, which is revised according to the developments and needs of the Company.***

This deviation is reasonably understood by the fact that all the members of the Board of Directors of the Company are residents of the Attica prefecture and therefore it is easy to convene and meet the Board of Directors, whenever the needs of the Company or the law impose, without the existence of a predetermined strict action plan. Furthermore, in the current Articles of Association of the Company there is now an explicit provision for the possibility of a meeting of the Board of Directors via teleconference, with respect to some and/or all its members, and therefore it becomes possible to convene it immediately, whenever it is necessary and appropriate, in order to properly address and resolve the issues that arise and take appropriate decisions.

- ***The Chairman is not elected by the independent non-executive members. Although the Chairman is elected by the non-executive members, it is not appointed one of the independent non-executive members either as Vice-Chairman or as a Senior Independent Director.***

This deviation is justified by the desire of the Company's Management not to further burden the independent non-executive members of the Board of Directors with additional duties and responsibilities, due to the important role they are called to play in the special Committees in which they participate (Audit Committee and Remuneration and Nomination Committee). After all, the appointment of an independent non-executive member as Vice-Chairman would make it necessary for him/her to provide daily and substantial assistance to the Chairman of the Board, especially during the process of organization and operation of the Board, which may be a deterrent factor regarding the need and obligation of the independent non-executive member to devote sufficient and necessary time in the performance of his/her other duties.

- ***The maturity of the options is defined in a period of less than three (3) years from the date of their granting to the executive members of the Board of Directors.***

This deviation is due to the preparation and approval by the Board of Directors, in the context of the provided by the General Meeting of the shareholders relative authorization, of the existing share distribution programs to the members of the Board of Directors, the Directors and the employees of the Company, in the form of option to acquire shares, according to the provisions of article 113 of law

4548/2018, at a time prior to the entry into force of the existing Corporate Governance Code. In any case, this deviation is limited and insignificant as the period of maturity of the options is not much shorter than that provided by the Code.

- ***The contracts of the Board of Directors' executive members do not provide that the Board of Directors may demand the return of all or part of the bonus awarded, due to breach of contract terms or inaccurate financial statements of previous years or generally based on incorrect financial data used for calculation of this bonus.***

This deviation is justified by the fact of non-payment of variable remuneration to the executive members of the Board of Directors, namely remuneration which is related to the achievement of performance goals of both the members and the Company. In any case, the Financial Management of the Company takes all the necessary measures, in order for any rights to receive extraordinary remuneration (bonus) to mature and be paid only after the audit and final approval of the annual financial statements and to avoid the phenomenon of bonus payment based on incorrect or inaccurate financial statements.
However, in order to comply with the above requirement of the CGC, the Company's Management is considering the inclusion in the existing contracts of the Board of Directors' members of a relevant additional provision regarding the right of the Board of Directors to demand the return of all or part of the bonus that has been awarded due to breach of contract terms or inaccurate financial statements or incorrect financial information.

- ***The Board of Directors is not supported by a corporate secretary***

This deviation is justified by the fact that there is a complete technological infrastructure for the faithful recording and capturing of Board of Directors' meetings. Furthermore, all members of the Board of Directors have the opportunity to consult, if necessary, to the services of legal advisers of the Company, in order to ensure its smooth and efficient operation, the appropriate and effective compliance of the body with internal procedures and policies, as well as the effective legislative and regulatory framework in general.
It is pointed out, however, that in order to remove this deviation, the Board of Directors of the Company during the current fiscal year 2022, and especially at its meeting of March 11, 2022, established the position of corporate secretary to further strengthen the effective operation of the Board of Directors and the provision of any necessary assistance to its members.

- ***The Board of Directors does not evaluate annually its effectiveness, the fulfilment of its duties, as well as of that of its Committees.***

This deviation is justified by the fact that the efficiency, performance and proper fulfilment of the duties of the Board of Directors, collectively and individually, is evaluated on an annual basis by the Ordinary General Meeting of shareholders, which is the supreme body of the Company. The approval of the overall management and general governance of the Company, which is obligatorily included among the items on the agenda of the Ordinary General Meeting of shareholders, constitutes a renewal of the trust of this body to the members of the Board of Directors and is a practical assurance of correct and effective operation, of the proper promotion of the corporate goals and activities and the implementation of the strategic plan of the Company according to the set time-schedules.
The Company, in order to remove this deviation, intends to proceed in the immediate future to the preparation and adoption of the procedure and policy regarding the annual evaluation of the performance and effectiveness of both it and its specific Committees.

- ***The Board of Directors does not take care under the guidance of the Nominations Committee for the annual evaluation of the Chief Executive Officer's performance.***

This deviation is justified by the existence of a Remuneration and Nomination Committee, which constitutes a more specific Committee of the Board of Directors, whose main tasks and responsibilities include evaluating, inter alia, the performance of the existing Board of Directors and the compliance of its members with more specific criteria of individual and collective suitability of the Suitability Policy which has been established and applied by the Company. Taking into account that the CEO of the Company traditionally and according to established practice comes from the members of the Board of Directors, it becomes apparent that it is being fully and thoroughly audited for the proper fulfilment by him/her the powers, tasks and responsibilities assigned to him/her, the implementation of the corporate strategy and the execution of the decisions of the Board of Directors and therefore the evaluation of his/her performance and effectiveness, in order to ensure the business continuity of the Company and the viability of the Group. The performance of each of the members of the Board of Directors, and even more so of the Chief Executive Officer, does not escape the attention of the Remuneration and Nomination Committee, which ensures methodical, systematic and uninterrupted staffing of the Board of Directors with the most capable and efficient members.

- ***The results of the Board of Directors' evaluation are not disclosed and are not discussed in the Board of Directors and therefore the Board of Directors does not take measures to address any identified weaknesses, following the evaluation.***

This deviation is inextricably linked to the absence, as a precedent, of the evaluation process of the Board of Directors, however in any case the Remuneration and Nomination Committee during the examination and fulfilment by the members of the Board of Directors of the criteria and conditions provided in the Suitability Policy, which has been adopted by the Company, notifies without delay the Board of Directors of any weaknesses or inadequacies, in order for the latter to take the appropriate measures (namely provision of additional training to its members), or even withdraw/replace them. Among the members of the Board of Directors there are no barriers and no member, executive or not, is excluded from criticism whenever there is a need, improper fulfilment of his/her duties or non-compliance with the commitments and obligations arising from his/her capacity.

- ***The Board of Directors does not include in the Corporate Governance Statement a brief description of individual and collective evaluation process of it and of its Committees, as well as a summary of any findings and corrective actions.***

This deviation is also a consequence of the above-mentioned deviation regarding the non-existence of an explicitly established procedure for evaluating the performance and effectiveness of the Board of Directors and its Committees. It is obvious that after the preparation of the relevant policy, a description of the process and a brief report of any findings as well as of the necessary and required corrective actions will take place in the Corporate Governance Statement.

- ***The Board of Directors does not describe in the Annual Report how the interests of important stakeholders have been taken into account in its discussions and decision-making.***

The current deviation is limited in time, as the Company's Management has already assigned to the Auditing Company of recognized prestige the mandate for the preparation of a relevant Sustainable Development Report and therefore from the next corporate year will take place a detailed identification of the important stakeholders for the Company, description of these stakeholders' interests and a reference in the Annual Report on how their interests have been taken into account in the decision-making process by the Board of Directors.

- ***The publications regarding the management and performance of the Company in sustainable development (ESG) issues are not available to shareholders and stakeholders.***

This deviation as well is limited in time, due to the assignment, as already mentioned in the immediately preceding deviation, by the Company's Management to an Auditing Company of recognized prestige of the mandate for the preparation of a relevant Sustainable Development Report, in which they will be recorded accurately and objectively the Company's performance in environmental, social and corporate governance (Environment, Social, Governance) issues and there will be reflected its ability to create value and formulate effective strategies with a long-term horizon, while through the publication of this Report on the website of the Company the relevant information will be made immediately available to stakeholders, shareholders and the investing public in general.

The above, limited in any case, deviations from the special practices established by the new CGC cannot be considered as subject to any strict time limit, taking into account the fact that the Code came into force only on 17.07.2021, namely on date of entry into force of articles 1 to 24 of Law 4706/2020 and therefore it is essentially the first period of its implementation.
The Company, as mentioned above, examines with due care and diligence the above existing deviations from the special practices established by the CGC and investigates compliance with them to the extent and to the level that compliance does not conflict with the principles, philosophy, organization and values of the Company as well as the need to ensure the effective operation and promotion of its long-term success.

2.3 Corporate governance practices applied by the Company in addition to the provisions of the law

The Company faithfully applies the provisions of the current legal framework regarding corporate governance, while at the present time there are no applicable practices in addition to the provisions of the law.

PART A – BOARD OF DIRECTORS

I. Role and responsibilities of the Board of Directors, obligations of its members

1.1 The Company is governed by the Board of Directors, which is responsible for deciding on any action concerning the management of the Company, the management of its assets, its judicial and extrajudicial representation and in the general pursuit of its objective.

1.2 The Board of Directors is responsible for:

- the administration, representation, as well as management of corporate assets,
- decision-taking on all in general issues concerning the Company within the framework of the corporate objective, without any restrictions, with the exception of those which according to the law or the Articles of Association of the Company fall under the exclusive competence of the General Meeting,
- the representation of the Company in Greece and abroad, in front of Public, Municipal and other Authorities or International Organizations of any nature or natural or legal persons, all in general the Courts in Greece of all degree and jurisdiction,
- taking any decision regarding the promotion of the Company's interests,
- the definition and supervision of the corporate governance system of provisions 1 to 24 of Law 4706/2020, and the periodic monitoring and evaluation, at least every three (3) financial years, of its implementation and effectiveness, taking the appropriate actions for the addressing of deficiencies,
- the assignment of the Internal Audit of the Company to one or more persons, non-members,
- ensuring the adequate and efficient operation of the internal control system (which includes the functions of Internal Control, Regulatory Compliance and Risk Management),
- the management of corporate affairs in order to promote the corporate interest and to supervise the execution of the Board of Directors and General Meeting’s decisions while informing the other members about corporate issues,
- the definition of the values and the strategic orientation of the Company, as well as the continuous monitoring of their observance, ensuring their alignment with the corporate culture,

- the diffusion of values and corporate objective in all policies, procedures and behaviors within the Company, setting for example the appropriate standards of conduct,
- the planning and monitoring of the implementation of the Company's strategy and the approval and monitoring of its business plan,
- determining the extent of the Company's exposure to risks, which it intends to undertake in the context of achieving its objective and in particular its long-term strategic goals,
- the definition or/and delimitation of the responsibilities of the Chief Executive Officer as well as the Deputy Chief Executive Officer, if any,
- the establishment of a Policy for the identification, avoidance and treatment of conflicts of interest between the interests of the Company and those of the members of the Board of Directors or persons to whom the Board of Directors has assigned some of its responsibilities,
- the determination of the appropriate structures, reference lines and responsibilities to achieve the Company's objectives,
- ensuring the smooth succession of its members and senior executives of the Company,
- its effective operation, its systematic evaluation, as well as of its Committees and its members and their continuous improvement,
- the care for the composition and operation of the Board of Directors and its Committees in accordance with the current legislation, as well as for the compliance with any obligation, as it derives from the current legislation, as well as from the corporate documents, policies and procedures governing it as well
- the other responsibilities as they are provided in the Articles of Association of the Company, its Operating Regulation and the current legislation.

1.3 The Board of Directors has the ability in general to assign its powers of management and representation of the Company, except those that require collective action, to one or more persons, members or not, determining at the same time the extent of this assignment. In any case, the responsibilities of the Board of Directors are subject to articles 19 and 99-100 of Law 4548/2018, as in force.

<u>1.4 Obligations of the Board of Directors' members</u>

1.4.1 General

The members of the Board of Directors must, in the exercise of their duties and responsibilities, observe the law, the Articles of Association and the legal decisions of the General Meeting. They have to make every effort to carry out their duties, to manage corporate affairs in order to promote corporate interest, to supervise the execution of the decisions of the Board of Directors and of the General Assembly and to inform the other members about corporate issues. The custody is judged on the basis of the status of each member and the duties assigned to him/her by law, the Articles of Association or by decision of the competent corporate bodies.

1.4.2 Obligation of faith - Conflicts of interest

The members of the Board of Directors have an obligation of faith to the Company. In particular they must:

(a) Do not pursue their own interests that contradict the interests of the Company.

(b) To disclose in a timely and adequate manner to the other members of the Board of Directors their own interests, which may arise from the Company's transactions, which fall within their duties, as well as any conflict of their interests with those of the Company or related companies to it according to the meaning of article 32 of law 4308/2014, which arises during the exercise of their duties. They must also reveal any conflict between the interests of the Company and the interests of the persons of paragraph 2 of article 99 of Law 4548/2018, if they are related to these persons. A sufficient disclosure is one that includes a description of both the transaction and own interests.

(c) To keep strict confidentiality about the corporate affairs and the confidential of the Company which became known to them due to their status as consultants.

(d) The member of the Board of Directors is not entitled to vote on issues in which there is a conflict of interest with his/her Company or persons with whom he/she is associated in a relationship subject to paragraph 2 of article 99 of Law 4548/2018. In these cases the decisions are taken by the other members of the Board of Directors, and in case the impossibility of voting concerns so many members, so that the rest do not form a quorum, the other members of the Board of Directors, regardless of their number, must proceed to convening a General Meeting for the sole purpose of taking this decision

1.4.3 Prohibition of competition

It is prohibited for the members of the Board of Directors who participate in any way in the management of the Company, as well as to its directors, to act, without the permission of the General Meeting or the relevant provision of the Articles of Association, on their own account or on behalf of third parties, acts subject to the purposes of the Company, as well as to participate as general partners or as sole shareholders or partners in companies that pursue such purposes.

In case of culpable violation of the previous paragraph prohibition, the Company is entitled to claim compensation. However, instead of compensation, it may require that, for transactions performed on behalf of the consultant or the director, these transactions were performed on behalf of the Company, and that for transactions performed on behalf of a third party, to be granted to the Company the fee for the mediation or to be assigned to it the relevant receivables.

These receivables expire after one (1) year from the time when the above transactions were announced at a meeting of the Board of Directors or were notified to the Company. The limitation period, however, occurs five (5) years after the entry into force of the prohibited act.

II. Size and Composition of the Board of Directors

2.1 Composition of the Board of Directors

2.1.1 According to article 9 of the Company's current Articles of Association, the Board of Directors consists of five (5) to fifteen (15) members, who are elected by the General Meeting of Shareholders with an absolute majority of votes represented in the General Meeting.

2.1.2 The members of the Board of Directors can be shareholders of the Company or not. A member of the Board of Directors can also be a legal entity. In this case, the legal entity is obliged to appoint a natural person to exercise the powers of the legal entity as a member of the Board of Directors. The natural person is fully co-responsible with the legal entity for corporate management.

2.1.3 The members of the Board of Directors can be re-elected and freely revoked by the General Meeting, regardless of the expiration date of their term.

2.1.4 The General Meeting may also elect alternate members, equal number to the regular members. Alternate members may be used only to replace members of the Board of Directors who have resigned, passed away or lost their status in any other way.

2.2 Term of the Board of Directors
The term of the Board of Directors' members is five years, extended until the expiration of the term within which the next Ordinary General Meeting must convene and until the relevant decision is taken, but in no case may it exceed six years.

2.3 Participation in the meeting of the Board of Directors
2.3.1 Each consultant must attend the meetings of the Board of Directors uninterruptedly and devote the time required for the satisfactory and effective fulfillment of his/her duties.

2.3.2 The unjustified absence or non-representation of a consultant during the meetings of the Board of Directors for a period longer than six (6) months is equivalent to his/her resignation. The resignation becomes final from the day that the Board of Directors will decide on it, and its decision is recorded in the minutes and is notified to the consultant to whom it concerns.

2.4 Replacement of the Board of Directors' members
2.4.1 Subject to the provisions of Law 4706/2020 on corporate governance, in case of resignation, death or any other way of losing the status of member or members of the Board of Directors, the latter may elect members to replace the missing members. This election is allowed if the replacement is not possible by alternate members, who may have been elected by the General Meeting. The election by the Board of Directors is made by decision of the remaining members, provided that there are at least three and is valid for the remainder of the term of the replaced member. The decision of the election is submitted to the publicity of article 13 of law 4548/2018 and is announced by the Board of Directors at the next General Meeting, which can replace the elected members, even if there is no relevant item on the agenda.

2.4.2 In case of resignation, death or in any other way loss of member or members' status of the Board of Directors, the remaining members may continue the management and representation of the Company without replacing the missing members in accordance with the previous paragraph, provided that their number exceeds half of the members, as they had been before the occurrence of the above events. In any case, these members may not be less than three (3).

2.4.3 In any case, the remaining members of the Board of Directors, regardless of their number, may convene a General Meeting with the sole purpose of electing a new Board of Directors.

2.5 Distinction between executive and non-executive members of the Board of Directors
2.5.1 The executive members of the Board of Directors are in charge of the management issues related to the daily operation of the Company as well as for the implementation of the strategy determined by the Board of Directors. The executive members regularly consult with the non-executive members of the Board of Directors on the appropriateness of the strategy implemented.

In cases of crises or risks, as well as when the circumstances require the assumption of measures that are reasonably expected to significantly affect the Company, such as when decisions are to be made regarding the development of the business activity and the risks assumed which are expected to affect the financial position of the Company, the executive members inform the Board of Directors in writing without delay, either jointly or separately, submitting a relevant report with their estimates and proposals.

2.5.2 The non-executive members of the Board of Directors, including the independent non-executive members, are responsible for the promotion of the corporate goals and issues and the safeguarding of the interests of the Company and have, in particular, the following obligations:
(a) monitor and examine the Company's strategy and its implementation, as well as the achievement of its objectives,
(b) ensure effective oversight of executive members, including monitoring and controlling their performance,
(c) consider and express opinions on proposals submitted by executive members, based on existing information,
(d) contribute, through constructive criticism, in the development of strategy proposals for all the Company's issues.

2.5.3 The Board of Directors of the Company, in terms of its independent non-executive members, takes all necessary measures to ensure compliance with the independence criteria set by the applicable regulatory framework. With the assistance and support of the Remuneration and Nomination Committee, the Board of Directors reviews the fulfilment by independent non-executive members of the independence criteria at least on an annual basis per financial year and before the publication of the annual Financial Report, which includes relevant finding.
Within this framework, each independent non-executive member completes and submits annually to the Board of Directors a relevant questionnaire and a responsible statement regarding his/her fulfilment of the independence criteria.
Following the above, the Board of Directors of the Company after a thorough examination of the fulfilment by the independent non-executive members of the defined by the provisions of article 9 par. 1 and 2 conditions of independence, declares, ascertains and confirms that both during the 2021 (01.01.2021-31.12.2021), as well as at the date of approval of this Report, all its independent non-executive members continue to meet in their entirety the conditions of independence set by the current regulatory framework.

III. Operation of the Board of Directors

3.1 Formation of the Board of Directors as a body

The Board of Directors immediately after its election by the General Meeting convenes and is formed in a body, electing among its members by secret voting and by an absolute majority the Chairman and Vice-Chairman as well as the Chief Executive Officer. The Chairman, when he/she is absent or disabled, is replaced by the Vice Chairman and him/her, the Consultant appointed by the Board of Directors. The Chief Executive Officer, when absent or disabled, is replaced by the Consultant appointed by the Board of Directors. The award of the position of Chairman or Vice-Chairman and the Chief Executive Officer is not considered incompatible for the same person.

3.2 Board of Directors meetings

3.2.1 The Board of Directors meets whenever required by law, the Articles of Association or the needs of the Company, at its headquarters or in the region of another Municipality within the prefecture of the headquarters. The Board of Directors meets validly outside its headquarters in another place, either at resident country or abroad, provided that all its members are present or represented at the meeting and no one objects to the holding of the meeting and the decision-making.

3.2.2 The Board of Directors may meet by teleconference with respect to some or all of its members. In this case, the invitation to the members of the Board of Directors includes the necessary information and technical instructions for their participation in the teleconference.

3.2.3 During the closing year 2021 (01.01.2021-31.12.2021) thirty-four (34) meetings of the Board of Directors took place, into which all of its members participated (fully-attended meeting).

3.3 Convening of the Board of Directors

3.3.1 The Board of Directors is convened by its Chairman or his/her deputy with an invitation notified to its members, in which the items of the agenda must be clearly stated, otherwise decisions are allowed only if all the members of the Board of Directors are present or represented and no one objects to decision making.

3.3.2 The convening of the Board of Directors can be requested by at least two (2) of its members with their request to its Chairman or his/her deputy, in accordance with the provisions of article 91 par. 3 of law 4548/2018.

3.4 Quorum - Decision making of the Board of Directors

3.4.1 The Board of Directors is in quorum and meets validly, when is present or represented to it half (1/2) plus one consultant, but the number of present or represented consultants can never be less than three (3). In order to find the quorum number, any resulting fraction is omitted.

3.4.2 The decisions of the Board of Directors are validly taken by an absolute majority of the members present or represented. In case of a tie, the vote of the Chairman of the Board of Directors shall not prevail. Each Consultant has one (1) vote. Each consultant can validly represent only one consultant. Representation may not be assigned to persons who are not members of the Board of Directors. The voting in the Board of Directors is open, unless with its own decision it is decided that on the specific issue a secret voting will be held, in which case the voting is conducted with a ballot paper.

3.5 Board of Directors’ minutes

3.5.1 The discussions and decisions of the Board of Directors are recorded briefly in a special book, which can also be kept electronically. At the request of a member of the Board of Directors, the Chairman is obliged to record in the minutes a summary of his/her opinion. The Chairman has the right to refuse to record an opinion, which refers to issues obviously off the agenda or its content is clearly contrary to good morals or the law. In this book it is also recorded a list of members present or represented at the meeting of the Board of Directors. The minutes of the Board of Directors are signed by the present members. In case of refusal of signing by a member, a relevant mention is made in the minutes.

3.5.2 Copies and extracts of the minutes of the Board of Directors are certified by the Chairman or his/her deputy, in case of impediment, by the General Manager of the Company or by the person appointed by a decision of the Board of Directors of the Company.

3.5.3 Copies of minutes of Board of Directors meetings for which there is an obligation to register them in the G.E.M.I., according to article 12 of law 4548/2018 or other provisions, there are submitted to the competent service of G.E.M.I. within twenty (20) days from the meeting of the Board of Directors.

3.5.4 The preparation and signing of minutes by all members of the Board of Directors or their representatives is equivalent to a decision of the Board of Directors, even if no previous meeting has taken place. This arrangement also applies if all consultants or their representatives agree to have their majority decision recorded in a minutes without a meeting. The relevant minutes are signed by all Consultants. Signatures of consultants or their representatives can be replaced by exchanging messages by e-mail or other electronic means.

IV. Information for the current Board of Directors and the Committees of the Company

4.1 In the context of the full, substantial and effective compliance and harmonization of the Company with the requirements and regulations of the new law 4706/2020 (Government Gazette A 136/17.07.2020) on corporate governance, the Annual Ordinary General Meeting of shareholders of June 25, 2021 elected a new nine-member (9-member) Board of Directors with a five-year term, namely until 25.06.2026, extended until the expiration of the deadline within which the next Ordinary General Meeting must convene and until a relevant decision is made, consisting of the following members:
1) Georgios Ginosatis of Spyridonas,
2) Stamatina Ginosati of Georgios,
3) Stamatios Ginosatis of Spyridonas,
4) Asimina Ginosati of Dimitrios,
5) Dimitrios Ginosatis of Stamatis,
6) Spyridonas Ginosatis of Stamatis,
7) Ioannis Tsoukaridis of Petros,
8) Ioannis Papamichalis of Eustratios and
9) Aliki Benroubi of Sam Samouil.

4.2 At the same time with this decision of the above Annual Ordinary General Meeting of the shareholders has defined as independent members of the Company's Board of Directors Messrs.: 1) Ioannis Papamichalis of Eustratios, 2) Ioannis Tsoukaridis of Petros and 3) Aliki Benroubi of Sam Samouil, who meet the who fully meet the conditions and criteria of independence set by the current legislative and regulatory framework (article 9 par. 1 and 2 of l. 4706/2020), namely:
(a) do not hold directly or indirectly percentage of voting rights greater than 0.5% of the Company's share capital and
(b) are free from any dependent relationship with the Company or persons related to it and maintain no financial, business, family or other relationship, which may affect their decisions and their independent, objective and impartial judgment.

4.3 The above elected Board of Directors was formed into body as follows:
1) Georgios Ginosatis of Spyridonas, Chairman of the Board of Directors (Non-Executive Member).
2) Stamatina Ginosati of Georgios, Vice-Chairman of the Board of Directors (Executive Member).
3) Stamatios Ginosatis of Spyridonas, Chief Executive Office (Executive Member).
4) Asimina Ginosati of Dimitrios, Member of the Board of Directors (Executive Member).
5) Dimitrios Ginosatis of Stamatis, A' Deputy Chief Executive Officer (Executive Member).
6) Spyridon Ginosatis of Stamatios, B' Deputy Chief Executive Officer (Executive Member).
7) Ioannis Tsoukaridis of Petros, Member of the Board of Directors (Independent Non-executive Member).
8) Ioannis Papamichalis of Efstratios, Member of the board of Directors (Independent Non-Executive Member).
9) Aliki Benroubi of Sam Samouil, Member of the Board of Directors (Independent Non-Executive Member).
The composition of the new Board of Directors of the Company fully covers the appropriate and effective exercise of its duties and responsibilities, reflects the size, organization and mode of operation of the Company that requires speed and flexibility, due to the strong export orientation and the very high percentage of extroversion, achieves adequate staffing of both existing and new Committees set up to strengthen the supervisory role of the Board of Directors, and it is distinguished for the diversity of knowledge, skills, qualifications and experience, elements that can contribute decisively to the promotion and achievement of the corporate objectives and plans of the Company.

Particularly and according to the above, the Company's Board of Directors is consisted of:
- 4/9 (44.4%) non-executive members

• 3/9 (33.3%) independent non-executive members
• 3/9 (33.3%) women

4.4 The minutes of 25.06.2021 of the Annual Ordinary General Meeting of the Company's shareholders regarding the election of a new Board of Directors as well as the minutes of 25.06.2021 of the Board of Directors on its formation into body and the granting of commitment and representation rights of the Company were registered in the General Commercial Registry (G.E.MI) on 08.07.2021 with Registration Code Numbers 2578692 and 2578693 respectively, issued in relation to it with protocol number 2400213/08.07.2021 of the relevant announcement of the Ministry of Development and Investment (General Secretariat of Commerce & Consumer Protection, General Directorate of Market, Directorate of Companies, Department of Supervision of Listed SAs & Sports SA)

4.5 As of December 31, 2021 as well as on the date of publication of this Report, the composition of the Board of Directors is as follows:

Full Name	Capacity	Date of Election & Re-election	End of Term
Georgios Ginosatis	Chairman of BoD Non-Executive Member	25.06.2021	25.06.2026
Stamatina Ginosati	Vice Chairman of BoD Executive Member	25.06.2021	25.06.2026
Stamatios Ginosatis	Chief Executive Officer (CEO) Executive Member	25.06.2021	25.06.2026
Asimina Ginosati	Executive Member	25.06.2021	25.06.2026
Dimitrtios Ginosatis	First Deputy CEO Executive Member	25.06.2021	25.06.2026
Spyridon Ginosatis	Second Deputy CEO Executive Member	25.06.2021	25.06.2026
Ioannis Tsoukaridis	Independent Non- Executive Member	25.06.2021	25.06.2026
Ioannis Papamichalis	Independent Non- Executive Member	25.06.2021	25.06.2026
Aliki Benroubi	Independent Non- Executive Member	25.06.2021	25.06.2026

4.6 Regarding the proper operation of the Board of Directors and the day-to-day management and control of the Company's activities, there is a clear separation of responsibilities at the management level. The duties of the Chairman of the Board of Directors and those of the Chief Executive Officer are exercised by different persons, while in full compliance with the provision of par. 1 of article 8 of Law 4706/2020 the Chairman of the Board of Directors is a non-executive member. In particular and in accordance with the provisions of the current Operating Regulations of the Company:

4.6.1 Chairman of the Board of directors

The Chairman of the Board of Directors, who is a non-executive member, chairs the meetings of this corporate body and is responsible for organizing and coordinating its work in order to achieve its efficient and effective operation.
The responsibilities of the Chairman of the Board of Directors include the following:

- ensuring the good organization and efficiency of the Board of Directors' work and its Committees,
- setting the items on the daily agenda, ensuring that the Board of Directors takes decisions on all matters within its remit and devotes the required time to issues that concern it,
- convening and chairing the meetings of the Board of Directors and ensuring their effective conduct through the encouragement of constructive dialogue and the effective contribution of the views of the Board of Directors' members,
- ensuring the timely and correct information of the Board of Directors' members for the preparation of its meetings,
- ensuring constructive relations between executive and non-executive members and creating an open-minded culture,
- ensuring the effective communication of the Board of Directors with the shareholders, so that their positions on important issues are understood,
- cooperation with the Chief Executive Officer and the Corporate Secretary for the preparation of the Board of Directors and the full information of its members,
- overseeing the evaluation process of the Board of Directors for the effective fulfillment of its duties,
- all other responsibilities that, as the case may be, are mentioned in the Company's Articles of Association and / or in the current legislation.

4.6.2 Chief Executive Officer

The Chief Executive Officer is the Executive Member of the Board of Directors to whom are assigned the responsibilities for the management of the Company and its representation, acting within the limits of the powers and responsibilities set by the current legislation, the Articles of Association, the specific decisions of the Board of Directors, the Regulations and Policies that govern the operation and organization of the Company. In particular, the CEO has the following responsibilities:

- conducts every act of administration, management and representation of the Company within the framework of the powers and responsibilities assigned to him/her by the Board of Directors,
- decides on all general issues concerning the Company within the framework of the corporate objective,
- executes the decisions of the Board of Directors,
- is responsible for the implementation of the corporate strategy as defined by the Board of Directors,
- further delegates the exercise of the powers and responsibilities assigned to him/her to third parties, employees or not of the Company, members or not of the Board of Directors, in general or for only certain acts, within the scope of the powers assigned to him/her, determining at the same time the scope of this assignment,
- ensures the immediate availability to the members of the Board of Directors of any information that becomes necessary for the performance of their duties,
- cooperates with the Chairman of the Board of Directors and the Corporate Secretary for the preparation of the Board of Directors and the full information of its Members,
- consults at regular intervals with the non-executive members of the Board of Directors on the appropriateness of the corporate strategy in its implementation,
- informs the Board of Directors in writing without undue delay, either alone or together with the other executive members of the Board of Directors, submitting a relevant report with the assessments and proposals, when there are situations of crisis or risk, as well as when the circumstances require them to be taken measures, which are reasonably expected to significantly affect the Company, such as when decisions are to be made regarding the development of the business activity and the risks taken, which are expected to affect its financial position.

4.6.3 Vice-Chairman of the Board of Directors

The Vice Chairman of the Board of Directors replaces the Chairman in his/her duties, in cases where the Chairman is prevented from exercising them and in general where provided by the Company's Articles of Association and the law. The Vice Chairman of the Board of Directors, in addition to his/her responsibilities related to the operation of the Board of Directors, and to the extent that he/she retains executive capacity, will exercise the executive responsibilities provided to him/her by the relevant powers of the Board of Directors, in order to participate in all decisions which substantially affect the course of the Company.

4.6.4 Deputy Chief Executive Officer

The Deputy Chief Executive Officer is an Executive Member of the Board of Directors of the Company and replaces the Chief Executive Officer, when he/she is absent or prevented from performing any of his/her duties. More than one executive member of the Board of Directors may be appointed as Deputy Chief Executive Officers, while the extent of responsibilities assigned to them is delimited by the Board of Directors by special decision.

4.6.7 Corporate Secretary

It is a support body of the Board of Directors according to the Greek Code of Corporate Governance. Appointed and revoked by the Board of Directors, is not a member of it and attends its meetings. The main responsibilities of the Corporate Secretary are the following:

- providing practical support to the Board of Directors of the Company in terms of its compliance with the internal Policies and Procedures of the Company, the relevant laws and regulations and the effective operation of the Board of Directors,
- ensuring, in consultation with the Chairman, the immediate, clear and complete information of the Board of Directors, the inclusion of new members, the organization of General Meetings, the facilitation of communication of the shareholders with the Board of Directors and the facilitation of communication of the Board of Directors with senior executives.

4.7 Curriculum vitae of members of the Board of Directors and senior executives

4.7.1 The brief CVs of the Members of the Board of Directors are as follows:

Georgios Ginosatis, Chairman of the Board of Directors (non executive member)

He is one of the founders of FLEXOPACK with industrial and administrative experience for over forty years. He has been educated on polymer technology and processing.
For a number of years he was an elected Consultant at the Athens Chamber of Commerce and Industry.
He was the Chairman of the BoD and Chief Executive Officer of FLEXOPACK from January 1989 until June 2021, when he assumed the capacity of the Chairman of the BoD.

Stamatios Ginosatis, Chief Executive Officer (executive member)

He has industrial administrative and laboratory experience of more than forty years. He is one of FLEXOPACK's founders.
His vision, business thinking and international experience have contributed to the significant growth of the Group, making the Group one of the leaders in Europe in the field of flexible plastic packaging of the food industry.
He served as Vice-Chairman of the BoD and Deputy Chief Executive Officer of FLEXOPACK from January 1989 until June 2021, when he assumed the capacity of Chief Executive Officer.
He studied Chemistry at the Aristotle University of Thessaloniki and holds a M.Sc. from the City University of London in polymer technology.

Ginosati Stamatina, Vice-Chairman of the Board of Directors (executive member)

She is the head of the Human Resources Management (HR) Department of the Group. She holds a degree in Economics and Business Administration (Maitrise Economie et Gestion de l'entreprise) from the University of Aix - Marseille II in France as well as long-term work experience in the Company and later in the Group, as she has been actively employed since 2002 until today, while she was elected as a member of the Board of Directors in June 2017.

Ginosati Asimina, Member of the Board of Directors (executive member)
She has significant administrative experience and knowledge of the Company's objective, employed in a dependent employment relationship since 1986 continuously until today, participating in the close management team with the Company's founders and having assumed responsibility for both the Company's Credit Control Department and broadly of the Group, as well as the supervision of organizational and administrative operations. She was elected as an executive member of FLEXOPACK's BoD on January 1989.

Ginosatis Dimitrios, First Deputy Chief Executive Officer (executive member)
He is the Business Development Manager of Flexopack Group and he has held various positions of responsibility in the organization during his 15-year term.
He has extensive experience in the production, research and development of flexible packaging products and holds patents on plastic packaging.
He was born in 1980 in Athens and holds a B.A. in Computer Science from Brown University in the USA and M.Sc. in Polymer Science from Michigan State University. He is member of FLEXOPACK BoD as of June 2017.

Ginosatis Spyridonas, Second Deputy Chief Operating Officer (executive member)
He is the Head of Operations of FLEXOPACK Group with experience of more than 10 years in the polymer processing industry.
He has been an executive in financial and business sector before joining the team of Flexopack.
He was born on 1983 in Athens and holds a B.Sc. on applied Mathematics from the University of Brown USA.
He is member of FLEXOPACK BoD as of June 2017.

Tsoukaridis Ioannis, Member of the Boaed of Directors (independent non-executive member)
He is a graduate of the Athens University of Economics and Business.
He started his career in 1973 with a small printing house and managed to achieve a continuous growth of his customer base. In 1979 it made a turn by expanding the activity of the printing house, entering the boxing industry and turning PAPERPACK into the Leader of the boxing industry in Greece. From 1996 to the end of 2020 he was the Chairman and CEO of the listed company on the Athens Stock Exchange PAPERPACK SA, of which he was the main shareholder.
He is member of FLEXOPACK BoD as of June 2021.

Papamichalis Ioannis, Member of the Board of Directors (independent non-executive member)
He is a graduate of the University of Thessaloniki and holds a Master in Business Administration (M.B.A in Finance) from Georgia State University.
He worked from 1980 to 1987 in TITAN CEMENTS SA in the Department of Studies and Internal Audit. From 1987 to 1993 he was the Head of Studies, Planning and Internal Audit at VARNIMA CORPORATION INTERNATIONAL and from 1993 to 2017 he held the position of Chief Financial Officer at AVIN INTERNATIONAL S.A.
He is member of FLEXOPACK BoD as of June 2021.

Benroubi Aliki, Member of the Board of Directors (independent non executive member)

Chairman and CEO of Benroubi SA. She studied Economics at the H.E.C. of Lausanne and the Deree College of Athens. From the beginning of her career she worked in the Benroubi family business, a dominant company in the field of import and distribution of renowned international companies' electrical appliances. Since 2002, she is the creator of the small electrical appliances brand IZZY, which currently holds a leading position in the Greek market.
She is member of FLEXOPACK BoD as of June 2018.

4.7.2 The brief CVs of the Company's senior management are as follows:

PELONIS Panagiotis– Factory Director

He holds a degree in Electrical Engineer from Western Michigan University in the USA.
He is employed in FLEXOPACK as of December 1999, where he holds the position of Factory Director.

ROUSOS Georgios–R&D Director

He is in charge of the Research and Development Department of the Group. He has a bachelor's degree in Chemical Engineering from M.P.U.
He has long-term work experience in the Company and later in the Group, as he has been actively employed since May 1997 until today.

MANTZOROS Dimitrios– Group Commercial Director

He is working for FLEXOPACK since 1996. He has a bachelor's degree in Electrical Engineering from N.T.U.A. and after a long working experience in the Company and later in the Group he holds the position of Commercial Director of the Group.

Vasilis Kyrou – Sales Director

It is Dr. Chemical Engineer, graduate of the Polytechnic School of AUTh, 1983, with MSc and PhD in Chemical Engineering, from Syracuse University, NY, USA. Has long-term professional experience in sales topics in the International Market.
From 1991 to 1998 he worked in various industrial companies, initially as R&D Manager and Technical Director and then as Commercial Director (El. Hatzopoulos SA, N. Vamvalis SA).
As of October 1998 he started working as Export Director of Flexopack, where he continues to this day as Sales Director.

KOUMOUTSOS Antonis -Group Supply Chain Director

He is in charge of the Supply Chain Department of the Group. He has a bachelor's degree in Chemical Engineering from N.T.U.A. and a postgraduate degree from Cranfield University U.K. as well as M.B.A. from E.U.A., as well as long-term work experience in the Company and later in the Group, as it has been actively employed since the year 2001 until today.

Anastasios Lymperopoulos –Financial Director

He is a graduate of the Department of Economics of the National Kapodistrian University of Athens and has long-term professional experience in the field of Finance. From February 1982 to December 1994 he worked in various commercial and industrial companies holding the position of Accounting Director, among them in the companies "ORGANON HELLAS SA" and "ORGANON TECHNICS HELLAS SA" of the "AKZO" group.
From April 1995 to December 1996 he was the Financial Director of the company AGROTIKOS OIKOS SPYROU SA.
At FLEXOPACK he started working as of January 1997, where from then until today he holds the position of Financial Director of the Group.

4.8 Professional commitments of members of the Board of Directors

According to the statements of the members of the Board of Directors, the following other professional commitments have been notified to the Company, including significant non-executive commitments to companies and non-profit organizations:

Member of BoD	Professional Commitment - Other Companies of the Group
Georgios Ginosatis	-
Stamatina Ginosati	DISPI S.A. (BoD Member)
	TECHNOPLASTIKI S.A. (Chairman of BoD & shareholder)
	EGGEIA I.K.E. (Administrator & shareholder)
	ANELIXIS I.K.E. (shareholder)
Stamatios Ginosatis	-
Asimina Ginosati	-
Dimitrtios Ginosatis	DISPI S.A. (Chairman of BoD & shareholder)
	APIRON RECYCLING S.A. (BoD Member)
	TECHNOPLASTIKI S.A. (Vice-Chairman of BoD & shareholder)
Spyridon Ginosatis	DISPI S.A. (Vice-Chairman of BoD & shareholder)
	TECHNOPLASTIKI S.A. (BoD Member & shareholder)
	APIRON RECYCLING S.A. (Chairman of BoD)
	ANELIXIS I.K.E. (Administrator)
Ioannis Tsoukaridis	FIVE J&B S.A. (Shareholder)
	PAPERPACK S.A. (Non-Executive Member of BoD)
Ioannis Papamichalis	-
Aliki Benroubi	NEA BENROUBI S.A. (Chairman of BoD - CEO & shareholder)
	BENROUBI REAL ESTATE (Chairman of BoD - CEO & shareholder)

Member of BoD	Professional Commitment - Other Companies of the Group
Georgios Ginosatis	-
Stamatina Ginosati	-
Stamatios Ginosatis	-
Asimina Ginosati	-
Dimitrtios Ginosatis	FLEXOPACK PTY LTD (Director) FLEXOPACK PROPERTIES PTY LTD (Director) FLEXOPACK NZ LIMITED (Director) FLEXOPACK TRADE AND SERVICES UK LIMITED (Director) FLEXOPACK FRANCE (Director) FLEXOPACK USA INC. (President of BoD & Secretary) FLEXOPACK IRELAND LIMITED (Director and Secretary) FLEXOPACK DENMARK ApS (Director)
Spyridon Ginosatis	FLEXOPACK POLSKA Sp z.o.o (BoD Member) FLEXOPACK INTERNATIONAL LIMITED (Director) FLEXOPACK PTY LTD (Director) FLEXOPACK PROPERTIES PTY LTD (Director) FLEXOPACK NZ LIMITED (Director) FLEXOPACK TRADE AND SERVICES UK LIMITED (Director) FLEXOPACK FRANCE (Director) FLEXOPACK USA INC. (Vice President of BoD andTreasurer) FLEXOPACK IRELAND LIMITED (Director) FLEXOPACK DENMARK ApS (Director)
Ioannis Tsoukaridis	-
Ioannis Papamichalis	-
Aliki Benroubi	-

It is noted that none of the members of the Board of Directors of the Company participates in the Boards of Directors of more than five (5) listed companies.

4.9 Suitability Policy of the Board of Directors

4.9.1 As the Board of Directors is the highest governing body of the Company, which is responsible for formulating the strategy, orientation and business plan of the Company, defending the general corporate interest and strengthening its long-term economic value, it is absolutely necessary that its composition should reflect the knowledge, skills and experience required to exercise its responsibilities, in accordance with the business model and strategy of the Company, its size, structure, activities and operating environment, the complexity of its functions and its special institutional role and character.

4.9.2 The Annual Ordinary General Meeting of Shareholders of June 25, 2021 approved the Suitability Policy prepared on behalf of the Management, which aims to ensure quality and proper staffing, smooth operation and effective fulfillment of the role of the Board of Directors, as a collective body, for the purpose of promoting the corporate purpose and defending the corporate interest.
The Suitability Policy has been designed by a clearly and defined way and includes both the principles governing the selection, replacement and / or renewal of the Board of Directors members' term, and the criteria for assessing their suitability, including the criteria which satisfactorily ensure the diversity of the composition of the Board of Directors, in accordance with applicable law, and are harmonized with the operational organization of the Company and in particular the strongly extroverted nature of it and the Group more broadly, taking into account that its activities extend , except European, and in international markets in which the Group has achieved a significant degree of presence and creation of a competitive position.

4.9.3 In accordance with the approved and current Suitability Policy, both in the election of new Board of Directors' members, and in case of replacement or replenishing or renewal of the term of existing members, the Remuneration and Nomination Committee takes into account the criteria related to individual and collective suitability always in the light of the corporate values, the strategy and the general business model that has been adopted and applied by the Company.

I. Individual suitability

Especially the individual suitability is being assessed based on the following criteria:

(a) Adequacy of knowledge and skills

The capacity of the Board of Directors member is directly related to the performance of administrative duties, which dictate:
(a) appropriate and adequate background of academic education and training and
(b) previous related professional experience.
Particularly there are taken into account:

- the description of the specific responsibilities and duties related to the position of the member of the Board of Directors,
- acquired knowledge and skills at academic and general theoretical level,
- the required skills in relation to the tasks to be performed (hard and soft skills),
- the relevant practical and professional experience, which especially for the executive members of the Board of Directors is interwoven either with the holding of a position of responsibility, or with the exercise of business activity for a sufficient period of time,
- the sufficient knowledge and understanding of the activities and the complexity of the business model of the Company but also of the Group in general and especially in the light of the international character of the corporate activities,
- adequate knowledge and understanding of the legal framework and the Code of Corporate Governance implemented by the Company.

(b) Guarantees of morality and reputation

The members of the Board of Directors must have proven credibility, good reputation and ethics, which is determined mainly by their honesty and integrity.
In particular it is taken into account

- the non-existence of objective and proven reasons who indicate a lack of honesty and good reputation such as, as an example, final administrative and judicial decisions, in particular for offenses related to membership of the Board of Directors, non-compliance with the legislation of the Hellenic Capital Market Commission or in general financial offenses
- the relevance of any offenses to the role of the member, their degree of seriousness, the general conditions of conduction including any mitigating factors and the role of the person involved, the sentence imposed and any remedial measures;
- the existence of a decision by any competent authority to exclude the member from the exercise of duties as a member of the Board of Directors,
- the time elapsed since the commission of the offense,
- the general behavior of the person after the commission of the offense.

(c) Conflict of interests

According to the Policy and Procedure for the Prevention & Management of Conflict of Interest Situations adopted by the Company, a conflict of interest is defined as any real or potential situation (professional, personal or other situation or relationship), in which the private interests of the liable person may are contrary to the interests of the Company or may affect the ability of the liable person to assess a

situation or his/her judgment to make a decision independently, impartially and based on the interest of the company and which has the possible effect that the interests of the Company are at risk.
The members of the Board of Directors must strictly follow and apply the framework of policies, mechanisms and procedures for the purpose of prevention, recognition and effective treatment and management of conflict of interest situations, in accordance with the specific provisions of both the above policy and the company's Operating Regulation.

(d) Independence of judgement
The members of the Board of Directors must act with an independent judgment, which is not only ensured by the absence of conflict of interest and the fulfillment of the conditions of independence in accordance with current legislation, but requires active participation of members in the meetings of the Board of Directors and expression of independent and objective judgments. In particular, the following must be ensured:

- the absence of any kind of compromise in the exercise of their duties as members of the Board of Directors,
- the exemption from conditions that prevent the member of the Board of Directors from exercising his/her duties in an independent and impartial manner,
- the assistance of behavioral skills for the purpose of substantively evaluating the proposals and views of the other members of the Board of Directors in a way that promotes constructive decision-making,
- the ability to formulate and support a personal opinion and to avoid indiscriminate or mass adoption of positions that may be expressed by the other members of the Board of Directors (group thinking).

(e) Allocation of sufficient time
The members of the Board of Directors must have the necessary time for the orderly and effective exercise of the duties related to their position. In particular, the following shall be taken into account in determining the adequacy of the time available:

- the status and the specific responsibilities and duties of the member of the Board of Directors,
- his/her participation in the committees of the Board of Directors,
- the possible holding of positions and responsibilities on the Boards of Directors of other companies and / or legal entities,
- other professional obligations, personal commitments, age and special personal circumstances of each member of the Board of Directors.

The executive members, in particular, of the Board of Directors, whose duties are directly related to the promotion of the corporate activities and the best possible promotion of the corporate purpose, must have sufficient time to fulfill all the related obligations. For this purpose, the Company provides information to each candidate member about the expected time, which is required for the proper fulfillment of his/her duties both at the meetings of the Board of Directors, and at the meetings of the individual Committees, of which he/she may be a member.

<u>II. Collective suitability</u>
The Board of Directors in the context of its operation as a collective body must be able to:
(a) make appropriate decisions taking into account the business strategy, business development model, the range of risks taken, as well as the specific conditions prevailing in each market (domestic, European and international) in which the corporate activities take place, and
(b) to effectively monitor the decisions of senior management and to exercise constructive criticism in the context of promoting the corporate interest.
In the context of the above dual mission, the Board of Directors must have a sufficient number of members, who have the appropriate knowledge and experience in each area related to collective

responsibility, so that the management body of the Company can exercise effective management, supervision and oversight of corporate affairs.

The main areas of collective responsibility include:
- business planning and organization in general,
- the key risks associated with the exercised business activity, the ability to identify and properly manage them,
- in the applicable financial information and reporting framework,
- adequate knowledge and understanding of issues related to corporate governance,
- compliance with the legislative, regulatory in general framework.

III. Diversity criteria

The Suitability Policy, which has been adopted and implemented by the Company in the context of promoting an effective corporate governance model, promotes the diversity criteria during the selection process of the members of the Board of Directors, so that the corporate body consists of a multi-collective team based on sufficient degree of differentiation.

The adoption of diversity criteria and the evaluation of the specific qualifications and experiences of each member are related in particular to:

(a) the avoidance of outdated and anachronistic social stereotypes in assessing the suitability of members,

(b) promoting different views within the institution in order to make it more effective in decision-making, and

(c) the pursuit of integrating innovative approaches and ideas into the decision-making process. More specifically, the basic criteria of the intended diversity of the Board of Directors' composition are as follows:
- the minimum percentage (25% of the total members) representation by gender,
- the prohibition of exclusion of a candidate or active member of the Board of Directors due to different gender, race, color, ethnic or social origin, religion or belief, property, birth, disability, age or sexual orientation.

The members of the current Board of Directors cover a wide age range (between 40 and 80 years), combine dynamics and experience, are distinguished for their ethics, reputation, reliability and integrity of character, have worked in high positions and have been senior executives of important companies, as a result of which they have rich experience in the business field and are able to actively and substantially contribute to the development prospects of the Group in the geographical areas of its activity.

The current composition of the Board of Directors increases the pool of skills, experience and vision that the Company has, at the level of senior executives, thus contributing to the further enhancement of its productivity, competitiveness and innovation.

4.10 Remuneration of Board of Directors' members

4.10.1 An essential condition for the long-term growth and the ensuring of the Company's stable presence in the market, in which it operates is the harmonization and alignment of the Board of Directors members' remuneration with the profitability, capital adequacy, competitiveness and sustainable development of the Company.

In this context, the Company has established, maintains and applies basic principles and rules regarding the remuneration of the Members of the Board of Directors (hereinafter "Remuneration Policy") that contribute at maintaining the Company's competitiveness, maximizing its long-term financial value and avoiding taking over excessive risks, due to the payment of exorbitant salaries, which are not in line with the prevailing economic conditions and the wider financial environment.

4.10.2 In particular, the Remuneration Policy:

- provides incentives for attracting young people as well as retains capable executives with high theoretical training, long-term professional experience and efficiency in the performance of their duties, in order to strengthen and maximize the financial value of the Company,
- ensures the provision of a competitive remuneration package, adapted to the market conditions in which the Company operates,
- contributes to ensuring the capital adequacy and liquidity of the Company,
- promotes the business strategy, goals, values and interests of the Company,
- enhances internal transparency and
- aligns the goals of the Company with the goals of shareholders and stakeholders.

4.10.3 The current Remuneration Policy of the Company was approved, in accordance with the provisions of article 110 of law 4548/2018, by the Annual Ordinary General Meeting of shareholders of June 28, 2019, was registered in the General Commercial Register on 18/07/2019 and the validity period stands at four (4) years, unless the General Meeting within this period decides to amend it.
The Remuneration Policy applies to all members of the Board of Directors (executive and non-executive, with the necessary differences) including the Chief Executive Officer (one and / or more, if any), the Executive Directors and any Deputy, while it is not applicable to senior or senior executives of the Company. Finally, it also applies to non-members of the Board of Directors who participate in the Company's Committees.

4.10.4 According to the specific provisions of the current Remuneration Policy of the Company, the executive members of the Company’s Board of Directors are paid:
(a) fixed remuneration and
(b) variable remuneration.

4.10.4.1 At the **fixed** remuneration of the executive members of the Board of Directors are included:
(a) the remuneration paid to the members of the Board of Directors due to a contract of employment (defined or indefinite time) or a service contract or a paid contract (annual fixed salary),
(b) the compensation for participation in the meetings of the Board of Directors and decision-making,
(c) the benefits in kind paid by the Company's freedom (indicatively use of a company vehicle / mobile phone / laptop / corporate credit or debit card / fuel card, provision of private health and / or life insurance, use of a fixed number of air tickets, expenses for presence or travelling, accommodation and meals in connection with the fulfillment of these duties as members of the Board of Directors.

The amount of the annual cost of benefits in kind may not exceed a maximum of 20% of the annual fixed salary of each executive member of the Board of Directors.
The fixed remuneration is been paid by the Human Resource Department (Payroll Department) of the Company.
<u>The Company has not yet established and as a result do not apply on the executive members of the Board of Directors:</u>
(a) pension schemes, other than the coverage of statutory social security contributions,
(b) early retirement or supplementary pension schemes,
(c) other incentive programs.

4.10.4.2 As Variable are considered the remuneration that are linked to the achievement of goals both of the Executive Members of the Board of Directors as well as of the Company and are a key component of its performance-oriented policy.
The payment of variable salaries is made in cash and may be consisted of participation in the Company's profits.

Variable remuneration is recorded as a percentage of annual fixed remuneration. However, in no case may the amount of the variable percentages exceed 100% of the annual fixed salaries of each of the executive members of the Board of Directors.
The Company's performance goals are set at the beginning of each corporate year in collaboration between the Management and the Financial Services Department. At the end of the financial year, the non-Executive Members of the Board of Directors evaluate the performance of its Executive Members and examine the achievement of the set goals, always taking into account the financial environment and market conditions.
The payment of the variable remuneration and its amount is decided by the Board of Directors of the Company in a special meeting, based on the above evaluation.
The Company may not request a refund of variable remuneration paid.

4.10.5 The remuneration of the Non-Executive Members of the Board of Directors is approved by a special decision of the Ordinary General Meeting of the Company's shareholders.
The remuneration of the Non-Executive Members of the Board of Directors is paid in cash and is subject to the deductions provided by the applicable tax and insurance legislation.
The Non-Executive Members of the Board of Directors receive compensation for their participation in the meetings of the Board of Directors, while they may also be granted additional fees (bonus), participation rights in the Company's profits, stock options or compensations related to the achievement of goals of the Company, within the same framework of the quantitative restrictions that apply to the Executive Members.
For the payment of remuneration to non-executive members, there are taken into account the complexity-breadth of their work, the degree of experience and any special knowledge they have, their working time, any participation in special Committees of the Board of Directors (eg Audit Committee), the number of meetings in which they participate, etc.
The Independent Non-Executive Members do not participate in a scheme of pensions, allowances or long-term incentives, unless there is a special decision of the competent corporate body.
Any expenses for performance, transportation, accommodation and meals in relation to the fulfillment of the duties of the Independent Non-Executive Members of the Board of Directors are approved by the Chairman of the Board of Directors.
Especially the Independent Non-Executive Members of the Board of Directors for the proper collection of their remuneration and compensations are obliged to submit to the Company any supporting documents requested to prove the fulfillment by these criteria set in the law for their designation as independent.

Full Name - Capacity in BoD Year 2021	Fixed Remuneration			Variable Remuneration	Corporate Contribution to Pension Plans	Total Remuneration
	Annual Remuneration	Fees for Participation in Committees	Benefits			
Georgios Ginosatis Chairman of BoD	313,252	0	33,438	0	0	346,690
Stamatios Ginosatis Chief Executive Officer	313,252	0	37,137	0	0	350,389
Stamatina Ginosati Vice-Chairman	276,468	0	10,531	0	0	286,999
Asimina Ginosati Executive Member	223,594	0	7,637	0	0	231,231
Dimitrios Ginosatis Executive Member	276,468	0	32,711	0	0	309,179
Spyridon Ginosatis Executive Member	276,468	0	22,020	0	0	298,488
Ioannis Tsoukaridis Independent Non Executive Member (Term starting date:25/06/2021)	6,048	0	0	0	0	6,048
Ioannis Papamichalis Independent Non Executive Member (Term starting date:25/06/2021)	10,202	0	0	0	0	10,202
Nikolaos Vlachos Non Executive Member of BoD (Term ending date:25/06/2021)	8,817	0	0	0	0	8,817
Nikolaos Regos Independent Non Executive Member (Term ending date:25/06/2021)	3,124	0	0	0	0	3,124
Aliki Benroubi Independent Non Executive Member	10,357	0	0	0	0	10,357

Note 1: the Annual Ordinary General Meeting of shareholders of June 25, 2021 approved for the corporate year 2021 (01.01.2021-31.12.2021), for the personal work and services of the members of the Board of Directors of the Company, which (work) is provided on equal number of contracts approved by the competent corporate bodies (employment, work, service provision, paid mandate, compensation for participation in the meetings of the Board of Directors), the following amounts of money and in particular:

1. Georgios Ginosatis	Up to the amount of 320,000 Euros per annum
2. Stamatios Ginosatis	Up to the amount of 320,000 per annum
3. Asimina Ginosati	Up to the amount of 224,000 per annum
4. Stamatina Ginosati	Up to the amount of 300,000 per annum
5. Dimitrios Ginosatis	Up to the amount of 300,000 per annum
6. Spyridon Ginosatis	Up to the amount of 300,000 per annum
7. Ioannis Papamichalis	Up to the amount of 20,000 per annum
8. Ioannis Tsoukaridis	Up to the amount of 12,000 per annum
9. Aliki Benroubi	Up to the amount of 12,000 per annum

The above-mentioned amounts, on the one hand, are in line with the principles and rules of the approved and current Remuneration Policy, and on the other hand, are related to the increased employment and the upgraded role they are called to play under the provisions of the new law 4706/2020 regarding corporate governance.

Note 2: regarding a) with Mr. Dimitrio Panagota, third party, non member of BoD, who was elected as a Chairman of the Audit Committee an annual gross fee was approved of 12,000 euro maximum, b) with Mr. Nikolao Vlacho, third party non-member of BoD, who was elected as member of the Audit Committee an annual gross fee was approved of 9,000 euro maximum.

Note 3: the above Annual Ordinary Meeting approved for the corporate year 2021 (01.01.2021-31.12.2021) both for executive and non executive members of the BoD benefits in kind, the level of which cannot exceed the upper limit of 20% percentage of the annual fixed remuneration of each member, according to the provisions of the current Remuneration Policy of the Company.

Note 4: The full text of the Remuneration Policy and Remuneration Report of the Board of Directors' members is available at the Company's website https://www.flexopack.com/investor-relations-gr/corporate-governance-gr/policies-gr

4.11 Number of shares – voting rights of the Board of Directors' members and senior management on 31.12.2021

Full Name	Capacity in the BoD	Number of Voting Rights
Georgios Ginosatis	Chairman of BoD	2,043,574
Stamatios Ginosatis	Chief Executive Officer	3,619,866
Stamatina Ginosati	Vice Chairman	317,348
Asimina Ginosati	Executive Member	500
Dimitrios Ginosatis	Executive Member	261,050
Spyridon Ginosatis	Executive Member	250,272
Ioannis Tsoukaridis	Independent Non Executive Member	0
Ioannis Papamichalis	Independent Non Executive Member	0
Aliki Benroubi	Independent Non Executive Member	0
Georgios Roussos	Director of Research & Development	0
Panagiotis Pelonis	Factory Manager	0
Dimitrios Mantzoros	Commercial Policy Manager	0
Antonios Koumoutsos	Supply Chain Manager	0
Vasilis Kyrou	Sales Manager	3,690
Anastasios Lyberopoulos	Chief Financial Officer	600

PART B – COMMITTEES

I. Audit Committee

1.1 Election and term of the Audit Committee

The Annual Ordinary General Meeting of shareholders of June 25, 2021 decided the election of a new Audit Committee, in accordance with the provisions of article 44 of law 4449/2017, as in force after its amendment by article 74 of law 4706/2021, the which constitutes an Independent Joint Committee, consists of three (3) members, of which one (1) Independent Non-Executive Member of the Board of Directors of the Company and two (2) third persons - non-Members of the Board of Directors and its term is five years, expiring on June 25, 2026, extended until the expiration of the deadline within which the next Ordinary General Meeting must convene, in no case, however, may it exceed six years.

1.2 Members of the Audit Committee
1.2.1 Especially as members of the Audit Committee were elected the following persons:
1) Dimitrios Panagotas of Ioannis, Certified Auditor-Accountant in suspension (R.N. SOEL 34971), non Member of the Board of Directors – third party.
2) Nikolaos Vlachos of Matthews, non Member of the Board of Directors – third party.
3) Aliki Benroubi of Sam Samouil, Independent Non-Executive member of the Board of Directors.
Then the Audit Committee during its meeting on 28th June 2021 elected, among other members, as Chairman of it Mr. Dimitrios Panagota of Ioannis.

1.2.2 For the purpose of complete, adequate and appropriate information of the shareholders and the investing public in general, below are the brief biographies of the Members of the Audit Committee who are third parties - non-Members of the Board of Directors.

Dimitrios Panagotas
He is a Certified Public Accountant in suspension, with a wide knowledge base and rich professional experience. He studied Accounting and Finance at the University of Macedonia and is a graduate of the two-year postgraduate program of the Institute of Certified Public Accountants for obtaining the professional license of Certified Public Accountant. He started his professional career in 1999 taking various positions in the financial sector. From January 2003 to March 2016 he worked as a Certified Public Accountant and Tax Auditor in the company Associate Certified Public Accountants SA. Since January 2019 he has been cooperating with the auditing company NEXIA EUROSTATUS S.A. In addition, he has experience as a member of Audit Committees in other companies listed on the Athens Stock Exchange. He is also a member of the Body of Certified Public Accountants and the Hellenic Institute of Internal Auditors.

Nikolaos Vlachos
He studied Chemistry specializing in polymers. BSc: Polymer Science, School of Molecular Science University of Sussex, UK. He is a holder of a postgraduate degree M.Philosophy by the same university with a scholarship from the company Tate + Lyle UK. He worked for 12 years as a senior executive in the flexible packaging plastics industry. From 1997 until today he holds the position of Chairman and CEO in the company "VLACHOU BROS SA". He has been a member of the Board of Directors of FLEXOPACK since 2009.

Benroubi Aliki, Member of the Board of Directors (independent non-executive member)
Chairman and CEO of Benroubi SA. She studied Economics at the H.E.C. of Lausanne and the Deree College of Athens. From the beginning of her career she worked in the Benroubi family business, a dominant company in the field of import and distribution of renowned international companies' electrical appliances. Since 2002, she is the creator of the small electrical appliances brand IZZY, which currently holds a leading position in the Greek market.

1.2.3 The members of the Audit Committee meet all the criteria and conditions set by the provisions of the current legislative and regulatory framework, namely:
(a) are in their majority independent of the audited entity in accordance with the provisions of par. 1 and 2 of article 9 of law 4706/2020 and in particular:
(i) do not hold directly or indirectly a percentage of voting rights greater than 0.5% of the Company's share capital; and
(ii) are free from any dependency relationship, as it (dependency relationship) is specified in par. 2 of article 9 of law 4706/2020, with the Company or persons related to it and they do not have any

financial, business, family or other relationship which may influence their decisions and their independent, objective and impartial judgment,
(b) have a thorough knowledge of the sector in which the entity operates; and
(c) at least one member of the Committee who is independent of the audited entity, has sufficient knowledge and experience in auditing or accounting, and is required to attend the meetings of the Committee on the approval of financial statements.

1.3 Operation of the Audit Committee

1.3.1 The Audit Committee has Operating Regulation, which was approved by the Board of Directors of the Company at its meeting of November 22, 2018, while its amendments were approved at the meetings of the Board of Directors of September 28, 2020 and June 15, 2021.
The Regulation records, among other things, the responsibilities, duties and obligations of the members of the Committee and is posted on the Company's website (http://www.flexopack.com), according to the explicit legislative requirement of article 10 par. 4 of law 4706/2020.

1.3.2 In accordance with the current Operating Regulation of the Audit Committee and taking into account the size, business model and scope of activities of the Company, the Audit Committee meets at regular intervals and extraordinarily when required. The Audit Committee may also meet by teleconference.

1.3.3 All its members participate in the meetings of the Audit Committee in person. The Audit Committee has the discretion to invite, whenever deemed appropriate or necessary, key executives involved in the management of the Company, including the CEO, Chief Financial Officer (CFO) and the Head of the Audit Department, to attend specific meetings or specific items on the agenda and provide any necessary clarifications or explanations.

1.3.4 The Audit Committee is convened by its Chairman by invitation which is communicated in any appropriate way to the other members at least two (2) days before the meeting. The invitation must include at least the date, time and items on the agenda clearly, otherwise decisions may be taken as long as none of the members of the Committee object to the meeting and the decision being taken.

1.3.5 The decisions of the Audit Committee are taken by an absolute majority of its members. In case of a tie, the casting vote of the Chairman shall prevail.

1.3.6 The discussions and the decisions of the Audit Committee are recorded in minutes which are signed by the members present in accordance with article 93 of law 4548/2018. The minutes are available to all members of the Audit Committee and, at the discretion of its Chairman, to the Board of Directors.

1.3.7 The Audit Committee may elect a secretary to observe the minutes of its meetings and to support its work in general.

1.4 Responsibilities of the Audit Committee

According to the provisions of article 44 of law 4449/2017, the responsibilities of the Audit Committee include the following:
(a) informs the Company's Board of Directors of the outcome of the statutory audit and explain how the statutory audit contributed to the integrity of the financial information and what was the role of the Audit Committee in that process;
(b) monitors the financial information process at all stages and make recommendations or proposals to ensure its integrity;

(c) monitors the effectiveness of the internal control, quality assurance and risk management systems of the enterprise and, where appropriate, its Internal Audit Department, regarding the financial information of the audited entity, without prejudice to the independence of that entity;
(d) monitors the statutory audit of the annual and consolidated financial statements and in particular its performance;
(e) supervises and monitors on an ongoing basis the independence of chartered accountants or audit firms and in particular the adequacy of the provision of non-audit services to the audited entity;
(f) is responsible for the selection process of certified public accountants or audit firms and proposes the statutory auditors or audit firms to be appointed;
(g) submits an annual report of the proceedings to the Annual Ordinary General Meeting of the Company's shareholders.

1.5 Number of Audit Committee's meetings

1.5.1 During the closing year 2021 (01.01.2021-31.12.2021) the Audit Committee met ten (10) times and all its decisions were taken unanimously.
During each meeting, the examination of all the items on the agenda was completed, after the required information notes and the relevant suggestions had been distributed, and the competent executives, the Certified Auditors and other persons were invited to participate, as the case may be in order to provide any necessary clarifications and / or explanations.
1.5.2 It is clarified that the Certified Auditor-Accountant of the Company, who performs the audit of the annual and semi-annual financial statements, provided with the approval of the Audit Committee authorized non-audit services to the Company amounting to 3,450 euros and is not related to any other relationship with the Company in order to comply with the provisions of Law 4449/2017 and thus ensure its objectivity, impartiality, integrity and independence, with the exception of ensuring services related to the performance of the special tax audit required in accordance with the provisions of article 65A of law 4174/2013, as a result of which (audit) the "Annual Tax Certificate" is issued.

1.6 Proceedings of the Audit Committee

The issues that occupied the Audit Committee during the closing year 2021 (01.01.2021-31.12.2021) were the following:

1.6.1 Financial reporting process - External audit

In the field of external audit and financial information processing, the Committee has taken the following steps:
(a) was informed by the Chief Financial Officer of the financial statements of the Company and the Group for the year ended 31 December 2020 and of the principal matters of concern to the Financial Management in the preparation of the financial statements;
(b) was informed of the accounting principles and policies applicable to the preparation of the financial statements, as well as of the consolidation basis and measurement methods used for the assets and liabilities contained in the financial statements;
(c) reviewed the financial statements of the Company and the Group for the year 2020 (01.01.2020-31.12.2020) before their approval by the Board of Directors and evaluated them in terms of their accuracy and completeness;
(d) ascertained the agreement of the financial statements with the legally binding content and framework of their preparation and recommended their approval;
(e) briefed the Board of Directors on the issues arising from the statutory audit, the contribution of the statutory audit to the quality and integrity of financial information and the role of the Audit Committee in this process;
(f) verified compliance with the rules on the disclosure of financial statements, as well as the possibility of immediate, permanent and without any charge for access to them;

(g) was informed by the Certified Auditor-Accountant about the most important issues of the audit for the year 2020, the risks that were assessed as the most important and how to deal with them and was informed about the final draft of the Audit Report for the year ended 31 December 2020,
(h) took note of the supplementary report of the Chartered Auditors - Accountants provided by Article 11 of the Regulation of the European Union (EU) 537/2014 on the financial statements of the Company and the Group,
(i) submitted a proposal to the Annual Ordinary General Meeting of the Company's shareholders for the re-election of the Audit Company under the name "Grant Thornton Societe Anonyme SA" for the performance of the statutory audits of the annual and semi-annual financial statements for the year 2021,
(j) was informed by the Certified Auditor - Accountant regarding the procedure and methodology that will be followed during the audit of the semi-annual and annual financial statements for the year 2021, with the planning and the schedule of its audit, as well as for the audit procedures to be followed,
(k) confirmed the impartiality, objectivity, independence and integrity of the external auditors in accordance with the Code of Professional Ethics of the International Federation of Accountants, Regulation (EU) 537/2014 and Law 4449/2017, as well as the non-provision of any external , directive, suggestion or recommendation by the Management of the Company,
(l) was informed by the Certified Auditor-Accountant about the audit approach of the review of the interim financial statements of the first half of the year 2021 and became aware of the important issues of the review,
(m) supervised the correct and timely disclosure to the investing public of corporate announcements concerning financial information;
(n) Approved the provision of authorized non-audit services by the auditing company "Grant Thornton Corporation of Certified Auditors and Business Consultants".

1.6.2 Internal control system

In the context of monitoring the effective operation of the Company's internal control system and the proper operation of the Internal Control department, the Audit Committee:
(a) examined and evaluated the effectiveness and adequacy of the Internal Control Unit's procedures regarding the Company's financial information, without affecting in any way its independence;
(b) monitored the effectiveness of internal control systems through the work of the Internal Control Unit and the work of the Chartered Accountant;
(c) reviewed the management of the Company's main risks, evaluating the methods used by the Company to identify and monitor the risks, as well as the treatment of the main ones and their proper disclosure;
(d) was informed of the annual control program of the Internal Control Unit before its implementation and approved it;
(e) was informed and evaluated of the work of the Internal Control Unit and was informed of the quarterly reports of the Head of the Internal Control Unit;
(f) inspected the proper functioning of the Internal Control Unit in accordance with professional standards and the applicable legal and regulatory framework in general;
(g) had meetings with the Internal Auditor on issues that may have arisen during the audit process, in order to ensure the smooth operation of all individual Departments and Divisions of the Company;
(h) confirmed that the Internal Control Unit has constant and unhindered access to all the data and records of the Company, which are necessary for the performance of its duties, as well as to all the Departments of the Company,
(i) examined the Operating Regulations of the Internal Control Unit of the Company and its compliance with the requirements of the applicable regulatory framework.

1.6.3 Other

(a) provided to the Company's Management the necessary assistance to comply with the provisions of Law 4706/2020, in order to properly complete and within the set time frame the process of full harmonization with the provisions and regulations of the said legislation,
(b) approved the content of the information provided to the shareholders of the Company at the Annual Ordinary General Meeting of June 25, 2021 regarding its activities for the year 2020 (01.01.2020-31.12.2020);
(c) in the context of the adequate compliance of the Company with the provisions of Law 4706/2020, the circulars and decisions issued by the Board of Directors of the Hellenic Capital Market Commission, as well as the best corporate governance practices, submitted proposals to the Board of Directors for the development and adoption of the following Policies and Procedures:

• Procedure for Recruitment of Senior Managers and Evaluation of their Performance
• Transaction Notification Procedure for Persons Exercising Management Duties
• Dependency Relation Notification Procedure
• Related Party Transaction Process
• Conflict of Interest Policy and Procedure
• Regulatory Compliance Policies and Procedures
• Privileged Information Management Process
• Policy and Procedure of Periodic Evaluation of **SEE**
• Training Policy of Board of Directors' Members

II. Remuneration and Nomination Committee

2.1 Establishment, term and members of the Remuneration and Nomination Committee

2.1.1 The Board of Directors of the Company in the context of immediate, substantial, full and effective compliance with the requirements and general regulations of articles 10-12 of law 4706/2020 (Government Gazette A 136/17.07.20201), as well as the adoption of corporate governance best practices, at its meeting of 14 July 2021 set up a single three-member Remuneration and Nomination Committee, in order to provide the necessary assistance and support to the Board of Directors on the one hand in the process of identifying and promoting appropriate persons for the staffing of Board of Directors, based on the existing Suitability Policy, and on the other hand during the process of preparation, evaluation and revision of the Remuneration Policy, with the aim of attracting and retaining competent executives.

As members of the Remuneration and Nomination Committee were defined the following persons:
1) Aliki Benroubi of Sam Samouil, Independent, Non-Executive Member of the Board of Directors.
2) Ioannis Papamichalis of Efstratios, Independent, Non-Executive Member of the Board of Directors.
3) Georgios Ginosatis of Spyridonas, Non-Executive Member of the Board of Directors.
The Audit Committee during its meeting on 15th July 2021 elected, among its members, as Chairman of it Mrs Aliki Benroubi of Sam Samouil.

2.1.2 The term of the Remuneration and Nomination Committee is five years, ending on June 25, 2026, extended until the expiration of the deadline within which the next Ordinary General Meeting must convene, but in no case may it exceed six years.

2.2 Operation of Remuneration and Nomination Committee

2.2.1 The Remuneration and Nomination Committee (RNC) has an Operating Regulation, which was approved by the Board of Directors of the Company at its meeting of July 14, 2021. This Regulation records the organization and operation of the Remuneration and Nomination Committee, regulates its duties, responsibilities and obligations and of its members and is posted on the Company's website (http://www.flexopack.com), according to the explicit legislative provision of article 10 par. 4 of law 4706/2020.

2.2.2 In accordance with its Operating Regulation, the Remuneration and Nomination Committee meets regularly at least two (2) times a year and extraordinarily, when required by its members.

2.2.3 All its members participate in the meetings of the Committee in person. The Committee has the discretion to invite, whenever appropriate, key executives involved in the management of the Company, including the CEO, to attend specific meetings or specific items on the agenda and to provide any necessary arrangements or clarifications on them.

2.2.4 The meeting is convened at the invitation of the Chairman of the Committee and is being notified in any appropriate way to the other members at least two (2) days before the meeting. The invitation shall include at least the date, time and items on the agenda. The Remuneration and Nomination Committee may also meet by teleconference.

2.2.5 Decisions of the Committee shall be taken by an absolute majority of its members. In case of a tie, the vote of its Chairman shall prevail.

2.2.6 The discussions and decisions of the Committee are recorded in the minutes with the care of the Corporate Secretary, are signed by the members present and are at the disposal of the members of the Committee and the Board of Directors.

2.2.7 It is noted that the Committee may use any resources it deems appropriate, for the fulfillment of its purposes, including services by external consultants. In case of hiring an external consultant, the Committee is responsible for monitoring its work.

2.3 Responsibilities of Remuneration and Nomination Committee

2.3.1 In the context of compliance with the provisions of article 11 of law 4706/2020, the Committee on Remuneration and Nomination Committee:

(a) periodically reviews and formulates proposals to the Board of Directors regarding the Remuneration Policy submitted for approval to the General Meeting, in accordance with paragraph 2 of article 110 of Law 4548/2018,

(b) makes proposals to the Board of Directors regarding the remuneration of persons falling within the scope of the approved Remuneration Policy of the Company;

(c) reviews the information contained in the final draft of the Annual Remuneration Report, and provide its opinion to the Board of Directors, prior the submission of the Report to the General Meeting;

(d) examines and submits proposals to the Board of Directors regarding the plans for granting options or granting shares to the members of the Board of Directors and the staff of the Company, as well as to the companies affiliated to it;

(e) submits proposed performance targets for any variable remuneration of the members of the Board of Directors or goals associated with options for the granting of options or shares;

(f) ensures and monitors the process of assessing the extent to which the performance criteria of persons falling within the scope of the approved Remuneration Policy are met;

(g) makes proposals regarding the remuneration of the Company's executives and in particular of the head of the internal control unit;

(h) submits proposals to the Board of Directors for any remuneration related business policy.

2.3.2 In the context of compliance with the provisions of article 12 of law 4706/2020, the duties of the Remuneration and Nomination Committee include the following:

(a) the care, with the support of the Corporate Secretary, for posting on the Company's website and maintaining an up-to-date CV of each member of the Board of Directors throughout his/her term of office;

(b) ensuring that the work of the Committee is reported, as well as the number of meetings in the Company's annual Corporate Governance Statement;
(c) the annual assessment of the size, composition, independence criteria, balance of knowledge and skills of the existing Board of Directors, in accordance with the Company's Suitability Policy;
(d) the submission of proposals on the content of the Suitability Policy, the training policy of the members of the Board of Directors and the Recruitment and Evaluation Procedures of senior executives of the Company;
(e) the care for the communication of the respective position of a member of the Board of Directors to cover, planning, implementation and monitoring of the process of nomination of members of the Board of Directors;
(f) taking care of the evaluation of the candidates based on the Suitability Policy and the recommendation to the Board of Directors of the candidate members of the Board of Directors;
(g) the coordination of the periodic self-evaluation of the members of the Board of Directors and of its Committees (collective), of the Chairman and the Chief Executive Officer (individual);
(h) timely information and submission of proposals to the Board of Directors regarding the succession plan for the members of the Board of Directors;
(i) the assignment and monitoring of the work of external consultants which it may designate for the fulfillment of its purpose;
(j) the care for the formation of the training program of the members of the Board of Directors, at the beginning and during their term of office, in accordance with the Training Policy followed by the Company.

2.4 Number of meetings of Remuneration and Nomination Committee

During the closing year 2021 (01.01.2021-31.12.2021) the Remuneration and Nomination Committee met two (2) times and all the decisions were taken unanimously.

2.5 Proceedings of the Remuneration and Nomination Committee

(a) convened into meeting right after its establishment, elected among its members its Chairman and formed into body,
(b) examined and assessed the prepared on behalf of the Company’s management its Operating Regulation,
(c) examined and evaluated in terms of adequacy, proportionality and suitability, the level of remuneration of all members of the Board of Directors which were approved by the Annual Ordinary General Meeting of shareholders of June 25, 2021 on the one hand for the year 2020 (01.01.2020 - 31.12.2020) and for the fiscal year 2021 (01.01.2021-31.12.2021), in order to determine whether the remuneration paid is commensurate with the duties, the degree of employment, the range of powers, the responsibilities and the performance of such persons as well as to whether they are in line with the prevailing financial conditions and the wider financial environment in which the Company develops its operation and activity, in order to avoid phenomena of payment of exorbitant fees and the consequent Exposure of the Company to excessive risks,
(d) provided the necessary assistance for the preparation of the Remuneration Report of the members of the Board of Directors and other persons falling within the scope of the Remuneration Policy for the closing year 2021, in order for its content to fully comply with both the provisions of Article 112 of Law 4548/2018 as well as with the 01.03.2019 Guidelines of the European Commission regarding the standard presentation of the Remuneration Report in accordance with Directive 2007/36/EC, as amended by Directive (EU) 2017/828 for shareholders' rights.

PART C – GENERAL MEETING

I. The General Meeting

1.1 Introduction

The General Meeting of Shareholders is the supreme body of the Company and is entitled to decide on each corporate case. Its decisions also bind the absent or dissenting shareholders.

1.2 Exclusive competence of the General Meeting

1.2.1 According to article 30 par. 1 of the current Articles of Association, the General Meeting is exclusively competent to decide on:

(a) amendments to the Articles of Association (amendments are also considered the increases regular or extraordinary, as well as reductions in share capital);

(b) the election of members of the Board of Directors and Auditors;

(c) the approval of the overall management according to article 108 of law 4548/2018 and the discharge of the Auditors;

(d) the approval of the annual and consolidated financial statements;

(e) the distribution of annual profits;

(f) the approval of remuneration or advance payment of remuneration according to article 109 of law 4548/2018,

(g) the approval of the remuneration policy of article 110 and the remuneration report of article 112 of law 4548/2018,

(h) the merger, division, conversion, revival, extension or termination of the Company; and

(i) the appointment of liquidators.

1.2.2 They do not fall under the provisions of the previous paragraph:

(a) capital increases or capital adjustment acts expressly assigned by law to the Board of Directors, as well as increases imposed by provisions of other laws;

(b) the amendment or adaptation of provisions of the Articles of Association by the Board of Directors in the cases expressly provided by law;

(c) the appointment by the Articles of Association of the first Board of Directors,

(d) the election in accordance with the Articles of Association of directors to replace those who have resigned, died or lost their status in any other way;

(e) the absorption under Articles 35 and 36 of Law 4601/2019 of a societe anonyme company by another societe anonyme company that holds one hundred percent (100%) or ninety percent (90%) or more of its shares,

(f) the possibility of distributing temporary dividends according to paragraphs 1 and 2 of article 162 of law 4548/2018 and

(g) the possibility of distribution according to paragraph 3 of article 162 of law 4548/2018 profits or optional reserves in the current corporate year by decision of the board of directors, subject to publication.

1.3 Convening a General Meeting

1.3.1 The General Meeting of Shareholders is convened by the Board of Directors and meets at the headquarters of the Company or in the region of another Municipality within the region of headquarters, at least once every corporate year no later than the tenth (10th) calendar day of the ninth month after the end of corporate use. The General Meeting may also convene in the region of the Municipality where the headquarters of the Athens Stock Exchange are located.

1.3.2 The General Meeting meets extraordinarily whenever the Board of Directors deems it necessary or if requested by shareholders representing the percentage required by law and the Company's Articles of Association.

1.3.3 The procedures and rules of convening, participation and decision-making by the General Meeting are regulated in detail by the provisions of Law 4548/2018 and the Articles of Association of the Company.

1.3.4 From the procedures, forecasts and general arrangements mentioned below, it is clear that the Company's corporate governance system includes adequate and effective mechanisms for communicating with shareholders, in order to facilitate the exercise of their rights and the active dialogue with them (shareholder engagement).

1.3.5 The Board of Directors ensures that the preparation and conduct of the General Meeting facilitates the effective exercise of the rights of the shareholders, who are informed about all issues related to their participation in the General Meeting, including the items on the agenda and their rights during the General Meeting. In particular, in accordance with the provisions of Law 4548/2018, the Company posts on its website at least twenty (20) days before the General Meeting, in both Greek and English:

- the invitation to convene the General Meeting,
- the total number of shares and voting rights that the shares incorporate at the date of the invitation,
  the forms to be used for voting by proxy or representative or, where applicable, for electronic voting,
- the documents to be submitted to the General Meeting,
- a draft decision on each item on the proposed agenda or, if no decision has been proposed for approval, a comment from the Board of Directors, and
- the draft decisions proposed by the shareholders, in accordance with paragraph 3 of article 141 of law 4548/2018, immediately after their receipt by the Company.

1.4 Participation in the General Meeting

1.4.1 In the General Meeting is entitled to participate and vote the natural or legal person who has the shareholder status at the beginning of the fifth (5th) day before the date of the General Meeting ("registration date"). Each share provides the right to one (1) vote.

1.4.2 For the Company is considered as a shareholder who is entitled to participate in the General Meeting and to exercise the right to vote the one that is registered at the date of registration in the Dematerialized Securities System (DSS) of the Societe Anonyme with the name "Greek Central Securities Depository SA" (GCSD) or the one identified as such based on the relevant date through the registered mediators or other intermediaries in accordance with the provisions of the legislation (law 4569/2018, law 4569/2018, law 4706/2020 and Regulation (EU) 2018/1212) as well as the Operating Regulation of the Greek Central Securities Depository SA (Government Gazette B 1007/16.03.2021).

1.4.3 The proof of shareholder status is made by any legal means and in any case based on information received by the Company until before the start of the General Meeting by GCSD or through the participating and registered intermediaries in the Central Securities Depository in any other case.

1.4.4 The exercise of the participation and voting rights does not presuppose the commitment of the beneficiary's shares or the observance of another similar procedure, which limits the possibility of selling and transferring them during the period between the registration date and the date of the General Meeting.

1.4.5 The recording date is also valid in case of postponement or repeated meeting, provided that the postponed or repeated meeting is not set at more than thirty (30) days from the recording date. If this does not happen or if in the case of the repeated General Meeting a new invitation is published, in accordance with the provisions of article 130 of Law 4548/2018), at the General Meeting participates the person who has the shareholder status at the beginning of the third (3rd) the day before the day of the postponement or the repeated General Meeting.

1.4.6 In article 25 par. 1 of the Company's Articles of Association has been provided the possibility of participation of the shareholders in the General Meeting from a distance in real time by audiovisual or other electronic means, without the physical presence of the shareholders at the venue. The shareholders who participate in the General Meeting through real-time teleconference, are taken into account for the formation of the quorum and the majority and can effectively exercise their rights during the General Meeting. Thus the shareholders have the possibility:

(a) to monitor by electronic or audiovisual means the conduct of the General Meeting;
(b) to speak and address to the General Meeting orally during the General Meeting;
(c) to vote in real time during the General Meeting on the items on the agenda; and
(d) receive information on the registration of their vote.

1.5 Representation in the General Meeting

1.5.1 The shareholder participates in the General Meeting and votes either in person or through representatives. Each shareholder can appoint up to three (3) representatives. Legal entities participate in the General Assembly by appointing as their representatives up to three (3) natural persons. However, if the shareholder holds shares of the Company, which appear in more than one securities account, this restriction does not prevent that shareholder from appointing different representatives for the shares appearing in each securities account in relation to the General Meeting. A representative acting for more than one shareholder may vote differently for each shareholder.

1.5.2 The shareholder representative is obliged to notify the Company, before the beginning of the General Meeting, of any specific event that may be useful to the shareholders in assessing the risk that the agent will serve interests other than the interests of the represented shareholder. For the purposes of this paragraph, a conflict of interest may arise in particular when the agent:
(a) is a shareholder who exercises control of the Company or is another legal person or entity controlled by that shareholder;
(b) is a member of the Board of Directors or in general of the management of the Company or a shareholder who exercises control of the Company, or of another legal entity or entity controlled by a shareholder who exercises control of the Company;
(c) is an employee or auditor of the Company or shareholder exercising control of the Company, or of another legal person or entity controlled by a shareholder exercising control of the Company;
(d) is a spouse or first-degree relative of one of the natural persons referred to in (a) to (c) above.

1.5.3 The appointment and revocation or replacement of the shareholder's proxy or representative is made in writing or electronically and is submitted to the Company at least forty eight (48) hours before the scheduled date of the General Meeting.

1.6 Quorum and majority of the General Meeting

1.6.1 According to the law and the Articles of Association of the Company, the General Meeting is in quorum and meets validly on the issues of the agenda, when shareholders are present or representing to it shareholders representing at least one fifth (1/5) of the paid-up capital.

1.6.2 If this quorum is not reached, the General Meeting convenes again within twenty (20) days from the date of the canceled meeting, following an invitation at least ten (10) days in full. At this repeating meeting the General Meeting is in quorum and meets validly on the issues of the initial agenda, whatever the part of the paid-up capital represented in it. A newer invitation is not required if the original invitation had already specified the place and time of the repeating meeting, provided that there is at least five (5) days between the canceled meeting and the repeating meeting.

1.6.3 The decisions of the General Meeting are taken by an absolute majority of the votes represented in it.

1.6.4 Exceptionally for decisions concerning:
(a) the change of the Company's nationality;
(b) the change in the objective of this Company;
(c) the increase of shareholders' liabilities;
(d) the regular increase of capital, unless required by law or by capitalization of reserves;
(e) the reduction of the capital, unless it is done, in accordance with paragraph 5 of article 21 or paragraph 6 of article 49 of law 4548/2018, as in force,
(f) changing the way profits are distributed;
(g) the merger, division, conversion, revival of the Company;
(h) the extension of the duration or dissolution of the Company,
(i) the provision or renewal of authority to the Board of Directors to increase the capital, in accordance with paragraph 1 of article 24 of law 4548/2018, as in force, as well as
(j) any other case provided by law that the General Meeting decides by an increased quorum and majority;
The General Meeting is in quorum and meets validly on the issues of the agenda when shareholders present or represented to it half (1/2) of the paid-up capital.

1.6.5 If the above quorum is not reached, the General Meeting convenes again within twenty (20) days from the date of the canceled meeting, after an invitation of at least ten (10) full days. At this repeating meeting, the General Meeting is in quorum and meets validly on the issues of the initial agenda, when shareholders present or representing at least one fifth (1/5) of the paid-up capital. A newer invitation is not required if the original invitation had already specified the place and time of the repeating meeting provided that there are at least five (5) days between the canceled meeting and the repeating meeting.

1.6.6 The decisions of the General meeting, in the cases of the previous paragraph are taken by a majority of two thirds (2/3) of the votes represented in the Meeting.

1.7 Minority shareholders' rights

The shareholders of the Company have, among other things, the rights that are provided in paragraphs 1, 2, 3, 5, 6 and 7 of article 141 of law 4548/2018: In particular:
(a) At the request of shareholders, representing one twentieth (1/20) of the paid-up capital, the Board of Directors is obliged to convene an Extraordinary General Meeting of shareholders, setting a day of its meeting, which should not be more than forty five (45) days from the date of service of the application to the Chairman of the Board. The application contains the subject of the agenda. If a General Meeting is not convened by the Board of Directors within twenty (20) days from the submission of the relevant application, the convening is carried out by the requesting shareholders at the expense of the Company, by court decision, issued during the interlocutory proceedings. This decision defines the place and time of the meeting, as well as the agenda. The decision is not challenged by legal means.
(b) At the request of shareholders, representing one twentieth (1/20) of the paid-up capital, the Board of Directors is obliged to include in the agenda of the General Meeting, which has already been convened, additional issues, if the relevant application reaches the Board of Directors fifteen (15) at least days before the General Meeting. The additional issues must be published or announced, under the responsibility of the Board of Directors, according to article 122 of law 4548/2018, at least seven (7) days before the General Meeting. The request for inclusion of additional items on the agenda is accompanied by a justification or a draft decision for approval at the General Meeting and the revised agenda is made public in the same way as the previous agenda, thirteen (13) days before the date of the General Meeting and at the same time is made available to the shareholders on the Company's website, together with the justification or the draft decision submitted by the shareholders according to the provisions of paragraph 4 of article 123 of law 4548/2018.
(c) Shareholders representing one twentieth (1/20) of the paid-up capital have the right to submit draft decisions on issues included in the initial or any revised agenda of the General Meeting. The relevant application must be submitted to the Board of Directors at least seven (7) days before the date of the

General Meeting, and the draft decisions are made available to the shareholders as defined in paragraph 3 of article 123 of law 4548/2018, six (6) at least days before the date of the General Meeting. The Board of Directors is not obliged to register items on the agenda or to publish or disclose them along with justification and draft decisions submitted by shareholders, in accordance with paragraphs 2 and 3 of article 141 of law 4548/2018, if their content is obviously contrary to law or good morals.

(d) At the request of a shareholder or shareholders representing one twentieth (1/20) of the paid-up capital, the Chairman of the General Meeting is obliged to postpone once only the decision of the General Meeting, Ordinary or Extraordinary, on all or certain issues, setting a day of continuation of the meeting, the one defined in the request of the shareholders, which, however, may not be more than twenty (20) days from the date of postponement. The postponed General Meeting is a continuation of the previous one and there is no need to repeat the formalities of publishing the shareholders' invitation. New shareholders can also participate in this General Meeting, observing the relevant participation formalities and the provisions of paragraph 6 of article 124 of law 4548/2018 apply.

(e) At the request of any shareholder, submitted to the Company at least five (5) full days before the General Meeting, the Board of Directors is obliged to provide the General Meeting with the requested specific information about the Company's affairs, insofar as these are related to the items on the agenda. There is no obligation to provide information when the relevant information is already available on the Company's website, in particular in the form of questions and answers. Also, at the request of shareholders, representing one twentieth (1/20) of the paid-up capital, the Board of Directors is obliged to announce to the General Meeting, if it is Ordinary, the amounts paid, during the last two years, to each member of the Board of Directors or the directors of the Company, as well as any provision in benefits to these persons for any reason or contract of the Company with them. In all the above cases, the Board of Directors may refuse to provide the information for a substantial reason, which is recorded in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders in the Board of Directors, in accordance with articles 79 or 80 of law 4548/2018. In the cases of this paragraph, the Board of Directors may respond uniformly to shareholders' requests with the same content.

(f) At the request of shareholders, representing one tenth (1/10) of the paid-up capital which is submitted to the Company at least five (5) full days before the General Meeting, the Board of Directors is obliged to provide the General Meeting with information on the course of corporate affairs and the assets of the Company. The Board of Directors may refuse to provide the information for a substantial reason, which is recorded in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders in the Board of Directors in accordance with articles 79 or 80 of Law 4548/2018, provided that the respective members of the Board of Directors have received the relevant information in a sufficient manner.

(g) At the request of shareholders, representing one twentieth (1/20) of the paid-up capital, voting on an item or items on the agenda shall be by open ballot.

PART D – INTERNAL COTROL AND RISK MANAGEMENT SYSTEM

I. Internal Control

1.1 As Internal Control System is defined all the internal control mechanisms and procedures, including risk management, internal control and regulatory compliance, which continuously covers every activity of the Company and contributes to its safe and efficient operation.

1.2 The Internal Control System aims at:

- in the recognition and management of the essential risks related to the business activity and operation of the Company,
- the efficient operation of the Internal Control Department,
- to ensure the completeness and reliability of the data and information required for the accurate and timely determination of the financial position of the Company and the preparation of reliable financial statements,

- in compliance with the current legislative and regulatory framework in general, as well as the internal regulations governing the operation of the Company.

1.3 Responsible for the systematic monitoring, control and periodic evaluation of the Internal Control System, in particular as to the adequacy and correctness of the financial and non-financial information provided, the risk management, the regulatory compliance and the Corporate Governance Code adopted by the Company is the Internal Audit Unit, which is an independent organizational unit within the Company. Additionally, periodic evaluation of the Internal Control System is carried out every three (3) years by an independent and objective evaluator, according to the more specific provisions of the decision of the Board of Directors of the Hellenic Capital Market Commission with number 1/891/ 30.09.2020.

1.4 The head of the Internal Control Unit:
(a) is appointed by the Board of Directors of the Company, following a proposal of the Audit Committee,
(b) is a full-time and exclusive-employement employee, personally and functionally independent and objective in the performance of his duties;
(c) possesses the appropriate knowledge and relevant professional experience.
(d) reports administratively to the Chief Executive Officer and operationally to the Audit Committee.
(e) may not be appointed as head of the Internal Control Unit, member of the Board of Directors or member with voting rights in Committees of a permanent nature of the Company and has close ties with anyone who holds one of the above properties in the Company or in a company of the Group.
Furthermore, the number of internal auditors of the Internal Control Unit must be proportional to the size of the Company, the nature, scale, scope and complexity of the Company's activities, the number of its employees, its geographical points of activity, number of its operating and executive units as well as audited entities in general.
Mr. Stavros Meggoulis performs the duties of head of the Company's Internal Control Unit.

1.5 The head of the Internal Control Unit:
(a) attends the General Meetings of shareholders;
(b) provides in writing any information requested by the Hellenic Capital Market Commission, cooperate with it and facilitate in every possible way the task of monitoring, control and supervision by the competent Supervisory Authority;
(c) submits to the Audit Committee an annual audit program and the requirements of the necessary resources, as well as the effects of the resource constraint or the audit work of the Unit in general.
The annual audit program is prepared based on the risk assessment of the Company, after taking into account the opinion of the Audit Committee.
(d) has free and unhindered access to any organizational unit of the Company and is aware of any data, file and information required for the effective and efficient performance of his duties.

1.6 The Internal Control Unit has an Operating Regulation, which was prepared in accordance with the provisions of articles 15 and 16 of Law 4706/2020 (Government Gazette A 136/17.07.2020), as in force, was approved and entered into force by 15.07. 2021 decision of the Board of Directors of the Company following a proposal of the Audit Committee and defines the principles and the basic operating framework of the Unit, determines the fundamental principles and rules that the Internal Auditors must follow in the performance of their duties, describes the responsibilities, the duties and obligations of the Unit.

1.7 The executives of the Internal Control Unit must comply with:
(a) the International Professional Practices Framework;
(b) the International Standards for the Professional Application of Internal Audit (IIA Standards);
(c) the Code of Ethics (IIA Code of Ethics);
(d) the applicable legislative and regulatory framework in general;

(e) the Internal Operating Regulation of the Company.

1.8 The executives of the Internal Control Unit in the performance of their duties must apply the following principles:
(a) integrity (demonstration of honesty, diligence, consistency and responsibility in the performance of their duties, compliance with the legal and regulatory framework and internal procedures of the Company),
(b) objectivity (demonstration of the greatest possible impartiality in the collection, evaluation and communication of information related to the audits carried out, non-acceptance of gifts that may affect their professional judgment, immediate disclosure of any event that could be considered contrary to their independence),
(c) Confidentiality (respect and management of the information obtained in the performance of their duties with due diligence, avoidance of the use of such information for personal gain or in a manner harmful to the Company, taking appropriate measures to protect this information),
(d) Adequacy of skills (possession of knowledge, skills and experience required to provide internal control services, continuous improvement of the adequacy, efficiency and effectiveness of their services, exercise of appropriate professional judgment).

II. Risk Management

1.1 The Company has established and implements a Risk Management Policy and Procedure, which aims at the timely and effective treatment of risks that may have a negative impact on the achievement of its objectives. Risk Management is a systematic process that aims at the timely and effective identification, analysis, control, management and monitoring of any type of risk involved in the operation of the Company.
The steps to follow in the annual Risk Management process are as follows:

- Preparation of Risk Profile Revision Proposals
- Submission of Risk Profile Revision Proposals
- Conducting Risk Management Group Meetings
- Approval of Risk Profiles and Action Plan
- Monitoring of Action Plan - Reports.

The Board of Directors of the Company has the overall responsibility of the risk management framework related to the operations and the achievement of the objectives of the Company. The Company's Management takes the decisions related to the risk assessment, designs and implements appropriate safeguards for their management, based on the risk-taking disposition.

1.2 The risk management system implemented by the Company is based on four axes:

- risk identification,
- risk assessment,
- risk management and
- risk monitoring and reporting

1.2.1 Risk identification

The risk identification is conducted on an annual basis during the fourth quarter and is completed before the end of each year. Initiates and takes into account the definition of the strategy and the individual business objectives of the Company. The key factors that can threaten the achievement of these goals are then identified. In this context, the Board of Directors of the Company determines the risk appetite and risk tolerance. The results of the risk identification process are recorded in the Company Risk Register, which is a comprehensive mapping of significant risks.

1.2.2 Risk assessment

Each risk is initially assessed in terms of its inherent degree (inherent risk). The Risk Profile also includes the response to each risk, ie the existing actions of the Company in order to manage the respective risk. For each action (policy, procedure and safety valve) the Risk Owner is defined, while for each risk there is the possibility of defining more than one action. The Risk Owners, taking into account the overall actions in the Risk Response, assess the level of residual risk that may remain after the risk management actions.

1.2.3 Risk management

In cases where the residual risk is greater than the risk tolerance available by the Company, additional required actions are determined in order to effectively manage the risks. These actions constitute the Action Plan for the desired response to the risk through the improvement of the safety valves and in general of the Internal Control System of the Company. The Risk Profile as well as the Action Plan are approved by the CEO and submitted to the Board of Directors.

1.2.4 Risk monitoring and reporting

Risk Owners have the primary responsibility to oversee the effective operation of the individual defined actions and to inform the response actions to each risk with any possible changes.

The CEO is also responsible for the timely updating of the Company Risk Profile in case of significant changes during the year, coordinating the process of extraordinary revision of the Risk Profile, as well as for the overall monitoring of the implementation of the Action Plan through Reports through from the Head of Risk Management and the head of the Internal Control Unit

The Risk Manager supports the organization and efficient completion of the process and is responsible for coordinating the work provided for in the Risk Identification and Assessment process.

PART E' – ADDITIONAL INFORMATION

1.1 Introduction

The Article 10 par.1 of the EU Directive 2004/25/EC dated April 21st 2004, relating to takeover bids, states the following as regards to companies whose total shares are listed on an regulated according to the terminology of Law 4548/2018 market:

"1. Country members ensure that the companies mentioned in article 1 paragraph 1 disclose detailed information as regards to the following:

a) their capital structure, including securities that are not listed on an organized market of a country-member and, according to the case, indication of different categories of shares with the rights and obligations linked to each share category and the percentage of the total share capital such represent;

b) all the limitations on transfer of securities, such as limitations on the ownership of securities or the obligation to receive approval by the Company or other shareholders, with the reservation of article 46 of Directive 2001/34/EC;

c) the significant direct or indirect holdings (including indirect holdings through pyramid structures or cross-holdings) according to the definition of article 85 of directive 2001/34/EC;

d) the owners of any kind of securities that provide special control rights and the description of such rights.

(e) the system of control of any employee share scheme where the control rights are not exercised directly by the employees;

(f) any restrictions on voting rights, such as limitations of the voting rights of holders of a given percentage or number of votes, deadlines for exercising voting rights, or systems whereby, with the company's cooperation, the financial rights attaching to securities are separated from the holding of securities;

(g) any agreements between shareholders which are known to the company and may result in restrictions on the transfer of securities and/or voting rights within the meaning of Directive 2001/34/EC;

(h) the rules governing the appointment and replacement of board members and the amendment of the Articles of Association;

(i) the powers of board members, and in particular the power to issue or buy back shares;

(j) any significant agreements to which the company is a party and which take effect, alter or terminate upon a change of control of the company following a takeover bid, and the effects thereof, except where

their nature is such that their disclosure would be seriously prejudicial to the company; this exception shall not apply where the company is specifically obliged to disclose such information on the basis of other legal requirements;
(k) any agreements between the company and its board members or employees providing for compensation if they resign or are made redundant without valid reason or if their employment ceases because of a takeover bid."

1.2 The above information is included in detail in Chapter 6 of the present Report.

1.3 As regards to items c, d, f, h and i of par. 1 of article 10, the Company states the following:

• as regards to item c': the important direct or indirect participations of the Company are the following:

(a) FLEXOPACK POLSKA Sp.z.o.o, (subsidiary) in which the Company participates with a stake of 100.00% of shares and voting rights.
(b) FLEXOSYSTEMS Ltd Belgrade, (subsidiary) in which the Company participates with a stake of 100% of shares and voting rights.
(c) FLEXOPACK INTERNATIONAL LIMITED, (subsidiary) in which the Company participates with a stake of 100% of shares and voting rights.
(d) FLEXOPACK PTY LTD, (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(e) FLEXOPACK PROPERTIES PTY LTD: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(f) FLEXOPACK NZ LIMITED: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACKPTYLTD" (indirect participation),
(g) FLEXOPACK TRADEANDSERVICESUKLIMITED: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(h) FLEXOPACKFRANCE: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(i) FLEXOPACK USA INC.: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(j) FLEXOPACK IRELAND LIMITED: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(k) FLEXOPACK DENMARK APS: (subsidiary), in which the Company participates with 100% through its subsidiary "FLEXOPACK INTERNATIONAL LIMITED" (indirect participation),
(l) INOVA PLASTICS AEBE: (affiliate), in which the Company participates with 50% of the shares and voting rights and
(m) VLACHOU BROS SA: (affiliate), in which the Company participates with a percentage of 47.71% of the shares and voting rights.

Moreover, the significant direct or indirect holdings in the voting rights of the Company, according to the definition of provisions of articles 9 through 11 of l. 3556/2007, are the following:
(a) Stamatis Ginosatis, percentage of 30.886% (direct participation)
(b) Georgios Ginosatis, percentage of 17.437% (direct participation)
(c) Nikolaos Ginosatis, percentage of 16.289% (direct participation)

• as regards to item d': there are no kind of securities (including shares), that provide special control rights.
• as regards to item f΄: there are no known limitations on voting rights (such as limitation of voting rights on owners of a specific percentage or number of shares, deadlines to exercise voting rights, or systems through which with the cooperation of the Company financial rights emanating from shares are distinguished by the ownership of the shares). As regards to exercising voting rights during the General Meeting, extensive reference is made in Part C of the present Corporate Governance Statement.

• <u>as regards to item h΄:</u> regarding the appointment and replacement of Board members and regarding the amendment of the Company's Memorandum of Association, there are no rules that differ from those stated by Law 4548/2018, as currently in effect. Such rules are described in detail in Part A of the present Corporate Governance Code.

• <u>as regards to item o΄:</u> there are no special authorities of Board members as regards to the issue or buyback of shares. It is noted that pursuant to a relevant decision of the Annual Ordinary General Meeting of Shareholders of 26 June 2020, the Board of Directors of the Company was granted the authority to purchase a maximum of 586,001 treasury shares, within a period of twenty-four (24) months from the date of the above decision and in accordance with the terms and restrictions set by article 49 of Law 4548/2018, with a purchase price range between three Euros (3.00 €) per share (threshold) and eight Euros (8.00 €) per share (ceiling), while the relevant procedure in order to implement the decision taken above, was activated on 13.07.2020. At the date of preparation of this Report, the Company holds 96,450 treasury shares.

• points e', g', i' and ia; do not apply.

<u>PART F – SPECIAL STATEMENTS</u>

1.1 During the closed corporate year 2021 (01.01.2021-31.12.2021), the Board of Directors carried out an annual review of the corporate strategy, the main business risks faced by the Company in the sector in which it operates, as well as the systems of internal control applied by the Company and found the following:

✓ The corporate strategy is implemented appropriately and in accordance with the planning of the competent Directorates, in order for the Company to continue to stand out for the promotion of innovative products and services, the establishment of long-term relationships of trust and the creation of a sense of intimacy with its business partners, thus developing further its business model,

✓ The main areas of business and financial risk of the Company as well as the issues that may have a significant impact on its financial statements, according to the size and complexity of its activities are included and are in detail analysed as well their addressing in the relevant Section of the Management Report of Board of Directors and finally

✓ the internal control is carried out in accordance with the current legislative and regulatory framework and the principles of the Code of Ethics, and covers the main activities of the company, in order to determine the adequacy of the management and organization systems of the audited entity to diagnose any irregularities, errors, weaknesses and possible fraud that may result in mismanagement and/or loss of assets and to verify the reliability of the measurement and presentation of the financial figures that constitute the image of the entity.

1.2 The Board of Directors of the Company declares and confirms hereby that the Audit Company, which is in charge of carrying out the mandatory audit of the annual and semi-annual Financial Statements (corporate and consolidated), as well as the issuance of the annual tax certificate and tax compliance report, provided with the approval of the Audit Committee authorized non-audit services to the Company amounting to 3,450 euros and therefore no direct or indirect impact exists on the objectivity, integrity, reliability and effectiveness of the statutory audit.

<u>PART G – SUSTAINABLE DEVELOPMENT POLICY</u>

1.1. Introduction

Both the Company and the Group attach great importance to sustainable development and corporate social responsibility. The Company's vision is to continue to be one of the most important Greek companies with a strong international presence and a parallel contribution to sustainable development. The framework of sustainable development that governs the Company is reflected in the Sustainable Development Policy implemented by the Company, which is based on the following axes:

- Corporate Governance
- Market

- Human Resources
- Environment
- Local Community

1.2 In particular:

- **Corporate Governance**

The Company adopts and implements the most appropriate for it corporate governance structures, benchmarks and policies and procedures, which support all its activities aiming at protecting and creating long-term value for its shareholders and other stakeholders. It follows high standards of professional and ethical ethics and incorporates appropriate mechanisms in its operation in order to act in accordance with the current institutional framework.

- **Market**

The Company takes care of the more complete coverage of the constantly changing needs of the market but also of the expectations of its customers, investing in the development of new products and in the upgrading and development of the existing ones. The prevention of waste and the extension of packaged foods' life constitute for the Company primary factors for the continuous improvement and evolution of its products. In addition, the Company trades fairly and ethically with both its customers and suppliers.

- **Human Resources**

The Company respects the rights of its employees, strictly implements the current labor legislation and provides equal opportunities to its employees with respect for diversity. It ensures the proper functioning of the working environment based on the principles of transparency, integrity and respect and provides the necessary training and development opportunities to all its human resources. It also constantly takes care of ensuring health and safety in the workplace, taking appropriate measures to prevent and avoid accidents and injuries.

- **Environment**

The Company, taking care of the protection of the environment and the reduction of the consequences of climate change, formulates its business strategy appropriately, takes strict measures which, as far as possible, extend beyond the provisions of the current legislation and sets specific goals. In order to achieve the above, the Company continuously invests in:

- the best available techniques and actions aimed at substantially reducing its environmental footprint,
- research into recycling technologies and the use of recycled and reusable transport packaging to prevent packaging waste generation and reuse, recycling and effective use of them;
- in efficient technologies and production processes in order to reduce the energy consumed in the production process of its products but also the consumption of energy from renewable energy sources.

- **Local Community**

The Company, throughout its range of operations, takes care of building relationships of trust with the local communities in which it operates, as well as for the minimization of the inconvenience caused to them. It focuses on improving the well-being of citizens in areas such as health and education and makes donations to organizations and charities.

The business decisions taken by the Management of the Company are always guided by the protection and safety of the members of the local community. The Company also, by giving priority to the recruitment of employees from the local communities, contributes to the economic development of the local communities in the countries in which it operates, being one of the largest employers in the areas where its factories operate.

SECTION I
Group's course and outlook for the current financial year 2022

In view of the strong export orientation of the Group, it should be noted that its prospects, results and course for the current fiscal year 2022 are directly related to the conditions prevailing on the one hand in the global, and on the other hand in the domestic economy and marketplace.

At present, there are reasonable and well-founded concerns about the course of the world economy, the most important of which refer on the one hand to the impact of the COVID-19 pandemic, which has created a public health crisis that has affected and continues to affect the global economy, and on theother hand to the developments and the general adverse effects from the war in Ukraine.

The global economic activity that was hit by the unprecedented and severe disruption due to the Covid-19 pandemic has been disrupting the transport and supply chains since the beginning of 2022 with the following main features.

1. Continuing shortages of key raw material categories worldwide.
2. Significant and continuous increases in the price of raw materials in the international market.
3. Significant increase in transport costs and in particular the charter rates for container transport.
4. Significant increase in energy costs and consequently further burden on production costs.

The above events in combination with the recent Russian invasion of Ukraine and the consequent significant surge in prices of energy, industrial metals and other goods reasonably intensify concerns about the course of the current fiscal year 2022.

The Management of the Group with a high sense of responsibility towards the employees, the customers, the suppliers, the partners and the investors, closely monitors all developments related on the one hand to the unprecedented health crisis and on the other hand to the impact of the Russia-Ukraine war, systematically evaluates all possible risk factors, which may affect the financial position, activities and results of the Group and has been taking all appropriate measures to ensure the smooth operation and business continuity of the Group.

Despite the prevailing conditions of insecurity and uncertainty, the Group, both at the reporting date of the semi-annual Financial Statements and at the date of their approval, maintains satisfactory capital adequacy and liquidity and continues to be fully consistent with its liabilities to suppliers, government agencies, insurance companies and other creditors. At the same time, the Group takes all the necessary steps to absorb the shocks of financial turmoil, to adapt to the possibility of operating in a modified working environment and to maintain employment positions.

Nevertheless, as the disruption in the transport and supply chains as well as the energy crisis are in progress, without any signs of de-escalation being visible, the Group Management is cautious regarding the future impact on the prospects of the Group and the Company. In this context the Management cannot exclude the likelihood that the above factors significantly affect the overall performance, financial position and the broader course of both the Company and the Group during the current fiscal year 2022.

Following the above, the Group's strategy, which is oriented towards flexibility and continuous adaptation to the current conditions, is summarized as follows:

- Improvement and continuous upgrade of the spectrum of produced products, with an emphasis on high-quality product diversification compared to competition,
- creating new innovative products capable of meeting wider and more demanding market needs, as well as to satisfy the customer requirements and needs,
- Further enhancement of the current modern production methods in order to meet the targets of reduction of energy consumption, of a lower carbon footprint and facilitate the essential contribution to sustainable development,
- Further penetration of the international markets via the maintenance or expansion of the Company’s partnerships aiming at the utilization of the Group’s knowhow,
- Further and efficient strengthening of the infrastructure and the production facilities of both the Company and the subsidiaries of Group, with the objective to even faster and more effectively serve the customer base in the geographical areas where the companies are located, in order to boost the growth potential in the relevant markets, and finally,
- Continuous development of the organizational and operating structures aiming at the further increase of efficiency, and the greater reduction of costs.

Koropi, 19 April 2022

THE BOARD OF DIRECTORS

CHAPTER 3: Independent Auditor's Report

Independent Auditor's Report

To the Shareholders of "FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY"

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of "FLEXOPACK S.A." (the Company), which comprise the separate and consolidated statement of financial position as at 31 December 2021, the separate and consolidated income statements and statements of comprehensive income, changes in equity and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.
In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of FLEXOPACK S.A. and its subsidiaries (the Group) as at 31 December 2021, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Separate and Consolidated Financial Statements" section of our report. We are independent of the Company and its consolidated subsidiaries throughout our entire appointment in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements that are relevant to the audit of the separate and consolidated financial statements in Greece, and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the audited period. These matters and the related risks of material misstatement were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Inventories	
At 31.12.2021 the Group holds inventories of value amounting to € 32.45 mil. (Company: € 17.08 mil). Inventory items are measured at a lower of cost and net realizable value as referred to in the Group's accounting policies. Net realizable value is the estimated selling price less any related selling expenses. Based on the above, the Management makes appropriate estimates, based on the movement of the inventory items recorded within the year and plans for the following season. We considered the area of the production cost - inventories at year - end to be one of the key audit matters, primarily, since inventories constitute a significant asset, and secondly, because of the size of the consumables and estimates required for both - measurement of the value of inventories and calculation of the production cost. Information concerning the Company's accounting policies for inventories is referred to in Note 3.8 and 6.7 to the financial statements.	Our audit approach included, among others, the following procedures: Recording and examining procedures and internal control for inventory management designed by the Company's Management with regard to inventories. Monitoring the inventory counting process and performing physical inventory at the warehouses. Examined Management's estimates of the inventories net realizable value, which arises from sales after the end of the reporting period. Carrying out analytical procedures with regard to the movement of inventories and identification of inventories of low marketability (or movement). Sample confirmation of correct determination of acquisition cost and production cost of inventories. We also assessed the adequacy and appropriateness of the disclosures recorded in Note 6.7 to the financial statements.
Assessment of non-current assets impairment	

As at December 31, 2021, the Group has recognized goodwill of € 252 mil. (Company: € 0), intangible assets of € 1.98 mil. (Company: € 1.98 mil.) and tangible assets of € 51.91 mil. (Company: € 40.30 mil.). In addition, as at December 31, 2021 the Company holds investments in subsidiaries of € 14.32 mil. and investments in associates of € 2.20 mil. (Group: € 5.60 mil.). In accordance with IFRS requirements, Goodwill is tested for impairment at least annually, while intangible assets with definite useful life, tangible assets and investments in subsidiaries and associates are tested for impairment whenever there are related indications. Taking into consideration the significant amounts of the non-current assets mentioned above and the use of the Management's assumptions and estimates for the determination of the relative recoverable amounts, we consider that assessment of impairment of the aforementioned constitutes a key audit matter. Impairment testing requires the determination of recoverable amounts based on the value in use of the assets. Calculation of value in use is derived from the discounted cash flow method, based on the business plans, which incorporate key Management's assumptions and estimates. This requires Management judgement on the future cash flows of the above CGUs, and the discount rates applicable to the projections of future cash flows. Furthermore, the volatility of the macroeconomic environment and competition could adversely affect the operating performance of the Group's CGUs. The Group and the Company's disclosures regarding the accounting policy, judgments and estimates used for the analysis of the above non-current assets are included in Notes 2.3, 3.1, 3.3, 3.4, 3.5, 3.6, 6.1, 6.2, 6.3, 6.4 and 6.5 to the financial statements.	Our audit approach included, among others, the following procedures: We assessed the Management's procedures for the identification of impairment indications relating to non-current assets. We assessed the Management's procedure relating to the preparation of reliable business plans. We assessed the reasonableness of the Management's assumptions and estimates. We assessed the mathematical accuracy of discounted cash flow models. For the above procedures, where this was deemed appropriate, we used our firm's specialist. We assessed the adequacy of the related disclosures included in Notes notes 2.3, 3.1, 3.3, 3.4, 3.5, 3.6, 6.1, 6.2, 6.3, 6.4 and 6.5 to the financial statements.

Other Information

Management is responsible for the other information. The other information is included in the Statements of the Members of the Board of Directors, as referred to the "Report on other Legal and Regulatory Requirements" section, but does not include the financial statements and our auditor's report thereon.

Our opinion on the separate and consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the procedures performed, we conclude that there is a material misstatement therein; we are required to communicate that matter. We have nothing to report in this respect.

Responsibilities of Management and Those Charged with Governance for the Separate and Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with IFRSs, as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.
In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.
The Audit Committee (art. 44 L. 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as an aggregate, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these separate and consolidated financial statements.
As part of an audit in accordance with ISAs, incorporated into the Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.

Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding financial information of entities or business activities within the Group for the purpose of expressing an opinion on the separate and consociated financial statements to be able to draw reasonable conclusions on which to base the auditor's opinion. Our responsibility is to design, supervise and perform the audit of the Company and its subsidiaries. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1.Board of Directors Report

Taking into consideration the fact that under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, management has the responsibility for the preparation of the Board of Directors' Report as well as the Corporate Governance Statement included in this report, the following is to be noted:

The Board of Directors' Report includes the Corporate Governance Statement that provides the data and information defined under Article 152, Law 4548/2018.

In our opinion, the Board of Directors' Report has been prepared in compliance with the effective legal requirements of Articles 150 and 153 and Paragraph 1 (cases c' and d'), Article 152, Law 4548/2018 and its content corresponds to the accompanying financial statements for the year ended as at 31/12/2021.

Based on the knowledge we acquired during our audit, we have not identified any material misstatements in the Board of Directors' Report in relation to the Company "FLEXOPACK S.A." and its environment.

2.Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our Additional Report to the Company Audit Committee, prepared in compliance with Article 11, Regulation (EU) No 537/2014.

3.Provision of Non-Audit Services

We have not rendered to the Company and its subsidiary non-prohibited non-audit services, prohibited under Article 5, Regulation (EU) No 537/2014.
The allowed non-audit services provided by us to the Company and its subsidiaries during the financial year that ended 31st December 2021, are disclosed in note 6.28 of the accompanying separate and consolidated financial statements.

4.Auditor's Appointment

We were first appointed the Company's Chartered Accountants following as of 26/06/2020 Decision of the Annual Regular General Meeting of the Shareholders. Our appointment has been, since then, uninterrupted renewed by the Annual General Assembly of shareholders of the Company for 1 consecutive year.

5.Operating Regulations

The Company has in place operating regulations in accordance with the content provided by the provisions of article 14, Law 4706/2020.

6.Assurance Report on financial statements in European Single Electronic Format (ESEF)

We examined the digital records of FLEXOPACK S.A. (hereinafter the Company), prepared in accordance with the European Single Electronic Format (ESEF) requirements defined in the Delegated Regulation of the European Commission (EU) 2019/815, as amended following the Regulation (EU) 2020/1989 (hereinafter ESEF Regulation) which include separate and consolidated financial statements for the year ended as of 31 December 2021, in XHTML format (213800SD9V875QXDRR32-2021-12-31-en), as well as the projected XBR file (213800SD9V875QXDRR32-2021-12-31-en.zip) with the appropriate mark-up, on the aformenetioned consolidated financial statements.

Regulatory Framework

The digital records of the European Single Electronic Format (ESEF) are prepared in accordance with the ESEF regulation and the Commission Interpretative Communication 2020/C379/01 as of November 10th, 2020, in compliance with the provisions of Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter "ESEF regulatory framework").
In summary, this framework includes, inter alia, the following requirements:
All the annual financial statements shall be prepared in a valid XHTML format.
For all consolidated financial statements that are drawn up in accordance with IFRS, the financial reporting included in the Statement of Comprehensive Income, in the Statement of Financial Position, in the Statement of Changes in Equity and in the Statement of Cash Flows shall be marked-up with XBRL 'tags', according to the effective ESEF Taxonomy. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF regulatory framework constitute the appropriate criteria for reaching a conclusion with reasonable assurance.

Responsibilities of Management and Those Charged with Governance

Management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company for the year ended as at December 31st, 2021 in accordance with the requirements defined in the ESEF Regulatory Framework and for such internal control as management determines is necessary to enable the preparation of digital records that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to design and conduct this assurance engagement in accordance with no. 214/4/11-02-2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines on the auditors' involvement and assurance report in European Single Electronic Format (ESEF) on of issuers with a regulated market listed securities" as issued by the Institute of Certified Public Accountants of Greece on 14/02/2022 (hereinafter "ESEF Guidelines"), in order to obtain reasonable assurance that the separate and the consolidated financial statements of the Company, prepared by the management in accordance with ESEF, are in compliance, in all material respects, with the effective ESEF Regulatory Framework.

We conducted our audit in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and we have fulfilled our ethical obligations for independence, in accordance with Law 4449/2017 and EU Regulation 537/2014. The assurance engagement we conducted restrictively covers the items included in the ESEF Guidelines and was carried out in accordance with the International Standard on Assurance Engagements (ISAE) 3000, "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information". Reasonable assurance is a high level of assurance, but is not a guarantee that our audit will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

Conclusion

Based on the procedures we performed and the evidence we obtained, we conclude that the separate and consolidated financial statements of the Company for the year ended as of December 31, 2021, in XHTML format (213800SD9V875QXDRR32-2021-12-31-en) as well as the projected XBRL file (213800SD9V875QXDRR32-2021-12-31-en.zip) with the appropriate mark-up, on the above consolidated financial statements have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 20 April 2022

Certified Accountant (C.A.)

Manolis Michalios

I.C.P.A. Reg. No.: 25131

GrantThornton

Chartered Accountants Management Consultants

58, Katehaki Av., 115 25 Athens, Greece

Registry Number SOEL 127

CHAPTER 4: Annual Financial Statements

Annual Separate and Consolidated Financial Statements
As of 31st December 2021
(January 1st 2021 – December 31st 2021)

According to the International Financial Reporting Standards (IFRS)

FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY

Statement of Financial Position

		GROUP		COMPANY	
ASSETS	Note	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Non-current assets					
Tangible Assets	6.1	51,912	54,429	40,301	41,645
Right-of-use Assets	6.29	925	1,110	389	671
Goodwill	6.2	252	252	0	0
Intangible Assets	6.3	1,980	1,775	1,980	1,775
Investments in subsidiary companies	6.4	0	0	14,317	14,017
Investments in associate companies	6.5	5,600	4,884	2,199	2,199
Other Long-term Receivables	6.6	102	58	97	54
Total non-current assets		**60,772**	**62,509**	**59,284**	**60,361**
Current assets					
Inventories	6.7	32,447	20,770	17,083	12,389
Trade Receivables	6.8	19,700	13,036	33,078	23,857
Other Receivables	6.9	11,115	8,490	6,758	6,191
Cash and cash equivalents	6.10	19,138	18,021	15,700	14,673
Total current assets		**82,401**	**60,318**	**72,619**	**57,110**
Total Assets		**143,172**	**122,826**	**131,902**	**117,470**
EQUITY & LIABILITIES					
Share capital	6.11.1	6,329	6,329	6,329	6,329
Share premium	6.11.1	3,316	3,316	3,316	3,316
Capital Reserves	6.11.2	22,848	18,120	23,126	18,460
Retained Earnings	6.11.3-2.2	61,225	56,188	59,885	57,968
Total Shareholders' Equity		**93,717**	**83,952**	**92,655**	**86,073**
LIABILITIES					
Long-term liabilities					
Deferred tax liabilities	6.12-2.2	1,291	1,678	1,127	1,556
Provision for employee benefits	6.13-2.2	527	478	527	478
Government grants	6.14	0	6	0	6
Long-term bank liabilities	6.15	12,540	11,699	10,875	9,664
Other long-term liabilities	6.15.1	0	340	0	258
Liabilities from Leases	6.29	358	557	84	383
Other provisions	6.16	633	520	238	238
Total Long-term Liabilities		**15,348**	**15,277**	**12,851**	**12,584**
Short-term liabilities					
Suppliers and related liabilities	6.17	26,935	15,082	21,138	11,724
Liabilities from Leases	6.29	568	561	304	294
Liabilities from income tax	6.18	3,077	4,653	2,597	4,384
Short-term bank liabilities	6.15	3,528	3,300	2,357	2,413
Total Short-term Liabilities		**34,108**	**23,597**	**26,396**	**18,814**
Total Liabilities		**49,455**	**38,874**	**39,247**	**31,398**
Total Equity & Liabilities		**143,172**	**122,826**	**131,902**	**117,470**

The accompanying notes constitute an inseparable part of the financial statements.

The comparative figures of the Group and the Company for the year 2020 have been restated due to the change in the accounting policy of IAS 19 (Note 2.2)

Amounts in thousands euro

Income Statement

		GROUP		COMPANY	
Continuing Operations	Note	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Turnover	6.19	**114,181**	**96,953**	**93,166**	**82,317**
Cost of Sales	6.20	(85,793)	(70,065)	(73,486)	(61,371)
Gross Profit		**28,388**	**26,888**	**19,680**	**20,946**
Other operating income	6.22	536	565	291	455
Administrative expenses	6.20	(4,862)	(4,418)	(3,709)	(3,328)
Research & Development Expenses	6.20	(1,569)	(1,410)	(1,447)	(1,305)
Distribution expenses	6.20	(9,673)	(6,632)	(5,256)	(3,567)
Other operating expenses	6.22	(278)	(243)	(64)	(110)
Operating Results		**12,543**	**14,750**	**9,496**	**13,091**
Financial income	6.23	115	54	108	99
Financial expenses	6.23	(492)	(596)	(390)	(507)
Other Financial Results	6.24	(64)	(1,337)	(115)	(403)
Proportion of associate companies' Result	6.5	717	725	0	0
Earnings before taxes		**12,818**	**13,595**	**9,099**	**12,280**
Income tax	6.25	(2,411)	(3,218)	(1,813)	(2,895)
Earnings after taxes		**10,407**	**10,378**	**7,286**	**9,385**
Allocated to Shareholders of the parent		**10,407**	**10,378**	**7,286**	**9,385**
Basic Earnings per share (Euro per share)	6.31	0.8953	0.8887	0.6269	0.8037
Adjusted (Diluted) Earnings per share (Euro per share)	6.31	0.8881	0.8854	0.6218	0.8007

Statement of Comprehensive Income

	GROUP		COMPANY	
Continuing Operations	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Earnings after taxes	**10,407**	**10,378**	**7,286**	**9,385**
Other comprehensive income				
Amounts which may be transferred into the results in subsequent periods				
Foreign exchange differences from consolidation of foreign subsidiaries	62	(207)	0	0
Amounts which will not be transferred into the results in subsequent periods				
Actuarial profit-(losses) in personnel benefit plan	17	(26)	17	(26)
Corresponding income tax	(4)	6	(4)	6
Other comprehensive income after taxes	**76**	**(227)**	**13**	**(20)**
Total comprehensive income after taxes	**10,483**	**10,151**	**7,300**	**9,365**
Allocated to :				
-Shareholders of the parent	**10,483**	**10,151**	**7,300**	**9,365**

The accompanying notes constitute an inseparable part of the financial statements.
The comparative figures of the Group and the Company for the year 2020 have been restated due to the change in the accounting policy of IAS 19 (Note 2.2)

Amounts in thousands euro

Consolidated Statement of Changes in Equity

GROUP	Allocated to the shareholders of the parent company					
	Share capital	**Share premium**	**Reserves**	**FX differences from consolidation**	**Retained earnings**	**Total**
Balance as at 31/12/2019	**6,329**	**3,316**	**18,274**	**(246)**	**46,607**	**74,280**
Change in accounting policy (IAS 19)					**490**	**490**
Balance as at 1/1/2020	**6,329**	**3,316**	**18,274**	**(246)**	**47,098**	**74,770**
Earnings after taxes	0	0	0	0	10,365	10,365
Other comprehensive income after taxes	0	0	0	(207)	(5)	(212)
Distributed dividends	0	0	0	0	(741)	(741)
Formation of ordinary reserves	0	0	380	0	(380)	0
Tax free reserves Law 3908/2011	0	0	62	0	(62)	0
Transfer of amortization of grants	0	0	88	0	(88)	0
Treasury shares	0	0	(386)	0	0	(386)
Stock options	0	0	155	0	0	155
Balance as at 31/12/2020	**6,329**	**3,316**	**18,573**	**(453)**	**56,188**	**83,952**
Balance as at 1/1/2021	**6,329**	**3,316**	**18,573**	**(453)**	**56,188**	**83,952**
Earnings after taxes	0	0	0	0	10,407	10,407
Other comprehensive income after taxes	0	0	0	62	13	76
Distributed dividends	0	0	0	0	(1,011)	(1,011)
Formation of ordinary reserves	0	0	469	0	(469)	0
Tax free reserves Law 3908/2011	0	0	62	0	(62)	0
Tax free reserves Law 4172/2013	0	0	50	0	(50)	0
Taxed reserves Law 4399/2016	0	0	3,786	0	(3,786)	0
Transfer of amortization of grants	0	0	6	0	(6)	0
Stock options	0	0	294	0	0	294
Balance as at 31/12/2021	**6,329**	**3,316**	**23,239**	**(391)**	**61,225**	**93,717**

The accompanying notes constitute an inseparable part of the financial statements.
The comparative figures of the Group and the Company for the year 2020 have been restated due to the change in the accounting policy of IAS 19 (Note 2.2)

Amounts in thousands euro

Statement of Changes in Parent Company's Equity

COMPANY	Share capital	Share premium	Reserves	Retained earnings	Total
Balance as at 31/12/2019	**6,329**	**3,316**	**18,161**	**49,381**	**77,187**
Change in accounting policy (IAS 19)	0	0	0	**490**	**490**
Balance as at 1/1/2020	**6,329**	**3,316**	**18,161**	**49,871**	**77,677**
Earnings after taxes	0	0	0	9,372	9,372
Other comprehensive income after taxes	0	0	0	(5)	(5)
Distributed dividends	0	0	0	(741)	(741)
Formation of ordinary reserves	0	0	380	(380)	0
Tax free reserves Law 3908/2011	0	0	62	(62)	0
Transfer of amortization of grants	0	0	88	(88)	0
Treasury shares	0	0	(386)	0	(386)
Stock options	0	0	155	0	155
Balance as at 31/12/2020	**6,329**	**3,316**	**18,460**	**57,968**	**86,073**
Balance as at 1/1/2021	**6,329**	**3,316**	**18,460**	**57,968**	**86,073**
Earnings after taxes	0	0	0	7,286	7,286
Other comprehensive income after taxes	0	0	0	13	13
Distributed dividends	0	0	0	(1,011)	(1,011)
Formation of ordinary reserves	0	0	469	(469)	0
Tax free reserves Law 3908/2011	0	0	62	(62)	0
Tax free reserves Law 4172/2013	0	0	50	(50)	0
Taxed reserves Law 4399/2016	0	0	3,786	(3,786)	0
Transfer of amortization of grants	0	0	6	(6)	0
Stock options	0	0	294	0	294
Balance as at 31/12/2021	**6,329**	**3,316**	**23,126**	**59,885**	**92,655**

The accompanying notes constitute an inseparable part of the financial statements.
The comparative figures of the Group and the Company for the year 2020 have been restated due to the change in the accounting policy of IAS 19 (Note 2.2)

Amounts in thousands euro

FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY

Statement of Cash Flows

	GROUP		COMPANY	
Indirect method	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Cash flows from operating activities				
Earnings before taxes	**12,818**	**13,595**	**9,099**	**12,280**
Adjustments on Earnings for:				
Depreciation of tangible assets	5,044	5,163	3,741	3,883
Amortization of intangible assets	377	341	377	341
Amortization of right-of-use assets	590	531	303	268
Provisions	468	251	359	199
Impairment	44	113	0	0
Foreign exchange differences	64	1,337	115	403
Profit/(Loss) from the sale of tangible assets	86	(13)	(2)	(13)
Amortization of investment grants	(6)	(88)	(6)	(88)
Interest income	(115)	(54)	(108)	(99)
Interest expenses	492	596	390	507
Share of results in associate companies	(717)	(725)	0	0
Total adjustments on Earnings for Cash Flows	**6,328**	**7,453**	**5,171**	**5,402**
	19,147	**21,048**	**14,270**	**17,682**
Working capital changes				
(Increase) / decrease of inventories	(10,588)	(2,023)	(4,694)	(947)
(Increase) / decrease of receivables	(11,665)	(4,253)	(11,311)	142
Increase / (decrease) of liabilities	12,049	(1,088)	9,444	(1,757)
	(10,205)	***(7,363)***	***(6,561)***	***(2,562)***
Cash flows from operating activities	**8,942**	**13,685**	**7,709**	**15,120**
minus: Income tax paid	(3,034)	(1,581)	(2,669)	(1,544)
Net cash flows from operating activities	**5,908**	**12,104**	**5,040**	**13,576**
Cash flows from investment activities				
Share capital increase of subsidiary	0	0	(300)	(2,300)
Purchases of tangible fixed assets	(3,409)	(6,759)	(2,686)	(5,733)
Purchases of intangible assets	(582)	(249)	(582)	(249)
Receipts from sale of tangible and intangible assets	2	93	2	93
Interest received	8	54	1	99
Dividend receivables	108	0	108	0
Net cash flows from investment activities	**(3,874)**	**(6,861)**	**(3,458)**	**(8,089)**
Cash flows from financing activities				
Proceeds from share capital increase	0	18	0	0
Receipts from issued/collected loans	7,284	7,340	7,000	4,500
Payment of loans	(6,215)	(7,955)	(5,845)	(6,695)
Interest paid	(436)	(533)	(363)	(478)
Dividends payable	(1,011)	(741)	(1,011)	(741)
Purchase of treasury shares	0	(386)	0	(386)
Payments for Lease Liabilities	(651)	(593)	(336)	(298)
Net Cash flows from financing activities	**(1,031)**	**(2,850)**	**(555)**	**(4,098)**
Net (decrease)/ increase in cash and cash equivalents	**1,003**	**2,392**	**1,026**	**1,389**
Cash and cash equivalents at the beginning of the period	18,021	15,470	14,673	13,285
Effect from foreign exchange differences	114	158	0	0
Cash and cash equivalents at the end of the period	**19,138**	**18,021**	**15,700**	**14,673**

The accompanying notes constitute an inseparable part of the financial statements.
The comparative figures of the Group and the Company for the year 2020 have been restated due to the change in the accounting policy of IAS 19 (Note 2.2)

Amounts in thousands euro

1. General Information on the Company and Group

The Group operates in the sector of producing flexible plastic packaging items mainly for the food industry but also for other advanced special applications.

The Company "FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY" (hereafter mentioned as "the Company" or "FLEXOPACK") is specifically active in the production of flexible plastic packaging materials that broadly appeal to many sectors, the most important of which is the food packaging sector. The Company has developed advanced know-how in the production of multiple layer packing films, holding the leading position in the Greek market as the competition comes from a limited number of companies that are active abroad.

The Company was initially established as a General Partnership in 1979 in Koropi Attica. In 1988 it is converted from a General Partnership to a Société Anonyme, its current form, under the corporate name "FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY", according to L. 1297/1972 and C.L. 2190/1920 (Gov. Gazette 11/5.1.1989, S.A. and L.T.D. issue). The company's base (constitutive and administrative) is located at the Municipality of Koropi Attica, at the location Tzima (Postal Code 194 00, tel.: + 30 210 6680000) and is registered in the General Commercial Registry with GEMI number 582101000.

The duration of the Company is indefinite.

The Company's building facilities are located at the Tzima position in Koropi Attica, in two self-owned plots with a total area of 29,432 sq. m. The total useful area of the building facilities amounts to 25,700 sq.m..

The Company within the year 2020 proceeded to the purchase of three land plots which are adjacent to its existing facilities in Tzima Location of the Municipality of Kropia, with a total area of 14,160 sq.m., in order to proceed in the future with the construction of an industrial building to expand its production facilities. After the above purchases, the total area of land plots of the company amount to 43,592 sq.m..

From September 1995, the Company operates and is a holder of the ISO 9001 quality assurance certificate for research, development, production, distribution and technical support of its products. The aforementioned certificate has been granted to the Company from the company Bureau Veritas.

Furthermore, in April 2003 the Company was certified with the new hygiene standard, the British Retail Consortium (BRC). This standard – with pan European recognition – introduces very high hygiene, products security and quality demands.

The Company's shares are listed and traded on the Athens Exchange from April 1996 (OASIS Code: ΦΛΕΞΟ).

2. Basis for the preparation of the financial statements

The consolidated and separate financial statements of FLEXOPACK PLASTICS SA of December 31st 2021 covering the period from January 1st up to December 31st 2021 have been prepared in accordance with the International Financial Reporting Standards (IFRS), as such have been adopted by the European Union.
Also, the financial statements have been prepared based on a) the historic cost principle apart from the Provision for personnel indemnities, derivative financial instruments and stock options where the

valuation was made at fair and b) the going concern principle.
The consolidated Financial statements of the Company include the Financial statements of the parent Company FLEXOPACK PLASTICS SA, as well as those of its subsidiaries mentioned in the following section 3.1.1 Group Structure and methods of companies' consolidation.
The Financial statements are expressed in thousand euro.
It is noted that any differences in summations of the accompanying financial statements and analysis are due to rounding.
Wherever it was deemed appropriate, the comparative financial accounts and items have been reclassified in order to be aligned with any changes made in the presentation of the items of the current year.
The accounting principles, based on which the accompanying financial statements have been prepared and which the Group applies systematically, are consistent with those applied in the previous financial year.

2.1 Adoption of New and Revised International Standards

2.1.1 New Standards, Interpretations, Revisions and Amendments to existing Standards that are effective and have been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2021.

Amendments to IFRS 4 "Insurance Contracts" – deferral of IFRS 9 (effective for annual periods starting on or after 01/01/2021)
In June 2020, the IASB issued amendments that declare deferral of the date of initial application of IFRS 17 by two years, to annual periods beginning on or after January 1, 2023. As a consequence, the IASB also extended the fixed expiry date for the temporary exemption from applying IFRS 9 "Financial Instruments" in IFRS 4 "Insurance Contracts", so that the entities are required to apply IFRS 9 for annual periods beginning on or after January 1, 2023. The amendments do not affect the consolidated/separate Financial Statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform – Phase 2" (effective for annual periods starting on or after 01/01/2021)
In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The amendments do not affect the consolidated/separate Financial Statements.

Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01/04/2021)
In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease

payments due on or before 30 June 2022. The amendments do not affect the consolidated/separate Financial Statements.

2.1.2 New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

Amendments to IFRS 3 "Business Combinations", IAS 16 "Property, Plant and Equipment", IAS 37 "Provisions, Contingent Liabilities and Contingent Assets" and "Annual Improvements 2018-2020" (effective for annual periods starting on or after 01/01/2022)

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board's Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.

Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2022.

IFRS 17 "Insurance Contracts" (effective for annual periods starting on or after 01/01/2023)

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. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2023)

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. 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 IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. 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 IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. 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 IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. 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 IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information" (effective for annual periods starting on or after 01/01/2023)

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. 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.

2.2 Change in Accounting Policy (IAS 19)

Change in accounting policy regarding the distribution of defined benefits to personnel over periods of service, in accordance with IAS 19 "Employee Benefits"

The IFRS Interpretations Committee issued in May 2021 the final decision on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material on how to distribute benefits in periods service on a specific defined benefit plan proportional to that defined in article 8 of Law 3198 / 1955 regarding the provision of compensation due to retirement (the "Plan of Fixed Benefits of Labor Law").

The above decision differs from the way in which the basic principles of IAS 19 have been applied in Greece in the past in this regard, and consequently, the entities that prepare their financial statements in accordance with the IFRS are required to amend accordingly their accounting policy.

Until the issuance of the daily agenda's decision, the Company applied IAS 19 by distributing the benefits defined by article 8 of Law 3198/1955, Law 2112/1920 and its amendment by Law 4093/2012 in the period from the recruitment until the date of retirement of the employees. The application of this final decision in the attached financial statements has as a result the distribution of benefits in the last 16 years until the date of retirement of employees in accordance with the scale of Law 4093/2012.

Based on the above, the implementation of this final decision has been treated as a change in accounting policy, applying the change retroactively from the beginning of the first comparative period, in accordance with paragraphs 19 - 22 of IAS 8.

The following tables demonstrate the impact from the implementation of the final decision for each specific item of the financial statements that is being affected. Any lines that were not affected by the change in the accounting policy are not included in the table:

GROUP	Published 31/12/2020	Restatement	Restated 31/12/2020
-Statement of Financial Position			
Profit carried forward	55,684	503	56,188
Total equity	83,448	503	83,952
Deferred tax liabilities	1,519	159	1,678
Provision for personnel indemnity	1,140	-662	478
-Income Statement			
Earnings before taxes	13,578	17	13,595
Earnings after taxes	10,365	13	10,378
-Statement of comprehensive income			
Other comprehensive income after taxes	-225	-2	-227

COMPANY	Published 31/12/2020	Restatement	Restated 31/12/2020
-Statement of Financial Position			
Profit carried forward	57,465	503	57,968
Total equity	85,570	503	86,073
Deferred tax liabilities	1,398	159	1,556
Provision for personnel indemnity	1,140	-662	478
-Income Statement			
Earnings before taxes	12,263	17	12,280
Earnings after taxes	9,372	13	9,385
-Statement of comprehensive income			
Other comprehensive income after taxes	-18	-2	-20

2.3 Significant accounting judgments, estimations and assumptions

The preparation of financial statements according to IFRS requires management to make decisions, perform estimations and use assumptions that affect the amounts presented in the financial statements, the assets, liabilities, as well as the disclosure of contingent assets and liabilities during the preparation date of the financial statements and the published income and expenses amounts for the reporting period. The actual results may differ from such estimations.
Estimations and judgments by the Management are continuously evaluated and are based on empirical data and other factors, such as expectations for future events considered probable under specific conditions.
Specific amounts which are included or affect the financial statements, and the relevant disclosures, must be estimated. During the estimations, assumptions must be created as regards to the values or conditions that cannot be known with certainty during the preparation period of the financial statements. An important accounting estimation is considered as one that is important for the depiction of the company's financial position and results and demands the most difficult, subjective or complicated judgments by management, often as a result of the need to create estimations regarding the effect of assumptions which are uncertain. The Group evaluates such estimations on a constant basis, based on the results of the past and based on experience, meetings with specialists, trends and other methods that are considered appropriate under the specific circumstances.
The significant accounting judgments, estimations and assumptions that refer to data, the evolution of

Amounts in thousands euro

which could affect the financial statements' accounts, are the following.

Estimated impairment of the value of investments in subsidiaries and associates

The Group, with the exception of goodwill which is being tested for impairment on annual basis, performs the relevant impairment audit of its investments' value when events or conditions increase the probability of such impairment. The recovered amounts of the cash flow generating units have been estimated according to the calculations of the value in use. For the calculation of the value in use, the estimated future cash flows are discounted into present value with the use of a discount factor.

The determination of the future flows is performed after in-depth analysis and estimates by the management with regard to the level of future profitability as well as the assessment of the existing conditions in the market. The basic assumptions which are being utilized are related to the following factors: Discount rate, levels of sales in the next 5-year period, gross profit margin and growth rate after the 5-year period.

The above calculations require the use of estimates.

Useful life of tangible fixed assets

Fixed assets are being depreciated along their estimated economic life.

The Management makes certain estimations regarding the useful life of depreciated fixed assets.

Provisions for impairment of trade receivables

The Group makes provisions for doubtful receivables in relation to certain customers when there is evidence or when there are certain elements which indicate that the cash collection with regard to a particular claim is not likely to occur. The Management of the Group proceeds with a periodical reassessment of the adequacy of the provision regarding the doubtful receivables in relation to its credit policy and according to the data of the Group's Legal Department. These data derive from the processing of historical information and from recent developments concerning cases under examination.

Income taxes of tax un-audited financial years

The provision for income tax requires judgment and is calculated by estimating the taxes that will be paid to the tax authorities.

There are many transactions and calculations which render the final determination of the tax uncertain. The Company recognizes liabilities from expected tax audits, based on estimates of whether or not additional taxes will be imposed. If the final outcome of the audit is different from the initially recognized, then the difference will affect the income tax of the period.

Recovery of deferred tax receivables

A deferred tax receivable is recognized for unutilized tax losses to the extent that there will be sufficient taxable earnings in future in order to be offset with these tax losses. For the determination of the amount of the deferred tax receivable which may be recognized there is the requirement of judgments and estimations that must be made by the Group's Management. These are based on the future taxable earnings in combination with the tax policies that will be followed in the future.

Obsolescence of inventories

Appropriate provisions are being performed for obsolete and useless inventories whenever it is deemed appropriate and necessary. The reductions of the inventory value at the net liquidation value and the other losses from the inventories are recorded in the statement of results during the period when they appear.

3. Basic accounting principles

The accounting principles on the basis of which the attached Financial Statements have been prepared and which are systematically applied by the Group are listed below.

3.1 Consolidation

Subsidiaries

All companies that are managed or controlled, directly or indirectly, by another company (parent) either through the holding of majority voting rights in the undertaking or, in the case where there is no majority shareholding, through agreement of the Company with the other shareholders in the undertaking. That is to say that subsidiaries are companies in which control is exercised by the parent. Subsidiaries are consolidated completely (full consolidation) with the purchase method from the date that control over them is acquired and cease to be consolidated from the date that this control no longer exists.
The acquisition cost of a subsidiary is the fair value of the assets given as consideration, the shares issued and the liabilities undertaken on the date of the acquisition plus any costs directly associated with the transaction. The acquisition cost over and above the fair value of the individual assets acquired is booked as goodwill. If the total cost of the acquisition is lower than the fair value of the individual assets acquired, the difference is immediately booked directly in the results.
Inter-company transactions, balances and unrealized profits from transactions between Group companies are written-off. Unrealized losses are also eliminated except if the transaction provides indication of impairment of the transferred asset.
The participations in subsidiaries, are measured at acquisition cost minus any impairment losses in the Company's financial statements.
The accounting principles of subsidiaries have been adjusted when deemed necessary in order to ensure consistency with the accounting principles adopted by the Group. The preparation date of the financial statements of subsidiaries coincides with that of the parent Company.
Non-controlling interests represents the percentage of profit or loss and equity that don't correspond to the Group and are presented separately in the consolidated income statements as well as in a separate line in equity in the consolidated statement of Financial Position.

Associate companies

Associates are companies on which the Group can exercise significant influence but not control. The assumptions used by the group imply that a holding of between 20% and 50% of a company's voting rights suggests significant influence on the company. In the Financial statements of the Company, investments in associates are measured at acquisition cost minus impairment losses, while in the consolidated financial statements associates are consolidated with the equity method.
The Group's share in the profit or losses of associate companies after the acquisition is recognized in the results, while the share of changes in reserves after the acquisition is recognized in reserves. When the Group's share in the losses of an associate is equal or larger than its participation in the associate, including any other doubtful debts, the Group does not recognize any further losses, except if it has covered liabilities or made payments on behalf of the associate company.
Unrealized profits from transactions between the Group and its associates are eliminated according to the percentage of the Group's holding in the associates. The accounting principles of the associates have been amended so as to conform to those adopted by the Group.

3.1.1 Structure and consolidation method of companies

The Group's companies with the respective addresses, and percentages by which the Group participates in their share capital, as well as the respective consolidation method in the consolidated financial statements, are presented below.

Name	Domicile	Activity	% Participation 31/12/2021	% Participation 31/12/2020	Type of Participation	Relationship that dictated the consolidation	Year of Acquisition - Establishment
Subsidiary Companies via Full Consolidation Method							
FLEXOPACK AEBE	Koropi - Attica	Production - Flexible plastic packaging	Parent	Parent			
FLEXOPACK POLSKA Sp. Zo.o	Malbork Poland	Production - Flexible plastic packaging	100	100	Direct	The participation percentage	2007
FLEXOSYSTEMS LTD	Belgrade Serbia	Trading - Flexible plastic packaging	100	100	Direct	The participation percentage	2010
FLEXOPACK INTERNATIONAL LIMITED	Larnaca Cyprus	Holding company	100	100	Direct	The participation percentage	2014
FLEXOPACK PTY LTD	Brisbane Australia	Trading - Manufacturing Flexible plastic packaging	100	100	Indirect	The participation percentage	2014
FLEXOPACK NZ LIMITED	Auckland New Zealand	Trading - Flexible plastic packaging	100	100	Indirect	The participation percentage	2016
FLEXOPACK TRADE AND SERVICES UK LIMITED	Norwich England	Trading - Flexible plastic packaging	100	100	Indirect	The participation percentage	2014
FLEXOPACK PROPERTIES PTY LTD	Brisbane Australia	Property portfolio	100	100	Indirect	The participation percentage	2017
FLEXOPACK FRANCE LIMITED	Lyon France	Trading - Flexible plastic packaging	100	100	Indirect	The participation percentage	2018
FLEXOPACK USA, Inc	Delaware-USA	Trading - Flexible plastic packaging	100	100	Indirect	The participation percentage	2020
FLEXOPACK IRELAND LIMITED	Dublin-Ireland	Trading - Flexible plastic packaging	100	-	Indirect	The participation percentage	2021
FLEXOPACK DENMARK ApS	Copenhagen-Denmark	Trading - Flexible plastic packaging	100	-	Indirect	The participation percentage	2021

Subsidiaries "FLEXOPACK PTY LTD", "FLEXOPACK PROPERTIES PTY LTD", "FLEXOPACK TRADE AND SERVICES UK LIMITED", "FLEXOPACK FRANCE", "FLEXOPACK USA", "FLEXOPACK IRELAND LIMITED" and "FLEXOPAC DENMARK ApS" are fully controlled from the Cypriot subsidiary «FLEXOPACK INTERNATIONAL LIMITED» which is fully owned (100%) by the parent company "FLEXOPACK PLASTICS SA".

The subsidiary company «FLEXOPACK NZ LIMITED», is fully controlled by «FLEXOPACK PTY LTD».

FLEXOPACK IRELAND and FLEXOPACK DENMARK were inactive during 2021.

Associate Companies via Equity Consolidation Method							
VLACHOU BROS SA	Koropi - Attica	Production - Flexible plastic packaging	47.71	47.71	Direct		2001
INOVA PLASTICS SA	Thiva	Production - Rigid plastic packaging	50.00	50.00	Direct		2001

3.2 Operation and presentation currency and foreign currency translation

Euro is the Group's and Company's presentation and operation currency. Foreign exchange transactions

Amounts in thousands euro

are translated to euro based on the exchange rates in effect at the transaction dates. At the date when the financial statements are prepared, receivables and liabilities in foreign currency are translated in order to reflect the foreign exchange rates at the balance sheet date.
Profit and losses deriving from transactions in foreign currencies as well as from the valuation of foreign currency units at the end of the year are included in the income statement, with the exclusion of transactions that fulfill the conditions of cash flow hedging, which are depicted in the statement of comprehensive income.
The operating currency of the foreign subsidiaries is also the official currency of the country which each company operates in. For foreign subsidiaries which do not operate in the euro area, the conversion of their financial statements will be as follows.
Assets and liabilities are translated with the exchange rates in effect during the date of the statement of Financial Position.
Equity is translated with the exchange rates in effect during the dates when such resulted.
Income and expenses are translated with the average exchange rate during the period. The resulting foreign exchange differences from the above translation are registered in the statement of comprehensive income until the sale, write-off of a subsidiary, when such are transferred to the results for the year.

3.3 Tangible fixed assets

Tangible fixed assets are reported in the financial statements at acquisition cost, less accumulated depreciations and any accumulated impairment losses. The acquisition cost includes all the directly attributable expenses for the acquisition of the assets.
Subsequent expenditure is added to the carrying value of the assets or is booked as a separate asset only if it is probable that future economic benefits will flow to the Group and their cost can be accurately measured.
The cost of repairs and maintenance is booked in the results when such are realized.
Tangible assets under construction include fixed assets under construction and are presented at cost.
Tangible assets under construction are not depreciated until the asset is completed and ready for its intended productive operation.
Land is not depreciated. Depreciation of other tangible fixed assets is calculated using the straight line method over their useful lives, as follows:

- Buildings: 25-50 years
- Mechanical equipment: 8-15 years
- Vehicles: 5-10 years
- Other equipment: 3-10 years

Upon sale of tangible fixed assets, any difference between the proceeds and the carrying value are booked as profit or loss in the results.

3.4 Goodwill

Goodwill is the difference between acquisition cost and the net assets that were acquired during the acquisition date of the subsidiary company. The resulting acquisition expenses are accounted for in expenses. The Company during the acquisition date recognizes the goodwill that resulted from the acquisition, presenting such as an asset at cost. Following initial recognition, goodwill is valued at acquisition cost less the cumulative losses due to impairment. Goodwill is not amortized however it is reviewed annually for any impairment, or even more frequently if there are events that indicate loss. Impairment losses related to goodwill cannot be reversed in subsequent periods.
In the case where the fair value of equity during the acquisition date of a company is larger than the price paid for its acquisition then a negative goodwill (income) is recorded directly as income in the income statement.

3.5 Intangible assets

Intangible assets are presented in the financial statements at acquisition cost minus accumulated amortization and any accumulated impairment losses.
Amortization is calculated with the straight line method through the duration of their useful economic life. Intangible assets comprise know-how rights, patents, cost for the development of new products and software licenses.
a) Know-how rights concern the purchase of a patent right and of all the applications of the patent of the patent right group based on the "multiple layer heat-shrinkable packing film", with all the rights and obligations stemming thereof. The initial recognition of the intangible asset has been done at cost (contractual consideration for purchase) which is reduced on an annual basis through amortization. The useful life of the intangible asset has been estimated by the Management at 20 years. It is noted that this right may become the object of a trade in the future.
b) Cost for the development of patents related to various products such as multiple-layer packing film, which are exported to various countries and amortized based on their useful life as this is estimated by Management at 20 years. The initial recognition is made at acquisition cost which is reduced annually through amortization.
c) Expenses related directly to research, which includes the cost of raw materials used. The cost of in-house research of products is recognized as an intangible asset. Until the completion of the research, assets are subject to impairment reviews. Amortization begins with the completion of the asset and is calculated based on the straight line method. The useful life of the above intangibles is estimated by Management at 10 years.
The expenses related to research activities are recognized as expenses during the period. Expenses realized during the research phase of a new product are recognized as intangible assets if the following are met:
• the technical viability of the under development product for internal use or sale may be proven.
• the intangible asset will create potential future benefits from the internal use or sale.
• there are adequate and available technical, economic and other resources for the completion of its development and
• the value of intangible asset may be reliably estimated.
d) Software: Software licenses are valued at acquisition cost less amortization. Amortization is effected using the straight line method throughout the useful life of these assets which ranges from 1 to 10 years.

3.6 Impairment of Assets

The Group examines at each date of the annual financial statements whether and to what extent there are indications that the value of an asset may be impaired. Apart from goodwill and intangible assets with an indefinite economic life, which are reviewed for impairment annually, the carrying values of other assets are subject to an impairment review when events or changing conditions imply that their carrying value may not be recoverable. The impairment loss of an asset is recorded as an expense in the income statement when the net book value of the asset is higher than its recoverable value. The recoverable value is defined as the highest between the fair value less the cost of sale and the value in use of the asset. Fair value less the cost of sale is the amount that can be received from the sale of an asset in the context of a bilateral agreement where both parties have full knowledge and proceed on their own will, after the deduction of any additional direct cost for the sale of the asset. Value in use is the present value of the estimated future cash flows expected to be generated as result of the asset's constant use and sale at the end of its useful life. For the purposes of determining the impairment, assets are grouped at the lowest possible level for which separate cash flows can be determined.

3.7 Trade receivables and other receivables

The trade and other receivables are initially recognized at fair value and in a later stage are valued at their net cost, after the deduction of any impairment losses. The impairment losses are recognized whenever there is objective evidence that the Group is not in position to collect the entire amounts which are due according to the contractual terms. The amount of impairment is the difference between the book value of the receivables and the present value of the estimated future cash flows.

Regarding the provision for expected credit losses, the Group applies the simplified approach of IFRS 9 by measuring the loss provision at an amount equal to the expected lifetime credit losses for all trade receivables and other receivables from customer contracts.
The amount of the provision is recorded as an expense in the statement of results.

3.8 Inventories

Inventories include raw and auxiliary materials, packaging items, consumables, spare parts, finished and semi-finished products and merchandise.
The cost of inventories includes all the purchasing and manufacturing expenses as well as the expenses that were realized in order to render the inventory at its current position and condition. The cost of inventories does not include financial expenses.
At the balance sheet date, inventories are valued at the lower of acquisition cost and net realizable value. Net realizable value is the estimated sales price during the normal course of business of the company less any relevant sales expenses.
The cost of inventories is defined by the weighted average method.
With regard to obsolete and scrap inventory, relevant provisions are formed and the corresponding losses are recorded in the statement of income during the period they arise.

3.9 Cash & cash equivalents

Cash and cash equivalents include cash in the bank and in hand as well as short term time deposits. Cash & cash equivalents have negligible market risk.

3.10 Suppliers and related liabilities

The trade liabilities are initially recognized at fair value and in later stage are being valued according to the net cost method via the utilization of the effective interest rate.

3.11 Financial Assets and Financial Liabilities

Initial recognition and subsequent measurement of financial assets
As of 1 January 2019, in accordance with IFRS 9, the following two items are used as the basis for the classification of financial assets.
(a) the concept of an entity's business model for the management of financial assets as determined by key management personnel (in accordance with the definitions in IAS 24); and
(b) the characteristics of the contractual cash flows of the financial asset.

Each financial asset is classified into one of three categories:

(a) at amortized cost, when it is withheld for the purpose of collecting conventional cash flows on specific dates consisting of the repayment of capital and interest.
(b) at fair value through other comprehensive income, when it is withheld for the purpose of collecting conventional cash flows or for the purpose of selling it.
(c) at fair value through profit or loss, provided that it does not fall into any of the above two categories.

Financial assets recognized at amortized cost are subsequently measured using the effective interest method and are tested for impairment. Profits and losses are recognized in profit or loss when the asset ceases to be recognized, modified or impaired.
Financial assets of the Group and the Company that are valued at amortized cost include customer receivables and other receivables.
The Group and the Company as at 31/12/2021 did not hold financial assets measured at fair value through other comprehensive income measured at fair value through profit or loss.

Impairment of financial assets
The Group and the Company assess, at each reporting date, whether the value of a financial asset or a group of financial assets has been impaired as follows:
A provision for impairment against expected credit losses for all financial assets that are not measured at fair value through profit or loss is recognized.
Expected credit losses are based on the difference between all contractual cash flows payable under the contract and all cash flows that the Group or the Company expects to receive, discounted at the approximate original effective interest rate.
For corporate receivables and other receivables, the Group and the Company apply the simplified approach for calculating the expected credit losses, i.e. at each reporting date, measure the provision for a financial instrument for an amount equal to the expected credit loss, throughout their life without monitoring the changes in credit risk.

Derecognition of financial assets
A financial asset (or part of a financial asset or part of a group of similar financial assets) is derecognized when:
- the rights to the inflow of cash resources have expired
-The Group or the Company retains the right to receive cash flows from that asset but has also undertaken to pay them to third parties in full without undue delay in the form of a transfer agreement;
-The Group or the Company has transferred the right to receive cash flows from that asset while either (a) it has transferred substantially all the risks and rewards thereof or (b) has not transferred substantially all the risks and rewards , but has passed the control of that item.

Initial recognition and subsequent measurement of financial liabilities
Financial liabilities may be classified into two categories:
(a) Financial liabilities measured at fair value through profit or loss, and
(b) Financial liabilities measured at amortized cost.
They are initially measured at their fair value less the cost of trade, in the case of loans and payables.
Financial liabilities of the Group and the Company consist of bank loans, liabilities to suppliers and related liabilities and subsequently from initial recognition are measured at amortized cost using the effective interest method.

Derecognition of financial liabilities
A financial liability is derecognized when the commitment resulting from the obligation is canceled or expires. When an existing Financial Liability is replaced by another by the same Lender but under substantially different terms or the terms of an existing liability are substantially amended, such exchange or amendment is treated as a derecognition of the original liability and recognition of a new liability. The difference in the respective book values is recognized in the income statement.

Offsetting of financial receivables and liabilities

Financial assets and liabilities are offset and the net amount is reflected in the statement of Financial Position only when the Group or the Company legally holds that right and intends to offset them on a net basis with each other or to claim the asset and settle the obligation at the same time. The statutory right should not depend on future events and should be capable of being executed in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

3.12 Financial Derivatives

The financial derivatives are initially recorded at fair value during the transaction date and subsequently are valued at fair value. Changes in fair value are recorded in the results unless hedge accounting is applied. The fair value of financial derivatives is defined by the price of such in an active market, or by using valuation techniques in cases where there is no active market for such instruments.

Derivatives are classified as financial assets when their fair value is positive and as financial liabilities when their fair value is negative.
The gains or losses resulting from changes in the fair value of derivatives are accounted for directly in the statement of results, except for the effective part of the cash flow hedging, which is recognized in the statement of other comprehensive income and then it is transferred to the results of the year when the prospective transaction is finally recognized in the statement of results.

For the purposes of hedge accounting, the hedging actions are classified as follows:
• Hedging of fair value, when the risk is adjusted to changes in the fair value of an asset or liability or an unrecognized corporate commitment.
• Cash flow hedging when the risk of cash flow variability is adjusted in relation to a recognized asset or liability, or in relation to an extremely probable transaction.
• Hedging for net investment in foreign subsidiaries.
During the initial recognition of the transaction, the Group shall record in detail the relationship between the hedging and the hedged item, as well as the purpose and the risk management strategy that is served through the agreement of the hedging.

The documentation includes the determination of the hedging and the hedged item or transaction, the nature of the risk that is being hedged and the way in which the company will evaluate the effectiveness of the changes at fair value of the hedging instrument for the offset of the risk due to changes in the fair value of the hedged item, meaning the cash flows relating to the hedged risk.

These compensations are expected to be extremely effective in achieving offsetting changes in fair value or cash flows and are constantly being assessed to determine their effectiveness throughout the years for which they have been set. The fair value of a derivative as a hedging instrument is recorded either as a non-current asset or as a long-term liability, when the remainder of the period until maturity is greater than 12 months, or as an asset or short-term liability if the remainder of the period until maturity is less than 12 months.

3.13 Share capital

The share capital depicts the nominal value of the common shares issued and outstanding. The price paid above nominal value per share is recorded in the account “Share Premium” in Equity. Direct expenses paid for the issuance of new shares or rights are recorded in equity as a deduction from the amounts of the issue.

3.14 Loans

Loans are initially recognized at cost, namely at the fair value of the amount received, less any possible direct costs for the realization of the transaction. Subsequently, loans are valued at net book cost based on the effective interest rate method. The borrowing cost is recognized in the results of the period when such is realized.
Borrowing cost that is directly linked to the purchase or construction of an asset, which requires a significant period in order to render such ready for use, is capitalized as part of the asset's acquisition cost. From the beginning of the fixed asset's production operation and after, the loan's interest are charged in the results.
Loan liabilities are classified as short-term except for the cases where the Group has the right to postpone the payment of the liability for at least 12 months after the date of the annual financial statements.

3.15 Income tax (Current and deferred)

The period's charge for income tax consists of the current tax and the deferred taxes, i.e. the tax charges or tax credits that are associated with economic benefits accruing in the period but which have been or will be assessed by the tax authorities in different periods.
The income expense stands for the sum of the currently payable tax and the deferred tax, plus any additional tax from previous years' tax audit.
The tax burden of the current year is based on the year's taxable profit. The taxable profit differs from the net accounting profit appearing in the results since it excludes income or expenses which are taxed or which are tax deductible in other years and since also it excludes items which are never being taxed or being tax deductible. The tax is calculated according to the effective tax rates or those which have been enforced at the date of the Statement of the Financial Position.
Deferred income tax is determined according to the liability method which results from the temporary differences between the book value and the tax base of assets and liabilities.
Deferred tax assets and liabilities are valued based on the tax rates that are expected to be in effect during the period in which the asset or liability will be settled, taking into consideration the tax rates (and tax laws) that have been put into effect or are essentially in effect up during the date of the annual financial statements.
Deferred tax assets are recognized to the extent that there will be a future tax profit to be set against the temporary difference that creates the deferred tax asset.
The Group proceeds with offsetting entries between tax receivables and tax liabilities whenever there is a legally applicable right for such action as well as whenever the deferred tax receivables and tax liabilities concern taxable income imposed by the same tax authority.

3.16 Employee benefits

Short-term benefits
Short-term employee benefits (except post-employment benefits) monetary and in kind are recognized as an expense when they accrue. Any unpaid amount is booked as a liability, while in the case where the amount paid exceeds the amount of services rendered, the company recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction of future payments or to reimbursement.
Post-employment Benefits
According to Law 2112/20, the Company pays to employees a compensation as a lump sum due to retirement or dismissal. The level of the paid indemnity depends on the years of service, the level of remuneration and whether it is due to retirement or dismissal.

In Greece, the indemnity payable in the case of retirement equals with 40% of the indemnity that would be payable in case of dismissal.
The relevant liability for employee indemnities recorded in the annual financial statements is the present value of the commitment for the defined benefit less the changes deriving from the non-recognized actuarial profit and loss and the service cost. The commitment for the defined benefit is calculated by an independent actuarial officer with the use of the projected unit credit method. The liability is defined by taking into consideration several parameters such as age, service years, salary and specific obligations for paid benefits.
The provisions corresponding to the current financial year are recorded in the statement of comprehensive income.

3.17 Government Grants

The Group recognizes the government grants that cumulatively satisfy the following criteria: (a) There is reasonable certainty that the company has complied or will comply with the conditions of the grant and (b) it is certain that the amount of the grant will be received. They are booked at fair value and are systematically recognized as revenue according to the principle of matching the grants with the corresponding costs that they are subsidizing.
Grants that relate to assets are included in long-term liabilities as deferred income and are recognized systematically and rationally as revenue over the useful life of the fixed asset.
Amortization of grants is presented in "Other operating income" in the Income Statement.

3.18 Provisions for contingent claims-liabilities

Provisions constitute liabilities of uncertain time frame or amount.
Provisions are recognized when the Group has present obligations (legal or constructive) as a result of past events, their settlement through an outflow of resources is probable and the exact amount of the obligation can be reliably estimated. Provisions are reviewed at the end of each reporting period so that they may reflect the present value of the outflow that is expected to be required for the settlement of the obligation.
The provisions may differ from the possible liabilities which unlike the forecasts are not certain to be verified in the future nor can their amount be reliably measured.
Contingent liabilities are not recognized in the financial statements but are disclosed, except if the probability that there will be an outflow of resources is very small.

3.19 Recognition of income

Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Inter-company income within the Group is eliminated completely.

The new IFRS 15 establishes a five-step model to measure revenue arising from contracts with customers as follows:
1. Determination of the contract (s) with the customer.
2. Determination of implementation obligations.
3. Determination of the transaction price.
4. Allocation of the transaction price to the performance obligations of the contract.
5. Recognition of income when the Company fulfills an obligation to execute.

In accordance with IFRS 15, revenue is recognized when the customer acquires control of the goods or services by specifying the time that the control is transferred either at a given point in time or over time (usually in the provision of services).
The Group will recognize revenue in a way that reflects the transfer of the goods or services to customers to the amount it expects to be entitled to in exchange for those goods or services.
Revenue from the service is recognized at the level of the completion of the services provided at the date of the balance sheet of the total number of the services rendered and the demand is reliably secured.
Interest income is recognized on a time proportion basis using the effective interest rate.

3.20 Leases

The Group recognizes right-of-use assets and lease liabilities for operating leases relating to the lease of means of transport, mainly passenger cars and buildings at the beginning of the lease. The assets with the right of use are registered separately in the statement of Financial Position on the line "Right-of-use fixed assets".
The right of use is initially valued at the cost, which includes the amount of the initial recognition of the lease liability, any lease payments made at the beginning or before the start of the lease minus any lease incentives received, any initial direct costs and the estimation of the liability for any costs of restoring the right to use an asset.
After the initial recognition, the right of use is valued at the cost of acquisition reduced by any cumulative depreciation and impairment losses and adjusted in the event of a reassessment of the lease liability.
The right of use is amortized by the method of straight line amortization method until the end of the lease period, unless the contract provides for the transfer of ownership of the underlying asset to the Company at the end of the lease period. In this case, the right of use is amortized during the economic life of the underlying asset. In addition, the right of use is checked for impairment damages, if any, and is adjusted in cases where there is an adjustment of the lease liability.

The lease liability at initial recognition consists of the present value of future residual rent payments. The Company uses the implied lease rate to discount future leases and, where this cannot be determined, uses the lender's differential lending rate.
The differential lending interest rate of the lessee is the interest rate at which the lessee would be charged if he borrowed the necessary funds to purchase an asset of similar value to the asset with the right to use, for a similar period of time, with similar financial security and in a similar economic environment.

Lease payments incorporated in the valuation of lease liability include the following:
- fixed payments,
- variable payments depending on an indicator or an interest rate,
- amounts expected to be paid on the basis of residual value guarantees,
- the price of the exercise of the purchase right that the Company considers that it will also exercise as well as penalties for termination of the lease, if the determination of the duration of the lease has taken into account the exercise of the right of termination or denouncement by the Company.

After the start date of the lease period, the lease liability decreases with the payment of the lease, increases with the financial and economic expense and is measured constantly for any reassessments or modifications of the lease.

A revaluation is made when there is a change in future lease payments that may result from a change in an index or if there is a change in the Company's estimate of the amount expected to be paid for a residual value guarantee, a change in the lease and a change in the estimate of the right to purchase the underlying asset, if any. When the lease liability is adjusted, a corresponding adjustment is made

to the book value of the right-of-use or is recorded in the results when the book value of the right-of-use is reduced to zero.
According to the accounting policy selected by the Group, the right to use is recognized in a distinct line in the Balance Sheet entitled "Right-of-use fixed assets" and the liability to lease is recognized in the "Lease liabilities" in the categories of Long-Term and Short-Term Liabilities respectively.
The Group has selected to use the exception provided by IFRS 16 and not to recognize the right to use and the lease liability for leases not exceeding 12 months or for leases in which the underlying asset is of low value (less than 5,000 Euros when it is new).

3.21 Dividend distribution

The distribution of dividends to shareholders of the parent Company is recognized as a liability in the financial statements at the date on which the distribution is authorized by the Annual General Shareholders Meeting.

3.22 Earnings per Share

Basic earnings per share are calculated by dividing the year's net earnings corresponding to the common shareholders with the weighted average number of shares outstanding during the same year.
Adjusted (diluted) earnings per share are calculated by adjusting the weighted average number of common shares outstanding, with the effects of all potential securities convertible into ordinary shares. Stock options (Note 6.35) are the only category of potential securities convertible into common shares of the Company.
For the purposes of calculating diluted earnings per share, the exercise of stock options is taken for granted. The existing weighted number of shares outstanding is added to the difference between the number of common shares deemed to have been issued in the exercise of the stock options and the number of common shares that would have been issued at fair value.
The number of common shares that would have been issued at fair value is calculated by dividing the hypothetical receipts from the stock options by the average market price of the common shares during the reporting period.

4. Segment reporting

The Group is active in the production of flexible plastic (films) packaging materials mainly aimed at the food industry.

Given that the conditions for application of I.F.R.S. 8 "Operating Segments" are not met, and specifically the condition (b) and (c) of paragraph 5 of the Standard are not met, the Group's activities are presented as one segment.

The above conditions define that an operating segment constitutes part of the company: a) for which operating results are reviewed regularly by the "Chief Operating Decision Maker", which corresponds to the parent company's Board of Directors for the Group, in order to make decisions regarding the allocation of resources and to assess its effectiveness and b) for which separate Financial information is available.

The geographical allocation of the Group's sales and assets is presented in the following table.

GROUP

1/1-31/12/2021	GREECE	EUROPE	OTHER COUNTRIES	Intra-Group Write-offs	TOTAL
Income from external customers	14,927	43,252	56,002	0	**114,181**
Total Assets	131,902	34,587	22,356	(45,673)	**143,172**
Purchases of Fixed Assets	2,980	98	108	0	**3,187**

1/1-31/12/2020	GREECE	EUROPE	OTHER COUNTRIES	Intra-Group Write-offs	TOTAL
Income from external customers	10,943	36,168	49,841	0	**96,953**
Total Assets	117,470	27,305	15,670	(37,620)	**122,826**
Purchases of Fixed Assets	5,981	168	430	0	**6,579**

5. Risk Management

Given its exporting activities and particularly its high extrovert strategy, the Group operates within an intense competitive international environment. The Group's general activities create several financial and other risks, including exchange rate risk, interest rate risk, credit and liquidity risk. The basic risk management policies that the Group applies during the performance of its business activity are determined by its Management. The overall risk management plan of the Group focuses on the fluctuations of the financial markets and aims to mitigate and also minimize the potential adverse effects of these fluctuations on the financial performance and results of the Group as a whole.

The Group's financial assets and financial liabilities mainly consist of cash & cash equivalents, trade receivables, loans and other receivables, bank loans, lease liabilities as well as liabilities towards suppliers and related liabilities.

The Board of Directors is responsible for the effective monitoring of the exposure to business risks and in this context it acts with the aim of maintaining stability while at the same time facilitating continuation of operations and the development of the Company.

The Management is responsible for the implementation of the Business Risk Management System in the daily life of the organization. In particular, the Management is responsible for the systematic identification and evaluation of risks that affect business activities and in addition, oversees the formulation and timely implementation of risk management plans. It regularly evaluates the effectiveness and the need to adjust risk management plans to achieve optimal management.

I. The usual financial risks to which the Group is exposed are as follows:

A. Exchange rate risk

The Group operates on a global level and realizes transactions in foreign currency, mainly:
a) in U.S. dollar (U.S.D.), b) in Polish zloty (PLN), c) in Australian dollar (AUD) and in British Pound (GBP).
The Group's exposure to foreign exchange risk mainly emerges from existing or expected cash flows in foreign currency (exports-imports), as well as from investments in foreign countries under a different

Amounts in thousands euro

currency (other than Euro) whose equity is exposed to exchange rate risk during the translation of their financial statements for consolidation purposes.

The Group's foreign currency sales invoiced during the fiscal year 2021 represented 47.74% of total sales, of which 13.80% concerned sales in US Dollar (USD), 5.82% sales in Polish Zloty (PLN), 19.32% sales in Australian Dollar (AUD), 7.57% sales in British Pound (GBP) and the remaining 1.23% concerned sales in other foreign currencies.

The Group's priced sales in foreign currency during the year 2020 represented 36.83% of total sales, of which 5.43% concerned sales in USD., 6.94% sales in PLN, 18.41% sales in AUD, 4.89% sales in GBP and the remaining 1.16% sales in other foreign currencies.

The foreign exchange risk that emanates from transactions in foreign currency according to the above is hedged with the use of placements in foreign currency and foreign exchange futures, depending on the needs each time.

The Group monitors on constant basis the movements of the above exchange rates and the particular risk, as consequence of the broader uncertainty that exists in the global environment, exists and may significantly affect the results of the Group during the current year 2022.

The following table presents the exposure of the Group to exchange rate risk on 31/12/2021 and more specifically the effect on the earnings before taxes and the equity of the Group in case of a 5% change in the exchange rates compared to the exchange rate of 31/12/2021, keeping all other variables constant.

More specifically, the presented changes concern the exchange rates EUR/USD, EUR/PLN, EUR/AUD and EUR/GBP.

Sensitivity Analysis for Foreign Exchange Changes

GROUP	**Foreign Currency**	**(decrease) of foreign currency against €**	**Effect on earnings before taxes**	**Effect on equity**
Amounts for 2021	USD	5.00%	350	322
		-5.00%	-350	-322
	PLN	5.00%	433	717
		-5.00%	-433	-717
	AUD	5.00%	580	639
		-5.00%	-580	-639
	GBP	5.00%	145	158
		-5.00%	-145	-158
Amounts for 2020	USD	5.00%	143	115
		-5.00%	-143	-115
	PLN	5.00%	293	581
		-5.00%	-293	-581
	AUD	5.00%	634	542
		-5.00%	-634	-542
	GBP	5.00%	123	111
		-5.00%	-123	-111

B. Cash flow risk due to changes in interest rates

The Group's operating income and cash flows are influenced by changes in interest rates, but the relatively low level of bank lending in the Group and the fact that long-term bank lending has been contracted with fixed interest rates makes this risk controlled and not capable of materially affecting the Group's activity and development.

Amounts in thousands euro

The table below shows the effect on the Group's pre-tax profits and equity on potential interest rate changes in relation to the weighted average interest rate for the year 2021, based on the Group's total borrowings at 31/12/2021.

Sensitivity Analysis of Group's Loans against changes in interest rates

Interest and expenses on received bank loans

GROUP	Interest rate change	Effect on earnings before taxes	Effect on equity
Amounts for 2021	1%	-161	-125
	-1%	161	125
Amounts for 2020	1%	-150	-114
	-1%	150	114

C. Credit risk

Credit risk is the possibility that a counterparty will cause financial loss to the Group and the Company due to the breach of its contractual obligations.
The maximum credit risk to which the Group and the Company are exposed, at the date of preparation of the financial statements, is the book value of their financial assets.
The Group does not face significant credit risk until today. Trade receivables stem from a wide client base, both from Greece and mainly from abroad. The Group's turnover mainly consists of transactions with reliable and creditworthy firms and companies in general, with most of which it sustains a long-term collaboration and relation of mutual trust in the majority of cases.
It should be noted that the Group has established and systematically applies credit control procedures that aim at minimizing bad debt. The Credit Control Department defines credit limits per customer and specific sales and cash collection terms are applied, while possible security is requested when deemed necessary. To the greatest possible extent, the Group continuously and systematically monitors the performance and financial position of its customers, in order to be pro-active and to evaluate the need to take specific measures per customer, also according to the market characteristics and difficulties where each customer operates in.

No doubtful debtors exist that have not been covered by provisions for doubtful receivables.
It is also noted that the particular risk, although existing, mainly due to the impact of the Covid 19 pandemic on the global business environment, is considered for the time being as relatively limited and controllable according to the historic data possessed by the Group and in the context of the precautionary measures that have been taken and as well as the procedures that have been established.

Potential credit risk exists in both cash and cash equivalents. This risk may arise from a possible inability of a collaborating financial institution to meet its obligations towards the Group. The Group applies procedures that limit its exposure to credit risk in relation to each financial institution.

On December 31st 2021, the maturity of trade receivables was as follows:

Amounts in thousands euro

Trade receivables	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Up to 3 months	18,751	12,583	21,176	14,379
Between 3 and 6 months	881	378	7,781	4,930
Between 6 months and 1 year	43	54	3,842	4,547
Over 1 year	24	22	279	1
	19,700	**13,036**	**33,078**	**23,857**
Non overdue and non-impaired	17,088	11,610	17,242	11,448
Overdue and non-impaired	2,612	1,427	15,836	12,409
Total	**19,700**	**13,036**	**33,078**	**23,857**

From the overdue and non-impaired receivables of the Company amounting to 15,836 thousand Euros of the above table, the amount of 14,497 thousand Euros refers to receivables of the parent company from subsidiaries.

D. Liquidity risk

In general, the monitoring of liquidity risk is focused on systematic monitoring and effectively managing cash inflows and outflows on a constant basis, in order for the Group to be able to smoothly and consistently meet its cash liabilities.
Liquidity risk is maintained at low levels by holding and ensuring adequate cash balances, while it should also be noted that there are adequate unused credit lines with financial institutions in order to face any possible shortage in cash. Such case however, despite the clearly negative circumstances and conditions particularly seen in the domestic economy over the past years, has not yet appeared.
However, given the concerns about the course of the global economy due to the effects of the pandemic, it cannot be ruled out that this risk may affect, to a controlled degree, the liquidity of the Group.
The table below summarizes the maturity dates of the financial liabilities on 31 December 2021, based on the payments arising from the relevant contracts, at discounted prices.

Financial Liabilities

Amounts in thousands euro

GROUP 2021	up to 6 months	6 to 12 months	2 to 5 years	> 5 years	Total
Bank Debt	2,158	1,364	10,385	2,161	16,067
Other long-term liabilities	0	0	0	0	0
Lease liabilities	284	284	358	0	926
Suppliers and related liabilities	26,420	515	0	0	26,935
Taxes payable	1,216	1,396	465	0	3,077
Total	**30,078**	**3,558**	**11,208**	**2,161**	**47,005**

GROUP 2020	up to 6 months	6 to 12 months	2 to 5 years	> 5 years	Total
Bank Debt	2,009	1,292	10,340	1,358	14,999
Other long-term liabilities	0	0	340	0	340
Lease liabilities	322	322	474	0	1,117
Suppliers and related liabilities	14,564	519	0	0	15,083
Taxes payable	784	3,869	0	0	4,653
Total	**17,679**	**6,001**	**11,154**	**1,358**	**36,192**

II. Other risks to which the Group is exposed

A. Risk arising from competition of foreign and domestic firms

The competition in the international market where the Group and the Company activate is becoming constantly stronger.
The Group based on the fully staffed and equipped Research and Development Department it owns, and on the long-term presence in the sector it possesses, manages to differentiate its products from the current competition and to present innovative diversified solutions. The quality of the Group's produced products, the strong recognition, and especially the brand name of the Group and the Company further contribute towards this direction.
Despite the above, the particular risk due to the stronger competition seen on international level is real and exists, and therefore it may affect the performance and results of the Group during the fiscal year 2022.

B. Risk of reduced demand due to consumption slowdown

The Group is active in an intensive and competitive global environment. Its specialized know-how in conjunction with the research, development and creation of new products and strong infrastructure in production equipment, assist the Group to remain competitive as well as expand or achieve its penetration in new markets.

The products of the Group are used mainly in food packaging which, since food is of first need, are usually affected the least from consumption slowdown, however they may be affected subsequently by external factors that may prevail in the markets in which the Group is active. External factors that may harm demand for the Group's products include the probability of illnesses in meat, the change in food and nutrition patterns, climate changes, a slowdown of the global economy etc.

Amounts in thousands euro

As major disruptions in the supply chain continue to occur at this stage both in the Eurozone and globally due to the restrictive measures taken to curb the Covid-19 pandemic, this risk is assessed as significant and may affect the Group's performance and financial results during the current financial year 2022, however to a limited extent, based on the information available at the preparation date of this Report. This evidence and related data are periodically reviewed due to the high volatility of the wider economic environment.

C. Risk related to the cost of production

(a) risk of increasing raw material prices

The Group is exposed to price volatility of raw materials that it acquires internationally. This volatility may result from abrupt changes in oil production prices, other chemical products or other reasons.

It should be noted that as a result of the Covid-19 pandemic, since the beginning of the year 2021 there has been a significant disruption in the transport and supply chains with their main characteristics being the following:

1. Continuing shortages of key raw material categories worldwide.
2. Significant and continuous increases in the price of raw materials in the international market.
3. Significant increase in transport costs and in particular the charter rates for container transport.

In addition, recent developments as a result of the war in Ukraine may have a negative impact on the prices of the Group's raw materials.
In this context, the Group takes all necessary measures to ensure the adequacy of raw materials.

In order to reduce this risk, the Group’s inventory and commercial policy is adjusted accordingly in order to diversify and transfer part of this risk, to the extent that this is possible and according to the current conditions present each time as regards to competition.

Following the above, this risk in case of inability to substantially transfer the increase in the cost of raw material prices to the price of the final product, is assessed as particularly significant and may adversely affect the Group's results during the current year.

b) risk of rising electricity prices.

Consumption of electric energy is also a significant cost factor as regards to the Group’s production activity.

During the fourth quarter of the closing year 2021, there was a significant increase in energy costs and consequently an additional burden on the level of the production costs.
This risk has become even more substantial in the wake of recent developments following Russia's invasion of Ukraine, as international oil and gas prices have risen sharply to unprecedented heights.
To address this risk, the Group invests in low power consumption equipment.
In view of the above, this risk is assessed by the Company's Management as particularly significant in the sense that it can substantially affect the results and performance of the Group as a whole during the current fiscal year 2022.

D. Risks related to work safety

Work safety for the Group's employees is a top priority and necessary condition when operating its production facilities. A plan that focuses on establishing a safety culture throughout all the Group's activities and operations, as well as on targeting the constant training and education of the Company's personnel is applied on a continuous and constant basis. Moreover, broad educational programs are applied to systematically and fully train and educate employees on workplace safety and hygiene issues. The application of such programs is continuously reviewed by the Company's relevant Department with the assistance of specialized professionals - Security Technicians with whom the Company collaborates.

E. Environmental risks

Protection of the environment and sustainable development are fundamental principles for the Group. For this reason, the Group takes strict measures in the areas where it operates, which in several cases extend further than those imposed by law. The Group invests in best available techniques for protecting the environment, it closely monitors planned changes in environmental law and it ensures to take the necessary measures in advance so as to avoid any risk of not complying with the current legislative and regulatory framework.

F. Risks related to climate change

Climate change is a global environmental issue with implications that significantly affect human health, working conditions and safety at work.
The optimal response to the risk of climate change comprises a fundamental commitment of the Group, which in addition to its legal obligation also considers this issue as a moral obligation to contribute actively and substantially to the efforts of both the international community and our country to combat climate change-related risks.
The Group recognizes both the risks associated with the phenomenon of climate change, and its obligations in relation to the need for continuous improvement of its environmental performance.

The mitigation of the effects of climate change affects inevitably and determines significantly the business strategy of the Group through the adoption and implementation of measures to reduce its environmental footprint and the systematic effort to use environmentally friendly sources of energy.

The Group monitors and records on a systematic basis the environmental impact of its business activities and takes measures to reduce its environmental footprint. FLEXOPACK aims at the continuous reduction of carbon emissions which are mainly due to the consumption of electricity which is the main source of energy of the Company.

The Group's vision is to continue to be one of the most important Greek companies with a strong international presence and with a parallel contribution to sustainable development. The desire of the Group is to enhance its long-term value through the production of technologically advanced products that meet the most demanding international standards along with quality, safety and sustainable development standards.

In this context, the Group promotes and implements a policy, which focuses on the following areas:
- Demonstration of preparedness for emergencies,
-application of emergency prevention, detection and management procedures,
-design and construction of facilities aiming at the greatest possible energy savings,
-frequent maintenance and constant renewal and upgrade of the used mechanical equipment, in order to leave a low energy footprint,
-continuous information, training and awareness raising of personnel on climate change issues,
-integration into the system of recycling and alternative packaging management, in order to prevent the generation of packaging waste and the reuse, recycling and effective utilization of all materials,

-selection of recyclable, if possible, raw materials with the lowest possible energy footprint,
-application of technologies for reduction of direct and indirect emissions of greenhouse gases from energy consumption,
-monitoring of the policy followed by the Group suppliers regarding the implementation of procedures for dealing with climate change and the use of renewable energy sources along with the provision of relevant recommendations and suggestions, where necessary,
-building relationships of trust with the local communities in which the Group develops its business activities; continuous care to minimize the inconveniences caused.

G. Risks due to the spread of COVID-19 pandemic

The new coronavirus SARS-CoV-2, which causes the COVID-19 pandemic and was first detected in December 2019 in a region of China and has since spread around the world, has had extremely adverse effects on both global and domestic economic growth.

It is noted that from the first moment of the outbreak of pandemic, the Group adopted strict protocols and procedures for health safety in accordance with the applicable regulatory framework and the relevant guidelines of the competent authorities and thanks to the consistent observance and implementation of these procedures managed to ensure the uninterrupted operation of all its production units as well as their sub-departments and directorates, thus contributing to the broader national effort to deal with the pandemic crisis.

The Management of the Group, prioritizing the protection and safety of its employees, closely monitors the developments related to the COVID-19 pandemic and takes timely and effective measures to manage the effects of the pandemic, to ensure its business continuity and smooth operation as well as to reduce the negative consequences to the least extent possible.

To ensure the health of the Company's employees and associates, the following measures have been implemented starting from the year 2020:

- setting up an action coordination team, with the participation of the Factory Manager, production department managers and personnel management,
- preparation of a comprehensive preventive action plan,
- constant communication and coordination with the Occupational Physician, for the appropriate and valid briefing of all employees regarding the meticulous observance of the rules of personal hygiene and the other recommendations and instructions of EODY (National Public Health Organization),
- provision of personal protective equipment such as masks, gloves and antiseptics,
- carrying out regular disinfections at the Company's premises,
- conducting Covid tests on the personnel in collaboration with diagnostic centers,
- installation of special thermal camera for the daily thermometry of the staff and associates and anyone entering the Company's premises,
- placement of special separation areas and implementation of telework for a large part of the administrative personnel,
- preventive removal of persons belonging to vulnerable groups,
- tightening of the rules regarding the movements as well as the entry and exit of both the personnel and the associates of the Company and third parties in its facilities,
- Prohibition of business trips unless there is a special exceptional approval of the Management.

The degree of uncertainty regarding the course and further spread of the Covid-19 pandemic remains quite significant, while its economic impact both globally and at the level of different countries will depend on the duration and severity of the health crisis, on the level of compliance with vaccination plans in order to achieve immunity with regard to largest possible percentage of population, as well as the emergence of new mutations which may in turn result into new pandemic waves. Therefore, the articulation of any conclusions regarding the risks, the impact and the possible effects of pandemic on the commercial activity and the financial results of the Company and the Group remains uncertain. However it should be also noted that despite the extremely unpredictable circumstances that arose and the very strict restrictive measures that were taken by the authorities, the Company managed to ensure its uninterrupted business continuity and to achieve satisfactory level of results.

H. Capital Management

The Group's objectives in relation to capital management are the smooth operation of its business activities, ensuring financing for its investment plans and the optimal allocation of capital in order to decrease the cost of capital.
For the purpose of capital management, the Group monitors the following ratio:
"Net debt to Total Employed Capital"
Net debt is calculated as total short-term and long-term interest-bearing debt minus total cash & cash equivalents.
Total employed capital is calculated as total net debt plus total equity.

For financial years ended on December 31st 2021 and 2020 respectively, the above financial ratio evolved as follows.

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	Group		Company	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Long-term debt obligations	12,540	11,699	10,875	9,664
Short-term bebt obligations	3,528	3,300	2,357	2,413
Total bank debt	**16,068**	**14,999**	**13,232**	**12,077**
Liabilities for Leases	926	1,117	388	676
Total Bank Debt	**16,994**	**16,117**	**13,620**	**12,754**
Minus : Cash and cash equivalents	19,138	18,021	15,700	14,673
Net Bank Debt (1)	**(2,145)**	**(1,905)**	**(2,079)**	**(1,919)**
Total Equity (2)	**93,717**	**83,952**	**92,655**	**86,073**
Total Employed Capital (1)+(2)	**91,573**	**82,047**	**90,576**	**84,153**
Net Bank Debt / Total Employed Capital	**-2.3%**	**-2.3%**	**-2.3%**	**-2.3%**

The Group may affect its capital structure via the repayment of existing debt or the collection of new debt, via the share capital increase or capital return towards the shareholders, and also via the distribution or the non-distribution of dividends or through other money distributions.

Amounts in thousands euro

6.1 Tangible fixed assets

The Group’s tangible fixed assets are analyzed as follows.

GROUP

Tangible fixed assets	**Plots**	**Buildings**	**Mechanical equipment**	**Vehicles, furniture and Other equipment**	**Assets under construction**	**Total**
Acquisition Cost as at January 1st 2020	7,151	22,277	67,431	3,866	1,015	101,741
Accumulated Depreciations	0	(5,689)	(39,479)	(2,621)	0	(47,788)
Book value as at January 1st 2020	**7,151**	**16,589**	**27,952**	**1,245**	**1,015**	**53,952**
Additions	2,615	437	1,535	367	1,377	6,331
FX differences	2	(264)	(486)	(17)	12	(753)
Transfers	0	187	611	4	(802)	0
Sales - Reductions	0	0	(187)	(31)	0	(218)
Depreciations of the current period	0	(830)	(4,030)	(303)	0	(5,163)
FX differences of depreciations	0	62	73	7	0	142
Depreciations of sold, written-off goods	0	0	107	31	0	138
Acquisition Cost as at December 31st 2020	9,768	22,637	68,904	4,188	1,603	107,101
Accumulated Depreciations	0	(6,457)	(43,329)	(2,886)	0	(52,672)
Book value as at December 31st 2020	**9,768**	**16,180**	**25,575**	**1,303**	**1,603**	**54,429**
Additions	54	155	2,173	369	(147)	2,605
FX differences on acquisition cost	22	(28)	20	5	1	19
Transfers	0	7	438	6	(452)	0
Sales - Reductions	0	0	(162)	(30)	0	(192)
Depreciations of the current period	0	(836)	(3,898)	(310)	0	(5,044)
FX differences of depreciations	0	7	(13)	(4)	0	(10)
Depreciations of sold, written-off goods	0	0	75	30	0	106
Acquisition Cost as at December 31st 2021	9,843	22,772	71,374	4,538	1,005	109,533
Accumulated Depreciations	0	(7,287)	(47,165)	(3,170)	0	(57,621)
Book value as at December 31st 2021	**9,843**	**15,485**	**24,209**	**1,368**	**1,005**	**51,912**

The Company’s tangible fixed assets are analyzed as follows.

Amounts in thousands euro

COMPANY

Tangible fixed assets	**Plots**	**Buildings**	**Mechanical equipment**	**Vehicles, furniture and Other equipment**	**Assets under construction**	**Total**
Acquisition Cost as at January 1st 2020	5,830	18,156	55,990	3,202	773	83,951
Accumulated Depreciations	0	(4,677)	(37,195)	(2,205)	0	(44,077)
Book value as at January 1st 2020	**5,830**	**13,479**	**18,795**	**997**	**773**	**39,874**
Additions	2,615	423	1,141	321	1,233	5,733
Transfers	0	187	347	4	(538)	0
Sales - Reductions	0	0	(187)	(31)	0	(218)
Depreciations of the current period	0	(631)	(3,024)	(228)	0	(3,883)
Depreciations of sold, written-off goods	0	0	107	31	0	138
Acquisition Cost as at December 31st 2020	8,445	18,766	57,291	3,496	1,468	89,466
Accumulated Depreciations	0	(5,308)	(40,111)	(2,402)	0	(47,821)
Book value as at December 31st 2020	**8,445**	**13,458**	**17,180**	**1,094**	**1,468**	**41,645**
Additions	54	145	2,127	272	(200)	2,398
Transfers	0	7	351	2	(360)	0
Sales - Reductions	0	0	(14)	(30)	0	(44)
Depreciations of the current period	0	(647)	(2,849)	(245)	0	(3,741)
Depreciations of sold, written-off goods	0	0	14	30	0	44
Acquisition Cost as at December 31st 2021	8,499	18,918	59,754	3,739	909	91,819
Accumulated Depreciations	0	(5,955)	(42,946)	(2,617)	0	(51,518)
Book value as at December 31st 2021	**8,499**	**12,963**	**16,808**	**1,122**	**909**	**40,301**

6.2 Goodwill

Gross book value at December 31st 2019	252
Cumulative impairment loss	0
Net book value at December 31st 2019	**252**
Gross book value at December 31st 2020	252
Cumulative impairment loss	0
Net book value at December 31st 2020	**252**
Gross book value at December 31st 2021	252
Cumulative impairment loss	0
Net book value at December 31st 2021	**252**

The amount of goodwill refers to the acquisition of the Polish company FLEXOPACK POLSKA Sp. z.o.o.

Impairment Review of Goodwill

For purposes of reviewing goodwill for possible impairment on 31/12/2021, the aforementioned subsidiary constitutes an individual cash flow generating unit. As regards to goodwill recognized from the acquisition of FLEXOPACK POLAND Sp. z.o.o., the recoverable amount of such was calculated based on the "value in use", discounting its future cash flows.

Amounts in thousands euro

The definition of the subsidiary's future cash flows took place by well-founded estimations of management for the level of the subsidiary's future profitability and by evaluating current market conditions. The basic assumptions regarding the estimation of the subsidiary's value, are as follows:

Discount rate 7.88%
Average growth of turnover in the next five years 11.33%
Growth rate after five-years 1.00%
According to the impairment review on 31/12/2021 no impairment losses emerged for the above goodwill.

6.3 Intangible assets

The Group's and Company's intangible assets are analyzed as follows:

Intangible Assets	**GROUP**			**COMPANY**		
	Software	**Other intangibles**	**Total**	**Software**	**Other intangibles**	**Total**
Acquisition Cost as at January 1st 2020	1,652	2,687	4,339	1,651	2,687	4,338
minus: Accumulated Amortization	(1,052)	(1,420)	(2,471)	(1,051)	(1,420)	(2,470)
Book value as at January 1st 2020	**600**	**1,267**	**1,867**	**600**	**1,267**	**1,867**
Additions	27	222	249	27	222	249
Amortization during the period	(162)	(180)	(341)	(162)	(180)	(341)
Acquisition Cost as at December 31st 2020	1,679	2,909	4,588	1,678	2,909	4,587
minus: Accumulated Amortization	(1,213)	(1,599)	(2,813)	(1,212)	(1,599)	(2,812)
Book value as at December 31st 2020	**466**	**1,309**	**1,775**	**466**	**1,309**	**1,775**
Additions	254	328	582	254	328	582
Amortization during the period	(197)	(180)	(377)	(197)	(180)	(377)
Acquisition Cost as at December 31st 2021	1,933	3,237	5,170	1,932	3,237	5,169
minus: Accumulated Amortization	(1,410)	(1,780)	(3,190)	(1,409)	(1,780)	(3,189)
Book value as at December 31st 2021	**523**	**1,457**	**1,980**	**523**	**1,457**	**1,980**

Other intangible assets include know-how use rights, costs incurred for the development of trading names and mainly costs for the establishment of patents on different applications of multiple layer packing films abroad. They also include cost for the development of new products with a book value of 14 thousand euro as of 31/12/2021.

6.4 Participations in Subsidiaries

In the parent financial statements, investments in subsidiaries are valued at acquisition cost.
The movement of investments is analyzed as follows.

Amounts in thousands euro

	COMPANY	
	31/12/2021	**31/12/2020**
Opening balance	**14,017**	**11,717**
Share capital increase in FLEXOPACK INTERNATIONAL LIMITED	300	2,300
Closing balance	**14,317**	**14,017**

Condensed financial information on subsidiary companies

		COMPANY	
		31/12/2021	**31/12/2020**
	Country	**Acquisition Cost**	**Acquisition Cost**
Direct participation			
FLEXOPACK POLSKA Sp. Zo.o	Poland	6,847	6,847
FLEXOSYSTEMS LTD BELGRADE	Serbia	70	70
FLEXOPACK INTERNATIONAL LIMITED	Cyprus	7,400	7,100
		14,317	14,017
Indirect participation			
FLEXOPACK PTY LTD	Australia	4,638	4,638
FLEXOPACK TRADE AND SERVICES UK LIMITED	England	200	200
FLEXOPACK PROPERTIES PTY LTD	Australia	1,501	1,383
FLEXOPACK FRANCE	France	650	450
FLEXOPACK USA, INC.	USA	153	153
FLEXOPACK IRELAND LTD	Ireland	100	0
FLEXOPACK DENMARK APS	Denmark	5	0

The above subsidiary companies are fully controlled by the Cypriot subsidiary company FLEXOPACK INTERNATIONAL LIMITED which is fully owned (100%) by the parent company FLEXOPACK PLASTICS AEBE.

6.5 Participations in associate companies

Participations of the Company in associate (related) companies are analyzed as follows.

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
INOVA SA	2,237	2,084	1,199	1,199
VLACHOS BROS S.A.	3,363	2,800	1,000	1,000
	5,600	**4,884**	**2,199**	**2,199**

Amounts in thousands euro

The movement of investments in associate companies is as follows:

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Opening balance	**4,884**	**4,159**	**2,199**	**2,199**
Proportion in profit/loss (after taxes)	705	775	0	0
Other	117	0	0	0
Dividends	(105)	(50)	0	0
Closing balance	**5,600**	**4,884**	**2,199**	**2,199**

Condensed financial information on associate companies:

	Domicile	Acquisition Cost	Assets	Liabilities	Income	Earnings (losses) before taxes	Earnings (losses) after taxes
YEAR 2021							
INOVA SA	Ελλάδα	1,199	8,743	4,269	7,359	502	380
VLACHOS BROS S.A.	Ελλάδα	1,000	29,329	22,463	23,702	1,363	1,078
YEAR 2020							
INOVA SA	Ελλάδα	1,199	7,836	3,668	6,129	865	646
VLACHOS BROS S.A.	Ελλάδα	1,000	20,854	14,986	21,931	1,272	897

6.6 Other long-term receivables

The Group’s and Company’s other long-term receivables are analyzed as follows:

	GROUP		COMPANY	
Other Long-term Receivables	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Other given Guarantees	47	54	47	54
Participation in the company CIRCULATE AB	50	0	50	0
Other Long-term Receivables	4	5	0	0
Total	**102**	**58**	**97**	**54**

6.7 Inventories

The inventories of the Group and the Company are analyzed as follows:

Amounts in thousands euro

	GROUP		COMPANY	
Inventories	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Raw Materials	18,336	13,016	11,831	8,572
Consumables	250	172	200	138
Spare parts & packaging items	1,044	831	848	723
Products & other inventory	13,003	6,936	4,390	3,142
Total	32,633	20,956	17,269	12,575
Provisions for impairment	(186)	(186)	(186)	(186)
Total	**32,447**	**20,770**	**17,083**	**12,389**

6.8 Trade receivables

The Group's and Company's customers and other trade receivables are analyzed as follows:

Trade receivables	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Customers (open account)	17,767	12,133	8,461	6,112
Receivables from associates	1,402	945	23,765	17,507
Checks Receivable	910	295	910	295
Impairment provisions	(248)	(250)	0	0
Provision for credit risk	(131)	(86)	(58)	(58)
Total	**19,700**	**13,036**	**33,078**	**23,857**

As of 31 December 2021, the maturity of trade receivables was as follows:

Trade receivables	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Up to 3 months	18,751	12,583	21,176	14,379
3 - 6 months	881	378	7,781	4,930
6 months - 1 year	43	54	3,842	4,547
Over 1 year	24	22	279	1
Total	**19,700**	**13,036**	**33,078**	**23,857**
Non overdue and non impaired	17,088	11,610	17,242	11,448
Overdue and non impaired	2,612	1,427	15,836	12,409
Total	**19,700**	**13,036**	**33,078**	**23,857**

From the overdue and non-impaired receivables of the Company amounting to 15,836 thousand Euros of the above table, the amount of 14,497 thousand Euros refers to receivables of the parent company from subsidiaries.

Amounts in thousands euro

6.9 Other receivables

The Group's and Company's other receivables are analyzed as follows:

	GROUP		COMPANY	
Other receivables	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Receivables from the Greek State for income taxes	1,860	3,224	1,860	3,224
Receivables from the Greek State for V.A.T.	335	321	335	321
Receivables for other taxes	27	46	7	46
Receivables for insurance indemnities	218	0	0	0
Purchases of inventory under receipt	6,916	3,533	3,316	1,585
Discounts on purchases under settlement	1,192	886	887	763
Deferred expenses	489	181	316	181
Prepayments and loans to employees	17	206	9	19
Sundry Debtors	60	94	27	51
Total	**11,115**	**8,490**	**6,758**	**6,191**

6.10 Cash & cash equivalents

Cash and cash equivalents refer to the Group's and Company's cash in hand and to short-term bank deposits and term deposits held at call with banks.

The Group's and Company's cash and cash equivalents are as follows:

	GROUP		COMPANY	
Cash and cash equivalents	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Cash in hand and at banks	19,138	18,021	15,700	14,673
Total	**19,138**	**18,021**	**15,700**	**14,673**

6.11 Equity

6.11.1 Share Capital and Share Premium

	Share Capital	Share premium	Total
31/12/2021	6,329	3,316	**9,644**
31/12/2020	6,329	3,316	**9,644**

Amounts in thousands euro

The Company's share capital consists of 11,720,024 common fully paid-up shares, with a nominal value of € 0.54 each. The total share capital amounts to € 6,328,812.96.

The share premium reserve of the Company derived from the issuance of shares paid for cash at a value higher than their nominal value.

The Company on 31.12.2021 holds 96,450 own (treasury) shares, which correspond to 0.82% of the total shares of the Company. (Note 6.11.2)

6.11.2 Reserves

The Group's and Company's reserves are analyzed as follows:

Reserves

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Statutory reserve	**4,220**	**3,752**	**4,220**	**3,752**
Specially taxed reserves	**12,196**	**8,410**	**12,196**	**8,410**
Tax-free reserves of development law related grants	**5,137**	**5,132**	**5,137**	**5,132**
Other reserves analyzed as follows:				
Tax-exempt reserves of L. 1828/89	876	876	876	876
Tax-exempt reserves of L. 3220/2004	321	321	321	321
Tax-exempt reserves of L. 3908/2011	185	123	185	123
Tax-exempt reserves of L. 4172/2013	50	0	50	0
Reserves from specially taxed income	33	33	33	33
Other reserves	156	156	43	43
Total other reserves	**1,622**	**1,510**	**1,509**	**1,397**
Stock options	**449**	**155**	**449**	**155**
Treasury shares	**(386)**	**(386)**	**(386)**	**(386)**
Reserve from FX differences	**(391)**	**(453)**	**0**	**0**
Grand total	**22,848**	**18,120**	**23,126**	**18,460**

Statutory reserve:

According to Greek corporate law, companies are obliged to create 5% of the period's earnings as an statutory reserve until such reaches one third of the paid up share capital. During the Company's life the statutory reserve cannot be distributed.

Special taxed reserves:

Special taxed reserves of the Parent Company were created to cover its own participation in the context of implementing investment plans, according to the provisions of several development laws.

Amounts in thousands euro

Tax-free reserves of development law grants:
They arose from the transfer of the grants received by the Company from the profit carried forward to the capital reserves.

The Group's Management does not intend to capitalize or distribute the above reserves and thus has not recognized a relevant deferred tax liability.

Other reserves
Other reserves include tax-exempt reserves and reserves taxed under special provision and are analyzed as follows.

<u>-Tax-exempt reserves according to L. 1828/89, L. 3220/2004 and L. 3908/2011</u>
Such reserves have been created according to the provisions of tax law and are capitalized, with the payment of income tax.
<u>-Tax-exempt reserves or reserves taxed according to special laws</u>
Such reserves concern interest income that was either not taxed or on which tax has been withheld at the source. According to Greek tax law, these reserves are exempt from income tax, with the condition that they will not be distributed to shareholders.

The Company does not intend to distribute the above reserves and thus it has not recognized a deferred tax liability for the income tax that will be rendered payable in case of distribution.

Stock options.
Share distribution program in the form of stock option plan, in accordance with the provisions of article 113 of law 4548/2018. (Note 6.35)

Treasury shares
The Management of the Company pursuant to the decisions of the Annual Ordinary General Meeting of Shareholders of June 26, 2020 and the Board of Directors of July 13, 2020, announced on July 14, 2020, the start of implementation of the Stock Repurchase Plan, which provides for the acquisition by the Company, in accordance with the provisions of article 49 of Law 4548/2018, as in force, of a maximum of 586,001 own (treasury) shares, which correspond to 5% of the total existing shares of the Company, with a purchase price range between three Euros (3.00 €) per share (minimum) and eight Euros (8.00 €) per share (maximum) and with the expiration date of the above Plan set on June 26, 2022.

The Company in the framework of the above Stock Repurchase Plan, proceeded on 22.07.2020, via an over-the-counter (OTC) transaction, with the purchase of 96,450 treasury shares with an average purchase price of 4.00 Euros per share, and a total transaction value of 385,800 Euros.
After the aforementioned purchase, the Company on 31.12.2020 holds 96,450 treasury shares, which correspond to a percentage of 0.82% of the total shares of the Company.

Reserve for foreign exchange differences:
This reserve is used to register foreign exchange differences from the translation of financial statements of foreign subsidiaries.

The movement of the Group's and Company's reserves is as follows:

GROUP

	Statutory reserve	Treasury shares	Specially taxed reserves	Other reserves	Stock options	FX differences from consolidation	Total
Balance as at January 1st 2020	**3,372**	**0**	**13,454**	**1,448**	**0**	**(246)**	**18,028**
Formation of statutory reserves	380	0	0	0	0	0	380
Formation of tax free reserve Law 3908/2011	0	0	0	62	0	0	62
Transfer of amortization of grants of L. 3299/04 from balance carried forward	0	0	88	0	0	0	88
Stock options	0	0	0	0	155	0	155
Purchase of treasury shares	0	(386)	0	0	0	0	(386)
FX differences due to consolidation of subsidiaries abroad	0	0	0	0	0	(207)	(207)
Balance as at December 31st 2020	**3,752**	**(386)**	**13,542**	**1,510**	**155**	**(453)**	**18,120**
Formation of statutory reserves	469	0	0	0	0	0	469
Formation of tax free reserve Law 3908/2011	0	0	0	62	0	0	62
Formation of tax free reserve Law 4172/2013	0	0	0	50	0	0	50
Formation of taxed reserve Law 4399/2016	0	0	3,786	0	0	0	3,786
Transfer of amortization of grants of L. 3299/04 from balance carried forward	0	0	6	0	0	0	6
Stock options	0	0	0	0	294	0	294
FX differences due to consolidation of subsidiaries abroad	0	0	0	0	0	62	62
Balance as at December 31st 2021	**4,220**	**(386)**	**17,334**	**1,622**	**449**	**(391)**	**22,848**

COMPANY

	Statutory reserve	Treasury shares	Specially taxed reserves	Other reserves	Stock options	Total
Balance as at January 1st 2020	**3,372**	**0**	**13,454**	**1,336**	**0**	**18,161**
Formation of statutory reserves	380	0	0	0	0	380
Formation of tax free reserve Law 3908/2011	0	0	0	62	0	62
Transfer of amortization of grants of L. 3299/04 from balance carried forward	0	0	88	0	0	88
Stock options	0	0	0	0	155	155
Purchase of treasury shares	0	(386)	0	0	0	(386)
Balance as at December 31st 2020	**3,752**	**(386)**	**13,542**	**1,397**	**155**	**18,460**
Formation of statutory reserves	469	0	0	0	0	469
Formation of tax free reserve Law 3908/2011	0	0	0	62	0	62
Formation of tax free reserve Law 4172/2013	0	0	0	50	0	50
Formation of taxed reserve Law 4399/2016	0	0	3,786	0	0	3,786
Transfer of amortization of grants of L. 3299/04 from balance carried forward	0	0	6	0	0	6
Stock options	0	0	0	0	294	294
Balance as at December 31st 2021	**4,220**	**(386)**	**17,334**	**1,509**	**449**	**23,126**

Amounts in thousands euro

6.11.3 Retained earnings

Retained earnings

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Balance as at January 1st	**56,188**	**46,607**	**57,968**	**49,381**
Net Results for the period	10,407	10,365	7,286	9,372
Revaluation of earnings-(losses) from defined benefit plans	13	(18)	13	(18)
Distributed dividends	(1,011)	(741)	(1,011)	(741)
Transfers to reserves	(4,366)	(442)	(4,366)	(442)
Transfer of amortization of grants of L. 3299/04 to reserves	(6)	(88)	(6)	(88)
Balance as at December 31st	**61,225**	**55,684**	**59,885**	**57,465**
Change in accounting policy of IAS 19 (Note 2.2)	**0**	**503**	**0**	**503**
Balance as at December 31st	**61,225**	**56,188**	**59,885**	**57,968**

6.12 Deferred tax assets and liabilities

The calculation of deferred tax assets and liabilities is conducted at the individual Group company level and to the extent where receivables and liabilities arise, such are offset between each other (at the level of each individual company).

The deferred tax assets and liabilities are offset when there is an applicable legal right to offset current tax assets against current tax liabilities and when the deferred income taxes refer to the same tax authority.

The Group's and the Company's deferred tax assets and liabilities result from the following items:

Amounts in thousands euro

GROUP	**Deferred tax liabilities/assets**		**Deferred tax**	
	Statement of Financial Position		**Income statement**	
	31/12/2021	**31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Deferred tax assets				
Provision for staff indemnities	116	115	1	(13)
Trade receivables	0	0	0	(14)
Other provisions	78	82	(4)	(1)
Tax loss of subsidiaries	0	11	(11)	(2)
Expected credit loss (IFRS 9)	18	19	(1)	(0)
Valuation of derivatives	95	38	57	38
Stock options	99	37	62	37
Other	20	16	3	15
	425	**319**	**106**	**59**
Deferred tax liabilities				
Intangible assets	(136)	(170)	34	11
Tangible assets	(1,519)	(1,776)	257	202
Foreign exchange differences	(60)	(51)	(9)	(28)
Other	(0)	(0)	(0)	(0)
	(1,715)	**(1,997)**	**282**	**185**
Net deferred tax liabilities	**(1,291)**	**(1,678)**		
Net charge of deferred tax on the results			**387**	**244**
Deferred tax recognized in the results			391	238
Deferred tax recognized in the other comprehensive income			(4)	6
Total			**387**	**244**

Amounts in thousands euro

COMPANY	**Deferred tax liabilities/assets**		**Deferred tax**	
	Statement of Financial Position		**Income statement**	
	31/12/2021	**31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Deferred tax assets				
Provision for staff indemnities	116	115	1	16
Trade receivables	0	0	0	0
Other provisions	48	52	(4)	(2)
Tax loss of subsidiaries	0	0	0	0
Expected credit loss (IFRS 9)	13	14	(1)	0
Valuation of derivatives	95	38	57	38
Stock options	99	37	62	37
Other	0	1	(1)	(0)
	370	**257**	**113**	**90**
Deferred tax liabilities				
Intangible assets	(136)	(170)	34	11
Tangible assets	(1,301)	(1,593)	292	210
Foreign exchange differences	(60)	(51)	(9)	(38)
Other	0	0	0	0
	(1,497)	**(1,814)**	**317**	**184**
Net deferred tax liabilities	**(1,127)**	**(1,556)**		
Net charge of deferred tax on the results			**430**	**273**
Deferred tax recognized in the results			433	267
Deferred tax recognized in the other comprehensive income			(4)	6
Total			**430**	**273**

6.13 Provision for staff indemnities due to retirement

The Group and Company recognize the liability for staff retirement indemnities as the present value of the legal commitment for the payment of staff retirement lump sum.

The actuarial valuation of the liabilities has been carried out on the basis of the current legislation, as it derives from L.2112 / 1920 and L.3026 / 1954 and as they were amended by L.4093 / 2012, L.4336 / 2015 and L.4194 / 2013.
The Company has not activated any special benefits program for employees other than those arising from the above legislation, which is committed to benefits in cases of retirement for all employees.

The valuation of the liabilities is being performed in order to capture the following:
a) The obligation of the company, when an employee has provided a service in exchange for benefits to be paid in the future and
b) The expense of the financial period, when the company consumes the financial benefits arising from the service provided by an employee in exchange for the payment of benefits.

Amounts in thousands euro

Based on the current legislation (L.2112 / 1920, L.4093 / 2012, L.4336 / 2015 and L.3026 / 1954, L.4194 / 2013) the benefit received by the employees concerns exclusively and only the amount of one-time compensation and is given in case of normal retirement.
The amount of the benefit depends on the years of service and the amount of the salary. In the event of exit due to retirement, the amount of compensation to be paid is equal to 40% of the pensionable salary and varies depending on the years of service of each employee.
The relevant liability was calculated after an actuarial study on 31/12/2021 and was analyzed as follows:

Employee benefits due to retirement from service

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Balance at beginning	**478**	**1,056**	**478**	**1,056**
Change in accounting policy of IAS 19 (Note 2.2)	**0**	**(645)**	**0**	**(645)**
New balance at beginning	**478**	**411**	**478**	**411**
Debits - (credits) in the results	65	44	65	44
Debits - (credits) in the statement of total comprehensive income	(17)	23	(17)	23
Balance at end	**527**	**478**	**527**	**478**

The main actuarial assumptions used are the following:

	31/12/2021	31/12/2020
Discount rate	0.60%	0.60%
Future salary increases	2.00%	2.00%
Inflation	1.80%	1.50%

Amounts in thousands euro

Employee benefits due to retirement from service	New Accounting Policy		Previous Accounting Policy	Differences
	31/12/2021	31/12/2020	31/12/2020	
Changes in the balance sheet liability				
Net Liability to be recorded in the balance sheet at the beginning of the year	478	411	1,056	(645)
Contributions payable by Employer	-	-	-	-
Expenditure to be entered in the income statement	87	54	74	(20)
Benefits paid within the current year by the Employer	(22)	(13)	(13)	-
Amount entered in the OCI	(17)	26	23	3
Personnel transportation costs	-	-	-	-
Net Liability to be recorded in the balance sheet at the end of the year	**527**	**478**	**1,140**	**(662)**
Changes in the present value of the liability				
Present value of the liability at the beginning of the year	478	411	1,056	(645)
Interest expense	3	5	12	(7)
Current service cost	48	44	58	(13)
Employee contributions	-	-	-	-
Prior service cost	20	-	-	-
Cost (result) of Settlements / Curtailments / Special Cases (e.g. Consolidations, Splits, Terminations)	16	5	4	1
Benefits paid within the current year	(22)	(13)	(13)	-
Expenses	-	-	-	-
Actuarial (profit) loss on liability	(17)	26	23	3
Present value of the liability at the end of the year	**527**	**478**	**1,140**	**(662)**
	-	-	-	-
Amounts recorded in the Balance Sheet and Income Statement and related analysis	-	-	-	-
Balance sheet for the year	-	-	-	-
Present value of the obligation at the end of the year	527	478	1,140	(662)
Actual value of the plan's assets at the end of the year	-	-	-	-
Net Liability to be recorded in the balance sheet at the end of the year	**527**	**478**	**1,140**	**(662)**

Amounts in thousands euro

Income Statement at the end of the year	-	-	-	-
Current service cost	48	44	58	(13)
Interest expense	3	5	12	(7)
Expected return on the plan's assets	-	-	-	-
Prior service cost	20	-	-	-
Cost (result) of Settlements / Curtailments / Special Cases (e.g. Consolidations, Splits, Terminations)	16	5	4	1
Expenditure to be entered in the income statement	**87**	**54**	**74**	**(20)**
Other Comprehensive Income (OCI)	-	-	-	-
Amount entered in the OCI	*(17)*	*26*	*23*	*3*
Actuarial (profit) loss on liability due to financial assumptions	1	17	93	(76)
Actuarial (profit) loss on liability due to demographic assumptions	-	(18)	(97)	79
Actuarial (profit) loss on liability due to evidence	(18)	28	27	0
Cumulative amount entered in the OCI	**86**	**103**	**220**	**(117)**

Sensitivity Analysis

The use of a discount rate higher by 0.5% would result in the actuarial liability being lower by 2% while the exact reverse assumption, i.e. the use of a discount rate lower by 0.5% would result in the actuarial liability being higher by 2%.
The corresponding sensitivity tests for the expected salary increase, i.e. the use of an expected salary increase higher by 0.5% would result in the actuarial liability being higher by 2% while the exact reverse assumption, i.e. the use of an expected salary increase lower by 0.5% would result in the actuarial liability being lower by 2%.

6.14 Government grants

The Group has received grants that relate to fixed assets and are provided from governmental entities in order to purchase fixed assets for long-term exploitation.

The Group registers the effect from the acceptance of government grants for fixed assets according to IAS 20, as deferred income in the category of long-term liabilities. The transfer of grants to the results of each period is conducted with the straight line method according to the expected useful lives of the respective fixed assets which they finance.

At the Group and Company level, the grants are analyzed as follows:

Amounts in thousands euro

Government grants	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Opening balance	6	93	6	93
Additions	0	0	0	0
Amortization on income	(6)	(88)	(6)	(88)
Total	**0**	**6**	**0**	**6**

6.15 Long-term and short-term loans

The Group's long-term bank loans are in Euro.

The Group's total long-term debt is under floating interest rates based on 3-month Euribor and fixed interest margins.

The Group's short-term debt is also under floating interest rates based on Euribor plus a margin, apart from an amount of 801 thousand Euros (based on the exchange rate of 31/12/2021) which is denominated in Polish Zloty (PLN).

The amounts of the long-term loans which are payable within a year starting from the balance sheet date are recorded as short-term liabilities, whereas the amounts payable at a later stage, are recorded as long-term ones.

The Group does not possess any loans value at fair. The book values of the Group's loans are estimated to approach their fair value and therefore the discount which would be used for the determination of the fair value is almost equivalent to the interest rates charged to the Group.

Long-term and short-term liabilities from the Group's and Company's loans are analyzed as follows:

Amounts in thousands euro

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Long-term debt				
Common bond loans	13,232	11,877	13,232	11,877
Long-term Bank Debt	2,035	2,404	0	0
	15,267	**14,282**	**13,232**	**11,877**
Minus part of bond loans payable in the next period	2,357	2,213	2,357	2,213
Minus part of long-term bank debt payable in the next period	370	370	0	0
Total long-term debt	**12,540**	**11,699**	**10,875**	**9,664**
Short-term debt				
Bank debt	747	694	0	200
Factoring	53	24	0	0
Short-term portion of bond loans	2,357	2,213	2,357	2,213
Short-term portion of long-term bank debt	370	370	0	0
Total short-term debt	**3,528**	**3,300**	**2,357**	**2,413**
Total debt	**16,067**	**14,999**	**13,232**	**12,077**
Maturities of long-term debt				
Up to 1 year	2,727	2,583	2,357	2,213
2 - 5 years	10,379	10,340	8,714	8,861
Over 5 years	2,161	1,358	2,161	804
Total	**15,267**	**14,282**	**13,232**	**11,877**
Weighted average interest rate charged on the results	2.47%	2.93%	2.73%	3.12%

The ordinary bond loans, which also carry no collateral, of the Company are the following:

A) Following the decision of its Board of Directors dated 15 November 2021, the Company signed on November 17, 2021, a Contract for the Coverage of a Common Bond Loan through a private placement, in accordance with the provisions of Law 4548/2018 and of Law 3156/2003, as currently in effect, amounting to seven million Euros (7,000,000) via coverage by "National Bank of Greece SA". "National Bank of Greece SA" was appointed Power of Attorney and Representative of the Bondholders.

The Company utilized the above loan as follows: (a) an amount of three million six hundred forty six thousand euros (3,646,000) for the refinancing of an existing common bond loan and (b) an amount of three million three hundred fifty four thousand euros (3,354,000), to meet needs in terms of working capital of a long-term nature and to further serve its corporate objectives.

B) On the 24th of December 2018, the Company signed a Common, Paper, Bond Loan Coverage Agreement through Private Placement, in accordance with the provisions of Law 3156/2003 and Cod. Law 2190/1920, with a total nominal value of Euro 5,000,000 and covered by the Banking Company under

Amounts in thousands euro

the name "EUROBANK ERGASIAS SA". Attorney-at-law for payments and Representative of the Bondholders was designated "EUROBANK ERGASIAS SA".
The proceeds of this non-secured Common Bond Loan was used by the Company, on one hand, by the amount of 3,250,000 Euros, for the refinancing of existing bank loans and, in particular, for the repayment of a Bond Issuance of the Company with a balance of 2,250,000 Euros, as well as for a short-term loan amounting to Euro 1,000,000 and, on the other hand, by the amount of 1,750,000 Euros, in order to cover its working capital needs.

C) The Company on 9th March 2020, in continuation of the decision of the Board of Directors meeting held on 3rd March 20202, signed a Contractual Agreement for the Coverage of a Common Bond Loan via private placement, according to the clauses of Law 4548/2018 and Law 3156/2003, as they are currently in effect, for a total nominal value of 4,500,000 million Euros and duration of seven (7) years. The banking company under the name «ALPHA BANK SOCIETE ANONYME» covered the above mentioned bond loan. Attorney-at-law for payments and Representative of the Bondholders was designated "ALPHA BANK SOCIETE ANONYME".

The above Common Bond Loan will be used by the Company as follows: (a) an amount equal to 3,928,560 Euros will be channeled to the refinancing of existing debt and (b) an amount equal to 571,440 Euros will be used for various corporate needs.

The Company has the right to proceed with an early repayment of the existing aforementioned common bond loans without penalty or other cost.
The terms of the above bond loans include the obligation to preserve specific ratios of (a) total debt to equity, and (b) earnings before interest, taxes, depreciation and amortization (EBITDA) to debit interest and (c) total net debt to EBITDA.

The subsidiary company "FLEXOPACK POLSKA Sp. Zo.o", has since 2020 entered into a long-term loan agreement for an amount of 2.682 million Euros with a banking institution based in Poland, with the aim of repaying the existing long-term loan to another bank and repaying the short-term loan towards the Company that the subsidiary had received for the implementation of its investment plan. The balance of this loan on 31/12/2021 amounted to 2.035 million Euros.

6.15.1 Other long-term liabilities

	GROUP		**COMPANY**	
Other long-term liabilities	**31/12/2021**	**31/12/2020**	**31/12/2021**	**31/12/2020**
Suppliers of fixed assets	0	340	0	258
	0	**340**	**0**	**258**

Amounts in thousands euro

6.16 Other Provisions

	GROUP	COMPANY
January 1st 2020	**453**	**238**
Additional provisions for the year	67	0
December 31st 2020	**520**	**238**
Additional provisions for the year	112	0
December 31st 2021	**633**	**238**
Analysis of provisions		
Provision for other taxes	235	235
Other provisions	398	4
Total	**633**	**238**
Analysis of additional provisions for the year		
Other provisions	112	0
Total	**112**	**0**

6.17 Suppliers and other liabilities

The Group's and Company's balances for the suppliers' and other related liabilities accounts are analyzed as follows:

Suppliers and other liabilities

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Suppliers	21,575	11,318	17,216	8,553
Liabilities to associates	1,240	1,168	1,240	1,168
Checks payable	8	7	8	7
Customer prepayments	178	155	178	155
Sundry creditors	51	27	40	26
Derivative financial instruments	430	158	430	158
Payable employee remuneration	603	530	459	404
Accrued expenses	1,016	338	716	272
Purchases under settlement	51	105	30	0
Social Security Funds	515	463	434	463
Other taxes, other than income tax	1,267	814	388	517
Total	**26,935**	**15,082**	**21,138**	**11,724**

Amounts in thousands euro

6.18 Liabilities from income tax

	GROUP		COMPANY	
	31/12/2021	31/12/2020	31/12/2021	31/12/2020
Income Tax	2,804	3,456	2,246	3,162
Difference of income tax prepayment	(463)	683	(385)	707
Balance of income tax for year 2020	736	515	736	515
	3,077	**4,653**	**2,597**	**4,384**

The income tax is paid via eight (8) equivalent monthly installments 6 within the same financial year and 2 with the following year. The first installment is paid in the following month from the submission of the tax statement which is submitted until the last day of the sixth month from the end of the corresponding tax year.

6.19 Turnover

The Group's and Company's turnover is analyzed as follows:

	GROUP		COMPANY	
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020
Income from sale of merchandise	30,295	18,809	13,469	12,651
Income from sale of products	79,909	75,110	75,111	66,864
Income from sale of other inventories	588	699	902	227
Income from provision of services	3,388	2,335	3,684	2,574
	114,181	**96,953**	**93,166**	**82,317**

6.20 Analysis of Expenses per category

The analysis of the Group's expenses per category is as follows:

Amounts in thousands euro

GROUP	1/1-31/12/2021					1/1-31/12/2020				
Expense per Category	**Cost of Goods Sold**	**Distri-bution Expenses**	**R&D Expenses**	**Admin-istrative Expenses**	**Total**	**Cost of Goods Sold**	**Distri-bution Expenses**	**R&D Expenses**	**Admin-istrative Expenses**	**Total**
Remuneration & other employee benefits	10,468	2,056	278	3,385	**16,187**	9,577	1,653	342	3,024	**14,597**
Third party fees & expenses	580	548	7	588	**1,723**	433	466	10	625	**1,533**
Third party benefits (energy, insurance, maintenance etc.)	7,149	599	26	273	**8,047**	5,701	312	25	268	**6,306**
Taxes - Duties	52	8	1	174	**234**	52	37	1	138	**227**
Various expenses (transport, export expenses, etc.)	1,720	6,136	240	148	**8,244**	1,548	3,865	199	115	**5,727**
Depreciations of fixed assets	4,851	82	47	64	**5,044**	4,979	83	46	56	**5,163**
Amortization of intangible assets	121	47	163	46	**377**	96	40	166	40	**342**
Amortization of rights-of-use	264	191	12	123	**590**	240	173	6	112	**531**
Provision for staff indemnity	0	7	0	59	**65**	0	4	0	39	**44**
Cost of inventories recognized as an expense	60,629	0	795	0	**61,424**	47,454	0	615	0	**48,070**
Total	85,833	9,673	1,569	4,862	**101,937**	70,079	6,632	1,410	4,418	**82,539**
Own-production of assets	(40)	0	0	0	**(40)**	(15)	0	0	0	**(15)**
Total	**85,793**	**9,673**	**1,569**	**4,862**	**101,897**	**70,065**	**6,632**	**1,410**	**4,418**	**82,524**

The analysis of the Company's expenses per category is as follows:

Expense per Category	**Cost of Goods Sold**	**Distri-bution Expenses**	**R&D Expenses**	**Admin-istrative Expenses**	**Total**	**Cost of Goods Sold**	**Distri-bution Expenses**	**R&D Expenses**	**Admin-istrative Expenses**	**Total**
Remuneration & other employee benefits	7,365	723	278	2,745	**11,110**	7,096	688	342	2,440	**10,567**
Third party fees & expenses	358	199	7	265	**830**	262	200	10	257	**729**
Third party benefits (energy, insurance, maintenance etc.)	5,618	189	26	210	**6,042**	4,590	179	25	210	**5,004**
Taxes - Duties	52	6	1	44	**103**	52	6	1	46	**105**
Various expenses (transport, export expenses, etc.)	985	3,884	240	170	**5,279**	987	2,262	196	149	**3,595**
Depreciations of fixed assets	3,559	74	47	60	**3,741**	3,714	74	46	50	**3,883**
Amortization of intangible assets	121	47	163	46	**377**	96	39	166	40	**341**
Amortization of rights-of-use	57	127	12	108	**303**	52	113	6	97	**268**
Provision for staff indemnity	0	7	0	59	**65**	0	4	0	39	**44**
Cost of inventories recognized as an expense	55,411	0	674	0	**56,085**	44,534	0	512	0	**45,046**
Total	73,525	5,256	1,447	3,708	**83,937**	61,383	3,567	1,305	3,328	**69,583**
Own-production of assets	(40)	0	0	0	(40)	(12)	0	0	0	**(12)**
Total	**73,486**	**5,256**	**1,447**	**3,708**	**83,897**	**61,371**	**3,567**	**1,305**	**3,328**	**69,571**

Amounts in thousands euro

6.21 Employee Benefits

The Group's and Company's employee benefits are analyzed as follows:

	GROUP		COMPANY	
Employee benefits	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Wages and daily wages and benefits	11,354	10,226	7,099	6,829
Social security expenses	1,994	2,001	1,564	1,656
End of service indemnities	28	13	28	13
Other employee benefits	964	478	573	191
Total	**14,340**	**12,719**	**9,263**	**8,689**

	GROUP		COMPANY	
Benefits towards Management	**1/1-31/12/2021**	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Remuneration of Board of Directors	1,851	1,744	1,847	1,742
Other benefits of Board of Directors	143	136	143	136
Total	**1,994**	**1,880**	**1,991**	**1,878**
Fees and benefits of executive BoD members	1,947	1,241	1,944	1,241
Fees and benefits of non-executive BoD members	47	639	47	637
Total	**1,994**	**1,880**	**1,991**	**1,878**

Employed staff as at 31/12/21. Group 457 individuals. Company 322 individuals.
Employed staff as at 31/12/20. Group 432 individuals. Company 308 individuals.

6.22 Other Operating Income and Expenses

The Group's and Company's other operating income and expenses are analyzed as follows:

Amounts in thousands euro

	GROUP		COMPANY	
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020
Other income				
Amortization of received grants	6	88	6	88
Income from provision of services to affiliated companies	0	0	135	135
Various indemnities	433	51	116	51
Profit from sale of fixed assets	2	13	2	13
Other income from previous years	2	239	2	47
Other income	94	173	32	120
Total	**536**	**565**	**291**	**455**
Other expenses				
Provisions for expected credit losses	44	113	0	0
Losses from sale and/or write-off of assets	87	0	0	0
Other expenses from previous years	49	60	41	60
Other expenses	97	70	23	50
Total	**278**	**243**	**64**	**110**

6.23 Financial Income and Expenses

The Group's and Company's financial income and expenses are analyzed as follows:

	GROUP		COMPANY	
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020
Financial income				
Bank interest of related companies	0	0	0	49
Dividends receivable	108	50	108	50
Other financial income	8	4	1	0
	115	**54**	**108**	**99**
Financial expenses				
Interest and expenses of bank loans	369	462	313	425
Interest expenses from Leases (IFRS 16	53	60	27	29
Other bank expenses	70	75	49	53
	492	**596**	**390**	**507**

Amounts in thousands euro

6.24 Other Financial Results

The Group's and Company's financial results are analyzed as follows:

Other Financial Results

	GROUP		COMPANY	
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020
Foreign exchange differences realized - profit/(losses)	24	(1,170)	(69)	(463)
Foreign exchange differences from valuation of receivables and liabilities in foreign currency profit / (losses)	342	(9)	385	218
Profit / (Losses) from foreign exchange future contracts	(430)	(158)	(430)	(158)
Total	**(64)**	**(1,337)**	**(115)**	**(403)**

The basic foreign exchange rates as of 31/12/2021 are the following:

	31/12/2021	31/12/2020
US dollar (USD)	1.1326	1.2271
Polish zloty (PLN)	4.5969	4.5597
Australian dollar (AUD)	1.5615	1.5896
Pound sterling (GBP)	0.84028	0.89903

6.25 Income Tax

The income tax of the Group and the Company is analyzed as follows:

Amounts in thousands euro

Income Tax	**GROUP**		**COMPANY**	
	1/1-31/12/2021	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Income Tax	2,802	3,456	2,246	3,162
Deferred tax (Note 6.12)	(391)	(238)	(433)	(267)
Total income tax	**2,411**	**3,218**	**1,813**	**2,895**

Following, an analysis and reconciliation of the nominal and effective tax rate is presented.

	1/1-31/12/2021	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Earnings before taxes (IFRS)	12,818	13,595	9,099	12,280
Tax Rate	22%	24%	22%	24%
Income tax based on effective tax rate	2,820	3,263	2,002	2,947
Tax corresponding to:				
Tax free income	(42)	(33)	(42)	(33)
Subsidiaries' loss for which no deferred tax was recognized	(722)	(30)	0	0
Proportion of Results by associate companies	(158)	(174)	0	0
Non deductible expenses	11	92	44	42
Adjustment of deferred due to the change in tax rate	(130)	0	(130)	0
Results of subsidiaries taxed with a different tax rate	266	(49)	0	0
Elimination of intra-company profit	427	210	0	0
Tax exemption Law 3908/2011	(62)	(62)	(62)	(62)
Tax expense in the income statement	**2,411**	**3,218**	**1,813**	**2,895**
Weighted tax rate	18.81%	23.67%	19.92%	23.57%

Income tax for the year 2021, has been calculated based on a tax rate of 22%. The corresponding rate for the year 2020 was 24%.
The reduction of the tax rate was enacted by Law 4799/2021 from the fiscal year 2021 onwards.
The calculation of deferred taxes was performed with the new tax rate and this adjustment led to a reduction of the deferred tax of the Group and the Company by 130 thousand Euros which was recorded in the income statement and was fully recorded in the results for the year 2021.

It is noted that the effective final tax rate differs from the nominal.
There are several factors influencing the effective tax rate, the most important of which is the non-tax deduction of certain expenses, the differences in depreciation rates between the useful lives of the fixed assets and the rates set in the income tax and the possibility of tax-free rebates and tax- reserves.

The Company in fiscal year 2021 used a tax exemption of Law 3908/2011 amounting to € 62 thousand. More specifically, on 28/12/2018, was published the Decision No. 141471 / YPE / 6/0003 / C / N.3908 / 2011 decision of completion of the Minister of Economy and Development concerning the investment of the company that had been subject in 2011 to the provisions of the Law .3908 / 2011 in the General

Amounts in thousands euro

Business category. The total benefit for the company amounts to € 308,195.72 and is granted in the form of the tax exemption, which will be distributed equally over 5 years.

6.26 Contingent Receivables - Liabilities

Contingent liabilities are not recognized in the financial statements but are disclosed, unless the probability of outflow of resources that incorporate financial benefits is minimal.

6.26.1 Information regarding assumed liabilities

	GROUP		COMPANY	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Letters of bank guarantees to third parties for the account of subsidiaries	3,370	3,370	3,370	3,370
Letters of bank guarantees as insurance for liabilities	515	1,030	515	1,030
	3,884	**4,400**	**3,884**	**4,400**

There are no litigious claims or differences under dispute of the Company or its subsidiaries as well as decisions by courts or arbitration bodies that could have a significant impact on the Company's and Group's financial position or operation.

6.26.2 Tax un-audited financial years

FLEXOPACK SA	2016-2021
FLEXOPACK POLSKA Sp. Zo.o	2016-2021
FLEXOSYSTEMS Ltd Belgrade	2016-2021
FLEXOPACK INTERNATIONAL LIMITED-CYPRUS	2016-2021
FLEXOPACK PTY LTD	2016-2021
FLEXOPACK PROPERTIES PTY LTD	2017-2021
FLEXOPACK NZ LIMITED	2016-2021
FLEXOPACK TRADE AND SERVICES UK LIMITED	2016-2021
FLEXOPACK FRANCE	2018-2021
FLEXOPACK USA, INC.	2020-2021
INOVA SA	2016-2021
VLACHOS BROS S.A.	2016-2021

Amounts in thousands euro

In application of the relevant tax provisions : a) paragraph 1 of article 84 of Law 2238/1994 (unaudited cases concerning income tax), b) paragraph 1 of article 57 of Law 2859/2000 (unaudited cases related to VAT) and c) paragraph 5 of article 9 of Law 2523/1997 (penalties imposed for income tax cases), the right of the Greek State to impose any tax with regard to the fiscal years up to 2015 including, has been waived until 31/12/2021, with the exception of special or extraordinary provisions which may provide for a longer waiving period and under the respective conditions which these provisions stipulate.

Tax compliance report

With the article 82 §5 of Law 2238/94, beginning from year 2011, and in a later stage with the article 65A of Law 4174/2013, the Certified Auditors and the auditing firms performing mandatory audits in societe anonyme companies are obliged to issue a Tax Compliance Report with regard to the application of tax provisions in tax objects. The particular report is submitted to the audited company and via electronic means to the Ministry of Finance.

For the years 2011 – 2020, the Company as well as the associate companies INOVA S.A. PLASTICS AND IRON and VLACHOU BROS S.A. received a relevant Report, without any reservation with regard to the tax objects which were audited. With the article 56 of Law 4410/3.8.2016 for the years from 1.1.2016, the issuance of a Tax Compliance Report is no longer mandatory (only optional).

For the fiscal year 2021, the Company and its associate companies have been placed under the above mentioned tax audit of the Certified Auditors Accountants and from the relevant Tax Compliance Report which is expected to be granted, it is anticipated that no additional as well as material tax burdens will emerge.

According to the Ministerial Decision (POL) 1006/05.01.2016, the companies for which a tax certificate "without reservation" has been issued, are not being excluded from the obligation concerning an ordinary tax audit from the pertinent tax authorities. As a result, the tax authorities may proceed with their own tax audit and impose any penalties and additional taxes.

6.26.3 Information regarding contingent receivables

There are no contingent receivables that are of significance to report in the Company's and Group's financial statements.

6.27 Current liens

No collateral or liens are written on the fixed assets of the parent Company.

With regard to the fixed assets of the Group, there is a lien written for a banking institution in Poland, amounting to 3.0 million Euros, on the production facilities of the Polish subsidiary «FLEXOPACK POLSKA Sp. Zo.o». The purpose of the lien is to be used as insurance against the repayment of a long-term bank loan, of 2.681 million Euros, granted to the subsidiary.

6.28 Auditors' fees

The total fees of the legal auditors of the Company and the Group are the following:

	GROUP		COMPANY	
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020
Audit Fees	95	86	45	45
	95	**86**	**45**	**45**

Fees paid in 2021 for allowed non-audit services amount to 3,450 Euro.

6.29 Leases

The Right-of-Use Assets of the Group and the Company are analyzed as follows.

Right-of-Use Assets	**GROUP**			**COMPANY**		
	Buildings	**Transport Means**	**Total**	**Buildings**	**Transport Means**	**Total**
Balance as t 1 January 2020	**628**	**549**	**1,177**	**241**	**390**	**630**
Additions	69	406	474	69	240	309
Forex differences	2	(5)	(3)	0	0	0
Depreciation for the year	(258)	(273)	(531)	(91)	(177)	(268)
Forex differences of depreciation	(7)	0	(7)	0	0	0
Book value as at 31 December 2020	**434**	**676**	**1,110**	**218**	**453**	**671**
Balance as t 1 January 2021	**434**	**676**	**1,110**	**218**	**453**	**671**
Additions	351	46	398	0	21	21
Forex differences	4	5	9	0	0	0
Depreciation for the year	(279)	(310)	(590)	(105)	(198)	(303)
Forex differences of depreciation	(1)	(1)	(2)	0	0	0
Book value as at 31 December 2021	**509**	**416**	**925**	**113**	**275**	**389**

The lease liabilities of the Group and the Company are analyzed as follows.

Lease Liabilities

	GROUP		**COMPANY**	
	31/12/2021	**31/12/2020**	**31/12/2021**	**31/12/2020**
Short-term Leasing Liabilities	568	561	304	294
Long-term Leasing Liabilities	358	557	84	383
Total Lease Liabilities	**926**	**1,117**	**388**	**676**
Leasing liabilities are payable as follows:				
Within the year	572	643	275	333
Within the second year	326	408	91	269
From 3 up to 5 years	109	156	44	124
After 5 years	0	0	0	0
Less: Discounting	(81)	(90)	(21)	(49)
Total Lease Liabilities	**926**	**1,117**	**388**	**676**

Amounts in thousands euro

6.30 Transactions with related parties

The company's transactions with related parties, according to IAS 24, are as follows.

1/1/-31/12/2021

COMPANY	Sales of goods and services	Purchases of goods and services	Receivables	Liabilities
Subsidiaries				
FLEXOPACK POLSKA Sp. Zo.o	5,080	8,139	5,421	1,239
FLEXOSYSTEMS Ltd -Belgrade	700	0	125	0
FLEXOPACK PTY LTD- AUSTRALIA	15,398	6	9,743	0
FLEXOPACK TRADE AND SERVICES UK LIMITED	7,269	0	2,973	0
FLEXOPACK IRELAND	0	0	0	0
FLEXOPACK DENMARK	0	0	0	0
FLEXOPACK FRANCE	906	0	218	0
FLEXOPACK USA	10,800	0	3,882	0
FLEXOPACK NZ LIMITED	4	0	0	0
	40,157	**8,145**	**22,363**	**1,240**
Related/Associate Companies				
INOVA SA	318	2	91	1
VLAHOU BROS SA	3,043	314	1,311	176
OTHER RELATED PARTIES	0	143	0	0
	3,361	**460**	**1,402**	**177**
Grand Total	**43,518**	**8,604**	**23,765**	**1,417**

Benefits towards management and executives

	1/1/-31/12/2021	1/1/-31/12/2020
Transactions and fees of senior executives and members of the management	2,541	2,195
Receivables from senior executives and management	0	0
Liabilities towards senior executives and management	124	62

It is noted that pursuant to the decision of the Board of Directors of the Company dated 24/05/2021 (in application and execution of the previous decision of 17/05/2021 of the Board of Directors and in the context of the authorization granted by the Annual Ordinary General Meeting of shareholders as of June 29, 2018), options for the acquisition of 75,200 shares of the Company were granted and in particular 49,800 stock options to the members of the Board of Directors of the Company and 25,400 stock options to its managers and senior executives in accordance with the more specific terms and conditions of the stock option plan established under article 113 of Law 4548/2018. (Note 6.35)

Notes:

It is also noted:

Amounts in thousands euro

1. No other transactions related to the Company parties exist according to the provisions of the International Accounting Standard 24 apart from the above mentioned.
2. No loans or any other credit facilitations have been granted to the Board members or other senior executives of the Company and their families.
3. With regard to the Company's natural persons or executives of the Management, apart from the above fees, no other transactions exist between the Company and the particular directors or the members of the Board of Directors.
4. There were no changes in the transactions between the Company and its related parties that could have a material impact on the Company's financial position and performance for the period 1/1/2021-31/12/2021.
5. The Company has granted the following guarantees and loans in favor of its subsidiary "FLEXOPACK POLSKA Sp. Zo.o".
(a) A guarantee towards a banking institution based in Poland for a maximum amount of 2.682 million Euros, as insurance against the repayment of a long-term bank loan, of 2.682 million Euros. The balance of the above loan as of 31.12.2021 had settled at 2.035 million Euros.
(b) A guarantee for a maximum amount of 2.800 million PLN (610,000 Euros approximately) as insurance against the repayment of a short-term credit line towards the above subsidiary.
6. The Company has also provided a guarantee towards a banking institution in favor of its subsidiary "FLEXOPACK PTY LTD" based in Australia, with a maximum guarantee amount of approximately 74,000 Euros.
7. The transactions described above have been carried out under normal market conditions and do not contain any exceptional, favorable or special features, which would make necessary additional analysis per related party.
8. There is no separate transaction that is assessed as significant, within the meaning of Circular number 45/2011 of the Hellenic Capital Market Commission.
9. The Company's transactions and outstanding balances with subsidiaries have been eliminated from the consolidated financial statements.

The company's transactions with related parties within the framework of IAS 24 in the previous year 2020 are as follows.

1/1/-31/12/2020

COMPANY	Sales of goods and services	Purchases of goods and services	Receivables	Liabilities
Subsidiaries				
FLEXOPACK POLSKA Sp. Zo.o	4,436	8,178	3,004	1,168
FLEXOSYSTEMS Ltd -Belgrade	580	0	145	0
FLEXOPACK PTY LTD- AUSTRALIA	14,671	5	10,809	0
FLEXOPACK TRADE AND SERVICES UK LIMITED	4,094	0	1,780	0
FLEXOPACK FRANCE	407	0	241	0
FLEXOPACK USA	579	0	579	0
FLEXOPACK NZ LIMITED	6	0	6	0
	24,772	**8,184**	**16,563**	**1,168**
Related/Associate Companies				
INOVA SA	297	1	99	0
VLAHOU BROS SA	2,259	109	846	37
OTHER RELATED PARTIES	0	132	0	0
	2,556	**241**	**945**	**37**
Grand Total	**27,328**	**8,425**	**17,507**	**1,204**

Amounts in thousands euro

Company's transactions with related parties

	GROUP		COMPANY	
	1/1/-31/12/2021	**1/1/-31/12/2020**	**1/1/-31/12/2021**	**1/1/-31/12/2020**
Sales of goods and services				
To subsidiaries	0	0	40,157	24,691
To associates	3,253	2,556	3,253	2,556
	3,253	**2,556**	**43,410**	**27,247**
Purchases of goods and services				
From subsidiaries	0	0	8,145	8,184
From associates	317	110	317	110
From other related parties	143	132	143	132
	460	**241**	**8,604**	**8,425**
Receivables				
From subsidiaries	0	0	22,363	16,563
From associates	1,402	945	1,402	945
	1,402	**945**	**23,765**	**17,507**
Liabilities				
To subsidiaries	0	0	1,240	1,168
To associates	177	37	177	37
To other related parties	0	0	0	0
	177	**37**	**1,417**	**1,204**
Income from dividends				
From subsidiaries	0	0	0	0
From associates	108	50	108	50
	108	**0**	**108**	**0**
Sales of fixed assets				
To subsidiaries	0	0	0	81
To associates	0	0	0	0
	0	**0**	**0**	**81**

6.31 Earnings per share

Earnings per share are analyzed as follows:

Amounts in thousands euro

Earnings per share

	GROUP		COMPANY	
	1/1-31/12/2021	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Earnings after taxes corresponding to shareholders of the parent (1)	10,407	10,378	7,286	9,385
Weighted number of shares outstanding (2)	11,623.574	11,677.216	11,623.574	11,677.216
Basic earnings per share (Euro per share) (1)/(2)	0.8953	0.8887	0.6269	0.8037

The share capital of the Company consists of 11,720,024 common fully paid shares.
The Company on 31.12.2021 held 96,450 treasury shares, which correspond to 0.82% of the total shares of the Company. (Note 6.11.2)

Adjusted (diluted) earnings per share

	GROUP		COMPANY	
	1/1-31/12/2021	**1/1-31/12/2020**	**1/1-31/12/2021**	**1/1-31/12/2020**
Earnings after taxes corresponding to shareholders of the parent (1)	10,407	10,378	7,286	9,385
Weighted average number of shares outstanding	11,623.574	11,677.216	11,623.574	11,677.216
Number of stock options	94.294	43.793	94.294	43.793
Weighted average number of shares for the calculation of adjusted earnings per share (2)	11,717.868	11,721.009	11,717.868	11,721.009
Adjusted (diluted) earnings per share (Euro per share) (1)/(2)	0.8881	0.8854	0.6218	0.8007

Adjusted (diluted) earnings per share are calculated by adjusting the weighted average number of ordinary shares outstanding, with the effects of all potential securities convertible into ordinary shares. The stock option plan (Note 6.35) is the only category of potential securities convertible into common shares that the Company currently possesses.
For the purposes of calculating diluted earnings per share, the exercise of options is taken for granted. To the existing weighted number of shares outstanding, the difference between the number of ordinary shares deemed to have been issued in the exercise of the rights and the number of ordinary shares that would have been issued at fair value is added.
The number of ordinary shares that would have been issued at fair value is calculated by dividing the hypothetical cash proceeds from the stock options by the average market price of the ordinary shares during the reporting period.

6.32 Dividends

The Company's Board of Directors taking into account the results of the year 2021, the broader capital needs of the Company, as well as the wider financial environment which the Company operates in, intends

Amounts in thousands euro

to propose to the Annual General Meeting of Shareholders the distribution of a dividend amounting to 1,580,806.06 Euros or 0.136 Euros per Company share.
As the distribution of the dividend requires the approval of the general meeting of shareholders, no relevant obligation has been recognized in the financial statements for the year 2021.

6.33 Fair value measurement

The Group and the Company use the following hierarchy to identify and disclose fair values of financial assets using the following valuation method:
Level 1: fair values are determined by reference to published active money market transactions.
Level 2: fair values are determined using measurement techniques for which all parameters that have a material impact on the fair value of the asset are supported by observable market prices (directly or indirectly).
Level 3: fair values are determined using measurement techniques for which the parameters that have a significant impact on the fair value recorded are not supported by observable market prices.
The table below shows the hierarchy of the fair value of the assets and liabilities of the Group and the Company.

	GROUP		COMPANY		
	1/1-31/12/2021	1/1-31/12/2020	1/1-31/12/2021	1/1-31/12/2020	Fair Value Hierarchy
Short-term liabilities					
Derivative financial instruments	430	158	430	158	Level 2
Capital reserves					
Stock options	449	155	449	155	Level 3

On 31/12/2021 the Group had futures exchange contracts with expiration dates until 31/12/2022, to hedge risks related to the exchange rate EUR / GBP, EUR / AUD and EUR / USD.

The fair value of the contracts (liability) was valued on 31/12/2021 at a loss of 430 thousand Euros and was recorded in the income statement in the account "Other Financial Results".

The fair value of the granted stock options was assessed according to the Black Scholes model and on 31/12/2021 amounted to 449 thousand Euros.

The fair values of the Group's financial assets and liabilities, which consist of cash, receivables from customers, loans and other receivables, liabilities to suppliers and related liabilities and lease liabilities, do not differ significantly from their book values, mainly due to of their short-term nature.

The Group's bank loans have a floating interest rate and therefore their fair values do not differ significantly from their book values.

Amounts in thousands euro

6.34 Reconciliation of cash flows from financing activities

Based on the amended IAS 7, the reconciliation of debt liabilities between the statement of Financial Position and the financing activities of the statement of cash flows is presented below:

THE GROUP	31.12.2020 Statement of financial position	1/1/-31/12/2021 Collections Cash flow statement	Payments Cash flow statement	Transfers	31.12.2021 Statement of financial position
Long-term debt liabilities	11,699	7,000	-6,015	-144	12,540
Short-term liabilities	3,300	284	-200	144	3,528
	14,999	**7,284**	**-6,215**	**0**	**16,067**

THE COMPANY	31.12.2020 Statement of financial position	1/1/-31/12/2021 Collections Cash flow statement	Payments Cash flow statement	Transfers	31.12.2021 Statement of financial position
Long-term debt liabilities	9,664	7,000	-5,645	-144	10,875
Short-term liabilities	2,413	0	-200	144	2,357
	12,077	**7,000**	**-5,845**	**0**	**13,232**

THE GROUP	31.12.2019 Statement of financial position	1/1/-31/12/2020 Collections Cash flow statement	Payments Cash flow statement	Transfers	31.12.2020 Statement of financial position
Long-term debt liabilities	11,359	7,093	-6,955	202	11,699
Short-term liabilities	4,255	247	-1,000	-202	3,300
	15,614	**7,340**	**-7,955**	**0**	**14,999**

THE COMPANY	31.12.2019 Statement of financial position	1/1/-31/12/2020 Collections Cash flow statement	Payments Cash flow statement	Transfers	31.12.2020 Statement of financial position
Long-term debt liabilities	10,645	4,500	-5,695	214	9,664
Short-term liabilities	3,627	0	-1,000	-214	2,413
	14,273	**4,500**	**-6,695**	**0**	**12,077**

Amounts in thousands euro

6.35 Stock Option Plan to the members of the Board of Directors of the Company, senior and other executives.

The Board of Directors of the Company, during its meeting of 17th May 2021 and following authorization granted from the Annual General Meeting of shareholders of June 29, 2018, established a new program for the distribution of shares to the members of Board of Directors, the management members and the Company's executives, in the form of the stock options, in accordance with the applicable regulatory framework and specifically in accordance with the provisions of Article 113 of Law 4548/2018.

The maximum number of shares that can be granted under the above program is 75,200 shares.

The plan consists of granting options to the participants, so that the latter can acquire shares of the Company through their participation in the latter's share capital increase at a fixed price, amounting to three (3.00) Euros per stock option.
The date of maturity of the stock options has been set at 29 March 2023.

The exercise of the option and the deposit by the beneficiary of the value of the options will take place from 29.03.2023 to 20.04.2023 at the bank account of the Company which will be disclosed to the beneficiaries.
The exercise of the options requires prior written notice from the beneficiary of his/her intention to exercise the relevant option by the 28th December of 2022, i.e. three (3) months before the above maturity date.
According to article 113, par. 3 of Law 4548/2018, after the exercise of the options by the participants, the Board of Directors will issue and deliver the shares to the beneficiaries and will take a decision to increase the share capital of the Company based on the amount corresponding to the options exercised. Subsequently, the Board of Directors will take a decision to certify the payment of the amount of the respective share capital increase.

With the decision as of 24/05/2021 of the Board of Directors of the Company, the beneficiaries were appointed according to the more specific provisions of the Stock Option Plan and options were granted for 75,200 shares of the Company.
It is also noted that with the decision of 09/01/2020 of the Board of Directors of the Company, and following the authorization provided by the Annual Ordinary General Meeting of shareholders of June 29, 2018, the members of the Board of Directors, as well as the Company's management and senior executives have already been granted options for 75,000 shares.

6.36 Events after the reporting date of the financial statements

On February 24, 2022, there was a Russian invasion of Ukraine, which at the time of preparation of the present Financial Report was in full swing. Although the Company maintains no significant business exposure in the countries involved in the conflict and therefore no significant impact (direct or indirect) has arisen with regard to its operations, the concern in the international community due to high prices of energy, industrial metals and other goods is particularly intense.

Following the Russian invasion of Ukraine and the "response" of the Western countries with economic retaliation, the deterioration of financial conditions must be taken for granted, due also to the fears of a long-term exclusion of Russian natural resources from the world market.

At this time, any prediction regarding the impact of the war on turnover, financial results and financial position of both the Group and the Company is uncertain, as it is directly related to the duration and intensity of the war activity, the length of time during which the economic measures against Russia remain in force, as well as the way by which the crisis may be resolved.

In the year 2021, the Group's sales to Russia and Ukraine amounted to 2.337 million Euros, i.e. 2.05% of the consolidated turnover, while receivables on 31/12/21 accounted for 33,693 Euros.

Other than the above, there are no significant events after the reporting date of the financial statements, which concern either the Group or the Company, and whose disclosure is required by the International Financial Reporting Standards (IFRS).

Koropi, 19/4/2022

THE CHAIRMAN OF THE BOARD	THE CHIEF EXECUTIVE OFFICER	THE CHIEF FINANCIAL OFFICER	THE HEAD ACCOUNTANT
GEORGIOS S. GINOSATIS	STAMATIOS S. GINOSATIS	ANASTASIOS A. LYBEROPOULOS	ZOIS P. ZAVERDINOS
ID NO./AE 153990	ID NO./Σ.500301	ID NO./X.094106	ID NO./AZ 032773
		REG. NO. 3544/99	REG. NO. 0078997

Amounts in thousands euro

APPENDIX: Report of the Audit Committee for the year 2021

Report of the Activities of the Audit Committee of the Societe Anonyme "FLEXOPACK PLASTICS SA" for the year 2021

To the Ordinary General Meeting of Shareholders of the Company of the year 2022

Introduction

Dear Shareholders,
In our capacity as members of the Audit Committee of the Company under the name "FLEXOPACK SOCIÉTÉ ANONYME COMMERCIAL AND INDUSTRIAL PLASTICS COMPANY" (hereinafter the "Company"), we submit the report of the activities of the Audit Committee for the year 2021 (1.1.2021 – 31.12.2021). The report was prepared in accordance with the provisions of article 44 of Law 4449/2017, as amended by article 74 of Law 4706/2020.
The Audit Committee was elected by the Ordinary General Meeting of Shareholders of 25.06.2021, constitutes an Independent Joint Committee and consists of three (3) members, of which one (1) member comes from the independent non-executive members of the Board of Directors and two (2) members are third parties, non-members of the Board of Directors. The Committee consists of the following:
(a) Mr. Dimitris Panagotas, non-member of the Board of Directors (third party), Chairman of the Audit Committee.
(b) Ms. Aliki Benroubi, Independent Non-Executive Member of the Board of Directors, Member of the Audit Committee.
(c) Mr. Nikolaos Vlachos, non-member of the Board of Directors (third party), Member of the Audit Committee.

By 25.06.2021 the Audit Committee had been elected by the Ordinary General Meeting of Shareholders of 28.06.2019 and consisted of the same persons as follows: a third party being non member of the Board of Directors (Mr. Dimitris Panagotas), an independent non-executive member of the Board of Directors (Ms. Aliki Benroubi), and a non-executive member of the Board of Directors (Mr. Nikolaos Vlachos).
During the fiscal year 2021, the Committee convened ten (10) times and discussed all issues related to its responsibilities, in the presence of all of its members and decisions were taken unanimously. Key executives and the external certified auditor of the Company participated in those meetings wherever it was deemed appropriate.
The Committee operated in full compliance with the applicable legislative and regulatory framework as well as with its operating regulations approved by the Board of Directors.

Purpose and responsibilities

The primary purpose of the Audit Committee is to support the Board of Directors in its tasks related to the integrity of financial information, the internal control system and the supervision of the mandatory regular audit of the Company's financial statements.
Within its remit, the Audit Committee:

(a) Informs the Board of Directors of the audited entity about the outcome of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information and what the role of the Audit Committee was in that process;
(b) Monitors the financial information process at all stages and make recommendations or proposals to ensure its integrity;
(c) Monitors the statutory audit of the annual and consolidated financial statements and in particular its performance;
(d) Monitors and reviews on an ongoing basis the independence of certified public accountants or auditing firms and in particular the appropriateness of the provision of non-audit services to the audited entity;
(e) Is responsible for the selection process of certified public accountants or audit firms and proposes the statutory auditors or audit firms to be appointed;
(f) Monitors the effectiveness of the internal control, quality assurance and risk management systems of the company and, where appropriate, of its Internal Control Department, regarding the financial information of the audited entity.

Activities of the Audit Committee

The issues the Committee dealt with during the year 2021 by area of field of interest were the following:
A. Mandatory external audit - Financial information procedure
In the field of external control and financial information procedure, the Committee has taken the following steps:
(a) Was informed by the Chief Financial Officer of the financial statements of the Company and the Group for the year ended 31 December 2020 and of the principal matters concerning the Financial Management in the preparation of the financial statements;
(b) Was informed of the accounting principles and policies applicable to the preparation of the financial statements, as well as of the consolidation basis and measurement methods used for the assets and liabilities contained in the financial statements;
(c) Reviewed the financial statements of the Company and the Group for the year 2020 (01.01.2020-31.12.2020) before their approval by the Board of Directors and evaluated these financial statements in terms of their accuracy and completeness;
(d) Ascertained the reconciliation of the financial statements with the legally binding content and framework of their preparation and proposed their approval;
(e) Briefed the Board of Directors on the issues arising from the statutory audit, the contribution of the statutory audit to the quality and integrity of financial information and the role of the Audit Committee in this procedure;
(f) Verified the compliance with the rules of disclosure of the financial statements, as well as the possibility of an immediate, permanent and free-of-charge access to this information;
(g) Was briefed by the Certified Public Accountant on the most important issues of the audit for the year 2020, the risks that were assessed as the most important ones and on the available options to deal with those risks, and was informed about the final draft of the Audit Report for the year ended 31 December 2020,
(h) Received knowledge about the supplementary report of the Certified Public Accountants provided for in Article 11 of European Union (EU) Regulation 537/2014 on the financial statements of the Company and the Group;
(i) Submitted a proposal to the Annual Ordinary General Meeting of the Company's Shareholders for the re-election of the Audit Company under the name "Grant Thornton Societe Anonyme SA" for the performance of the statutory audits of the annual and semi-annual financial statements for the year 2021,

(j) Was informed by the Certified Public Accountant regarding the procedure and methodology to be followed during the audit of the semi-annual and annual financial statements for the year 2021, with the planning and schedule of the audit, as well as for the particular procedures to be followed,
(k) Confirmed the impartiality, objectivity, independence and integrity of the external auditors in accordance with the Code of Professional Ethics of the International Federation of Accountants, Regulation (EU) 537/2014 and Law 4449/2017, as well as the non-provision of any external directive, guidance or recommendation by the Management of the Company,
(l) Was informed by the Certified Public Accountant about the audit approach of the review of the interim financial statements of the first half of the year 2021 and acquired knowledge with regard to the important issues of the audit review,
(m) Supervised the correct and timely disclosure to the investors' community of the relevant corporate announcements relating to financial information;
(n) Approved the provision of authorized non-audit services by the auditing company "Grant Thornton Societe Anonyme of Certified Auditors and Business Consultants"

B. Internal control system procedures
In the context of monitoring the effective operation of the Company's internal control system and the proper operation of the Internal Control Unit, the Committee:
(a) Examined and evaluated the effectiveness and adequacy of the Internal Control Unit's procedures regarding the Company's financial information, without affecting by any manner its independence;
(b) Monitored the effectiveness of internal control systems through the work of the Internal Control Unit and the work of the Certified Public Accountant;
(c) Reviewed the management of the Company's main risks by evaluating the methods used by the Company to identify and monitor the risks, as well as the treatment of the main ones and their proper disclosure;
(d) Was informed of the annual audit plan of the Internal Control Unit before its implementation and approved it accordingly;
(e) Was informed of and evaluated the work of the Internal Control Unit and was informed of the quarterly reports of the Head of the Internal Control Unit;
(f) Inspected the proper functioning of the Internal Control Unit in accordance with professional standards and the applicable legal and regulatory framework in general;
(g) Held meetings with the Internal Controller on issues that may have arisen during the audit process, in order to ensure the smooth operation of all individual Departments and Divisions of the Company;
(h) Confirmed that the Internal Control Unit had a constant and unhindered access to all the data and records of the Company, which are necessary for the performance of its duties, as well as to all the Departments of the Company,
(i) Examined the Rules of Operation of the Internal Control Unit of the Company and its compliance with the requirements of the applicable regulatory framework.

C. Other
(a) Provided to the Company's Management the necessary assistance to comply with the provisions of Law 4706/2020, in order to properly and timely complete the process of full harmonization with the provisions and regulations of the above legislation,
(b) Approved the content of the information provided to the shareholders of the Company at the Annual Ordinary General Meeting of June 25, 2021 regarding its activities for the year 2020 (01.01.2020-
(c) In the context of the adequate compliance of the Company with the provisions of Law 4706/2020, the circulars and decisions issued by the Board of Directors of the Hellenic Capital Market Commission,

as well as the best corporate governance practices, the Committee submitted proposals to the Board of Directors for the development and adoption of the following Policies and Procedures:

• Procedure for hiring senior executives and evaluating their performance
• Procedure for disclosing the transactions of persons exercising managerial duties
• Dependency reporting process
• Transaction process with related parties
• Conflict of interest policy and procedure
• Regulatory compliance policies and procedures
• Privileged information management process
• Policy and procedure for periodic evaluation of the internal control system
• Training policy for members of the Board of Directors

In conclusion, the members of the Audit Committee consider that they have fulfilled their duties and obligations, as set out in the updated Rules of Procedure of the Audit Committee.

Koropi, 04/04/2022

The Audit Committee

Dimitrios Panagotas	**Aliki Benroubi**	**Nikolaos Vlachos**
Chairman	Member	Member