KRI-KRI MILK INDUSTRY S.A.

General Commercial Registry No.: 113772252000

INTERIM FINANCIAL REPORT

FOR THE PERIOD

1.1.2021 – 30.6.2021

IN ACCORDANCE WITH LAW 3556/2007

(TRANSLATION FROM THE GREEK ORIGINAL)

This Condensed Financial Report was prepared in accordance with article 4 of Law 3556/2007 and was approved by the Board of Directors of KRI-KRI SA. on September 21, 2021. It is posted online, at the website: https://www.krikri.gr/oikonomikes-katastaseis/

CONTENTS

DECLARATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(in accordance with article 5 (2) of Law 3556/2007)

Hereby we declare, that to the best of our knowledge:

The Interim Financial Statements for the period ended 30 June 2021, which were drawn up in accordance with IFRS (IAS 34), give a true and fair view of the assets, liabilities, shareholders' equity and the financial results of "KRI-KRI Milk Industry S.A.", in accordance with §3-5 of article 5 of Law 3556/2007.

The Report of the Board of Directors for the period ended 30 June 2021 depicts in a true and fair manner the information that is required according to §6 of article 5 of Law 3556/2007.

Serres, 21 September 2021

Confirmed by

Chairman & Managing Director	Vice-Chairman	Member of the B.o.D.
PANAGIOTIS TSINAVOS ID AE373539	GEORGIOS KOTSAMBASIS ID AE376847	GEORGIOS TSINAVOS ID AH350985

KRI KRI MILK INDUSTRY S.A.

REPORT OF THE BOARD OF DIRECTORS

FOR THE PERIOD OF 1 JANUARY 2021 UNTIL 30 JUNE 2021

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Dear shareholders,

This six-month Report of the Board of Directors concerns the period of the first half of the year (01.01.2021-30.06.2021) of the current year 2021. The Report was prepared in accordance with the relevant provisions of law 3556/2007 (Government Gazette 91A / 30.04.2007) and the executive decisions issued on it by the Hellenic Capital Market Commission.

The present report aims to provide a concise description of the financial information of the Company "KRI-KRI MILK INDUSTRY S.A." for the first half of the financial year, the major events that took place during the period under examination and their impact on the interim financial statements, the main risks and uncertainties to which the Company may be exposed to in the second half of the financial year and the transactions concluded between the Company and related parties.

GENERAL INFORMATION

KRI-KRI MILK INDUSTRY S.A. operates in the dairy industry. Our main business activities are the production of ice-cream and yogurt. Our distribution network is spread across the whole country and comprises of supermarket chains and small points of sale. We export our products to more than 24 countries abroad. The headquarters and the production facilities are located in Serres, Northern Greece and a secondary distribution Centre is located in Aspropirgos region of Attica, Greece.

I. PERFORMANCE AND FINANCIAL POSITION

SALES

Company's turnover amounted €70.231k at first half of 2021, against €65.923k at first half of 2020 (increased by +6,5%).

Ice-cream sales present an increase of 18,5% amounting €17.868k against €15.074k of H1 2020.

Yogurt sales present an increase of +3,9% amounting €52.162k against €50.225k of H1 2020.

Finally, exports stood at 44,20% of total sales, presenting an increase of +11,84%.

PROFITABILITY

Gross profit margin was calculated to 35,0% (2020: 34,5%) and specifically a) 51,1% in Ice-cream (2020: 48,9%) and b) 30,0% in Yogurt (2020: 30,5%).

Company's profit before tax amounted €12.584k against €11.942k of 2020 (+5,4% increase). The net profit after tax amounted €10.050k against €9.087k of 2020. EBITDA amounted €14.645k against €13.804k of 2020 (+6,1% increase).

LOANS

Management seeks to maintain a small exposure to debt. At 30/6/2021, the balance of Company's loans amounts to €9.305k, while net debt is almost zero.

ALTERNATIVE PERFORMANCE MEASURES of the European Securities and Marketing Authority (ESMA/2015/1415el)

The European Securities and Markets Authority (ESMA / 2015 / 1415el) has published the final guidelines on "Alternative Performance Measures" (hereinafter "APM") which apply from July 3, 2016 to companies with securities traded on regulated stock exchanges. APM are disclosed by publishers when publishing regulated information and aim to enhance transparency and promote utility, as well as the correct and complete information of the investing community.

APM are a customized economic measurement of historical or future financial performance, financial position or cash flows, other than the economic measurement defined in the applicable financial reporting framework. That is, APMs on the one hand do not rely solely on the standards of the financial statements, on the other hand they provide substantial additional information, excluding items that may differ from the operating result or cash flows.

Transactions with non-operating or non-cash valuation with a significant effect on the Statement of Comprehensive Income are considered as elements that affect the adjustment of APM. These non-recurring, in most cases, funds could arise from, among other things:

- impairment of assets
- restructuring measures

- remediation measures
- sales of assets or divestitures
- changes in legislation, claims for damages or legal claims

APM should always be considered in conjunction with the financial results prepared under IFRSs and in no case should they be considered as substitutes. The Company uses APM in order to better reflect the financial and operational performance related to the Company's actual activity in the reporting year, as well as the corresponding comparable period last year. The definition, analysis and calculation basis of APM, used by the Company, is set out below. It is noted that, for the calculation of APM, it was not considered necessary to make an adjustment to the items of the financial statements.

1. *EBITDA Margin*

This ratio is widespread in the investment community and is part of the general unit of profitability ratios, having the advantage that it isolates the effects of financial investment results, income tax and the main category of non-cash expenses which are depreciation.

The Statement of Comprehensive Income includes " Earnings before interest, taxes, depreciation and amortization (EBITDA)", to which no adjustment is made.
The "EBITDA Margin" Ratio is obtained by dividing "EBITDA" by Sales. Expresses the percentage that EBITDA has on Sales. The Management of the Company uses this ratio in the context of the wider evaluation of the operational performance of the Company.

2. *EBIT Margin*

This Ratio, like the previous one, is widespread in the investment community and is part of the general unit of profitability ratios, having the advantage of isolating the effects of financial investment results and income taxation.
The Statement of Comprehensive Income includes " Earnings before interest and taxes (EBIT)", to which no adjustment is made.

The "EBIT Margin" Ratio is obtained by dividing "EBIT" by Sales. Expresses the percentage that EBIT has on Sales. The Management of the Company uses this ratio in the context of the wider evaluation of the operational performance of the Company.

3. *Free Cash Flows to the Firm*

This index is part of the general unit of efficiency indices, as it shows the amount of cash available for distribution to shareholders and lenders of the company and at the same time is one of the key indicators of financial soundness.
The index is calculated by adding total inflows / (outflows) from Operating Activities to the total inflows / (outflows) from Investment Activities, of the Cash Flow Statement.

4. *Capital Structure ratios*

These ratios show the degree of financing of the company with foreign capital. The Ratios used by the company are the Capital Leverage Ratio and the Debt Ratio.
The Capital Leverage Ratio is calculated if divided Total Debt by the sum of total Equity and Total Debt.
The Debt Ratio is calculated by dividing Total Debt by the amount of Total Equity.

5. *Efficiency ratios*

In general, the return on Equity shows the profit that corresponds to the investment of a company's shareholders. It belongs to the group of profitability indicators and is also generally used for the purpose of comparing similar companies and evaluating the management of a company.
The Return on Equity Ratio is calculated by dividing the net income, ie "Profit after Tax", by the amount of Total Equity.
The Efficiency ratio is calculated by dividing the net income, ie "Profit after Tax", by the total Assets.

BASIC FINANCIAL RATIOS

		30/6/2021	31/12/2020	30/6/2020
1. EBITDA Margin	$\frac{\text{EBITDA}}{\text{Sales}}$	20,9%	17,7%	20,9%
2. EBIT Margin	$\frac{\text{EBIT}}{\text{Sales}}$	17,9%	14,8%	18,3%

		30/6/2021	31/12/2020	30/6/2020
3. Free cash flow	Operating activities + Investment activities	1.382.320	6.109.822	2.863.413
4. Debt to capital	Total Debt / Total Debt & Total Equity	9,8%	12,6%	7,2%
4b. Debt to Equity	Total Debt / Total Equity	10,8%	14,4%	7,9%
5a. ROA	Profit after Tax / Total Assets	7,7%	13,7%	7,6%
5b. ROE	Profit after Tax / Total Equity	11,7%	20,9%	12,1%

II. IMPORTANT EVENTS OF CURRENT FINANCIAL YEAR

OUR POSITION IN THE MARKET

In the ice cream sector, in the domestic market, our sales show a strong recovery. This is mainly due to the lifting of restrictive measures taken as a result of the pandemic in conjunction with the strengthening of tourist flows from abroad. The expansion of our distribution network also played an important role, with the addition of 800 new points of sale, along with the launch of new ice creams. For the rest of the summer season, ice cream sales continued at a similar pace.

In the yogurt sector, in Greece, our sales show a slight decrease of -2.1%. This performance is attributed to the contraction of the market and, also, to market conditions of stronger competition. To address this situation, we are expanding our product portfolio in order to reach a wider consumers base. A recent example is the launch of new functional yogurts. Finally, with advertising and promotional campaigns we try to defend and increase our market share.

Export yogurt sales continue to grow in double digits. We utilize the dynamics that Greek yogurt has in the large markets of western Europe where we have a presence and expand existing partnerships.

INVESTMENTS

Investment in fixed assets amounted to €5,9 million in the first half of 2021. They primarily directed to increasing production capacity and building a biogas production unit. Many of these projects are eligible for state subsidy of 35%, as a tax deduction.

DIVIDEND

The Annual General Meeting decided the distribution of dividend for the financial year 2020 of gross value €0.20 per share (2019: €0.18).

SAFETY, ENVIRONMENT, CORPORATE SOCIAL RESPONSIBILITY

Safety in the workplace, environmental protection, harmonious co-existence with the local community and ongoing staff training continue to be non-negotiable goals, linked to the operation of the company. Also, specific actions are carried out within the framework of the Corporate Social Responsibility program.

Within the framework of Corporate Governance, which ensures the long-term and balanced development of the Company for the benefit of employees, consumers and shareholders, the Company implements Corporate Social Responsibility (CSR) actions, which is the main "tool" of Corporate Governance.

The Company's "footprint" concerns the employees, who benefit from a creative and rewarding work environment, the consumers, who show a growing interest in the social and environmental "credentials" of the companies with which they trade, the local communities, who wish to share principles and values with local companies, especially in adverse economic times, such as the recent years in Greece. But it also applies to shareholders, who reward responsible corporate behavior and attitude. It concerns finally and especially to the next generations, who expect to receive a world with respect to people and to the environment.

The Company, in line with the European practice in this field, which is essentially the volunteering of companies and contributes to the goals of sustainable development, presents activity in the following areas:

• cares about the health and safety of staff,

• encourages and financially supports the participation of its employees to educational programs (seminars, conferences, workshops, etc.) to enhance their skills, personal development and training, as well as to improve their daily transactions with customers,

• organizes events and give presents to the children of the employees, while rewarding the excellent students of the national exams every academic year,

• encourages the participation of staff in voluntary activities (collection of food or items for the needy, running events etc.),

• ensures its compliance with current environmental legislation, by continuously monitoring, consolidating and complying with the requirements of environmental directives at national and European level,

• invests in upgrading its facilities for optimal efficiency and reducing energy consumption and reducing CO_2 emissions,

• implementing a biogas production project from the treatment of the wastewater of the factory,

• promotes the redesign of the packaging of its products, with the aim of significantly reducing (~ 20%) the weight of the plastic used,

• systematically implements on-site recycling program and uses environmentally friendly materials,

• encourages and financially supports the participation of its farmers in training programs for modern livestock practices and for promoting their business skills,

• supports sports and cultural events,

• provides internships for students in order to gain valuable work experience.

Corporate social responsibility

The framework includes the fundamental principles on the basis of which our actions are formed, which concern the improvement of our social imprint. This set of rules and principles describes the behavior we expect from our people, as well as the way we conduct our business with our customers, suppliers and other partners. At the same time, we promote transparency and good professional behavior, at all levels of the company's hierarchy, from employees, executives to top management. The goal is to build trust, which plays a key role in our sustainable business success.

Health and Safety

Protecting health and safety in the workplace is a key priority. Especially in the current context of the covid-19 pandemic, we make sure to strictly implement all the necessary health protocols, while we have fully implemented a plan to ensure business continuity.

Environment

The Management of the Company is very sensitive in relation to the protection of the environment. In this context, a significant investment is implemented for the construction of a biogas plant. Its main purpose is the environmentally friendly treatment of the plant's wastewater. At the same time, we promote the reduction of the use of plastic and the reduction of greenhouse gas emissions. Finally, voluntary tree planting events are organized with the participation of staff, contributing to reforestation and cultivating environmental awareness.

Local community

The Company actively supports the activity of local not-for-profit organizations. Such initiatives include the financial support of charitable events, the provision of sponsorships and donations to sporting or cultural events, etc.

III. MAJOR RISKS & UNCERTAINTIES

Due to the nature of its operations, the Company is exposed to various financial risks such as, market risk (fluctuations of exchange rates, interest rates and of production costs), credit risk and liquidity risk. The Company's overall risk management program focuses on financial market unpredictability and aims to minimize the potential negative impact on the Company's financial performance.

Risk management is carried out by the Company's financial department, which operates under certain rules approved by the Board. The Board of Directors provides instructions and guidelines on general risk management and special instructions on managing specific risks such as currency risk, interest rate risk and credit risk.

MARKET RISK

Foreign currency risk

The main bulk of the Company's operations are conducted within the Euro zone. Company exposure to exchange rate (FX) risk is very limited, and derives from existing or expected cash flows in foreign currency.

Interest rate risk

The Company has not capitalized significant interest-related assets, therefore operating income and operating cash flows are substantially independent of changes in market interest rates.

The loans of the Company are related to either floating rates or fixed rates. The company does not use financial derivatives. The interest rate risk relates primarily to long-term loans. Loans with variable interest rates expose the Company to cash flow risk. Loans issued at fixed rates expose the Company to risk of changes in fair value.

A policy of retaining loans with variable interest rate is beneficial in cases of declining interest rates. On the other hand, a liquidity risk appears when the interest rates rise.

From the total loans of the Company at 30.6.2021, the amount of € 2.700.000 is related to a fixed interest rate and the amount of €6.604.898 is related to a floating rate.

Banking system's financing products are being systematically considered to minimize financing costs.

Risk of fluctuation of raw material prices

The Company is exposed to risk of loss of income in case of sudden changes in prices of raw materials. This is a result of the inability to roll these costs to sales prices in a timely manner.

CREDIT RISK

The Company has established and applies credit control procedures in order to minimize credit risk. Generally, sales are distributed to a large number of customers, resulting in an efficient dispersion of the commercial risk, except perhaps the large supermarket chains in Greece.

Wholesale sales are made to customers with appropriate credit history. The credit control department defines credit limit per customer that is continuously monitored and reviewed. Also, in some cases our receivables are secured with collaterals. For example, from the company domestic customers-distributors, the Company receives personal guarantees amounting the double of two months turnover, hence consistently applying its credit policy. Finally, receivables of specific supermarket chains are credit insured with a contract covering credit losses, occurring from insolvency, up to 90%.

Receivables from foreign customers, are credit insured with a contract covering credit losses, occurring from insolvency, up to 95%. Credit limits per customer are established by the insurance company. Therefore, the credit risk exposure is limited to 5% of the insured credit limit, plus any excess.

The company's management emphasizes on reducing working capital needs. It promotes the reduction of credit limits and of the credit period to its customers, to increase operating cash flows.

LIQUIDITY RISK

The Company manages liquidity risk by maintaining adequate cash reserves and credit lines from banks. At present, available overdraft can adequately cover any immediate cash requirement.

OPERATING RISKS

Suppliers - stock

The Company has no significant dependence on certain suppliers given that no supplier supplies it to more than 10% of total purchases.

The company's management promotes overall stock management, in a way that allows meeting the demand, without excessive liquidity reservation.

Staff

The company's management is based on a team of experienced and qualified personnel, who have full knowledge of their subject and industry market conditions. This contributes significantly to the proper functioning of the company's processes and the further development of its activities.

Company executives are working harmoniously with each other and with the company's management. Potential disruption of this relationship may affect, temporarily, its proper functioning. However, the existing staffing infrastructure company enabling the direct replenishment executives, with no significant impact on the progress of its work.

Product contamination

Risk of product contamination may result in product recall and, consequently, negative publicity that damages brand reputation. Product recall, depending on the size, can have a significant negative economic impact. The same can happen from the negative publicity that usually results from such an event, whether it is due to the fault of the Company or not.

The Company's Management estimates that the quality assurance and quality control system it applies drastically reduces this risk.

Changes in the nutritional behavior of consumers

Possible changes in the nutritional behavior of consumers can lead to the replacement of the consumption of the company's products with substitutes or competing products. The above can lead to a decrease in sales and a burden on the Company's results.

The Company tries to closely monitor market trends, in order to adapt as quickly as possible to the new conditions.

Possible insufficiency or unavailability of insurance coverage

Despite the insurance policy against the basic risks related to the facilities, equipment and stocks, in case of their partial or total destruction or exceeding the existing limits, no guarantee can be provided that the Company will be immediately and fully compensated by the insurance companies. Also, in case of partial or total disaster, the Company may have a loss of profits and cash flows, resulting in a corresponding impact on its financial figures.

Full insurance coverage of all the above risks cannot be guaranteed in advance. In addition, it cannot be guaranteed that insurance services will be available at all times and at a reasonable cost for the specific object of the Company's activity. If the Company suffers losses that are not covered by insurance policies or losses that significantly exceed the limits of their insurance coverage, the resulting costs will adversely affect the activity, financial situation and results of the Company.

The Management ensures in a timely manner that the Company has insurance coverage against the main risks related to its business activity, which is subject to exemptions, coverage limits and coverage restrictions / exceptions in accordance with the usual market practice.

Extraordinary events

The possibility of an event occurring, which, to a large extent, is beyond the control of the Company, could potentially affect the normal conduct of its business activities. Indicatively, the following cases can be mentioned:

• Natural Disaster,
• Accidents at work, which may be related to employees of the Company, suppliers, or even third parties.
• Problems / Insufficiency in the operation of information systems,
• Significant mechanical damage, which may result in delay or even cessation of production,
• Fraud,
• Termination of contracts with customers / suppliers.

In such a case, any disruption in the conduct of the Company's business activities could have a negative effect on sales, costs and, in general, on its financial results.

The Management tries to take all the necessary actions, in order to limit, both the chances of the occurrence of the specific risk, and, in case it happens, its effects on the smooth conduct of its business activities.

IV. Macroeconomic risks in Greece and United Kingdom

Following the country's official exit from the economic adjustment program, the macroeconomic and financial environment in Greece was showing signs of stabilization. However, the current health crisis, as a result of COVID-19, exacerbates uncertainty about the macroeconomic impact of the variations in external environment.

In March 2020, the World Health Organization (WHO) declared COVID-19 as a pandemic. The Management of the Company has taken a number of measures to manage the health crisis and minimize the negative effects on its activities. At this stage, employees safety is a top priority. To this end, the Company has developed the following initiatives through the establishment of a task force (hereinafter referred to as the "Team"), which reports to the top management, monitoring all relevant developments and evaluating the possible effects of COVID-19.The Team, in line with all protocols of the WHO and other competent authorities, has already prepared and fully implemented a plan to ensure operational continuity. This plan also includes additional provisions for staff performing critical functions for production and business continuity in general, in order to minimize the risk of downtime. Also, business trips have been kept to a minimum and systems for remote work (teleworking) are applied where possible. Finally, emergency arrangements have been put in place for employees belonging to vulnerable groups and policies requiring staff to report any suspicious symptoms.

Now, from the experience we have gathered, it seems that the Company can manage the risks posed by the health crisis of covid-19 in an effective way.

With regard to the United Kingdom's exit from the European Union (Brexit), as expected, it did not have a materially negative effect on our activity.

V. Prospects for the second half of financial year 2021

KRI-KRI's management is cautious about the situation and developments in the economic environment.

The ice cream segment seems to be experiencing a strong recovery in sales volumes, as well as an increase in its profit margins. For the rest of this season, ice cream sales continued at a similar pace.

The yogurt market in Greece is stable in volume but negative in value, compared to the last year. This is attributed to last year's high base, as well as the strong promotional campaigns. Thus, although we have managed to maintain our market share, the growth in sales is quite difficult. Export yogurt sales are expected to continue growing at a similar pace in the second half of the year.

The recently triggered inflationary environment has also affected our basic input costs. Lately, we are experience some pressure for increase in the prices of some basic raw materials and packaging. In addition, significant increases in transport costs and energy are expected. From this development, our profit margins may be tightened, despite our efforts to pass a part of our cost increase to the selling prices of products.

According to currently available data, for full year 2021, the Management estimates that total sales would show a high single digit growth, whereas operating profit margins may slightly decline.

VI. Related party transactions

The significant transactions between the Company and its related parties, as defined in IAS 24, are described below.

Transactions with related legal parties

In 2018, the Hellenic Milk Institute (IEG), a non-for-profit organization, was established in Greece to support and promote cow farming. The Company is related to IEG, because two members of its BoD participate to the management of IEG. There is no connection of any other form.
During the current period, there were not any transactions with IEG.

Transactions with related natural persons

The Company maintains an obligation to related parties (its key shareholders) arising from the coverage of a bond loan of €5.000.000. This loan was issued on 18/12/2013, it is unsecured and according to market terms. Its expiration, after amendment of the loan contract, is determined on 18/12/2023. The balance of the bond loan as at 30/6/2021, amounts to Euro €2.700.000.

Related party transactions are analyzed as follows:

	1/1-30/6/2021	1/1-30/6/2020
Payment of interest on a bond loan*	40.950	58.617
Income from IEG	150	0

Outstanding receivables from and payables to related parties are analyzed as follows:

	30/6/2021	31/12/2020
Receivables from related parties*	150	0
Payables to related parties*	2.700.000	2.700.000

Directors' compensation and other transactions with key management personnel are analyzed as follows:

COMPENSATION OF DIRECTORS	1/1-30/6/2021	1/1-30/6/2020
Remuneration of the members of the Board of Directors**	0	0
Salaries of the members of the Board of Directors	89.738	59.313
Total	**89.738**	**59.313**

OTHER TRANSACTIONS WITH THE MEMBERS OF THE B.O.D. AND KEY MANAGEMENT PERSONNEL	30/6/2021	30/6/2020
Transactions with the members of the B.O.D and key management personnel	32.229	32.406
Liabilities to the members of the B.O.D and key management personnel*	2.500.000	2.500.000

* Bond loan covered by major shareholders
** The Annual General Meeting of Shareholders of 6.7.2021 decided to distribute, from the profits of 2020, the remuneration of BoD members, totaling €375.000. This expense will be charged in the second half of the current year.

VII. Branches

The Company operates a branch in Aspropyrgos, Attica. The branch operates as a logistics center to serve the market of southern Greece.

VIII. Research & Development

The Company has a separate department dealing with product research and development (new development and improvement / development of existing ones) and new production technologies. During the current six-month period, R&D expenses amounted €128.868.

IX. Own shares

During the year, the Company acquired 10.089 own shares with an average purchase price of €7.41 per share. The total acquisition value of the own shares amounted to €74.720. As at 30.06.2021 the value of the own shares held by the Company amounts to €209.031.

X. Post balance sheet events

Stock awards plan

The General Meeting of Shareholders as of 6/7/2021 decided the amendment of the decision of the 25th Annual General Meeting regarding the distribution of own shares, replacing the initial decision of Stock Options scheme to a Stock Awards scheme, up to 0.5% of the respective total shares. Therefore, without changing the scope of the Own Shares Acquisition Program, it allows own shares to be awarded rather than acquired in the context of a stock options scheme. The Board of Directors was authorized to determine the details of the Program.

On its meeting as of 23.07.2021, the Board of Directors drafted the "Stock awards Program", which specified the individual terms concerning the purpose of the Program, its characteristics, its period of validity, the participants and the final beneficiaries.

Pursuant to the 23.07.2021 Stock awards Program, during the period between 28/7/2021-5/8/2021, 32,740 own ordinary shares (treasury shares) were awarded to 32 members of the staff, in the context of executing the 1st round of the Company's Stock Awards Program.

Purchase-Distribution of own shares

After 30/6/2021 the Company acquired 4,800 additional treasury shares with an average purchase price of €8.68 per share and a total acquisition value of €41,657. Following the above acquisitions, the Company held 35,771 own shares, with a total acquisition value of € 250,688.

Pursuant to the 23.07.2021 Stock awards Program, during the period between 28/7/2021-5/8/2021, 32,740 own ordinary shares (treasury shares) were awarded to 32 members of the staff, in the context of executing the 1st round of the Company's Stock Awards Program. Thus, today on 21.9.2021 the Company holds a total of 3,031 treasury shares.

Changing the composition of the Board of Directors

The General Meeting of Shareholders from 6/7/2021 elected a new six-member Board of Directors, with a six-year term, until 06.07.2027. The Board of Directors was formed in a body during its meeting on 07.07.2021 as follows:

1. Tsinavos Panagiotis, Chairman and CEO
2. Kotsambasis Georgios, Vice-President and Non-Executive Member
3. Kartsani Georgia, Non-Executive Member
4. Tsinavos Georgios, Executive Member
5. Kyriakidis Anastasios, Independent Non-Executive Member
6. Moudios Anastasios, Independent Non-Executive Member

Serres, 21 September 2021

THE CHAIRMAN OF THE BOD THE MEMBERS

Exact quote from the Board of Directors' book of proceeding

The Chairman & CEO

Panagiotis Tsinavos

REVIEW REPORT ON INTERIM FINANCIAL INFORMATION

To the Board of Directors of KRI KRI S.A.

Introduction

We have reviewed the accompanying condensed statement of financial position of KRI KRI SA as at 30 June 2021 and the relative condensed statements of comprehensive income, changes in equity and cash flow for the six-month period then ended, as well as the selected explanatory notes, that comprise the interim financial information, which forms an integral part of the six-month financial report under Law 3556/2007.

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

Scope of Review

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

Conclusion

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

Report on Other Legal and Regulatory Requirements

Based on our review, we did not identify any material inconsistency or misstatement in the representations of the members of the Board of Directors and the information included in the six-month Board of Director's Management Report, according to article 5 and 5a of L. 3556/2007, in respect of the accompanying condensed interim financial information.

Athens, 21 September 2021

The Chartered Accountant

Stergios Ntetsikas

I.C.P.A. Reg. No 41961

Grant Thornton

An instinct for growth™

Chartered Accountants Management Consultants

56, Zefirou str., 175 64 Palaio Faliro, Greece

Registry Number SOEL 127

KRI-KRI MILK INDUSTRY S.A.

General Commercial Registry No.: 113772252000

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD

1.1.2021 – 30.6.2021

IN ACCORDANCE WITH IFRS (IAS 34)

Statement of Comprehensive Income

	Note	1/1-30/6/2021	1/1-30/6/2020
Sales	C1	**70.230.607**	**65.923.269**
Cost of sales	C3	(45.664.934)	(43.160.293)
Gross profit	C1	**24.565.673**	**22.762.976**
Distribution & selling expenses	C1, C3	(11.005.952)	(9.649.097)
Administration expenses	C3	(1.157.586)	(1.427.719)
Research and developement expenses	C3	(128.868)	(119.565)
Other income		323.164	415.939
Other (loss) / gain net		2.653	84.555
Profit before taxes, financial and investment income	C1	**12.599.084**	**12.067.089**
Financial income	C4	137.761	49.904
Financial expenses	C4	(138.389)	(160.637)
Financial cost of leasing	C4	(14.375)	(14.097)
Financial income (net)		(15.003)	(124.830)
Profit before taxes		**12.584.081**	**11.942.259**
Income tax	C5	(2.534.337)	(2.855.514)
Net profit for the period (A)		**10.049.744**	**9.086.745**
Net profit per share from continuous operations			
- Basic and diluted (in €)	C6	**0,3042**	**0,2748**

The accompanying notes are an integral part of these financial statements.

Statement of Financial Position

	Note	30/6/2021	31/12/2020
ASSETS			
Non-current assets			
Tangible assets	C7	69.128.673	64.807.728
Rights of use of assets	C8	594.308	414.654
Investment in properties		10.082	10.082
Intangible assets		383.834	386.380
Other non current assets		43.378	46.106
		70.160.275	**65.664.950**
Current assets			
Inventories	C9	15.103.633	14.024.192
Trade and other receivables	C10	36.317.913	24.249.201
Current income tax receivables		0	1.430.104
Financial assets at fair value through profit or loss	C11	397.040	301.852
Cash and cash equivalents		9.278.901	9.737.271
		61.097.487	**49.742.620**
Total assets		**131.257.762**	**115.407.570**
EQUITY AND LIABILITIES			
Equity			
Share capital		12.564.752	12.564.752
Reserves		22.437.778	22.437.778
Reserves of own shares		(209.031)	(134.311)
Retained earnings		51.064.522	41.014.778
Total equity		**85.858.021**	**75.882.997**
Liabilities			
Non-current liabilities			
Long-term borrowings	C12	5.825.000	8.680.000
Long term portion of leasing		376.762	243.413
Accrued pension and retirement obligations		531.517	604.307
Deferred income tax liabilities		3.273.393	3.382.217
Government grants		6.129.733	6.332.303
		16.136.405	**19.242.240**
Current liabilities			
Short-term borrowings	C12	3.479.898	2.249.837
Short term portion of leasing		235.505	187.790
Trade and other payables	C13	24.337.616	17.844.706
Current income tax liabilities		1.210.317	0
		29.263.336	**20.282.333**
Total liabilities		**45.399.741**	**39.524.573**
Total equity and liabilities		**131.257.762**	**115.407.570**

The accompanying notes are an integral part of these financial statements.

Statement of changes in equity

	Share capital	General reserve	Reserve of Tax Law	Other reserves	Reserve of own shares	Actuarial gains-losses reserve	Retained earnings	Total Equity
Balance at 31.12.2019	**12.564.752**	**3.055.955**	**17.295.670**	**38.275**	**0**	**185.937**	**32.965.832**	**66.106.422**
Profit for the period							9.086.745	9.086.745
Total comprehensive income for the period							**9.086.745**	**9.086.745**
Balance at 30.6.2020	**12.564.752**	**3.055.955**	**17.295.670**	**38.275**	**0**	**185.937**	**42.052.578**	**75.193.165**
Balance at 31.12.2020	**12.564.752**	**3.724.697**	**18.488.870**	**38.275**	**(134.311)**	**185.939**	**41.014.778**	**75.882.997**
Profit for the period							10.049.744	10.049.744
Total comprehensive income for the period							**10.049.744**	**10.049.744**
Transactions with owners in their capacity as owners								
(Purchase) / Distribution of own shares					(74.721)			(74.721)
Balance at 30.6.2021	**12.564.752**	**3.724.697**	**18.488.870**	**38.275**	**(209.031)**	**185.939**	**51.064.522**	**85.858.021**

The accompanying notes are an integral part of these financial statements.

Cash flow statement

Indirect method	1/1-30/6/2021	1/1-30/6/2020
OPERATING ACTIVITIES		
Profit before taxes	12.584.081	11.942.259
Adjustments for:		
Depreciation	2.248.525	1.965.591
Provisions	80.027	677.237
Foreign exchange differences, net	6.922	5.804
Amortization of government grants relating to capital expenses	(202.570)	(228.384)
Other non-cash items	0	7.265
Investment income	(145.325)	(59.988)
Interest and related expenses	152.764	174.734
	14.724.424	14.484.520
Changes in working capital:		
Decrease / (Increase) in inventories	(822.687)	(4.362.936)
Decrease / (Increase) in receivables (trade)	(12.432.075)	(12.760.100)
Decrease / (Increase) in receivables (other)	(588.449)	3.085.450
Decrease / (Increase) in other long-term receivables	2.728	(19.273)
(Decrease) / Increase in payables (except banks)	5.692.008	8.658.352
Less:		
Interest and related expenses paid	(140.481)	(155.832)
Cash flow from operating activities (a)	**6.435.468**	**8.930.180**
INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(5.096.358)	(5.945.567)
Proceeds from sales of intangibles and property, plant and equipment	637	484
Interest received	82.435	49.904
Sale of financial instruments	755.626	118.432
Purchase of financial instruments	(795.488)	(290.020)
Cash flow from investing activities (b)	**(5.053.148)**	**(6.066.767)**
FINANCING ACTIVITIES		
Repayments of loans	(1.625.000)	(6.300.000)
Repayments of financial leases	(140.970)	(137.841)
Purchase of own shares	(74.720)	0
Cash flow from financing activities (c)	**(1.840.690)**	**(6.437.841)**
Change in cash and equivalents (a+b+c)	**(458.370)**	**(3.574.428)**
Cash and equivalents at beginning of period	9.737.271	10.916.735
Cash and equivalents at end of period	**9.278.901**	**7.342.307**

The accompanying notes are an integral part of these financial statements.

A. General information

KRI-KRI MILK INDUSTRY S.A. operates in the dairy industry. Its main business activities are the production of ice-cream, yogurt and milk.

The headquarters are located in 3rd km Serres-Drama, 62125, Serres, Greece, its website is www.krikri.gr and its shares are listed on Athens Stock Exchange (Food sector).

These financial statements have been approved by the Board of Directors at 21 September 2021.

The interim condensed financial statements have not been audited but reviewed.

B. Significant accounting policies

B.1 Basis of preparation

These interim financial statements covering the period from 1.1.2021 to 30.6.2021 have been prepared according to IAS 34. The basis of their preparation is the historical cost and the "principle of going concern", taking into account all macroeconomic and microeconomic factors and their impact on the smooth operation of the Company.

The interim financial statements for the six-month period have been prepared on the basis of the same accounting principles followed for the preparation and presentation of the financial statements for the year 2020, except for the new standards and interpretations adopted, the implementation of which was compulsory for periods after 1 January 2021.

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020, which have been posted on the Company's website and have been prepared in accordance with IFRSs.

The earnings tax in the interim financial statements is calculated using the tax rate applicable to annual profits.

Transitional provisions for the implementation of the final agenda decision under the title "Attributing Benefits to Periods of Service (IAS 19)"

In May 2021, the International Financial Reporting Interpretations Committee ("the Committee") issued the final agenda decision under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory material regarding the way of distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan").

In particular, the aforementioned final decision of the Committee's agenda provides explanatory information on the application of the basic principles and regulations of IAS 19 in respect of the distribution of benefits in periods of service similar to that of the Labor Law Defined Benefit Plan. This explanatory information differentiates the way in which the basic principles and regulations of IAS 19 have been applied in Greece in the previous years, and therefore, according to what is defined in the "IASB Due Process Handbook (par 8.6)", entities that prepare their financial statements in accordance with IFRS are required to amend their Accounting Policy accordingly.

Based on the above, the aforementioned final decision of the Committee's agenda will be treated as a Change in Accounting Policy. The aforementioned decision will be implemented in accordance with paragraphs 19-22 of IAS 8. The change in accounting policy will be applied retrospectively with a corresponding adjustment of the opening balance of every affected equity item for the older of the presented periods and other comparative amounts for every prior period presented as if the new accounting policy had always been effective. The requirements of IAS 8 on disclosures in cases of Changes in Accounting Policies should be applied accordingly. The validity of the above final decision of the Committee's agenda is of immediate effect.

The Company have proceeded with the preparation of an implementation plan of the change in the aforementioned accounting policy with the date of completion of the plan to be determined by the end of the year, in order to reflect the impact on the annual financial statements for the year ending December 31, 2021. At this stage, it is not possible to accurately determine the expected effect arising from the change in the aforementioned accounting policy.

New standards, amendments to standards and interpretations:

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1.1.2021. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

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 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 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 Financial Statements.

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 Company 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 Company 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 "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 Company 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 Company will examine the impact of the above on its Financial Statements. 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 Company 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 Company 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.

B.2 Financial risk management

The interim financial statements do not include disclosure of all risks required in the preparation of the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2020.

B.3 Significant accounting estimations and judgments of the management

The preparation of the interim financial statements requires the Company's management to make estimations, judgments and assumptions that affect the application of the accounting principles and the asset/liability income/expense accounting values. The results are maybe different that these estimations.

For the preparation of the interim financial statements the significant judgments and estimates of the Management regarding the application of the Company's accounting principles are the same as those used for the preparation and presentation of the Company's annual financial statements for the year 2020.

Also, the main sources of uncertainty that existed in the preparation of the annual financial statements of 31 December 2020 remained the same for the interim financial statements as at 30 June 2021.

B.4 Comparative information

Comparative information is disclosed in respect of the previous period for all amounts reported in the financial statements, both face of financial statements and notes. Differences may arise between the amounts stated in the financial statements and the amounts stated in the notes, as a result of numbers rounding.

C. Notes to the financial statements

C1. Operating segment information

The chief operating decision maker, in the case of KRI-KRI the CEO, receives internal financial reports to measure the performance of the operating segments and to distribute the resources between them.

Under the operating distinction the Company's reportable segments are identified as follows:

◇ *Ice-cream– Greece and Overseas.* The segment refers to the production and distribution of ice-cream. There is distinctive performance measurement for Greece and Overseas.

◇ *Dairy-Yogurt– Greece and Overseas.* The segment refers to the production and distribution mainly of yogurt and milk in a limited scale (Serres municipality). There is distinctive performance measurement for Greece and Overseas.

The segments results for the periods ended 30.6.2021 and 30.6.2020 are analyzed as follows:

1/1-30/6/2021	Sales	Gross profit	Distribution & selling expenses	Operating profits	EBIT
Ice Cream	**17.868.432**	**9.131.766**	**(4.102.158)**	**5.029.608**	**4.669.815**
Greece	14.147.120	8.051.892	(3.772.538)	4.279.354	4.019.734
Overseas	3.721.312	1.079.874	(329.621)	750.254	650.081
Dairy – Yogurt	**52.162.407**	**15.633.437**	**(6.893.091)**	**8.740.346**	**7.987.190**
Greece	24.841.415	8.191.063	(4.419.513)	3.771.551	3.348.043
Overseas	27.320.992	7.442.374	(2.473.579)	4.968.795	4.639.146
Rest	199.768	(199.531)	(10.702)	(210.233)	(57.921)
Total	**70.230.607**	**24.565.673**	**(11.005.952)**	**13.559.721**	**12.599.084**

1/1-30/6/2020	Sales	Gross profit	Distribution & selling expenses	Operating profits	EBIT
Ice Cream	**15.074.377**	**7.377.309**	**(3.670.458)**	**3.706.851**	**3.317.480**
Greece	12.177.697	6.652.827	(3.439.667)	3.213.160	2.922.992
Overseas	2.896.680	724.482	(230.791)	493.691	394.488
Dairy – Yogurt	**50.225.259**	**15.333.748**	**(5.935.069)**	**9.398.679**	**8.461.070**
Greece	25.365.878	8.289.096	(3.864.667)	4.424.429	3.857.870
Overseas	24.859.381	7.044.652	(2.070.402)	4.974.250	4.603.200
Rest	623.633	51.919	(43.570)	8.349	288.539
Total	**65.923.269**	**22.762.976**	**(9.649.097)**	**13.113.880**	**12.067.089**

The "Operating profits" index is an Alternative Performance Measures (APM) and is calculated as follows: Gross Profit minus Distribution & selling expenses.

C2. Earnings before interest, taxes, depreciation and amortization

Earnings before interest, taxes, depreciations and amortizations are analyzed as follows:

	1/1-30/6/2021	1/1-30/6/2020
Net profit for the period	10.049.744	9.086.745
Adjustments for:		
Income tax	2.534.337	2.855.513
Financial income (net)	15.003	124.830
Depreciation and amortization	2.248.525	1.965.591
EBITDA before government grants	**14.847.610**	**14.032.680**
Amortization of government grants relating to capital expenses	(202.570)	(228.384)
EBITDA	**14.645.040**	**13.804.296**

EBITDA serves as an additional indicator of our operating performance and not as a replacement for measures such as cash flows from operating activities and operating income. We believe that EBITDA is useful to investors as a measure of operating performance because it eliminates variances caused by the amounts and types of capital employed and amortization policies and helps investors evaluate the performance of our underlying business. In addition, we believe that EBITDA is a measure commonly used by analysts and investors in our industry. Accordingly, we have disclosed this information to permit a more complete analysis of our operating performance. Company's management, for the purpose of these financial statements, assumes that EBITDA represents the sum of Profit after tax plus income tax, net financial results and depreciation/amortization minus amortization of government grants relating to capital expenditures. Other companies may calculate EBITDA in a different way. EBITDA is not a measurement of financial performance under IFRS and should not be considered an alternative to net profit/(loss), as an indicator of our operating performance or any other measure of performance derived in accordance with IFRS.

C3. Expenses by type

Cost of Sales, administration, distribution and R&D expenses are analyzed by type as follows:

1/1-30/6/2021	Cost of Sales	Distribution	Administration	Research& Development	Total
Raw materials and consumables used	39.332.514	464.361	21.004	1.419	39.819.299
Staff costs	2.966.614	2.184.877	482.171	102.949	5.736.612
Energy costs	905.314	342.214	15.339	0	1.262.867
Maintenance expenses	305.252	195.403	138.471	7.312	646.439
Transport & shipping expenses	304.209	2.914.810	4.088	0	3.223.107
Advertising/marketing expenses	10.748	2.782.126	2.427	23	2.795.324
Freelancers fees	25.092	251.946	168.262	7.423	452.723
Depreciation	1.297.890	789.957	199.973	6.911	2.294.732
Bad debt provision	0	377.057	0	0	377.057
Other expenses	517.301	703.199	125.850	2.831	1.349.180
	45.664.934	**11.005.952**	**1.157.586**	**128.868**	**57.957.340**

1/1-30/6/2020					
Raw materials and consumables used	37.620.477	393.667	815	1.527	38.016.485
Staff costs	2.764.713	1.869.908	606.525	89.690	5.330.836
Energy costs	712.403	297.468	12.861	0	1.022.732
Maintenance expenses	290.809	182.550	152.208	0	625.568
Transport & shipping expenses	252.416	2.532.949	3.512	0	2.788.877
Advertising/marketing expenses	3.911	2.502.308	7.270	1.305	2.514.795
Freelancers fees	60.474	183.794	165.462	12.461	422.192
Depreciation	971.050	740.453	247.228	6.860	1.965.591
Bad debt provision	0	455.849	0	0	455.849
Other expenses	484.041	490.150	231.837	7.722	1.213.750
	43.160.293	**9.649.097**	**1.427.719**	**119.565**	**54.356.674**

C4. Financial income - expenses

Financial income-expenses are analyzed by type as follows:

FINANCIAL INCOME	1/1-30/6/2021	1/1-30/6/2020
Interest income	39.258	6.298
Other capital gains	34.337	41.046
Valuation gains from of financial instruments	33.187	0
Realized gains of financial instruments	30.979	2.560
Total financial income	**137.761**	**49.904**
FINANCIAL EXPENSES		
Interest expense	102.482	141.681
Bank fees and charges	27.067	18.956
Realized losses from sales of financial instruments	8.840	0
Total financial expenses	**138.389**	**160.637**
FINANCIAL COST OF LEASING		
Financial cost of leasing	14.375	14.097
Financial income - expenses (net)	**(15.003)**	**(124.830)**

C5. Income tax expense

Income tax expense is analyzed as follows:

	1/1-30/6/2021	1/1-30/6/2020
Current tax	2.643.160	2.931.428
Deferred tax from change of tax rate	(280.874)	0
Deferred tax adjusted in P/L	172.050	(75.915)
Total	**2.534.337**	**2.855.514**

The corporate income tax rate in Greece for the period ended 30 June 2021 is 22% (30 June 2020: 24%).

C6. Net profit per share

Basic and diluted earnings per share are calculated by dividing profit or loss attributable to equity shareholders by the weighted average number of ordinary shares outstanding, excluding any holding of own shares. The total amount of the ordinary shares as at 30.06.2021 amounts to 33.065.136 and the Company holds 30,971 own shares.

	1/1-30/6/2021	1/1-30/6/2020
Net profit attributable to parent's shareholders	10.049.744	9.086.745
Weighted average number of ordinary shares	33.040.422	33.065.136
Basic and diluted earnings per share (€ per share)	**0,3042**	**0,2748**

C7. Property, plant and equipment

Property, plant and equipment are analyzed as follows:

	Land	Buildings	Plant & equipment	Motor vehicles	Furniture & other Equipment	Total
COST						
Balance at 1 January 2020	1.588.909	15.978.869	69.950.755	1.273.590	2.611.609	91.403.732
Additions	202.492	2.170.616	8.415.899	18.750	314.624	11.122.381
Disposals	0	(63)	(222.089)	(16.662)	0	(238.814)
Transfers	0	(60.396)	5.750	0	54.646	0
Write-offs	0	0	(233.893)	0	0	(233.893)
Balance at 31 December 2020	1.791.401	18.089.026	77.916.422	1.275.678	2.980.879	102.053.406
ACCUMULATED DEPRECIATION						
Balance at 1 January 2020		(3.906.485)	(27.165.229)	(1.061.536)	(1.851.586)	(33.984.836)
Depreciation expense		(433.411)	(3.066.157)	(65.413)	(154.291)	(3.719.272)
Disposals		0	207.874	16.662	0	224.536
Write-offs		0	233.893	0	0	233.893
Balance at 31 December 2020		(4.339.896)	(29.789.619)	(1.110.287)	(2.005.877)	(37.245.679)
Net book value at 31 December 2020	**1.791.401**	**13.749.130**	**48.126.803**	**165.391**	**975.002**	**64.807.728**
Balance at 1 January 2021	1.791.401	18.089.026	77.916.422	1.275.678	2.980.879	102.053.406
Additions	14.400	1.321.206	4.963.562	0	69.988	6.369.156
Disposals	0	0	(16.877)	0	(348)	(17.225)
Write-offs	0	(8.341)	(27.470)	0	0	(35.811)
Balance at 30 June 2021	1.805.801	19.401.891	82.835.637	1.275.678	3.050.519	108.369.526
ACCUMULATED DEPRECIATION						
Balance at 1 January 2021		(4.339.896)	(29.789.619)	(1.110.287)	(2.005.877)	(37.245.679)
Depreciation expense		(244.676)	(1.683.566)	(31.716)	(85.051)	(2.045.009)
Disposals		0	16.876	0	70	16.946
Write-offs		5.419	27.470	0	0	32.889
Balance at 30 June 2021		(4.579.153)	(31.428.839)	(1.142.003)	(2.090.858)	(39.240.852)
Net book value at 30 June 2021	**1.805.801**	**14.822.738**	**51.406.798**	**133.675**	**959.661**	**69.128.673**

There are no pledges on fixed assets.

C8. Rights of use of assets

Right of use of assets are analyzed as follows:

	Buildings	Motor Vehicles	Other	Total
COST				
Balance at January 2020	231.121	604.441	0	835.562
Additions	11.748	136.432	0	148.180
Derecognition	0	(57.062)	0	(57.062)
Balance at 31.12.2020	242.869	683.811	0	926.680
ACCUMULATED DEPRECIATION				
Balance at 1 January 2020	(26.786)	(230.184)	0	(256.970)
Depreciation expense	(28.913)	(226.143)	0	(255.056)
Balance at 31.12.2020	(55.699)	(456.327)	0	(512.026)
Net book value at 31.12.2020	**187.170**	**227.484**	**0**	**414.654**

Buildings	Motor Vehicles	Other	Total

COST				
Balance at January 2021	242.869	683.811	0	926.680
Additions	729	284.616	13.932	299.277
Balance at 30.06.2021	243.598	968.427	13.932	1.225.957
ACCUMULATED DEPRECIATION				
Balance at 1 January 2021	(55.699)	(456.327)	0	(512.026)
Depreciation expense	(15.216)	(104.408)	0	(119.624)
Balance at 30.06.2021	(70.915)	(560.735)	0	(631.650)
Net book value at 30.06.2021	**172.683**	**407.692**	**13.932**	**594.308**

As of 30.6.2021, the liability for operational leasing is €612.267 (as of 31.12.2020: €431.203).

C9. Inventories

Inventories are analyzed as follows:

	30/6/2021	31/12/2020
Merchandise	179.590	35.714
Finished goods	5.679.460	3.055.092
Raw materials	9.422.393	11.367.950
Less: Provisions for obsolete inventory	(177.810)	(434.564)
Total	**15.103.633**	**14.024.192**

The most important changes of the item "Inventories" are in the line "Finished goods" and in the line "Raw materials". The increase of "Finished goods" is related to the increase in sales and to the high seasonality of the ice cream sector (see also note C15). The decrease in "Raw materials" reflects increased consumption, which was not accompanied by corresponding purchases, and relates to the increased stocking of raw materials in the last quarter of 2020, as a way to hedge against the rise of raw materials prices that seemed probable.

Analysis of impairment of obsolete inventory:

	30/6/2021	31/12/2020
Opening balance	434.564	96.129
Additions	70.743	338.435
Reversal of allowances	(327.496)	0
Ending balance	**177.810**	**434.564**

C10. Trade and other receivables

Trade and other receivables are analyzed as follows:

	30/6/2021	31/12/2020
Trade receivables	37.700.116	22.746.472
Less: Allowance for bad debts	(2.787.752)	(2.410.695)
	34.912.364	20.335.777
Creditors advances	88.077	100.008
VAT Receivables	1.013.576	3.565.011
Greek state -others	52.305	52.304
Other receivables	251.592	196.100
Total	**36.317.913**	**24.249.201**

The most significant changes in the line "Trade and other receivables" are found in the line "Trade receivables" linked to the increase in sales and the high seasonality of the ice cream sector (see also note C15).

Under the principles of IFRS 9, the company uses a model to calculate expected credit losses. This model groups receivables according to the credit rating of each customer, links the rating to the probability of default and calculates the expected credit losses.

At 30/6/2021, the Company recognized increased doubtful receivables of €377.057. Therefore, on 30/6/2021, trade receivables totaling €2.787.752 appear impaired. It is estimated that part of these impairment losses will be recovered in the future.

Analysis of provision for doubtful debts:

	1/1-30/6/2021	1/1-31/12/2020
Opening balance	2.410.695	2.447.999
Additions	377.057	0
Reversals	0	(37.304)
Ending balance	**2.787.752**	**2.410.695**

C11. Investments in financial assets

Investments in financial assets are analyzed as follows:

	30/6/2021	31/12/2020
Opening balance	301.852	110.940
Additions	795.488	290.020
Proceeds	(755.626)	(110.940)
Revaluation of fair value	55.326	11.832
Ending balance	**397.040**	**301.852**

During the current year, the Company purchased bonds with a total value of €795.488, while during the same period it sold bonds amounting €755.626. On 30/6/2021, the Company holds bonds with a fair value of €397.040 ("Level 1"). The difference in valuation was recognized in P&L (see note C4).

C12. Borrowings

Borrowings are analyzed as follows:

	30/6/2021	31/12/2020
NON-CURRENT BORROWINGS		
Bond loans	5.825.000	8.680.000
Total non-current borrowings	**5.825.000**	**8.680.000**

	30/6/2021	31/12/2020
CURRENT BORROWINGS		
Current liability of non-current loans	3.479.898	2.249.837
Total current borrowings	**3.479.898**	**2.249.837**
Total borrowings	**9.304.898**	**10.929.837**

Maturity of non-current bank borrowings:

	30/6/2021	31/12/2020
Between 1-2 years	1.250.000	3.480.000
Between 2-5 years	4.575.000	5.200.000
Total non-current borrowings	**5.825.000**	**8.680.000**

Changes on loans balances are analyzed as follows:

Balance at 1 January 2020	12.222.565
Loans received	17.500.000
Loans paid	(18.800.000)
Financial instruments valuation	7.272
Balance at 31 December 2020	**10.929.837**

Balance at 1 January 2021	10.929.837
Loans paid	(1.625.000)
Financial instruments valuation	61
Balance at 30 June 2021	**9.304.898**

Analysis of current long-term loans:

Loaner	Type of loan	Date of agreement	Initial value	Balance at 30/6/2021
Major shareholders	Bonds / 5year / fixed interest rate	18/12/2013 Amended 16/11/2018	5.000.000	2.700.000
Piraeus Bank	Bonds / 3year / floating interest rate	10/4/2019	4.230.000	2.229.935
Piraeus Bank	Bonds / 4year / floating interest rate	3/12/2020	5.000.000	4.374.963

Effective interest rate of borrowings:

	1/1-30/6/2021	1/1-31/12/2020
Effective interest rate	2,06%	2,31%

C13. Trade and other payables

Trade and other payables are analyzed as follows:

	30/6/2021	31/12/2020
Trade payables	21.506.246	14.634.099
Cheques payables	795.646	487.360
Social security	216.562	424.082
Other Taxes and duties	184.354	296.486
Dividends payables	383.304	384.702
Customers' advances	342.154	652.643
Other payables	909.351	965.334
Total	**24.337.616**	**17.844.706**

The most important changes in "Trade and other payables" are found in the line "Trade payables" relate to the increase in sales, capital expenditures and the seasonality in the ice cream sector (see also note C15).

C14. Dividends

The Annual General Meeting of 6.7.2021 decided the distribution of dividend for the financial year 2020 of gross value €0.20 per share (2019: €0.18). The total amount has been settled at 18.8.2021.

C15. Seasonality

The high seasonality of the ice cream sector is having an impact on April-August, which is characterized by particularly high sales and operating profits.

In the yogurt sector, sales and operating profits are almost evenly distributed in months.

C16. Contingent assets – liabilities

The Company has contingent liabilities (in relation with bank and other guarantees) arisen in the ordinary course of business. These contingent liabilities are not expected to generate any material fund outflows. No additional payments are expected at the date of preparation of these financial statements.

Any disputes under litigation or arbitration, court or arbitration decisions may not have an impact on the Company's financial position or operation.

Income tax

From the year 2011 onwards, the Greek Societe Anonyme and Limited Liability Companies whose annual financial statements are mandatory reviewed by auditors, registered in the public register of Law. 3693/2008, are required to obtain an "Annual Certificate" as provided in par. 5 of article 82 of L.2238 / 1994 and article 65a of Law 4174/2013. The above certificate is issued following a tax audit conducted by the same statutory auditor or audit firm that audits the annual financial statements. Following the completion of a tax audit, the statutory auditor or audit firm issues the company's "Tax Compliance Report", accompanied by Appendix Analytical Element Information. For the years 2014-2019 the tax audit conducted by the audit companies, the certificate was issued, while not resulting tax liabilities beyond those recognized and reported in the financial statements.

For the year 2020 the Company has been subject to tax audit of the Auditors, as previewed from the tax provisions of Article 65a of Law 4174 / 2013 (ITC), as amended in accordance with Law 4410/2016. This audit is in progress and the related tax certificate is to be granted after publication of the financial statements for 2020. and it is estimated that any additional tax obligation that may arise would be immaterial.

Guarantees

The company on 30/06/2021 had issued letters of guarantee for a total amount of €179.930 (2020: €172.626).

C17. Related party transactions

Related party transactions are analyzed as follows:

	30/6/2021	30/6/2020
Payment of interest on a bond loan*	40.950	58.617
Income from IEG	150	0

Outstanding receivables from and payables to related parties are analyzed as follows:

	30/6/2021	31/12/2020
Receivables from related parties*	150	0
Payables to related parties*	2.700.000	2.700.000

Directors' compensation and other transactions with key management personnel are analyzed as follows:

COMPENSATION OF DIRECTORS	1/1-30/6/2021	1/1-30/6/2020
Remuneration of the members of the Board of Directors**	0	0
Salaries of the members of the Board of Directors	89.738	59.313
Total	**89.738**	**59.313**

OTHER TRANSACTIONS WITH THE MEMBERS OF THE B.O.D. AND KEY MANAGEMENT PERSONNEL	30/6/2021	30/6/2020
Transactions with the members of the B.O.D and key management personnel	32.229	32.406
Liabilities to the members of the B.O.D and key management personnel*	2.500.000	2.500.000

* Bond loan covered by major shareholders

** The Annual General Meeting of Shareholders of 6.7.2021 decided to distribute, from the profits of 2020, the remuneration of BoD members, totaling €375.000. This cost will be charged in the second half of the current year.

C18. Post balance sheet events

Stock awards plan

The General Meeting of Shareholders as of 6/7/2021 decided the amendment of the decision of the 25th Annual General Meeting regarding the distribution of own shares, replacing the initial decision of Stock Options scheme to a Stock Awards scheme, up to 0.5% of the respective total shares. Therefore, without changing the scope of the Own Shares Acquisition Program, it allows own shares to be awarded rather than acquired in the context of a stock options scheme. The Board of Directors was authorized to determine the details of the Program.

On its meeting as of 23.07.2021, the Board of Directors drafted the "Stock awards Program", which specified the individual terms concerning the purpose of the Program, its characteristics, its period of validity, the participants and the final beneficiaries.

Pursuant to the 23.07.2021 Stock awards Program, during the period between 28/7/2021-5/8/2021, 32,740 own ordinary shares (treasury shares) were awarded to 32 members of the staff, in the context of executing the 1st round of the Company's Stock Awards Program.

Purchase-Distribution of own shares

After 30/6/2021 the Company acquired 4,800 additional treasury shares with an average purchase price of €8.68 per share and a total acquisition value of €41,657. Following the above acquisitions, the Company held 35,771 own shares, with a total acquisition value of € 250,688.

Pursuant to the 23.07.2021 Stock awards Program, during the period between 28/7/2021-5/8/2021, 32,740 own ordinary shares (treasury shares) were awarded to 32 members of the staff, in the context of executing the 1st round of the Company's Stock Awards Program. Thus, today on 21.9.2021 the Company holds a total of 3,031 treasury shares.

Changing the composition of the Board of Directors

The General Meeting of Shareholders from 6/7/2021 elected a new six-member Board of Directors, with a six-year term, until 06.07.2027. The Board of Directors was formed in a body during its meeting on 07.07.2021 as follows:

1. Tsinavos Panagiotis, Chairman and CEO
2. Kotsambasis Georgios, Vice-President and Non-Executive Member
3. Kartsani Georgia, Non-Executive Member
4. Tsinavos Georgios, Executive Member
5. Kyriakidis Anastasios, Independent Non-Executive Member
6. Moudios Anastasios, Independent Non-Executive Member

There are no other important post-balance sheet events that should modify the reported statements.

Serres, 21 September 2021

Chairman & Managing Director	Vice-Chairman	Financial Director	Chief Accountant
Panagiotis Tsinavos ID AE373539	Georgios Kotsambasis ID AE376847	Konstantinos Sarmadakis ID AN389135	Evangelos Karagiannis ID AM894228