LOULIS FOOD INGREDIENTS A.E.

SEMI-ANNUAL FINANCIAL REPORT FOR THE PERIOD ENDED JUNE 30

2022

(According to the Article 5 of Law 3556/2007)

LOULIS
Food Ingredients

LOULIS FOOD INGREDIENTS A.E.

General Commercial Registry 50675444000

Loulis Port, 370 08, Sourpi Magnesia

www.loulis.com

LOULIS
Food Ingredients

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Statement of Representatives of the Board of Directors

(Pursuant to article 4, par. 2 of Law 3556/2007)

The herein below members of the Board of Directors of LOULIS FOOD INGREDIENTS SA:

1. Mr Nikolaos K. Loulis – Chairman of the Board of Directors,
2. Mr Nikolaos S. Fotopoulos - Chief Executive Officer,
3. Ms Kapelanou-Aleksandri S. Elizabeth - Member of the Board of Directors, specifically appointed as per today's decision of the Company's Board of Directors (29 September 2022),

DO HEREBY DECLARE THAT

To the best of our knowledge:

a. The attached Interim Financial Statements for the Company and the Group, which have been prepared in accordance with the applicable Accounting Standards, fairly represent the information in the assets and liabilities, the equity and operating results for LOULIS FOOD INGREDIENTS SA, as well as the companies included in the consolidation as a whole and

b. the Interim Report of the Board of Directors fairly represents the development, performance and position of LOULIS FOOD INGREDIENTS SA, as well as of the consolidated companies as a whole, including of the description of the main risks and uncertainties that they face.

The Chairman of the BoD	The Chief Executive Officer	The BoD Member
NIKOLAOS K. LOULIS	NIKOLAOS S. FOTOPOULOS	ELIZABETH S. KAPELANOU - ALEKSANDRI

Interim Report of the Board of Directors
of the company LOULIS FOOD INGREDIENTS S.A.
of the Financial Statements for the period from
01.01.2022 to 30.06.2022

This report of the Board of Directors of LOULIS FOOD INGREDIENTS SA (hereinafter referred to as the "Company") has been prepared in accordance with current legislation and applicable Hellenic Capital Market Commission provisions and is referred to the Interim Condensed Financial Statements (Consolidated and Separate) of June 30,2022 and for the six-month period then ended. The LOULIS MILLS Group (hereinafter the "Group"), beyond the Company includes subsidiaries which the Company controls directly or indirectly. Consolidated and Separate Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

This report contains the financial review from January 01, 2022 to June 30, 2022, the important events that took place in the first six months of 2022, the estimated growth and development for the second half of 2022, the description of the significant risks and uncertainties for the second half of the fiscal year, the Group's and Company's significant transactions with their related parties, the most important facts that have been occurred until the date of the preparation of the Financial Statements and any other additional information required by legislation.

A. Financial Review for 01.01.2022 to 30.06.2022

The Group's **Sales** for the first half of 2022 amounted to € 97,59 million compared to € 60,97 million for the corresponding period of 2021, increased by 60,05%. At the same time, the Company's Sales amounted to € 85,98 million compared to € 54,25 million for the corresponding period of 2021, having increased by 58,48%.

Regarding the Sales per segment, a significant increase was observed in the sold quantities of "Consumer Mill's Products & Mixtures for Bakery and Pastry" for the Group and the Company, since in the first half of 2022 they amounted to 10,9 thousand tones compared to 10,1 thousand tones in the previous period. That increase affected correspondingly the sales of that product category, since in the first half of 2022 they increased by 32,19% for the Group and 31,98% for the Company compared to the corresponding period of 2021. The sold quantities of "Business Mill's Products" for the first half of 2022 for the Group amounted to 124,1 thousand tones, having increased by 6,60% compared to the previous period, whereas the corresponding sold quantities of "Business Mill's Products" for the Company amounted to 109,9 thousand tones having increased by 7,07% compared to the corresponding period of 2021. Accordingly, the sales of that product category in the first half of 2022 for the Group and the Company amounted to € 62,12 million and € 56,16 million respectively, having increased by 50,78% and 50,04% respectively compared to the first half of the previous year. The sold quantities of "Mixtures & Raw Materials for Bakery and Pastry" in the first half of 2022, amounted to € 5,67 million from € 3,12 compared to the corresponding period of 2021, having increased by 81,92%. The increase in sales in the aforementioned categories was due to the increases in the selling prices of the products in the first half of 2022 in order to offset the unprecedented rise in the price of raw materials (wheat), auxiliary materials and energy costs in production. Finally, the sold quantities of the "Cereal" category for the Group and the Company in the first half of 2022 amounted to 42 thousand tones, showing an increase of 17,94% compared to the corresponding period of the previous year. The sales of "Cereals" to third parties for the Group and for the Company amounted to € 21,20 million and € 21,18 million respectively, showing a significant increase compared to the corresponding period of the previous year which was € 10,15 million for the Group and the Company. The significant increase in the sales of "Cereals" was due to the surge in cereals' purchase prices of the recent period 2021-2022, both domestically and internationally.

The Group's **Cost of Sales** for the first half of 2022 amounted to € 82,68 million from € 51,05 million in the first half of 2021, increased by 61,97%. At the same time, the cost of sales for the Company amounted to € 74,10 million from € 45,56 million in the previous period, having increased by 62,66%. This increase of the

Cost of Sales for the Group and the Company is mainly due to a) the continuous challenges because of the the "Covid-19" pandemic, b) the significant and ongoing rise in the price of key categories of raw and auxiliary materials in the local and international market, c) the significant increase of transportation cost and particularly of the fares of container-transportation and d) the significant rise of energy cost.

Accordingly, the **Gross Profit** for the first half of 2022 amounted to € 14,90 million for the Group and € 11,87 million for the Company, increased by 50,18% from € 9,92 million in the first half of 2021 for the Group and increased by 36,57% from € 8,69 million in the first half of 2021 for the Company. Furthermore, as percentage of sales from 16,27% and 16,03% in the first half of 2021 for the Group and the Company respectively, decreased to 15,27% for the Group and 13,81% for the Company in the first half of 2022. The decrease in gross profit in the Group and the Company is mainly due to the continuously increasing cost of goods sold in the first half of 2022, despite the increase in the selling prices from the first quarter of 2022 and onwards.

The Group's **Administrative Expenses and Distribution Costs** for the first half of 2022 amounted to € 12,42 million, increased by 27,48% compared to the corresponding period of the previous year that amounted to € 9,74 million, while on the other hand as a percentage to sales decreased because in the first half of 2021 represented 15,98% of sales compared to the first half of 2022 when they represented 12,73%. Respectively, the administrative expenses and the distribution costs for the Company amounted to € 10,43 million for the first half of 2022, increased by 23,09% compared to € 8,47 million for the previous year, while the ratio of administrative expenses and distribution costs to sales decreased, while in the first half of 2021 represented 15,61% of sales compared to the first half 2022 when they represented 12,13%. In particular, the Group's Distribution Costs, as a percentage to total sales, decreased, since in the first half 2021 they represented 11,36% of sales compared to 8,12% for the current period, whereas the Administrative Expenses amounted to € 4,49 million in the first half of 2022, increased by 59,50% compared to the previous period. Similarly, the Distribution Costs for the Company, as a percentage to total sales, decreased, since in the first half of 2021 they represented 10,85% of sales compared to 7,46% for the current period, whereas the Administrative Expenses amounted to € 4,01 million in the first half 2022, increased by 55,37% compared to the previous year.

The Group's **Financial Expenses** amounted to € 1,17 million for the first half of 2022, increased by 44,88% compared to the first half of 2021 when they amounted to € 0,81 million, while as a percentage to sales they decreased from 1,33% to 1,20%. Correspondingly, the Financial Expenses for the Company for the first half of 2022 amounted to € 1,06 million, having increased by 56,11% compared to the first half 2021, while as a percentage to sales they decreased from 1,25% to 1,23%. The increase in the financial expenses for the Group and the Company in the first half of 2022 is mainly due to the increase in the financing of the Group and the Company to cover the increased needs in working capital, compared to the corresponding period of the previous year.

The **Total Depreciation** for the first half of 2022 amounted to € 2,58 million for the Group and € 2,32 million for the Company, compared to € 2,56 million for the Group and € 2,32 million for the Company in the previous period, presenting an increase by 0,76% and 0,18% respectively. As a percentage to sales, they decreased for the Group, while in the first half of 2021 they represented 4,19% of sales compared to the first half of 2022 when they represented 2,64%. Similarly, they decreased for the Company, while in the first half of 2021 they represented 4,27% of sales compared to the first half of 2022 when they represented 2,70%.

The **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**[1] for the first half of 2022 amounted to € 6,87 million for the Group and € 5,22 million for the Company, having increased by 62,41% from € 4,23 million in the first half of 2021 for the Group and increased by 38,02% from € 3,78 million in the first half of 2021 for the Company. Whereas, as a percentage to sales, for the Group it increased from 6,94% to 7,04% in the first half of 2022, and for the Company it decreased from 6,97% to 6,07% in the first half of 2022.

In the light of the above, the Group's **Net Profit before Tax** for the first half of 2022 amounted to € 2,22 million compared to 0,79 million in the previous period, representing a significant increase, while as a percentage to sales it increased to 2,28% in the first half of 2022 from 1,29% in the first half of 2021.

Respectively, for the Company the **Net Profit before Tax** amounted to € 1,01 million in the first half of 2022 compared to € 0,71 million in the first half of 2021, having increased by 41,25%, while as a percentage to sales it decreased from 1,32% in the first half of 2021 to 1,17% in the first half of 2022.

The **Income Tax** for the Group amounted to € -0,18 million for the first half of 2022 from € 0,67 million in the previous year, while for the Company it amounted to € -0,19 million from € 0,65 million. Despite the higher profitability in the first half of 2022, the significant change in income tax is due to the effect of the decrease of the Corporate Income Tax Rate in Greece from 24% to 22% on the basis of Deferred Tax Assets and Liabilities in the corresponding period of the previous year.

Following the above, the Group's **Net Income after Tax** for the first half of 2022 (distributed to the Company's shareholders) amounted to € 2,04 million from € 1,46 million in the first half of 2021 and as percentage to sales it decreased from 2,40% in the first half of 2021 to 2,09% in the first half of 2022. Similarly, the Company's net profit after tax for the first half of 2022 amounted to € 0,82 million from € 1,36 million in the first half of 2021, while as a percentage to sales it decreased from 2,51% in the first half of 2021 to 0,96% in the first half of 2022.

For the first half of 2022, the **Operating Cash Flows** for the Group and the Company amounted to € -7,90 million and to € -10,16 million respectively, while in the previous period it amounted to € 5,46 million for the Group and 3,91 million for the Company.

The **Purchases of Tangible and Intangible Assets** for the Group for the current period amounted to € 2,56 million compared to € 1,28 million for the prior period.

The Group's **Total Net Borrowing**[1] at June 30, 2022 amounted to € 62,94 million compared to € 42,61 million at June 30, 2021, representing an increase by 47,73% while the Company's Total Net Borrowing at June 30, 2022 amounted to € 58,32 million compared to € 37,41 million at June 30, 2021, increased by 55,89%. The increase in the Group's and the Company's net borrowing is mainly due to the financing of the increased working capital needs compared to the corresponding period of the previous year.

In summary, the financial results of the Group and the Company are reflected through some key financial ratios and are compared against objectives set by the Company's management, based on the size of the company, the sector in which it operates, the conditions prevailing in the market and the average figures of the sector where data are available, as follows:

Group's Basic Ratios

		01.07.2021 - 30.06.2022		01.07.2020 - 30.06.2021	
1	Total Net Borrowing[1] / EBITDA[1]	62.940.862 / 10.489.863	6,00	42.606.659 / 8.330.813	5,11
2	EBITDA[1] / Interest Paid	10.489.863 / 2.013.310	5,21	8.330.813 / 1.830.947	4,55
3	Non-Current Assets / Total Net Borrowing[1]	108.726.836 / 62.940.862	1,73	104.898.614 / 42.606.659	2,46
4	Total Net Borrowing[1] / Total Equity	62.940.862 / 93.994.664	0,67	42.606.659 / 91.421.822	0,47
5	Total Current Assets / Total Current Liabilities	105.848.051 / 37.651.452	2,81	73.009.499 / 23.380.961	3,12
6	Total Liabilities / Total Equity	120.580.223 / 93.994.664	1,28	86.486.291 / 91.421.822	0,95

Company's Basic Ratios

		01.07.2021 - 30.06.2022		01.07.2020 - 30.06.2021	
1	Total Net Borrowing[1] / EBITDA[1]	58.324.170 / 8.594.334	6,79	37.413.257 / 7.919.822	4,72
2	EBITDA[1] / Interest Paid	8.594.334 / 1.794.104	4,79	7.919.822 / 1.444.986	5,48
3	Non-Current Assets / Total Net Borrowing[1]	105.937.185 / 58.324.170	1,82	105.715.520 / 37.413.257	2,83
4	Total Net Borrowing[1] / Total Equity	58.324.170 / 93.835.511	0,62	37.413.257 / 92.845.720	0,40
5	Total Current Assets / Total Current Liabilities	90.805.951 / 27.258.505	3,33	61.662.127 / 18.027.025	3,42
6	Total Liabilities / Total Equity	102.907.625 / 93.835.511	1,10	74.531.927 / 92.845.720	0,80

[1] *For explanations and the calculation of the indicators see section "Alternative Performance Measures (APMs)"*

B. Group's Companies and Branches

The Group and the Company own the following branches:

Name	Head Office	Branches	% Parent's participation	Basis for the consolidation
LOULIS FOOD INGREDIENTS SA	Sourpi, Magnesia, Greece	Keratsini Attikis, Mandra Attikis, Podochori Kavalas,	-	Parent
KENFOOD SA	Keratsini, Attiki, Greece	Ampelochori Viotitas, Mandra Attikis, Podochori Kavalas, Sourpi Magnesis	99,99%	Direct
GREEK BAKING SCHOOL SA	Keratsini, Attiki, Greece	-	99,70%	Direct
LOULIS LOGISTICS SERVICES SA	Sourpi, Magnesia, Greece	-	99,68%	Direct

LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD	Nicosia, Cyprus	-	100,00%	Direct
LOULIS MEL-BULGARIA EAD	General Toshevo, Bulgaria	-	100,00%	Indirect

C. Significant events that took place during the first half of 2022

The most significant events that took place during the first half of 2022 are as follows:

Completion of the Investment Audit in Sourpi, Magnesia under the Development Law 3299/2004

On February 22, 2022, by decision no. 19460 of the Head of the General Directorate of Private Investments, of the Ministry of Development and Investments, the audit of the Company's investment referred to in the "Upgrade of a flour-producing unit in the Industrial Unit of Sourpi, Magnesia" has been completed, which has undertaken according to Law3299/2004.The total final subsidized cost of the investment amounts to € 4.057.160 while the grant amounts to € 1.014.290, i.e. 25% of the total subsidized cost of the investment.

Acquisition of property, plant, and equipment in Tyrnavos Thessaly

On March 30, 2022, the procedures for the acquisition of property (land and buildings) and plant and equipment (machinery and other equipment, vehicles, receivable from third parties) at the spot "Ammos" of the Municipal Department of Tyrnavos Thessaly (1st klm Tyrnavos-Larissa Ave) for a price of € 1,05 million have been completed.

Issuance of Bank Loan

On April 13, 2022, the Company proceeded to the issuance of a loan of total amount of € 4,0 million of two-years duration, to cover its working-capital needs. The loan has been granted by the National Bank of Greece SA (Program NBG Loan for Agriculture and Bioeconomy) with funds of the European Investment Bank.

Issuance of Bank Loan

On April 26, 2022, the Company proceeded to the issuance of a loan of total amount of € 4,0 million, of three-year duration, to cover its working capital needs. The loan has been granted by "Piraeus Bank S.A." with funds from the European Investment Bank (EIB) through the Pan European Guarantee Fund (EGF).

Issuance of Bank Loan

On June 14, 2022, the Company proceeded with the issuance of a loan of total amount of € 10,0 million, of three-year duration, to cover its working capital needs. The capital of the loan has been granted by "Alpha Bank S.A".

Issuance of Bank Loan

On June 16, 2022, the Group's subsidiary under the name «KENFOOD SA» proceeded to the issuance of a loan of total amount of € 2,0 million, of a two-year duration, to refinance its existing borrowing and to cover its working capital needs. The capital of the loan has been granted by the "National Bank of Greece S.A." with the guarantee of the parent company of the Group.

Decisions of the Ordinary General Meeting of the Shareholders of the Company

On June 22, 2022, the Annual General Meeting of Shareholders took place where 56,3% of the share capital was represented, i.e., the shareholders and the shareholders' representatives who attended and voted represented 9.640.687 shares and 9.640.687 votes.

The Annual General Meeting of Shareholders of the Company made the following decisions on the agenda items, as those are being presented according to the vote results, which have been published also on the legally registered site of the Company to the General Commercial Registry (G.E.MI.) (www.loulismills.gr):

1. The Annual Financial Statements for the Company and the Group in accordance with the International Financial Reporting Standards, for the fiscal year 01.01.2021 to 31.12.2021 have been approved unanimously by 9.640.687 votes, i.e., 56,3% of the share capital after the hearing and approval of the relative Reports of the Board of Directors and the Certified Auditor. At the same General Meeting it was decided unanimously by 9.640.687 votes, i.e., 56,3% of the share capital the dividend distribution to the shareholders of a total amount of € 1.027.216,80 corresponding to gross dividend of € 0,06 per share. Also, a regular reserve of € 70.517,97 was formed from the year's profits. The cut-off date for the right to receive the dividend has been set 27th of June 2022, the record date for dividend beneficiaries has been set 28th of June 2022 and the start date for dividend payment through a credit institution or HELEX has been set 1st of July 2022. The Chairman of the Audit Committee submitted and presented the 2021 Audit Committee Activity Report to the shareholders.

2. The overall management that took place during the fiscal year ended 31.12.2021 has been unanimously approved by 9.640.687 votes, i.e., 56,3% of the share capital and the Certified Auditors were discharged unanimously by 9.640.687, i.e. 56,3% of the share capital from any liability for indemnity for the fiscal period 01.01.2021- 31.12.2021 and for the Annual Financial Statements of that year.

3. The company "BDO Auditors Accountants SA" with registration number ELTE 173 was elected unanimously, with 9.640.687 votes, i.e. with a percentage of 56,3% of the share capital, and in particular Andriana K. Lavazou, with A.M. SOEL: 45891, with A.M. ELTE: 2657 and with A.F.M.: 300190488 as a regular Certified Auditor - Accountant and Andreas Th. Konstantinou, with A.M. SOEL: 30441, with A.M. ELTE:1439 and A.F.M.:106872098 as substitute Certified Auditor - Accountant for the audit of the Company's annual Financial Statements and Consolidated Financial Statements, in accordance with the International Financial Reporting Standards, for the fiscal period from 1.1.2022 to 31.12.2022.

4. The Remuneration Report of the Company for 2021 has been discussed and approved, on an advisory basis, unanimously by 9.640.687 votes, i.e., 56,3% of the share capital.

5. The advance payment of remuneration to the Members of the Board of Directors for the next fiscal year 2022 was approved unanimously by 9.640.687 votes, i.e., 56,3% of the share capital in total up to the amount of € 200.000. Also, the advance payments of remuneration to the Members of the Board of Directors and the Audit Committee during the 2021 financial year (1.1.2021–31.12.2021) were approved unanimously by 9.640.687 votes, i.e., 56,3% of the share capital in total up to € 133,500.

6. Following the written (positive) proposal of the Company's Remuneration and Nomination Committee dated May 25, 2022 and the relevant recommendation of the Company's Board of Directors dated June 1, 2022, the amendment of the Suitability Policy of the members of the Board of Directors of the Company, 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 the respective Circular number 60 / 18.09.2020 as well as the Hellenic Corporate Governance Code (HCGC - June 2021 edition) as adopted by the Company has been unanimously approved with 9.640.687 votes, i.e. 56,3% of the share capital.

7. The new Board of Directors was elected, unanimously, with 9.640.687 votes, i.e. 56,3% of the share capital, with a four-year term, i.e. until June 22, 2026, which will be extended until the expiry of the deadline, within of which the immediately following regular General Meeting must be convened and until the relevant decision is taken, following the recommendation of the Board of Directors with date June 1, 2022 and after taken into account the provisions of articles 5 and 9 of Law 4706/2020 and the suitability policy of the members of the Board of Directors submitted to the General Meeting the relevant report of article 18 par. 1 of Law 4706/2020, following the relevant recommendation of May 25, 2022 by the Remuneration and Nomination Committee. The new Board of Directors consists of the following members and the independent non-executive members of the said Board of Directors were appointed pursuant to Law 4706/2020, as follows:

1. Nikolaos Loulis son of Constantinos
2. Nikolaos Fotopoulos son of Spyridon
3. Spyridon Theodoropoulos son of Ioannis

4. Gianluca Fabbri son of Bruno
5. Constantinos Machairas son of Dimitrios, Independent Non-Executive Member
6. Elisavet Kapelanou-Alexandri daughter of Spyridon, Independent Non-Executive Member
7. Georgios Tansikidis son of Ioannis, Independent Non-Executive Member

The above independent non-executive members fully meet the requirements of article 9 of Law 4706/2020 and, thus, do not have a dependence relationship with the Company or persons related to it.

8. It was unanimously decided, with 9.640.687 votes, i.e. with a percentage of 56,3% of the share capital, that the Company's Audit Committee shall be a three member, independent joint committee, within the meaning of a. 44 par. 1 (a) (ab) Law 4449/2017, consisting of one (1) independent non-executive member of the Board of Directors and two (2) independent third parties, non-members of the Board of Directors and its term of office shall be four years , i.e. until June 22, 2026, as it is the term of the Board of Directors. The following natural persons were unanimously elected with 9.640.687 votes, i.e., with a percentage of 56,3% of the share capital, as members of the Audit Committee, which is defined as an independent joint committee, i.e. it consisting of an independent non-executive member of Board of Directors and by two independent third parties not members of the Board of Directors, as follows:

1. Andreas Koutoupis son of George, Independent Third person, Non-Member of the BoD
2. Elisavet Kapelanou-Alexandri daughter of Spyridon, Independent Non-Executive Member of the BoD
3. Constantinos Kontochristopoulos son of Anastasios, Independent Third person, Non-Member of the BoD

The above decision was taken following the relevant recommendation of the Company's Board of Directors to the Annual General Meeting of the Company's shareholders with date June 1, 2022, following the relevant recommendation of the Remuneration and Nomination Committee with date May 25, 2022, and after it was ascertained that the composition of the of the Audit Committee is in accordance with the provisions of article 44 of Law 4449/2017 as applicable, provided that all of its members have proven sufficient knowledge in the field in which the Company operates and meet the independence criteria and conditions set by Article 9 of Law 4706/2020. Two members, namely Andreas Koutoupis and Konstantinos Kontochristopoulos, have sufficient knowledge and experience in auditing and accounting.

9. Permission was granted, with 9.640.687 votes, i.e. with a percentage of 56,3% of the share capital, in accordance with article 98 par. 1 of Law 4548/2018, for the members of the Board of Directors and the directors of the Company to participate in the Administrative Boards or in the administration of other affiliated companies within the meaning of article 32 of Law 4308/2014 and therefore for carrying out on behalf of the affiliated companies acts that fall under the purpose pursued by the Company

10. Article 1 of the Company's articles of association has been amended unanimously, with 9.640.687 votes i.e., 56,3% of the share capital and the Company's name has been changed to "LOULIS FOOD INGREDIENTS SA" and the distinctive title changed to "LOULIS FOOD INGREDIENTS".

11. Unanimously approved, by a vote of 9.640.687, i.e., 56,3% of the share capital, the amendment of Article 2 of the Company's Articles of Association in order the Municipality of Almyros, Municipal Community of Sourpi, Prefecture of Magnesia (Port Loulis) to be specified as the Company’s registered offices. Following the above amendments (items 10 and 11), the Articles of Association are codified in a single text.

12. The report of the independent non-executive members of the Board of Directors was submitted in accordance with the provision of article 9 par. 5 of Law 4706/2020.

Composition of the Board of Directors in a body

Following the election of the new Board of Directors of the Company by the above Ordinary General Meeting of Shareholders, on June 22, 2022, by its decision, it was formed into a body as follows:

1. Mr. Nikolaos Loulis son of Konstantinos, Chairman of the Board - Executive Member
2. Ms. Elisavet Kapelanou - Alexandri daughter of Spyridonos, Vice Chairman of the Board - Independent Non-Executive Member
3. Mr. Nikolaos Fotopoulos son of Spyridon, Chief Executive Officer - Executive Member

4. Mr. Spyridon Theodoropoulos son of Ioannis Member of the Board of Directors – Non-Executive Member
5. Mr. Gianluca Fabbri son of Bruno, Member of the Board of Directors – Non-Executive Member
6. Mr. Constantinos Machairas son of Dimitrios, Member of the Board of Directors - Independent Non-Executive Member
7. Mr. George Taniskidis son of Ioannis, Member of the Board of Directors - Independent Non-Executive Member

The term of the above Board of Directors is four years, i.e., until 22.06.2026, which will be extended until the expiration of the period within which the next Ordinary General Meeting must be convened and until the relevant decision is made.

Establishment of the Audit Committee in a body and appointment of its chairman

Following the decision of June 22, 2022 of the Company's Audit Committee and following its election by the Ordinary General Meeting of the Company's shareholders on June 22, 2022 and its appointment as an independent joint committee within the meaning of article 44 par. 1(a)(ab) n.4449/2017, consisting of one (1) independent non-executive member of the Board of Directors and two (2) independent third non-members of the Board of Directors, was formed into a body as follows:

1. Mr. Andreas Koutoupis son of Georgios, Chairman of the Audit Committee, Independent Third Person, Non-Member of the BoD
2. Ms. Elisavet Kapelanou - Alexandri daughter of Spyridon, Member of the Audit Committee - Independent Non-Executive Member of the BoD
3. Mr. Konstantinos Kontochristopoulos son of Anastasios, Member of the Audit Committee – Third party, Non-Member of the BoD

The term of office of the Audit Committee, which is the same with the term of the Board of Directors, is four years, i.e., until 22.06.2026.

Dividend Distribution of the year 2021

On June 22, 2022, the Ordinary General Meeting of the Shareholders of the Company decided dividend distribution of total amount € 1.027.216,80 (€0,06 per share) from the profits of 2021.

The dividend is subject to withholding tax 5% (i.e., € 0,003 per share) and as a result the shareholders shall receive a net amount of € 0,057 per share.

The Company's shares traded on the Athens Stock Exchange from June 27, 2022, were without the dividend right for the year 2021 (date of cut-off of the right to participate in the dividend). Shareholders entitled to receive dividend are those registered in the electronic registry of the Dematerialized Securities System (DSS), as operated by the "Greek Central Securities Depository SA", on June 28, 2022 (Record Date). The payment date of the capital return has been set July 1, 2022, through "Alpha Bank S.A.". Dividends that will not be collected within five (5) years are time-barred in favor of the Greek State, while the dividend payment process through the network of Alpha Bank SA will be in effect for one (1) year from the date of payment (i.e. until July 1, 2023).

Change of the Parent Company's Name

On June 22, 2022, the Ordinary General Meeting of the company's shareholders decided to change its name to "LOULIS FOOD INGREDIENTS SA" with the distinctive title "LOULIS FOOD INGREDIENTS". The name of the company is rendered in the English language as: "LOULIS FOOD INGREDIENTS S.A." with the distinctive title "LOULIS FOOD INGREDIENTS".

The Ministry of Development and Investments with the no. 2650938 AP/28-06-2022 decision approved the amendment of the relevant article of the company's Articles of Association. The Corporate Transactions Committee of the Athens Stock Exchange was informed of the above decision at its meeting of 07/07/2022. Following the above, by decision of the company, it is determined that from 11/07/2022, the name of the company on the Athens Stock Exchange changes to "LOULIS FOOD INGREDIENTS SA" with the distinctive title "LOULIS FOOD INGREDIENTS".

Issuance of Bank Loan

On June 24, 2022, the Company proceeded with the issuance of a loan of total amount of € 7,0 million, of five-year duration, in order to refinance its existing borrowing and to cover its general business needs. The capital of the loan has been granted by "Eurobank S.A.".

D. Estimated Performance and Development

The estimated course for the second half of 2022 greatly depends on the continuing uncertainty in the domestic market due to the ongoing war situation in Ukraine, the energy crisis and the continuous challenges created by the "Covid-19" pandemic in each country the Group operates.

Within 2022, a greater recovery in the demand for food products is expected to be recorded compared to 2021, with a positive impact on the Group's financial results. In any case, the impact in the next period and the course of the recovery cannot be estimated as they depend on the course of indicators and benchmarks, such as the international prices of raw and auxiliary materials, the cost of energy, the domestic and regional demand, the development and effectiveness of the vaccination program internationally, any new mutations and outbreaks of the pandemic, the effect of fiscal and monetary policy measures, etc., things that the Group cannot influence.

The competitive production base, storage and supply facilities, strong operational performance and sufficient financial liquidity are important competitive advantages which will allow the continuation of the successful course, the smooth implementation of the 2022-2025 strategic plan and shall ensure the business viability of the Group.

E. Main Risks and Uncertainties for the second half of the year

The main risks that the Group is exposed to and is likely to face during the second half of 2022 are as follows:

Credit Risk

The Group does not have significant concentration of credit risk in any of its contracting parties, mainly due to the large number of customers and the great dispersion of the Group's customer base.

The Management of the Group has adopted and applies credit control procedures to minimize its doubtful receivables through the evaluation of the credit ability of its customers and the effective management of the receivables before they become overdue. For the monitoring of credit risk, customers are classified according to their credit profile, the maturity of their receivables and the historical background of their collection.

Additionally, the Group’s companies have an insurance contract that covers most of their claims. This contract cannot be sold or transferred. Customers considered to be unreliable are reevaluated at every reporting date and when a likelihood of non-recovery of these receivables occurs, a provision for doubtful debts is formed.

Liquidity Risk

The Group keeps its liquidity risk at low levels through the availability of adequate cash or/and approved bank credit limits ensuring the fulfillment of the Group’s short-term financial liabilities. The Group’s liquidity ratio (current assets to current liabilities) amounted to 2,81 at June 30, 2022 towards 3,12 at June 30,2021.

For the monitoring and management of liquidity risk the Group forms cash flow projections on a regular basis.

Interest Rate Risk

The Group’s exposure to the risk of changes in the interest rates relates to its short-term and long-term loans. The Group manages Interest Rate Risk through keeping all of its loans at variable interest rates while at the same time it has entered into an interest rate swap in order to ensure stable long-term borrowing costs from a fluctuation in the Euribor rate. Since the Company's loans are linked with the Euribor index, the maintenance of the latter at low levels has a direct positive impact on the financial cost of the Group.

The table below presents the sensitivity of the Earnings Before Tax of the Group and the Company if the interest rates change by a percentage point:

Sensitivity analysis on interest rate changes

	Interest Rate Volatility	Impact on Company's EBT	Impact on Group's EBT
01.07.2021	1,00%	-743.503	-851.225
30.06.2022	-1,00%	743.503	851.225
01.07.2020	1,00%	-488.012	-579.160
30.06.2021	-1,00%	488.012	579.160

Exchange Rate Risk

The Group operates in Southeast Europe and as a result any change in the operating currencies of those countries towards other currencies exposes the Group to risk of exchange rate. The main currencies involved in the Group's transactions are Euro and Bulgarian Lev.

The Group's Management continuously monitors the foreign exchange risks that may arise and assesses the need for action, yet now there is no such risk since the exchange rate between the two currencies is stable from 1 January 1999 (BGN 1.95583 = EUR 1).

Risk of Inventory Loss

The Management of the Group takes all the necessary measures (insurance, storage) to minimize the risk and the contingent loss due to inventory loss from natural disasters, thefts, etc. Moreover, due to the inventory's high turnover ratio and the simultaneous inventory's long duration (expiry date), the risk of their obsolescence is very limited.

Risk of price variation of raw materials

The Group is exposed to risk derived from the variation in prices of the used raw materials for its products. The fluctuation in prices of the raw materials during the recent years as well as the general economic crisis led us to the conclusion that this fluctuation will continue to exist. Therefore, exposure to that risk is considered high and for that reason the Group's Management takes all the necessary measures in order, firstly, to eliminate the Group's exposure to that risk through achieving special agreements with its suppliers and using derivative financial instruments and secondly, to quickly adjust its pricing and commercial policy.

Other Operating Risks

Management has installed a reliable system of internal control to detect malfunctions and exceptions in its commercial operations. Property insurance and other risks are adequate.

The pandemic "Covid-19"

The spreading of the new coronavirus "Covid-19" and its declaration by WHO in March 2020 as a pandemic as well as the imposition of emergency measures for its tackling by each government have negatively affected the global economy, Greece included.

Since the start of this crisis, the Group's priorities were the ensuring of its smooth business operation and the safety of its employees. To effectively face the impact of the pandemic and to ensure its proper functioning the Group: a) offered remote working (teleconferencing), b) suspended the business meetings in person and other business events c) restricted commuting and travelling and d) disinfected the working areas. Furthermore, the Group ensured the daily support and guidance of the employees in respect of their most effective adjustment to the new conditions, while also strengthening the National Health System through the donation of medical equipment to support the government's work in combating the pandemic.

The extent of the impact of the pandemic on the Group's activities in the coming period will largely depend on future developments and government measures. The possibility of adopting new more stringent restrictive measures on travel could adversely affect the financial performance of the Group, reducing turnover, temporarily limiting the collectability of receivables, and affecting the supply chain.

The management continuously monitors the developments, evaluates the risks, and takes the necessary actions to minimize the effects of the pandemic on the financial results of the Group, to continue the smooth implementation of the strategic plan - and to ensure the business continuity of the Group. Management believes that in any case, the pandemic, will not affect the continuation of the Company's and the Group's activity.

War Situation in Ukraine

Regarding the current war situation in Ukraine, the group is not particularly exposed to Ukrainian and Russian markets. In particular, there is not any a) significant business discontinue due to interruption of the supply chain, closure/suspension of operations/construction or trade premises, travel restrictions b) confiscation/condemnation of assets from state authorities, c) unavailability of personnel, d) restrictions at cash balances, e) impairment of financial and non-financial assets (taking into account events and new information revealed after the reference date), f) significant decrease in sales, profit or/and cash flow from operating activities since the Group and the Company neither are particularly active in the affected from the war areas nor additional measures have been imposed that affect its activities.

Regarding cereal-purchase from those countries and especially from Russia, within the previous year it represented 17% of the value of the total cereal the Group milled. Following interruption of cereals exports from the infected countries the Group identified timely alternative supply solutions from the rest wheat-producing European countries.

For the time being, the potential impact on the sales, financial results and financial position of the Group cannot be evaluated since management is not yet able to predict the mid-term results of the current conflict.

Furthermore, Management monitors the developments and the impact of the continuously rising prices of raw materials and the increased energy cost to take the appropriate measures for the smooth continuation of operations of the Company and the Group.

F. Information about Labour and Environmental Policy

Human resources

The most crucial factor of the Group's success is its people. In particular, a strong family culture has been established which is based on the values of the Group and the mutual respect, trust, cooperation and team spirit. Through investing in the applied training methods, the Group intends to achieve a variety of business advantages such as increase in productivity, employees' satisfaction, involvement, and sustenance of the manpower as well as attracting young and qualified people. In the long term, maintaining the interest of the employees and the support provided for their development are crucial for the way the Group creates value. Discriminations are excluded from the Group's practices and human rights and equal opportunities are supported in every way according to the international standards.
Our key priority and vision are to create, develop, evolve, and take care of the leading team.

Health and Safety

Within Loulis Group, the protection of the employees and all of those involved in the Group's chain value represent an integral part of the Group's policy, philosophy, work, and daily life. Nothing can be more important than the people and their safety who contribute every day to the development of the Group. Health and safety are not a typical procedure yet a basic ingredient of the Group's philosophy. Specifically, the Group:

- makes continuous efforts for the improvement of the working conditions for each position through conducting daily inspections in the working areas and trains the employees about the practices they must follow to remain safe within a healthy working environment (supply and mandatory use of Personal Protective Equipment, information provided about the safe working procedures etc.),
- provides a safe and healthy working environment consistent with the applied legislation, regulations and the internal health and safety requirements,
- conducts seminars, on an annual basis, of health and safety to provide employees a general training as well as to inform them about any potential hazards may be involved in their job,
- commits itself for the interest of its employees, to the continuous improvement of health and safety in the working areas, though, among other things, identifying safety hazards and addressing health and safety issues,
- provides medical monitoring of all our employees through the appointment of an Occupational Doctor,
- applies strict prevention procedures to eliminate accidents and minimize days of absence from work due to working accident,
- aims to the reduction of noise and dust levels of the production facilities to the lowest possible levels to protect our employees from occupational diseases resulted from the exposure to those factors.

Relations between Management and employees

Loulis Group traditionally operates like an extended family. This has formed a common culture and a common vision based on its tradition, principles, values, and the love for its products. Particularly:

- the applied policy of the "open door" the Group ensures conditions of mutual trust and understanding since all the employees can communicate directly with the Management regarding the solution of any work problem or other,
- the signed contracts with the employees do not include any provision for any change of the terms or any predetermined notice for change. However, the Group has chosen to inform employees before any significant change occurs.

Development and training of employees

Development and training of the employees is a key priority within Loulis Group. The Group aims to the employees' personal development and evolution as well as the development of their skills. That is valuable to each of our employees individually because it enhances their confidence and simultaneously it prepares them to meet the high standards of the products and services provided to the customers and consumers. The training of an employee begins from the first working day when a structured reception and integration program exists according to the requirements of each post.

Human rights policy

The respect of human rights is fundamental principle for the sustainable development of Loulis Group and of its social partners. The Group commits itself to ensuring that its people are treated with the appropriate dignity and respect and acknowledges that the manpower consists of different people each one has its own personality. For that reason, the Group:

- provides security assurance to the employees, as considered necessary, with respect to the employees' confidentiality and dignity,
- applies Human Rights Policy which is based on the human rights international principles as included in the Universal Declaration of Human Rights, the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work, the UN Global Compact, and the UN Guidelines for Labour,
- commits itself to keep the working environment free of violence, bullying, intimidation or any other inappropriate or disturbing conditions caused by internal or external threats,
- encourages a safe and healthy environment without discriminations, harassment, and reprisals. All decisions regarding employment are based on personal skills, performance, and behavior.

Benefits to employees

The contribution of the people to the Group's development is continuously recognized through providing the employees several benefits. The Group:

- provides competitive salaries to attract qualified staff and securing a decent standard of living for all employees,
- wishes to contribute effectively to the strengthening of the employees' work-life balance,
- applies benefit policy that effectively supports the employees and their families (liquidity assistance to meet any special need, medical insurance for all the employees and provision for insurance for the members of their families at low cost, providing products (flour) free of charge and reduced prices for the purchase of extra products).

Environmental issues

The efforts of Loulis Group for the protection of the environment are not limited to the implementation of the legislation and requirements and adoption of the appropriate measures for each case. Yet, it is expressed through its continuous efforts for reducing the environmental impact of the Group's operations, focusing on achieving efficient energy consumption within the production process, reducing the disturbance caused to the local areas and the implementation of an Environmental Management System. Furthermore, the Group applies specific Environmental Policy which sets the conditions for the integrated management of the environmental impacts caused by its operations and adopts and applies practices that ensure the best environmental protection and management. Namely the Group:

- fully complies with the environmental legislation and regulations,
- manages the applied programs for the reduction of the environmental impact through the certified Environmental Management Systems (ISO 14001:2015),
- continuously trains the employees involved in the production process regarding environmental protection issues,
- uses the best practices within the production units regarding the water consumption and the waste management having achieved almost zero water consumption, zero liquid waste, zero waste of any type while at the same time recycles through contracting with verified waste management providers,
- aims to the efficient energy consumption within the production process through the adoption of technologies with high energy efficiency and with reduced energy consumption required per every tone of obtained product,
- minimizes as much as possible the transfer of raw materials, products and employees in order to achieve reduction of gas emissions to the environment.

G. Alternative Performance Measures (APMs)

According to the ESMA/2015/1415en Guidelines on Alternative Performance Measures (APMs) of the European Securities and Markets Authority, an Alternative Performance Measure (APM) is a financial measure of historical or future financial performance, financial position, or cash flows, which is not defined or provided in the current Financial Reporting Framework (IFRS). APMs typically arise from or are based on financial statements prepared in accordance with the current Financial Reporting Framework (IFRS), primarily with the addition or deduction of amounts from the figures presented in the financial statements.
The Group uses to a limited extent Alternative Performance Measures (APMs) when publishing its financial performance, to better understand the Group's operating results and financial position.

Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)

The indicator Earnings before Interest, Tax, Depreciation and Amortization (EBITDA), which aims to a better analysis of the Group’s and Company’s results, is estimated as follows: Profit/(Loss) before tax, as adjusted by the addition of "Financial Expenses" and "Depreciation", without including the items "Financial Income", "Fair Value valuation of bonds and participations", “Other Expenses” and “Other Income” (excluding “Other Operating Income”). The margin of this indicator is calculated as the ratio of the "Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)" with the total of "Sales".

	Group		Company	
	01.07.2021 30.06.2022	**01.07.2020 30.06.2021**	**01.07.2021 30.06.2022**	**01.07.2020 30.06.2021**
Sales	**171.521.919**	**117.511.000**	**151.439.969**	**104.162.116**
Profit/(Loss) Before Tax	2.241.545	771.139	1.196.949	1.488.934
Other Income (excluding Other Operating Income)	(115.958)	(977.582)	(105.888)	(118.840)
Other Expenses	637.983	1.675.610	599.912	568.747
Fair Value valuation of bonds and participatios	499.030	(73.110)	499.030	(73.110)
Financial Income	(3.709)	(6.001)	(92.240)	(33.884)
Financial Expenses	2.013.310	1.830.947	1.794.104	1.444.986
Depreciation	5.217.662	5.109.810	4.702.467	4.642.989
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	**10.489.863**	**8.330.813**	**8.594.334**	**7.919.822**
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) margin	**6,12%**	**7,09%**	**5,68%**	**7,60%**

	Group		Company	
	01.01.2022 30.06.2022	**01.01.2021 30.06.2021**	**01.01.2022 30.06.2022**	**01.01.2021 30.06.2021**
Sales	**97.585.587**	**60.972.138**	**85.976.677**	**54.251.750**
Profit/(Loss) Before Tax	2.223.219	789.122	1.009.089	714.408
Other Income (excluding Other Operating Income)	(20.515)	(48.753)	(19.961)	(34.627)
Other expenses	562.803	124.614	551.610	102.208
Fair Value valuation of bonds and participations	356.368	0	356.368	0
Financial Income	(775)	(716)	(63.190)	0
Financial Expenses	1.171.726	808.767	1.060.143	679.112
Depreciation	2.575.511	2.555.992	2.323.197	2.319.087
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA)	**6.868.337**	**4.229.026**	**5.217.256**	**3.780.188**
Earnings Before Interest, Tax, Depreciation and Amortization (EBITDA) margin	**7,04%**	**6,94%**	**6,07%**	**6,97%**

Earnings before Interest and Tax (EBIT)

The indicator Earnings before Interest and Tax (EBIT), which serves the better analysis of the Group's and Company's operating results, is estimated as follows: Profit/(Loss) before tax, as adjusted by the inclusion of "Financial Expenses", without considering the items "Financial Income", "Fair Value valuation of bonds and participations", "Other Expenses" and "Other Income" (excluding "Other Operating Income"). The margin of this indicator is calculated as the ratio of the "Earnings before Interest and Tax (EBIT)" with the total of "Sales".

	Group		Company	
	01.07.2021 30.06.2022	01.07.2020 30.06.2021	01.07.2021 30.06.2022	01.07.2020 30.06.2021
Sales	**171.521.919**	**117.511.000**	**151.439.969**	**104.162.116**
Profit/(Loss) Before Tax	2.241.545	771.139	1.196.949	1.488.934
Other Income (excluding Other Operating Income)	(115.958)	(977.582)	(105.888)	(118.840)
Other Expenses	637.983	1.675.610	599.912	568.747
Fair Value valuation of bonds and participations	499.030	(73.110)	499.030	(73.110)
Financial Income	(3.709)	(6.001)	(92.240)	(33.884)
Financial Expenses	2.013.310	1.830.947	1.794.104	1.444.986
Earnings Before Interest and Tax (EBIT)	**5.272.201**	**3.221.003**	**3.891.867**	**3.276.833**
Earnings Before Interest and Tax (EBIT) margin	**3,07%**	**2,74%**	**2,57%**	**3,15%**

	Group		Company	
	01.01.2022 30.06.2022	01.01.2021 30.06.2021	01.01.2022 30.06.2022	01.01.2021 30.06.2021
Sales	**97.585.587**	**60.972.138**	**85.976.677**	**54.251.750**
Profit/(Loss) Before Tax	2.223.219	789.122	1.009.089	714.408
Other Income (excluding Other Operating Income)	(20.515)	(48.753)	(19.961)	(34.627)
Other expenses	562.803	124.614	551.610	102.208
Fair Value valuation of bonds and participations	356.368	0	356.368	0
Financial Income	(775)	(716)	(63.190)	0
Financial Expenses	1.171.726	808.767	1.060.143	679.112
Earnings Before Interest and Tax (EBIT)	**4.292.826**	**1.673.034**	**2.894.059**	**1.461.101**
Earnings Before Interest and Tax (EBIT) margin	**4,40%**	**2,74%**	**3,37%**	**2,69%**

Total Net Borrowing

The "Total Net Borrowing" is an alternative performance measure that the Management uses to evaluate the capital structure of the Group and the Company. It is estimated as the sum of the items "Long-term Borrowing Liabilities "and "Short-term Borrowing Liabilities", net of the item "Cash and cash equivalents".

	Group		Company	
	30.06.2022	**30.06.2021**	**30.06.2022**	**30.06.2021**
Long-term Borrowing Liabilities	68.690.452	48.656.261	61.800.000	42.350.000
Long-term Borrowing Liabilities	16.432.011	9.259.698	12.550.294	6.451.202
Cash and cash equivalents	(22.181.601)	(15.309.300)	(16.026.124)	(11.387.945)
Total Net Borrowing	**62.940.862**	**42.606.659**	**58.324.170**	**37.413.257**

H. Significant transactions between the Company and Related Parties

The cumulative amounts for sales and purchases from the beginning of the current period and the balances of the Company's receivables and liabilities accounts at the end of the current period, which have resulted from its transactions with related parties, as per IAS 24, are as follows:

Significant transactions with related parties

	01.01.2022 - 30.06.2022		01.01.2021 - 30.06.2021	
	Sales of Good & Services	Purchases of Goods and Services	Sales of Goods & Services	Purchases of Goods and Services
Associates	579	0	0	0
Executives and Members of the Management	0	0	0	0
Total:	**579**	**0**	**0**	**0**

	30.06.2022		31.12.2021	
	Receivables	Liabilities	Receivables	Liabilities
Associates	0	0	0	0
Executives and Members of the Management	502.999	826	266.826	813
Total:	**502.999**	**826**	**266.826**	**813**

Company

	01.01.2022 - 30.06.2022		01.01.2021 - 30.06.2021	
	Sales of Good and Services	Purchases of Goods and Services	Sales of Good and Services	Purchases of Goods and Services
Kenfood SA	233.897	714.403	340.799	484.963
Greek Baking School SA	4.200	20.000	4.200	15.000
Loulis Logistics Services SA	240	0	240	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	97.375	4.129.973	16.192	1.032.072
Associates	579	0	0	0
Executives and Members of the Management	0	0	0	0
Total:	**336.291**	**4.864.376**	**361.431**	**1.532.035**

	30.06.2022		31.12.2021	
	Receivables	Liabilities	Receivables	Liabilities
Kenfood SA	50.013	343.657	58.811	72.418
Greek Baking School SA	0	20.000	0	0
Loulis Logistics Services SA	0	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	5.000.000	10.271	4.020.815	238.379
Associates	0	0	0	0
Executives and Members of the Management	0	0	0	554
Total:	**5.050.013**	**373.928**	**4.079.626**	**311.351**

Fees of Executives and Members of the Management

	Group		Company	
	01.01.2022 30.06.2022	**01.01.2021 30.06.2021**	**01.01.2022 30.06.2022**	**01.01.2021 30.06.2021**
Salaries and Other Fees	826.025	525.777	451.105	348.777
Total:	**826.025**	**525.777**	**451.105**	**348.777**

There are no other significant transactions with related parties for the first half of 2022.

I. Significant Events occurred after the first half of 2022

There are no significant events after June 30, 2022, and until the date of preparation of the Financial Statements.

J. Information pursuant to Article 50 § 2 of Law 4548/2018 for acquired own shares (treasury shares)

The Company, at the balance-sheet preparation date, did not possess any own shares.

The Chairman of the Board of Directors

Nikolaos Loulis

Sourpi Magnesias, September 29, 2022

The Board of Directors

Independent Auditor's Report on Review

To the Board of Directors of the Company "LOULIS FOOD INGREDIENTS S.A."

Report on Review of Interim Financial Information

Introduction

We have reviewed the accompanying interim condensed separate and consolidated statement of financial position of LOULIS FOOD INGREDIENTS S.A., as of June 30, 2022 and the related condensed separate and consolidated statements of comprehensive income, changes in equity and cash flows for the six-month period then ended, as well as the selected explanatory notes that comprise the interim condensed financial information, which is an integral part of the six-month financial report as provided by Law. 3556/2007.

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

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, mainly 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. Consequently, we do not express an audit opinion.

Conclusion

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

Report on other legal and regulatory requirements

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

Agia Paraskevi , 29.09.2022

The Certified Public Accountant

BDO Certified Public Accountants SA
449, Mesogion Ave. 153 43
Agia Paraskevi Athens Greece
Reg.SOEL: 173

Lavazou K. Andriana
Reg. SOEL: 45891

Interim Financial Statements

1. Interim Statement of Financial Position

(Amounts in €)		GROUP		COMPANY	
		30/6/2022	31/12/2021	30/6/2022	31/12/2021
ASSETS	**Note**				
Non-Current Assets					
Property, Plant and Equipment	7.1	102.373.344	103.055.115	88.601.188	89.743.079
Investment Property	7.1	1.239.992	519.992	1.220.000	500.000
Right of Use Assets	7.2	699.593	513.392	554.654	348.201
Other Intangible Assets	7.3	1.842.535	1.972.506	1.097.767	1.216.479
Goodwill		1.000.000	1.000.000	0	0
Investments in Subsidiaries		0	0	14.174.033	14.174.033
Other Non-Current Receivables		1.571.372	1.745.691	289.543	336.272
Deferred Tax Assets		0	0	0	0
		108.726.836	**108.806.696**	**105.937.185**	**106.318.064**
Current Assets					
Inventories		35.948.851	35.962.213	27.519.918	28.402.995
Trade Receivables	7.4	43.737.154	36.368.868	39.142.429	33.049.955
Derivative Financial Assets		144.195	521.000	144.195	521.000
Cash and Cash Equivalents		22.181.601	9.653.358	16.026.124	8.343.081
Other Current Assets	7.5	3.836.250	5.288.177	7.973.285	8.996.100
		105.848.051	87.793.616	90.805.951	79.313.131
TOTAL ASSETS		**214.574.887**	**196.600.312**	**196.743.136**	**185.631.195**
EQUITY AND LIABILITIES					
Equity attributable to equity holders of the parent					
Share Capital		16.093.063	16.093.063	16.093.063	16.093.063
Share Premium account		31.602.358	31.602.358	31.602.358	31.602.358
Other Reserves		46.298.777	45.485.330	46.140.090	46.543.866
Equity attributable to equity holders of the parent		93.994.198	93.180.751	93.835.511	94.239.287
Non-Controlling interest		466	488	0	0
Total Equity		**93.994.664**	**93.181.239**	**93.835.511**	**94.239.287**
Non-Current Liabilities					
Non-Current Loans and Borrowings	7.6	68.690.452	47.473.357	61.800.000	42.125.000
Deferred Tax Liabilities		10.541.875	10.812.199	10.267.014	10.532.166
Provisions for Retirement Benefits		432.479	402.879	404.052	378.590
Non-Current Lease Liabilities	7.2	472.820	310.751	386.909	209.291
Other Non-Current Liabilities		2.791.145	2.861.214	2.791.145	2.861.214
		82.928.771	61.860.400	75.649.120	56.106.261
Current Liabilities					
Trade Payables	7.7	15.872.864	19.829.680	9.652.974	15.914.403
Loans and Borrowings	7.6	16.432.011	14.351.250	12.550.294	12.208.732
Derivative Financial Liabilities		307.673	762.350	307.673	762.350
Tax Liabilities		1.574.514	722.130	1.540.462	684.380
Current Lease Liabilities	7.2	241.699	217.095	178.819	149.682
Other Current & Accrued Liabilities	7.8	3.222.691	5.676.168	3.028.283	5.566.100
		37.651.452	41.558.673	27.258.505	35.285.647
TOTAL EQUITY AND LIABILITIES		**214.574.887**	**196.600.312**	**196.743.136**	**185.631.195**

2. Interim Statement of Comprehensive Income

(Amounts in €)

	Note	GROUP		COMPANY	
		1/1-30/06/2022	**1/1-30/06/2021**	**1/1-30/06/2022**	**1/1-30/06/2021**
Revenue		97.585.587	60.972.138	85.976.677	54.251.750
Cost of sales		(82.682.928)	(51.048.990)	(74.103.375)	(45.557.810)
Gross Profit		**14.902.659**	**9.923.148**	**11.873.302**	**8.693.940**
Other Income		1.831.012	1.541.786	1.466.413	1.271.931
Distribution Expenses		(7.927.517)	(6.926.275)	(6.410.958)	(5.886.165)
Administrative Expenses		(4.492.813)	(2.816.872)	(4.014.737)	(2.583.978)
Other Expenses		(562.803)	(124.614)	(551.610)	(102.208)
Fair value valuation of bonds and participations		(356.368)	0	(356.368)	0
Financial Income		775	716	63.190	0
Financial Expenses		(1.171.726)	(808.767)	(1.060.143)	(679.112)
Profits/(Losses) Before taxes		**2.223.219**	**789.122**	**1.009.089**	**714.408**
Tax Expense		(184.648)	674.496	(187.719)	650.012
Profit for the period		**2.038.571**	**1.463.618**	**821.370**	**1.364.420**
Owners of the Parent Company		2.038.594	1.463.641	821.370	1.364.420
Non-Controlling Interests		(23)	(23)	0	0
Other Comprehensive Income					
Items that will be Reclassified to Profit of Loss		**0**	**0**	**0**	**0**
Profit/Loss on Revaluation of property		0	0	0	0
Actuarial Profits/Losses		0	0	0	0
Income Tax that relates to other comprehensive income		0	97.925	0	97.925
Items that will not be Reclassified to Profit of Loss		**0**	**97.925**	**0**	**97.925**
Total Comprehensive Income For the period		**2.038.571**	**1.561.543**	**821.370**	**1.462.345**
Profit Attributable to:					
Owners of the Parent Company		2.038.594	1.561.566	821.370	1.462.345
Non-Controlling Interests		(23)	(23)	0	0
Earnings per share for Profits Attributable to the Owners of the Parent					
Basics	7.9	**0,1191**	**0,0855**	**0,0480**	**0,0797**
Diluted	7.9	**0,1191**	**0,0855**	**0,0480**	**0,0797**
Depreciation		2.575.511	2.555.992	2.323.197	2.319.087
Earnings Before Interest and Tax		**4.292.826**	**1.673.034**	**2.894.059**	**1.461.101**
Earnings Before Interest, Tax, Depreciation and Amortization		**6.868.337**	**4.229.026**	**5.217.256**	**3.780.188**

Note: The comparative figures of the Interim Summaries of the Statement of Total Income of the Group and the Company for the First Half of 2021 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7 "Accounting Changes of Politics")

3. Interim Statement of Changes in Equity

3.1 Group

(Amounts in €)

	Share Capital	Share Premium	Statutory Reserves	Extraordinary Reserves	Non Taxable Reserves	Reserve for Entity's Own Shares	Reserve from the Revaluation of Assets	Reserve from Foreign Exchange Differences	Other Reserves	Profits/(losses) for the period after taxes	Equity before non-controlling interest	Non-Controlling Interests	Equity after non-Controlling Interests
Balance on January 1st 2021	**16.093.063**	**31.602.358**	**1.975.683**	**103.990**	**3.420.457**	**0**	**4.276.771**	**1.061.889**	**7.651.779**	**25.279.192**	**91.465.182**	**406**	**91.465.588**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	0	1.463.641	**1.463.641**	(23)	**1.463.618**
Actuarial Profits/(Losses)	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Profit/(Losses from revaluation of Property	0	0	0	0	0	0	97.925	0	0	0	**97.925**	0	**97.925**
Net Revenue/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Dividends	0	0	0	0	0	0	0	0	0	(1.209.519)	**(1.209.519)**	0	**(1.209.519)**
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Return of Capital to Shareholders	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Sales/(Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Change in Reserves	0	0	100.723	0	0	0	0	0	0	(100.723)	**0**	0	**0**
Minorities	0	0	0	0	0	0	0	0	0	(45)	**(45)**	47	**2**
Other movements	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Net Position on June 30th 2021	**16.093.063**	**31.602.358**	**2.076.406**	**103.990**	**3.420.457**	**0**	**4.374.696**	**1.061.889**	**7.651.779**	**25.432.546**	**91.817.184**	**430**	**91.817.614**
Balance on January 1st 2022	**16.093.063**	**31.602.358**	**2.076.406**	**103.990**	**3.420.457**	**0**	**6.002.145**	**1.061.889**	**7.651.779**	**25.168.664**	**93.180.751**	**488**	**93.181.239**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	0	2.038.594	**2.038.594**	(23)	**2.038.571**
Actuarial Profits/(Losses)	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Profit/ (Losses) from revaluation of Property	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Net Revenue/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Dividends	0	0	0	0	0	0	0	0	0	(1.225.146)	**(1.225.146)**	0	**(1.225.146)**
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Return of Capital to Shareholders	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Sales/(Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Change in Reserves	0	0	70.518	0	0	0	0	0	0	(70.518)	**0**	0	**0**
Minorities	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Other movements	0	0	0	0	0	0	0	0	0	(1)	**(1)**	1	**0**
Net Position at June 30th 2022	**16.093.063**	**31.602.358**	**2.146.924**	**103.990**	**3.420.457**	**0**	**6.002.145**	**1.061.889**	**7.651.779**	**25.911.593**	**93.994.198**	**466**	**93.994.664**

3.2 Company

(Amounts in €)

	Share Capital	Share Premium	Statutory Reserves	Extraordinary Reserves	Non-Taxable Reserves	Reserve for Entity's Own Shares	Reserve from the Revaluation of Assets	Other Reserves	Profit/(Loss) for the period after Taxes	Total	Total Equity
Balance on January 1st 2021	**16.093.063**	**31.602.358**	**1.872.940**	**103.990**	**3.208.286**	**0**	**3.721.156**	**6.592.716**	**29.731.747**	**92.926.256**	**92.926.256**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	1.364.420	1.364.420	1.364.420
Net Income/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	0
Actuarial Profits/ (Losses)	0	0	0	0	0	0	0	0	0	0	0
Profit/(Losses from revaluation of Property	0	0	0	0	0	0	97.925	0	0	97.925	97.925
Dividends	0	0	0	0	0	0	0	0	(1.209.519)	(1.209.519)	(1.209.519)
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	0
Return of Capital to shareholders	0	0	0	0	0	0	0	0	0	0	0
Sales/(Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	0
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	0
Change in Reserves	0	0	100.723	0	0	0	0	0	(100.723)	0	0
Other movements	0	0	0	0	0	0	0	0	0	0	0
Net Position on June 30th 2021	**16.093.063**	**31.602.358**	**1.973.663**	**103.990**	**3.208.286**	**0**	**3.819.081**	**6.592.716**	**29.785.925**	**93.179.082**	**93.179.082**
Balance on January 1st 2022	**16.093.063**	**31.602.358**	**1.973.663**	**103.990**	**3.208.286**	**0**	**4.939.938**	**6.592.716**	**29.725.273**	**94.239.287**	**94.239.287**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	821.370	821.370	821.370
Net Income/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	0
Actuarial Profits/ (Losses)	0	0	0	0	0	0	0	0	0	0	0
Profit/(Losses from revaluation of Property	0	0	0	0	0	0	0	0	0	0	0
Dividends	0	0	0	0	0	0	0	0	(1.225.146)	(1.225.146)	(1.225.146)
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	0
Return of Capital to shareholders	0	0	0	0	0	0	0	0	0	0	0
Sales/(Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	0
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	0
Change in Reserves	0	0	70.518	0	0	0	0	0	(70.518)	0	0
Other movements	0	0	0	0	0	0	0	0	0	0	0
Net Position on June 30th 2022	**16.093.063**	**31.602.358**	**2.044.181**	**103.990**	**3.208.286**	**0**	**4.939.938**	**6.592.716**	**29.250.979**	**93.835.511**	**93.835.511**

Note: The comparative figures of the Statement of Changes in Equity of the Group and the Company for the first half of 2021 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7)

4. Interim Cash Flow Statement

(Amounts in €)

	GROUP		COMPANY	
	30.06.2022	30.06.2021	30.06.2022	30.06.2021
Cash Flow from Operating Activities				
Profit/(Loss) Before Tax	**2.223.219**	**789.122**	**1.009.089**	**714.408**
Adjustments for:				
Depreciation	2.575.511	2.555.992	2.323.197	2.319.087
Provisions	284.538	(518)	277.312	1.259
(Profit)/Loss from Sales of Tangible & Intangible Assets	(149)	26.072	(199)	19.968
Interest expenses	1.171.726	808.767	1.060.143	679.112
Interest Income	(775)	(716)	(63.190)	0
Adjustments for change in working capital or relating Operating Activities:				
(Increase)/Decrease In Inventories	13.362	890.024	883.077	(1.149.570)
(Increase)/Decrease In Receivables	(1.174.453)	(99.180)	(4.842.976)	522.422
(Decrease) / Increase in Payables (Excluding Loans)	(11.813.170)	1.320.536	(9.810.939)	1.516.021
Less:				
Interest & related expenses paid	(1.120.318)	(834.737)	(948.377)	(712.268)
Tax paid	(48.818)	0	(46.717)	0
Net Cash from Operating Activities (a)	**(7.895.327)**	**5.455.362**	**(10.159.580)**	**3.910.439**
Cash Flow from Investing Activities				
Acquisition of Associates, Jvs and other Investments	0	0	0	(15.000)
Purchase of Tangible and Intangible Assets	(2.563.181)	(1.279.019)	(1.898.398)	(544.394)
Proceeds from Disposal of Tangible and Intangible Assets	34.225	8.700	34.225	7.500
Interest Received	63.897	716	63.190	0
Net Cash from Investing Activities (b)	**(2.465.059)**	**(1.269.603)**	**(1.800.983)**	**(551.894)**
Cash Flow from Financing Activities				
Proceeds from Bank Borrowings	27.460.761	(14.702)	23.241.562	(15.932)
Payment of Bank Borrowings	(4.162.904)	(2.345.867)	(3.225.000)	(2.200.000)
Payment of Lease Liabilities	(135.731)	(222.984)	(99.459)	(175.232)
Dividends/Fees paid to members of the BoD	(218.497)	(1.179.707)	(218.497)	(1.179.707)
Net Cash used in Financing Activities (c)	**22.943.629**	**(3.763.260)**	**19.698.606**	**(3.570.871)**
Net Increase / (Decrease) in the Cash and Cash Equivalents (a+b+c)	**12.583.243**	**422.499**	**7.738.043**	**(212.326)**
Cash and Cash equivalents at beginning of the period	**9.653.358**	**14.886.801**	**8.343.081**	**11.600.271**
Cash and Cash equivalents at the end of the period	**22.181.601**	**15.309.300**	**16.026.124**	**11.387.945**

Note: The comparative figures of the Interim Condensed Statement of Cash Flows of the Group and the Company for the First Half of 2021 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7 "Changes in Accounting Policies")

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5. Segment Reporting

5.1 Product segments

The Group divides its operations into three main segments based on product category:

a) "Business Mill's Products",

b) "Consumer Mill's Products & Mixtures for Bakery and Pastry",

c) "Mixtures & Raw Materials for Bakery and Pastry".

In particular:

a) "Business Mill's Products" include Flour, Semolina and Flour by-products, are available in bulk and in business packages and are addressed to food industries and small craft food industries, bakers, and livestock breeders for business use.

b) "Consumer Mill's Products & Mixtures for Bakery and Pastry" include Flour, Semolina and Mixtures for Bakery and Pastry, are available in packages up to 5kg and are addressed to individual consumers for domestic use.

c) "Mixtures & Raw Materials for Bakery and Pastry are available in business packages and are addressed to food industries and small craft food industries, bakers for business use.

Management monitors the total sales, operating results as well as profit/(loss) before tax separately in respect of taking decisions regarding the allocation of resources and performance assessment of each segment.

The information regarding segments of operation is as follows:

Group

	01.01.2022 - 30.06.2022					
	Business Mill's Products	**Consumer Mill's Products & Mixtures for Bakery and Pastry**	**Mixtures & Raw Materials for Bakery and Pastry**	**Cereals**	**Other Products & Services**	**Total**
Total Revenue from Gross Sales Per Segment	62.396.782	8.505.774	6.333.756	25.266.503	157.539	102.660.354
Revenue from Intra-Company Sales	(277.766)	(10.068)	(661.924)	(4.070.502)	(54.507)	(5.074.767)
Revenue from Sales (Net)	**62.119.016**	**8.495.706**	**5.671.832**	**21.196.001**	**103.032**	**97.585.587**
Profit/(Loss) Before Interest and Tax	3.153.046	755.075	57.305	194.948	132.452	**4.292.826**
Profit/(Loss) Before Tax	1.833.438	95.336	(10.505)	194.948	110.002	**2.223.219**

	01.01.2021 - 30.06.2021					
	Business Mill's Products	**Consumer Mill's Products & Mixtures for Bakery and Pastry**	**Mixtures & Raw Materials for Bakery and Pastry**	**Cereals**	**Other Products & Services**	**Total**
Total Revenue from Gross Sales Per Segment	41.385.410	6.444.825	3.569.792	11.176.922	246.075	62.823.024
Revenue from Intra-Company Sales	(187.044)	(17.739)	(451.963)	(1.022.892)	(171.248)	(1.850.886)
Revenue from Intra-Company Sales	**41.198.366**	**6.427.086**	**3.117.829**	**10.154.030**	**74.827**	**60.972.138**
Revenue from Sales (Net)	780.357	284.268	75.654	225.931	306.824	**1.673.034**
Profit/(Loss) Before Interest and Tax	272.673	22.480	(28.424)	225.931	296.462	**789.122**

Company

	01.01.2022 - 30.06.2022				
	Business Mill's Products	**Consumer Mill's Products & Mixtures for Bakery and Pastry**	**Cereals**	**Other Products & Services**	**Total**
Total Revenue From Gross Sales Per Segment	56.159.618	8.505.774	21.184.825	126.460	85.976.677
Revenue from Sales (Net)	**56.159.618**	**8.505.774**	**21.184.825**	**126.460**	**85.976.677**
Profit/(Loss) Before Interest and Tax	1.887.473	755.075	190.654	60.857	**2.894.059**
Profit/(Loss) Before Tax	681.092	95.336	190.654	42.007	**1.009.089**

	01.01.2021 - 30.06.2021				
	Business Mill's Products	**Consumer Mill's Products & Mixtures for Bakery and Pastry**	**Cereals**	**Other Products & Services**	**Total**
Total Revenue From Gross Sales Per Segment	37.428.524	6.444.825	10.152.947	225.454	54.251.750
Revenue from Sales (Net)	**37.428.524**	**6.444.825**	**10.152.947**	**225.454**	**54.251.750**
Profit/(Loss) Before Interest and Tax	868.534	284.268	225.620	82.679	**1.461.101**
Profit/(Loss) Before Tax	391.108	22.480	225.620	75.200	**714.408**

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6. Notes on the Financial Statements

6.1 General Information

6.1.1 Country of Incorporation

The Company LOULIS FOOD INGREDIENTS S.A, formerly LOULIS MILLS S.A., as changed name by the decision of the Regular General Meeting of the shareholders with date June 22, 2022, and it was approved by the decision no. 2650938AP/28.06.2022 of the Ministry of Development and Investments, (hereinafter referred to as "Company" or "Parent") is a Greek Societe Anonyme listed in the Athens Stock Exchange and is subject to the Codified Law 2190/1920. Founded on February 22, 1927, and is registered in the General Registry of Commerce No. 50675444000 (ex RN 10344/06 / B / 86/131). The Company's head office is located at Municipality of Almiros, Municipal District Sourpi, Magnesia (Loulis Port), and the web address is: www.loulismills.gr where the Company's and the Group's Interim And Annual Financial Statements are published as well as the Annual Financial Statements of its non-listed subsidiaries are available.

6.1.2 Main Activities

The Company's objectives are to:

a) Operate Flour Mill and generally to carry out industrial and commercial business regarding the flour industry, cereals, the production of animal feed, agricultural products, and food products in general, as well as agricultural supplies, fertilisers, etc.

b) Produce, purchase and resale, import, export and general handling and trade cereal products or other land products, agricultural products in general, and food and agricultural supplies, fertilizers, etc.

6.2 Group's Structure

The Group's companies, their addresses and participation percentages as included in the consolidated financial statements, are the following:

Name	Head Office	% participation of the parent	Basis for the consolidation	Consolidation method	Tax -un-audited fiscal years
LOULIS FOOD INGREDIENTS SA	Sourpi Magnesias, Greece	-	Parent	-	2021
KENFOOD SA	Keratsini Attikis, Greece	99,99%	Direct	Full	2021
GREEK BAKING SCHOOL SA	Keratsini Attikis, Greece	99,70%	Direct	Full	2016 – 2021
LOULIS LOGISTICS SERVICES SA	Sourpi Magnesias, Attikis	99,68%	Direct	Full	2016 – 2021
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD	Nicosia, Cyprus	100,00%	Direct	Full	2017 – 2021
LOULIS MEL- BULGARIA EAD	General Toshevo, Bulgaria	100,00%	Indirect	Full	2016 - 2021

6.3 Context of Preparation of the Financial Statements

6.3.1 Compliance with International Accounting Standards (IAS)/ International Financial Reporting Standards (IFRS)

The financial statements of "LOULIS FOOD INGREDIENTS SA" are in accordance with the International Accounting Standards (IAS)/International Financial Reporting Standards (IFRS), as issued by the International Accounting Standards Board (IASB) and have been adopted by the European Union.

6.3.2 Basis for the Preparation of the Financial Statements.

The Interim Condensed Financial Statements for the period ended June 30, 2022 have been prepared in accordance to IAS 34 "Interim Financial Reporting". These Financial Statements do not include all disclosures that would otherwise be required in a complete set of Annual Financial Statements and should be read in conjunction with the Financial Statements of the Company and the Group as of 31st December 2021.

6.3.3 Reporting Period

The current interim consolidated Financial Statements include the Financial Statements of LOULIS FOOD INGREDIENTS SA and the Company's subsidiaries (Group) and refer to the period from January 1st, 2022 to June 30st 2022.

6.3.4 Presentation of Financial Statements

The Financial Statements of the Group and the Company are presented in euro which is the operating currency of both the Group and the Company.

6.3.5 Significant Accounting Policies

The accounting policies applied in the preparation of the Interim Condensed Financial Statements are consistent with those applied in the preparation of the Annual Financial Statements of the Group as of 31st December 2021 (note 6.4), except for the new standard and interpretations applied to accounting periods beginning on January 1, 2022 (note 6.3.7).

Nevertheless, the Financial Statements include selected explanatory notes regarding facts and transactions important for understanding of the change of the financial position of the Group and the Company in relation to the published Annual Financial Statements as of 31st December 2021.

6.3.6 Significant Accounting Estimations

The preparation of the Financial Statements involves the adoption of significant assumptions and estimations as well as judgment by Management and on applying the accounting policies. The fields where significant estimations have been used are included in note 6.5 "Significant Estimates by Management".

In the preparation of these Interim Condensed Financial Statements, the significant assumptions, judgments and estimations adopted by the Management in the course of applying the accounting policies of the Group, as well as the main sources of uncertainty assessment remained the same with hose applied in the Annual Financial Statements as of 31st December 2021, except for those referring to new IFRS applied to accounting periods beginning on January 1, 2022.

6.3.7 Change in Accounting Policies

a) New standards, interpretations and amendments of the existing standards applied in the Financial Statements

Title	They apply to annual accounting periods beginning on
Annual Improvements to IFRS: 2018-2020 Cycle	1 January 2022
Amendments to IAS 16: Income before the beginning of the intended use of an asset	1 January 2022

Title	They apply to annual accounting periods beginning on
Amendments to IAS 37: Onerous contracts / Cost of Fulfilling a Contract	1 January 2022
Amendments to IFRS 3: Reference to the Conceptual Framework	1 January 2022

The amendments applied mandatorily did not have a significant impact on the Financial Statements of the Company and the Group.

In addition to the above amendments, the IFRS Interpretations Committee has published some final agenda decisions that reflect the Commission 's rationale for applying IFRSs in specific cases. The following Commission decisions have been finalized as of 31 December 2021:

Standard	Subject
IFRS 9 & IAS 20	European Central Bank's Targeted Longer-Term Refinancing Operations (TLTRO III) program (IFRS 9 Financial Instruments and IAS 20 Accounting for Government Grants and Disclosure of Government Assistance)
IAS 7	Demand Deposits with Restrictions on Use arising from a Contract with a Third Party (IAS 7 Statement of Cash Flows)
IFRS 15	Principal versus Agent: Software Reseller (IFRS 15 Revenue from Contracts with Customers)

IAS 19 - Retrospective effect on 30.6.2021 comparative figures

The IFRS Interpretations Committee issued in May 2021 the final decision of the agenda entitled "Distribution of benefits in periods of service (IAS 19)" which includes explanatory material on how to distribute benefits in periods of service on a specific defined benefit plan analogous to that which is defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement.

The changes resulting from the above decision were applied to the annual financial statements ending on December 31, 2021, and were treated as a Change in Accounting Policy. The application was made retrospectively, with a corresponding adjustment of the opening balance of each affected element of equity for the older of the presented periods and the other comparative amounts for each previous period presented as if the new accounting policy had always been in use. The table below presents the changes resulting from the above accounting policy change for each item of the financial statements that is affected in the presented comparative period 01.01.2021 - 30.06.2021:

	GROUP			COMPANY		
	Published 01.01-30.06.2021	Restatement IAS 19	Restated 01.01-30.06.2021	Published 01.01-30.06.2021	Restatement IAS 19	Restated 01.01-30.06.2021
Sales	60.972.138	0	60.972.138	54.251.750	0	54.251.750
Cost of Sales	(51.048.990)	0	(51.048.990)	(45.557.810)	0	(45.557.810)
Gross Profit	**9.923.148**	**0**	**9.923.148**	**8.693.940**	**0**	**8.693.940**
Other Income	1.541.786	0	1.541.786	1.271.931	0	1.271.931
Distribution Expenses	(6.934.693)	8.418	(6.926.275)	(5.891.130)	4.965	(5.886.165)
Administration expenses	(2.829.033)	12.161	(2.816.872)	(2.588.531)	4.553	(2.583.978)
Other Expenses	(124.614)	0	(124.614)	(102.208)	0	(102.208)
Fair value valuation of bonds and participations	0	0	0	0	0	0
Financial Income	716	0	716	0	0	0
Financial Expenses	(810.252)	1.485	(808.767)	(680.385)	1.273	(679.112)
Profits/(Losses) Before taxes	**767.058**	**22.064**	**789.122**	**703.617**	**10.791**	**714.408**
Tax Expense	674.496	0	674.496	650.012	0	650.012

Profit for the period	**1.441.554**	**22.064**	**1.463.618**	**1.353.629**	**10.791**	**1.364.420**
Owners of the Parent Company	1.441.578	22.063	1.463.641	1.353.629	10.791	1.364.420
Non-Controlling Interests	(24)	1	(23)	0		0
Other Comprehensive Income						
Items that will be Reclassified to Profit of Loss	**0**	**0**	**0**	**0**	**0**	**0**
Profit/Loss on Revaluation of property	0	0	0	0	0	0
Portion of Grants	0	0	0	0	0	0
Actuarial Profits/Losses	0	0	0	0	0	0
Income Tax that relates to other comprehensive income	97.925	0	97.925	97.925	0	97.925
Items that will not be Reclassified to Profit of Loss	**97.925**	**0**	**97.925**	**97.925**	**0**	**97.925**
Total Comprehensive Income For the period	**1.539.479**	**22.064**	**1.561.543**	**1.451.554**	**10.791**	**1.462.345**
Profit Attributable to:						
Owners of the Parent Company	1.539.503	22.063	1.561.566	1.451.554	10.791	1.462.345
Non-Controlling Interests	(24)	1	(23)	0	0	0
Earnings per share for Profits Attributable to the Owners of the Parent						
Basics	**0,0842**	**0,0013**	**0,0855**	**0,0791**	**0,0006**	**0,0797**
Diluted	**0,0842**	**0,0013**	**0,0855**	**0,0791**	**0,0006**	**0,0797**
Depreciation	2.555.992	0	2.555.992	2.319.087	0	2.319.087
Earnings Before Interest and Tax	**1.652.455**	**20.579**	**1.673.034**	**1.451.583**	**9.518**	**1.461.101**
Earnings Before Interest, Tax, Depreciation and Amortization	**4.208.447**	**20.579**	**4.229.026**	**3.770.670**	**9.518**	**3.780.188**

b) New Accounting Standards, amendments of standards and Interpretations that are mandatorily applied in subsequent periods

Title	**They apply to annual accounting periods begging on**
IFRS 17 "Insurance Contracts"	1 January 2023
Amendments to IAS 1 and IAS 8: Classification of Liabilities as Long-Term or Short-Term	1 January 2023
Amendments to IAS 1 and 2nd IFRS Practice Statement: Disclosure of accounting policies	1 January 2023
Amendments to IAS 8: Definition of accounting estimates	1 January 2023
Amendments to IAS 12: Deferred tax related to assets and liabilities arising from a single transaction	1 January 2023

The Company and the Group examines the impact of the new standards and amendments on its financial statements. It is not expected that those amendments mandatorily effective in subsequent periods will have a significant impact on the financial statements of the Company and the Group

6.4 Accounting Principles Applied

The Group consistently applies the following accounting principles in the preparation of the attached Financial Statements:

6.4.1 Subsidiaries

The Group's subsidiaries are legal entities on which the Group has the ability to set the operational and financial policies, by participating directly or indirectly in their share capital with a voting right over 50%.

Subsidiaries are fully consolidated from the date that control is transferred to the Group and cease to be consolidated from the date that this control no longer exists. The accounting method of the acquisition is used for the accounting entries of the subsidiaries' acquisition by the Group. The acquisition cost is calculated as the sum of the present value of the acquired assets, the issued shares and the existing or undertaken liabilities plus any costs that are directly related to the acquisition, during the transaction date.

The acquired assets, liabilities and contingent liabilities are initially measured at their present value upon the cost acquisition date and the present value of the acquired subsidiary's equity is recorded as goodwill.

The intragroup transactions, the account balances and the profits realized that arose from transactions between the companies of the Group are deleted. The losses realized are deleted but are considered as an impairment indicator for the transferred asset.

6.4.2 Foreign Currency Translation

Operating currency and reporting currency

The Financial Statements of the Group's subsidiaries are presented in the local currency of the country where they operate. The consolidated Financial Statements are presented in euro, which is the operating currency and reference currency for the Company and the Group.

Transaction and balances

Transactions in foreign currency are translated to the operating currency using exchange rates in effect during the date of the transactions. Profit and losses from foreign exchange difference, which arise from the settlement of such transactions during the period and from the conversion of monetary items expressed in foreign currency are registered in the results.

Companies of the Group

The operating results and the equity of all the companies of the Group (excluding those companies operating in hyper inflationary economies) of which operating currency is different than the reference currency of the Group, are translated into the reference currency of the Group as follows:

- The assets and liabilities are translated to euro according to the closing exchange rate during the balance sheet date.
- Income and expenses of P&L of each company are translated into the Group's reference currency at average exchange rates of each reported period.
- Any differences that arise from this procedure have been transferred to a separate equity reserve account.

6.4.3 Goodwill

Goodwill arisen from merge/acquisition of companies initially is recognized at cost, which is the excess amount of the merge cost, over the Group's proportion in the fair value of the acquired net assets.

Following the initial recognition, goodwill is measured at cost less any accumulated impairment loss. The Group conducts impairment tests annually. Impairment loss recorded for goodwill is not reversible in subsequent periods.

6.4.4 Other Intangible Assets

Intangible assets acquired separately are presented at historical cost. Intangible assets acquired as part of business combinations are recognized at their fair value at the acquisition date.

After initial recognition, intangible assets are measured at historical cost less accumulated depreciation and accumulated impairment losses. Internally generated intangible assets, other than capitalized development costs, are not capitalized and expenses are recognized in the income statement in the period in which they are incurred.

Software programs and the relative licenses that are separately acquired are capitalized based on the costs incurred for the acquisition and installation of that software when they are expected to generate financial benefits for the Group beyond an economic year. Expenditure incurred for the maintenance of software programs is recognized as an expense when incurred.

6.4.5 Property, Plant and Equipment

Land-plots and buildings that mainly consist of industrial sites are presented in the financial statements at fair value, based on the evaluation of external independent expert, minus the subsequent accumulated depreciation amount.

Depreciation of tangible fixed assets is calculated on a straight-line basis in order to allocate the cost or the fair value of the asset onto their estimated useful lives.

The useful economic lives are as follows:

	years
Buildings	25-40
Facilities and machinery	20-35
Vehicles	5–9
Other equipment	1-10

The residual values and useful lives are subject to reassessment at each Balance Sheet date, if necessary.

Expenses for repairs and maintenance for the fixed assets are charged to the income account statement within the period incurred. The cost of significant renovations and other subsequent expenses is included in the value of the fixed asset if the possible future financial benefits that shall arise for the Group are higher than those originally expected regarding the initial performance of that fixed asset. Significant renovations are depreciated during the remaining useful life of the relevant fixed asset.

Profit and loss from fixed assets disposals are determined by comparing the cash collections with the book value and is charged in the P&L account.

6.4.6 Investment Property

Investment Property is held to generate rental income or profit from their resale. Property used for the operating activities of the Group is not considered to be investment property but operating property. This is also the criteria that differentiates investment property from operating property.

Investment Property as non-current assets is presented at fair value, which is determined in-house annually, based upon similar transactions that have taken place close to the Balance Sheet date. Any change in fair value which represents the free-market value is charged in the other operating income account of the income statement.

Following their initial recording, the investment in property is recorded at fair value.

6.4.7 Inventory

Inventories are valuated at the lowest price between acquisition cost and net realizable value. The cost of inventories is defined using the weighted average method. The cost price of finished products and semi-finished inventories includes raw materials, direct labour costs, as well as direct expenses and other general expenses related to the production excluding the borrowing cost. Net realizable value is the estimated sale price, during the normal course of the company's activities, minus the estimated cost necessary for the sale.

6.4.8 Financial Instruments

Financial assets are classified at initial recognition and subsequently measured at amortized cost, at fair value through other comprehensive income and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the contractual characteristics of the cash flows of the financial asset and the business model of the Group for their management. Apart from trade receivables that do not contain a significant financial component, the Group initially measure financial assets at their fair value plus, in the case of a financial asset not valued through profit or loss, transaction costs. Receivables from customers that do not have a significant financial component are valued at the transaction price determined in accordance with IFRS 15.

For a financial asset to be classified and measured at amortized cost or at fair value through total income, cash flows that are "exclusive capital and interest payments (SPPIs)" of the original capital must be obtained.

The Group's business model for managing financial assets refers to the way in which it manages its financial capabilities to generate cash flows. The business model determines whether cash flows arise from the collection of contractual cash flows, the sale of financial assets, or both.

The purchase or sale of financial assets that require the delivery of assets within a timeframe specified by a regulation or a contract on the market is recognized on the trade date meaning on the date on which the Group commits to purchase or sell the asset.

For later measurement purposes, financial assets are classified in the following categories:

- (a) Financial assets that are measured at fair value through profit or loss
- (b) Financial assets at amortized cost

- (c) Financial assets measured at fair value through comprehensive income without recycling of cumulative gains and losses on derecognition.

(a) Financial assets that are measured at fair value through profit or loss

Financial assets valued at fair value through profit or loss include financial assets held for trading, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for sale or repurchase soon. Derivatives, including embedded derivatives, are also classified as held for trading, unless defined as effective hedging instruments. Financial assets with cash flows that are not only capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

(b) Financial assets at amortized cost

The Group values its financial assets at amortized cost if both of the following conditions are met:

a) The financial asset is maintained in a business model for the purpose of holding financial assets for the collection of contractual cash flows and b) the contractual clauses of the financial asset create on certain dates cash flows that constitute only payments of capital and interest on the balance of the initial capital.

Gains and losses are recognized in profit or loss when the asset is derecognized, modified, or impaired.

(c) Financial assets measured at fair value through comprehensive income without recycling of cumulative gains and losses on derecognition.

Upon initial recognition, the Company and the Group may choose to irrevocably classify its equity investments as equity instruments at fair value through total income when they meet the definition of equity in accordance with IAS 32 Financial Instruments: Presentation and not held for trading purposes. Classification is determined by financial instrument.

Profits and losses from these financial assets are never recycled to profits or losses. Dividends are recognized in the income statement when the payment entitlement has been established, unless the Company benefits from such income as a recovery of part of the cost of the financial asset, so that the gains are recognized in the statement of comprehensive income. Equity instruments measured at fair value through total income are not subject to an impairment test.

A financial asset is derecognized primarily when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred their rights to receive cash flows from the asset or have undertaken to fully pay the cash flows received without significant delay to a third party under a pass-through agreement and either (a) the Group has transferred substantially all the risks and rewards of the asset or (b) the Group has not transferred or held substantially all the risks and estimates of the asset but have transferred the control of the asset.

When the Group has transferred the rights to receive cash flows from an asset or have entered into a transfer agreement, they assess whether and to what extent they own the risks and rewards of ownership.
When the Group has not transferred or hold substantially all the risks and rewards of the asset and have not transferred ownership of the asset, they continue to recognize the transferred asset to the extent of its continued involvement. In this case, the Group also recognize any relevant obligation. The transferred asset and the related liability are valued based on the rights and obligations that the Group hold.
Further disclosures about impairment of financial assets are also provided in the following notes:

- Disclosure of important assumptions
- Customers' receivables

6.4.9 Trade Receivables

Receivables from customers are recognized when there is an unconditional right to receive the consideration for the client's contractual obligations to the entity. A contract asset is recognized when the Group has satisfied its obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the Group's right to issue an invoice. Receivables from customers on credit are initially recognized at their fair value, which corresponds to the nominal value, net of impairment losses.

Regarding non-doubtful trade receivables, the Group applies the simplified approach of IFRS 9 and calculates the expected credit losses over the life of the receivables. For this purpose, the Group uses a maturity forecast table based on the historical data for credit losses, adjusted for future factors in relation to borrowers and the economic environment. The bad debts are evaluated one by one for the calculation of the relevant provision. The amount of the provision is recognized in the statement of comprehensive income.

6.4.10 Cash and Cash Equivalents

For the cash flow statement, cash and cash equivalents consist of cash in hand and deposits in the bank net of bank overdrafts. In the balance sheet, bank overdrafts are included in the borrowings and in the short-term liabilities.

6.4.11 Share Capital

Expenses incurred for the issuance of shares are presented after the deduction of the relevant income tax decreasing the product of the issuance. Expenses related to the issuance of shares for the acquisition of companies are included in the cost of acquisition of the acquired entities.

6.4.12 Loans

Loans are recognized at the initial granted amount net of any financial cost. Any difference arisen between the received amount (net of relevant expenses) and the repayment value is recognized in the results during the borrowing term according to the actual interest rate method.

6.4.13 Leases

Leases (operating and financial) are recognized in the Statement of Financial Position as a right to use an asset and a lease obligation on the date that the leased asset becomes available for use except for:

- Short-term leases and \
- Leasing of fixed assets with insignificant value

The lease liabilities are initially measured at the present value of leases which were not paid at the commencement of lease. They are discounted with the implied lease rate or, if this rate cannot be determined from the agreement, via the interbank rate (IBR). The latter is defined as the cost which the lessor would have to pay to borrow the necessary capital and then purchase an asset of similar value with the leased asset in a similar financial environment and with similar terms and conditions.

The lease liabilities include the net present value of the following:

- Fixed leases (including the ones that are essentially fixed leases)
- Variable leases which are dependent on any indicator
- Residual value which is expected to be paid
- Exercise price of a buy option if the lessor is almost certain regarding the exercise of the option
- Charges relating to the termination of a lease if the lessor selects the option

The utilization rights relating to assets are initially being measured at cost and then are reduced by the amount of the cumulative amortization and impairment. Finally, they are adjusted after certain re-measurements of the respective lease liability take place.

The initial measurement of the utilization rights for assets consists of the following:

- The amount of the initial measurement of the lease liability
- The payment of leases that occurred at the opening date or prior to this, reduced by the amount of the offered discounts or other incentives
- The initial expenses which are directly linked to the lease payment
- The recovery costs

Each lease payment is allocated between the lease liability and the interest expense, which is charged against results throughout the entire leasing period, so that a fixed interest rate is achieved regarding the balance of the financial liability in each period. The utilization right relating to an asset is amortized at the shortest period between the economic life of the asset and the term of its leasing, based on the straight-line method.

Lease liabilities are remeasured when there is a change in future lease payments arising from a change in an index or rate or when there is a change in the assessment of the term of any lease.

6.4.14 Personnel Benefits

Short-term benefits

Short-term employee benefits (other than termination benefits) in cash and in kind are recognized as an expense when they accrue. Any unpaid amount is recognized as a liability, and if the amount already paid exceeds the amount of benefits, the enterprise recognizes the excess amount as an asset (prepaid expense) only to the extent that the prepayment will lead to a reduction in future payments or on return.

Post-employment benefits

Post-employment benefits include lump sum indemnities, pensions, or other benefits which the company offers after the termination of employment to the employees as acknowledgement of their services. Thus, they include both defined contribution schemes as well as defined benefits schemes. The accrued cost of the defined contributions scheme is registered as an expense in the relative period. Post-employment benefits, adopted by the Group, are partly funded through payments to insurance companies or state social insurance institutions.

Defined Contribution Plan

Defined benefits plans are relating to contributions to Insurance Carriers (e.g., Social Security), so the Group does not have any legal obligation if the State Fund is unable to pay a pension to the insured. The employer's obligation is limited to the payment of employer contributions to the insurance companies or state social insurance institutions. The payable contribution from the Group to a defined contribution scheme, is recognized as liability, after deduction of the paid contribution whereas accrued contributions are recognized as an expense in the financial results.

Defined Benefit Plan

According to L.2112/2020 and 4093/2012 the Group is obliged to compensate its employees in case of retirement or dismissal. The amount of the compensation paid depends on the years of service, the level of wages and the removal from service (dismissal or retirement). The entitlement to participate in these programs is based on the last 16 years of service of the employee until retirement following the scale of Law 4093/2012. The liability that is reported in the Statement of Financial Position is the present value of the liability for the defined benefit with the deduction of the fair value plan assets (reserve of payments to the insurance company) and the resulting change from any actuarial gain or losses and the past service cost. The commitment of the defined benefit is calculated annually by an independent actuary with the use of the Projected Unit Credit Method. Based on of the Projected Unit Credit Method the cost of retirement benefit is calculated as the actuarial present value at the valuation date that the employee shall receive based on the projected benefit and years of past service to the company until that date. The benefit is calculated based on projected salary at the age of retirement. A defined benefit plan defines obligations for benefits based on various assumptions such as age, years of past service and wage. The provisions for the period are included in personnel cost (consolidated and company's financial statements) and consist of current and past service cost, the relative financial cost, actuarial gains or losses and any possible additional charges. Regarding unrecognized actuarial gains or losses, the revised IAS 19R is followed, which includes a number of changes in accounting for defined benefit plans, including:

- The recognition of actuarial gains/losses in other comprehensive income and permanent exclusion from the year's income statement,
- The expected returns on investment of the program of each period is not recognized according to the expected returns but it is recognized the interest on net liability / (asset) according to the discount rate used to measure the defined benefit obligation,
- The recognition of past service cost in the financial results of the year at the earlier of the following dates: (a) when the plan amendment occurs or (b) when the entity recognizes related restructuring costs or termination benefits,
- Other changes include new disclosures as quantitative sensitivity analysis.

6.4.15 Grants

The Group recognizes state grants that cumulatively meet the following criteria: (a) there is presumed certainty that the company has complied or will comply with the grant terms and (b) it is probable that the amount of the grant will be recovered. They are recorded at fair value and are recognized in a systematic way in the revenue, based on the principle of the correlation of the grants with the corresponding costs they are subsidizing. Grants relating to assets are included in long-term liabilities as deferred income (deferred income) and are recognized as revenue over the useful life of the fixed asset.

6.4.16 Revenue Recognition

Under IFRS 15, an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The standard also defines the accounting for the additional costs of taking out a contract and the direct costs required to complete the contract.

Revenue should be recognized at an amount that reflects the consideration to which the entity expects to be entitled in exchange for transferring goods or services to the customers, except for amounts collected on behalf of third parties (value added tax, other sales tax). Variable amounts are included in the consideration and are estimated using either the expected value method, or the "most likely amount" method.

An entity recognizes revenue when (or as) meets the obligation to execute a contract by transferring the goods or services promised to the customer. The customer acquires control of the good or service if he can direct the use and derive virtually all the economic benefits from that good or service. Control is passed over a period or at a specific time.

Revenue from the sale of goods is recognized when the control of the good is transferred to the customer, usually upon delivery, and there is no unfulfilled obligation that could affect the acceptance of the good by the customer.

The customer requirement is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer. A conventional asset is recognized when the Group and the Company have satisfied its obligations to the customer before the customer pays or before the payment is due, for example when the goods or services are transferred to the customer prior to the Group's right to invoicing.

The contractual obligation is recognized when the Group receives a consideration from the customer (prepayment) or when it retains the right to a price that is unconditional (deferred income) before the performance of the contract's obligations and the transfer of the goods or services. The contractual obligation is de-recognized when the contractual obligations are executed, and the income is recorded in the income statement.

The recognition of income by category is as follows:

- Sales of goods. Sales of goods are recognized when the Group delivers the property and risks associated with the ownership of the goods to the customers, the goods are accepted by them, and the collection of the receivable is reasonably assured.
- Interest Income. Interest income is recognized on a time proportion basis using the effective interest rate.
- Rental Income. Receivables from rentals are recognized in the income statement according to the rental amount corresponding to the period under review.
- Income from dividends. Dividends are recognized as income when the right to receive the dividend is established.

6.4.17 Income Tax and Deferred Tax

The income tax of the Group's subsidiaries and associates is calculated in accordance with the relevant legislation applied at the Balance Sheet date within the countries they operate, and the taxable income arises. The Management periodically examines the tax calculations and, in cases where the relevant tax legislation is subject to different interpretations, forms a relevant provision for the additional amount expected to be paid to the local tax authorities.

Deferred income tax is determined using the liability method that results from the temporary differences between the carrying amount and the tax base of assets and liabilities. Deferred income tax is not calculated if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that, when the transaction took place, did not affect either the accounting or tax profit or loss.

Deferred tax is determined using the tax rates that are expected to apply during the period in which the receivable or liability will be settled, considering the tax rates (and tax laws) that have been applied at the balance sheet date Deferred tax assets are recognized to the extent that a future taxable profit is to arise for the use of the temporary difference that creates the deferred tax asset.

Deferred income tax is recognized for the temporary differences arising from investments in subsidiaries and associates, unless the reversal of temporary differences is controlled by the Group, and it is probable that temporary differences will not reverse in the near future.

6.4.18 Contingent Liabilities and Provisions

Provisions are booked when the Group has a present, legal, or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably measured.

Contingent liabilities are not recorded in the financial statements but are disclosed.

6.4.19 Dividend Distribution

Dividend distribution to shareholders of the parent from the period's profit, are recognized as a liability in the consolidated Financial Statements on the date when the distribution is approved by the General Shareholders' Meeting.

6.4.20 Related Parties Disclosures

Related party disclosures are covered by IAS 24 which refers to transactions of an entity that prepares Financial Statements with its related parties. Its primary element is the economic substance and not the legal type of the transactions.

6.5 Significant Estimates by Management

The preparation of the financial statements requires estimates and assumptions made by Management that affect the disclosures in the Financial Statements. Management continuously assesses these estimates and assumptions. Estimates and judgments are continuously evaluated and are based on empirical data and other factors, including expectations for future events that are expected under reasonable conditions. Estimates and assumptions are the basis for making decisions about the carrying amounts of assets and liabilities that are not readily available from other sources. The resulting accounting estimates, by definition, will rarely match exactly with the corresponding actual results. Estimates and assumptions that entail a material risk of causing material changes in the amounts of receivables and payables in the following year are set out below.

6.5.1 Impairment of Goodwill

The Group assesses whether there is impairment of goodwill at least on an annual basis. Therefore, it is necessary to estimate the value in use of each cash-generating unit to which goodwill has been allocated. Estimated value in use requires the Group to estimate the future cash flows of the cash-generating units and to select the appropriate discount rate, based on which the present value of the future cash flows will be determined.

6.5.2 Estimation of the Useful Life of Assets and Residual Values

Tangible assets are depreciated over their estimated useful lives. The actual useful life of fixed assets is valued on an annual basis and may vary due to various factors.

6.5.3 Fair Value Measurement

Some of the assets and liabilities that are included in the Financial Statements of the Group require their measurement at fair value, and/or the publication of this fair value. The Group measures the Tangible Fixed Assets and Real Estate to be invested at fair value. The fair value is determined by approved appraiser. These estimates are also being re-evaluated shortly due to the pandemic crisis.

6.5.4 Right of Use Assets

he main assumptions of the Group regarding right of use assets concern the identification of lease agreements within certain transactions, the terms of lease-contract renewal and the determination of the discount rate.

6.5.5 Provision of the Net Realizable Value of Inventories

The management makes the necessary estimates for the calculation of the net realizable value including the maturity of inventories, their movement through use as well as future selling plans. The management makes estimates for the calculation of any provision for impairment of inventories at each reporting date.

6.5.6 Provisions for Expected Credit Losses from Customer Receivables

The Group applies the simplified approach of IFRS 9 for the calculation of expected credit losses, according to which the provision for impairment is always measured at the amount of the expected credit losses over the life of the receivables from customers. At each balance sheet date, the historical percentages used, and the estimates of the future financial situation are updated. The correlation between the historical data, the future financial situation and the expected credit losses includes significant estimates. The amount of expected credit losses depends to a large extent on the changes in the conditions and forecasts of the future financial situation.

6.5.7 Valuation of Financial Instruments

The valuation of derivative financial instruments is based on market positions at the balance sheet date. The value of the derivatives changes daily and the actuarial amounts may differ significantly from their value at the balance sheet date.

6.5.8 Provision for Staff Compensation

Liabilities for employees’ compensation are calculated using actuarial methods that require Management to assess specific criteria such as future employee salary increases, the discount rate for these liabilities, employee retirement rates, etc. Management tries at each reporting date when this provision is revised, to assess the criteria as effectively as possible.

6.5.9 Deferred Tax Liabilities

Management's significant estimates are required to determine the amount of deferred tax liability that may be recognized based on the probable period and amount of future taxable profits combined with the entity's tax planning.

6.5.10 Income Tax

Group’s companies are subject to different income tax laws. In determining the Group's income tax estimation, a significant subjective judgment is required. During the normal course of business, many transactions and calculations are made for which the exact tax calculation is uncertain. In the case that the final taxes arising after the tax audits are different from the amounts initially recorded, such differences will affect income tax and deferred tax provisions in the period that the determination of tax differences has occurred.

6.5.11 Contingent Liabilities

The existence of contingent liabilities requires the Management to continuously make assumptions and judgments regarding the probability that future events will occur or not, and the effect that these events may have on the Group's operation.

6.5.12 Weighted average number of shares

The use of the weighted average number of shares represents the likelihood of changing the amount of the share capital during the year due to the larger or smaller number of shares that remain in circulation at each time. Judgment is required to determine the number of shares and the time of their issuance. The calculation of the weighted average number of shares affects the calculation of basic and adjusted earnings per share.

6.5.13 Covid-19 Pandemic Impact Assessment

Information regarding the assessment of the impact of "Covid-19" pandemic is provided in the Annual Management Report of the Board of Directors, Chapter E "Main Risks and Uncertainties for the Second Half of 2022".

7. Analysis of the Financial Statements

7.1. Property, Plant, Equipment & investment Property

The change in the tangible assets of the Group and the Company is presented to the table below:

Group

	Land	Buildings	Investment Property	Machinery	Vehicles	Furniture & Fittings	Assets Under Construction	Total
Purchase Cost 31.12.2021	15.544.624	86.858.670	602.161	53.219.279	1.725.241	5.266.034	3.030.484	166.246.493
Accumulated Depreciation 31.12.2021	0	(33.158.939)	(82.169)	(24.958.214)	(1.081.155)	(3.390.909)	0	(62.671.386)
Net Book Value 31.12.2021	**15.544.624**	**53.699.731**	**519.992**	**28.261.065**	**644.086**	**1.875.125**	**3.030.484**	**103.575.107**
Acquisitions	0	40.220	906.434	192.819	45.165	90.572	1.224.699	2.499.909
Disposals & Transfers – Purchase Cost	0	40.167	0	(67.220)	(22.607)	5.094	(48.391)	(92.957)
Disposals & Transfers – Accumulated Depreciation	0	993	0	37.381	20.206	300	0	58.880
Revaluations	0	0	(181.539)	0	0	0	0	(181.539)
Depreciation	0	(1.230.616)	(4.895)	(821.795)	(62.045)	(126.713)	0	(2.246.064)
Net Book Value 30.06.2022	**15.544.624**	**52.550.495**	**1.239.992**	**27.602.250**	**624.805**	**1.844.378**	**4.206.792**	**103.613.336**

Company

	Land	Buildings	Investment Property	Machinery	Vehicles	Furniture & Fittings	Assets Under Construction	Total
Purchase Cost 31.12.2021	14.213.000	81.317.637	582.169	48.897.312	1.167.379	4.312.957	626.266	151.116.720
Accumulated Depreciation 31.12.2021	0	(32.734.637)	(82.169)	(24.217.403)	(911.956)	(2.927.476)	0	(60.873.641)
Net Book Value 31.12.2021	**14.213.000**	**48.583.000**	**500.000**	**24.679.909**	**255.423**	**1.385.481**	**626.266**	**90.243.079**
Acquisitions	0	40.220	906.434	174.254	40.981	65.641	607.928	1.835.458
Disposals & Transfers – Purchase Cost	0	40.167	0	(67.220)	(22.607)	(342)	(42.874)	(92.876)
Disposals & Transfers – Accumulated Depreciation	0	993	0	37.381	20.206	270	0	58.850
Revaluations	0	0	(181.539)	0	0	0	0	(181.539)
Depreciation	0	(1.159.877)	(4.895)	(758.481)	(31.058)	(87.473)	0	(2.041.784)
Net Book Value 30.06.2022	**14.213.000**	**47.504.503**	**1.220.000**	**24.065.843**	**262.945**	**1.363.577**	**1.191.320**	**89.821.188**

It is noted that the latest valuation of the Company's and the Group's mainland, buildings and investment property at fair value has been conducted on December 31st, 2021. The valuation has been conducted by a qualified valuator based on the institutional rules. The method used for the measurement of the fair value of those assets is presented in the 2nd level (Note 8.1).

On June 30, 2022, an evaluation of the fair value of the Company's property in Tyrnavos, Thessaly, (land and buildings) has been performed, which was acquired on March 30, 2022, and was classified as an Investment Property in accordance with the provisions of IAS 40.

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7.2 Right of Use Assets and Leases

Right of use assets analysis follows:

Group

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Purchase Cost 31.12.2021	0	0	0	1.209.440	0	1.209.440
Accumulated Depreciation 31.12.2021	0	0	0	(696.048)	0	(696.048)
Net Book Value 31.12.2021	**0**	**0**	**0**	**513.392**	**0**	**513.392**
Acquisitions	0	0	0	322.404	0	322.404
Disposals & Transfers – Purchase Cost	0	0	0	(381.672)	0	(381.672)
Disposals & Transfers – Accumulated Depreciation	0	0	0	381.673	0	381.673
Revaluations	0	0	0	0	0	0
Depreciation	0	0	0	(136.204)	0	(136.204)
Net Book Value 30.06.2022	**0**	**0**	**0**	**699.593**	**0**	**699.593**

Company

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Purchase Cost 31.12.2021	0	0	0	930.830	0	930.830
Accumulated Depreciation 31.12.2021	0	0	0	(582.629)	0	(582.629)
Net Book Value 31.12.2021	**0**	**0**	**0**	**348.201**	**0**	**348.201**
Acquisitions	0	0	0	306.214	0	306.214
Disposals & Transfers – Purchase Cost	0	0	0	(354.620)	0	(354.620)
Disposals & Transfers – Accumulated Depreciation	0	0	0	354.620	0	354.620
Revaluations	0	0	0	0	0	0
Depreciation	0	0	0	(99.761)	0	(99.761)
Net Book Value 30.06.2022	**0**	**0**	**0**	**554.654**	**0**	**554.654**

The following amounts relating to lease liabilities are included in the “Interim Statement of Financial Position”:

	Group		Company	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Non-current Lease Liabilities	472.820	310.751	386.909	209.291
Current Lease Liabilities	241.699	217.095	178.819	149.682
Total:	**714.519**	**527.846**	**565.728**	**358.973**

The change of Lease liabilities follows:

	Group	Company
Opening Balance of Lease Liabilities 2021	**673.551**	**524.530**
Acquisitions	270.634	156.672
Interest Charges	24.040	17.830
Leasing Payments	(408.752)	(312.063)
Modification in the Contract’s Terms	(31.627)	(27.996)
Closing Balance of Lease Liabilities 2021	**527.846**	**358.973**

Opening Balance of Lease Liabilities 2022	**527.846**	**358.973**
Acquisitions	322.404	306.214
Interest Charges	10.670	8.179
Leasing Payments	(146.401)	(107.638)
Modification in the Contract's Terms	0	0
Closing Balance of Lease Liabilities 2022	**714.519**	**565.728**

7.3 Other Intangible Assets

The change in other intangible assets of the Group and the Company is presented to the table below:

Group

	Software	Trademarks	Other	Total
Purchase cost at 31.12.2021	2.340.296	717.206	0	3.057.502
Accumulated Depreciation at 31.12.2021	(1.069.994)	(15.002)	0	(1.084.996)
Net Book Value at 31.12.2021	**1.270.302**	**702.204**	**0**	**1.972.506**
Acquisitions	63.272	0	0	63.272
Disposals & Transfers	0	0	0	0
Disposals & Transfers – Accumulated Depreciation	0	0	0	0
Impairment	0	0	0	0
Depreciation	(192.957)	(286)	0	(193.243)
Net Book Value at 30.06.2022	**1.140.617**	**701.918**	**0**	**1.842.535**

Company

	Software	Trademarks	Other	Total
Purchase cost at 31.12.2021	2.198.611	17.206	0	2.215.817
Accumulated Depreciation at 31.12.2021	(984.336)	(15.002)	0	(999.338)
Net Book Value at 31.12.2021	**1.214.275**	**2.204**		**1.216.479**
Acquisitions	62.940	0	0	62.940
Disposals & Transfers	0	0	0	0
Disposals & Transfers – Accumulated Depreciation	0	0	0	0
Impairment	0	0	0	0
Depreciation	(181.366)	(286)	0	(181.652)
Net Book Value at 30.06.2022	**1.095.849**	**1.918**		**1.097.767**

7.4 Trade Receivables

The analysis of trade receivables is as follows :

	Group		Company	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Trade receivables/Other Trade receivables	36.218.502	31.629.391	31.924.063	28.393.695
Notes Receivable	5.674	7.338	0	1.550
Notes Overdue	436.278	436.278	434.478	434.478
Cheques Receivable	10.676.843	7.636.681	10.135.876	7.286.141
Cheques Receivable Overdue	4.128.327	4.133.327	3.534.623	3.539.623
Receivables from Related Companies	0	0	50.013	79.626
Less: Provisions	(7.728.470)	(7.474.147)	(6.936.624)	(6.685.158)
Total:	**43.737.154**	**36.368.868**	**39.142.429**	**33.049.955**

7.5 Other Current Assets

The table below presents the analysis of other current assets:

	Group		Company	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Sundry Debtors	2.476.857	2.782.535	2.325.161	2.648.390
Receivables from the Greek State	569.124	1.834.874	132.864	1.683.633
Prepaid Expenses	1.635.691	1.515.573	1.359.108	1.507.541
Accrued Income Receivable	0	0	0	0
Short-term Receivables from Related Parties	0	0	5.000.000	4.000.000
Less: Provisions	(845.422)	(844.805)	(843.848)	(843.464)
Total:	**3.836.250**	**5.288.177**	**7.973.285**	**8.996.100**

7.6 Long-term and Short-term Borrowings

The analysis of the long-term and short-term borrowings for the Group and the Company is presented in the table below:

	Group		Company	
Short-term Borrowings	**30.06.2022**	**31.12.2021**	**30.06.2022**	**31.12.2021**
Borrowings	5.966.202	5.505.441	3.000.294	4.758.732
Bond Loans	10.465.809	8.845.809	9.550.000	7.450.000
Leasing Liabilities	0	0	0	0
Total:	**16.432.011**	**14.351.250**	**12.550.294**	**12.208.732**

	Group		Company	
Long-term Borrowings	**30.06.2022**	**31.12.2021**	**30.06.2022**	**31.12.2021**
Bond Loans	68.690.452	47.473.357	61.800.000	42.125.000
Leasing Liabilities	0	0	0	0
Total:	**68.690.452**	**47.473.357**	**61.800.000**	**42.125.000**
Total Borrowings:	**85.122.463**	**61.824.607**	**74.350.294**	**54.333.732**

The changes in the Total Borrowing of the Group and the Company are analyzed as follows :

	Group		
	Short-term Borrowings	**Long-term Borrowings**	**Total**
Balance at 01.01.2022	**14.351.250**	**47.473.357**	**61.824.607**
Cash Flows:			
- Receipts from Issued / Undertaken Loans	460.761	27.000.000	27.460.761
- Loan repayments	(4.162.904)	0	(4.162.904)
Non-Cash Flows:			
- Reclassification of Long-term to Short-term Liabilities	5.782.904	(5.782.905)	(1)
Balance at 30.06.2022	**16.432.011**	**68.690.452**	**85.122.463**

	Company		
	Short-term Borrowings	Long-term Borrowings	Total
Balance at 01.01.2022	**12.208.732**	**42.125.000**	**54.333.732**
Cash Flows:			
- Receipts from Issued / Undertaken Loans	(1.758.438)	25.000.000	23.241.562
- Loan repayments	(3.225.000)	0	(3.225.000)
Non-Cash Flows:			
- Reclassification of Long-term to Short-term Liabilities	5.325.000	(5.325.000)	0
Balance at 30.06.2022	**12.550.294**	**61.800.000**	**74.350.294**

7.7 Trade Payables

The analysis of Trade Payables for the Group and the Company is presented in the table below :

	Group		Company	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Suppliers (Third Parties)	11.411.944	16.571.081	8.326.172	14.632.213
Intra-Group	0	0	373.928	310.797
Cheques Payable (Post-Dated)	3.044.041	2.242.287	0	0
Advances from Customers	1.416.879	1.016.312	952.874	971.393
Liabilities to Associates	0	0	0	0
Total:	**15.872.864**	**19.829.680**	**9.652.974**	**15.914.403**

7.8 Accrued & Other Current Liabilities

The analysis of Accrued & Other Current Liabilities for the Group and the Company is presented in the following table :

	Group		Company	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Insurance and Pension Fund Dues	273.559	399.907	223.406	344.592
Dividends Payable	0	0	0	0
Sundry Creditors	1.360.906	4.352.854	1.303.921	4.328.430
Unearned and Deferred Income	829	2.633	829	2.633
Accrued Expenses	1.587.397	920.774	1.500.127	890.445
Total:	**3.222.691**	**5.676.168**	**3.028.283**	**5.566.100**

7.9 Earnings per Share (basic & diluted)

Earnings per Share (basic & diluted) of the Group and the Company is presented in the following table:

	Group		Company	
	01.01.2022 30.06.2022	**01.01.2021 30.06.2021**	**01.01.2022 30.06.2022**	**01.01.2021 30.06.2021**
Net profit/(loss) attributable to the owners of the parent	2.038.571	1.463.641	821.370	1.364.420
Weighted average of shares outstanding (after the deduction of the weighted average of own shares)	17.120.280	17.120.280	17.120.280	17.120.280
Basic profit / (loss) per share	**0,1191**	**0,0855**	**0,0480**	**0,0797**

8. Financial Risk Management – Objectives & Perspectives

8.1 Financial Instruments

The Company's Financial Instruments consist of Receivables from Customers and Short-term Liabilities with annual maturity and therefore their book value can be considered as reasonable. Regarding the Long-Term Loans, the Company's weighted average cost of capital is very close to the borrowing rate and thus the book value of the item is very close to the fair value. The fair value of the rest Financial Assets and Liabilities is close to their book value.

Regarding the receivables, the Company does not have significant credit risk concentration. A Credit Control system is in place to manage this risk more efficiently and to assess and classify customers according to the level of risk and, where appropriate provisions have been made for impaired receivables. The maximum exposure to credit risk on the Balance Sheet date is the fair value of each class of financial instrument, as shown in the table below:

	Group		Company	
	30.06.2022	**31.12.2021**	**30.06.2022**	**31.12.2021**
Non-Current Assets				
Other Long-term Receivables	1.571.372	1.745.691	289.543	336.272
Total	**1.571.372**	**1.745.691**	**289.543**	**336.272**
Current Assets				
Trade Receivables	43.737.154	36.368.868	39.142.429	33.049.955
Cash and Cash Equivalents	22.181.601	9.653.358	16.026.124	8.343.081
Financial Receivables	144.195	521.000	144.195	521.000
Other Current Assets	3.836.250	5.288.177	7.973.285	8.996.100
Total	**69.899.200**	**51.831.403**	**63.286.033**	**50.910.136**
Long-term Liabilities				
Long-term Borrowings	68.690.452	47.473.357	61.800.000	42.125.000
Long-term Lease Liabilities	472.820	310.751	386.909	209.291
Total	**69.163.272**	**47.784.108**	**62.186.909**	**42.334.291**
Short-term Liabilities				
Trade Liabilities	15.872.864	19.829.680	9.652.974	15.914.403
Short-term Borrowings	16.432.011	14.351.250	12.550.294	12.208.732
Short-term Lease Liabilities	241.699	217.095	178.819	149.682
Financial Liabilities	307.673	762.350	307.673	762.350
Other Liabilities	4.797.205	6.398.298	4.568.745	6.250.480
Total	**37.651.452**	**41.558.673**	**27.258.505**	**35.285.647**

Fair Value Hierarchy

The Group and the Company use the following allocation to determine and disclose the fair value of receivables and liabilities per valuation method:

Level 1: based on the negotiable (unadjusted) prices in active markets for similar assets or liabilities.

Level 2: based on the valuation methods, in which all data with a significant effect on fair value are either directly or indirectly observable and includes valuation methods with negotiable prices in less active markets for similar or less similar assets or liabilities.

Level 3: based on valuation methods using data that have a significant effect on fair value and are not based on apparent market data.

The table below presents the allocation of the fair value of the assets and liabilities of the Group and the Company.

	Group		Company		
	30.06.2022	31.12.2021	30.06.2022	31.12.2021	Fair Value Hierarchy
Land	15.544.624	15.544.624	14.213.000	14.213.000	Level 2
Buildings	52.550.495	53.699.731	47.504.503	48.583.000	Level 2
Investment Property	1.239.992	519.992	1.220.000	500.000	Level 2
Financial Receivables	699.593	513.392	554.654	348.201	Level 2

During the year there were no transfers between the allocation levels.

The following methods and assumptions were used to estimate fair values:

The fair value of the Level 2 Land, Buildings and Investment Properties is valued for the Group and the Company by independent external expert using a combination of a) Comparative Method, b) Residual Approach and c) Depreciated Replacement Cost.

The Group and the Company use various methods and assumptions based on market conditions prevailing at each reporting date.

8.2 Financial Risk Factors

The Company is exposed to financial risks such as exchange risk, interest rates risk, credit risk and liquidity risk arising from its activities and operation. The Company's policy aims to minimize the impact of those risks when they may arise. The Company uses financial instruments such as long-term and short-term loans, foreign currency transactions, trade receivables accounts, accounts payable, liabilities arising from financial leasing agreements, dividends payable, bank deposits and investments in securities.

Risk management is performed by the Financial Department. However, the BoD of the Company is fully responsible for setting the strategy, performing the overall planning and determining the risk management policies.

a) Credit Risk
The Group does not have a significant concentration of credit risk in any of its contracting parties, mainly due to the large number of customers and the great dispersion of the Group's customer base.
The Management of the Group has adopted and applies credit control procedures to minimize its doubtful receivables through the evaluation of the credit ability of its customers and the effective management of the receivables before they become overdue. For the monitoring of credit risk, customers are classified according to their credit profile, the maturity of their receivables and the historical background of their collection.
Additionally, the Group's companies have an insurance contract that covers most of their claims. This contract cannot be sold or transferred. Customers considered to be unreliable are reevaluated at every reporting date and when a likelihood of non-recovery of these receivables occurs, a provision for doubtful debts is formed.

b) Liquidity Risk
The Group keeps its liquidity risk at low levels through the availability of adequate cash or/and approved bank credit limits ensuring the fulfillment of the Group's short-term financial liabilities. The Group's liquidity ratio (current assets to current liabilities) amounted to 2,81 at June 30, 2022 towards 3,12 at June 30, 2021. For the monitoring and management of liquidity risk the Group forms cash flow projections on a regular basis.

c) Risk of Price Increase of Raw Materials
The Group is exposed to risk derived from the variation in prices of the used raw materials for its products. The fluctuation in prices of the raw materials during the recent years as well as the general economic crisis led us to the conclusion that this fluctuation will continue to exist. Therefore, exposure to that risk is considered high and for that reason the Group's Management takes all the necessary measures in order, firstly, to eliminate the Group's exposure to that risk through achieving special agreements with its suppliers and using derivative financial instruments and secondly, to timely adjust its pricing and commercial policy.

d) Interest Rate Risk
The Group's exposure to the risk of changes in the interest rates relates to its short-term and long-term loans. The Group manages Interest Rate Risk through keeping the total of its loans at variable interest rates. Since

the Company's loans are linked with the Euribor index, the maintenance of the latter at low levels has a direct positive impact on the financial cost of the Group.

The table below presents the sensitivity of the Earnings Before Tax of the Group and the Company if the interest rates change by a percentage point:

Sensitivity analysis on interest rate changes

	Interest Rate Volatility	Impact on Company's EBT	Impact on Group's EBT
01.07.2021	1,00%	-743.503	-851.225
30.06.2022	-1,00%	743.503	851.225
01.07.2020	1,00%	-488.012	-579.160
30.06.2021	-1,00%	488.012	579.160

e) Exchange Rate Risk

The Group operates in Southeast Europe and as a result any change in the operating currencies of those countries towards other currencies exposes the Group to risk of exchange rate. The main currencies involved in the Group's transactions are Euro and Bulgarian Lev.

The Group's Management continuously monitors the foreign exchange risks that may arise and assesses the need for action, yet at the moment there is no such risk since the exchange rate between the two currencies is stable from 1 January 1999 (BGN 1,95583 = EUR 1).

f) Other Operating Risks

The Management of the Company has adopted a reliable internal control system for the detection of dysfunctions and exceptions within its business activities. The insurance coverage of the property and of other risks is adequate.

9. Other Information

9.1 Shares of LOULIS FOOD INGREDIENTS S.A.

The Company's shares are common and listed on the Athens Stock Exchange's market bearing the symbol LOULI .

The share capital of the Company at 30.06.2022 amounted to € 16.093.063,20 divided into 17.120.280 common registered shares of a par value of € 0,94 each.

9.2 Main Exchange Rates for the Balance Sheet and Profit & Loss Account Results

The exchange rates of conversion of the Financial Statements of the foreign subsidiaries were :

Balance Sheet

	30.06.2022	31.12.2021	Change %
EUR:BGN	1,95583	1,95583	0,00%

P&L

	Average 01.01.2022-30.06.2022	Average 01.01.2021-30.06.2021	Change %
EUR:BGN	1,95583	1,95583	0,00%

9.3 Comparative Information

If necessary, the comparative amounts have been adjusted to comply with the current period's presentation. Differences in totals are due to rounding.

9.4 Existing Encumbrances

On the fixed assets of the parent Company, mortgages and footnotes have been subscribed for a total amount of € 40,8 million at 30.06.2022 to secure bond loans of an amount of € 28,0 million.

9.5 Litigation and Arbitration Cases

No litigation and arbitration cases of management bodies exist that may have significant impact on the Company's financial position. Pending litigation cases exist, the outcome of which will not affect significantly the Company's financial position.

9.6 Number of Employed Personnel

Number of staff employed at the end of current period 30.06.2022: Group 367, Company 267, compared with 341 for the Group and 256 for the Company for the previous period.

9.7 Transactions with Related Parties

The cumulative sales and purchases from the beginning of the year and the balances of the Company's receivables and payables at the closing of the current period arising from transactions with related parties within the meaning of IAS. 24 are as follows:

Significant Transactions with related parties

	01.01.2022 - 30.06.2022		01.01.2021 - 30.06.2021	
	Sales of Good and Services	Purchase of Goods and Services	Sales of Good and Services	Purchase of Goods and Services
Associates	579	0	0	0
Executives and Members of the Management	0	0	0	0
Total:	**579**	**0**	**0**	**0**

	30.06.2022		31.12.2021	
	Receivables	Liabilities	Receivables	Liabilities
Associates	0	0	0	0
Executives and Members of the Management	502.999	826	266.826	813
Total:	**502.999**	**826**	**266.826**	**813**

Company

	01.01.2022 - 30.06.2022		01.01.2021 - 30.06.2021	
	Sales of Good and Services	Purchases of Goods and Services	Sales of Good and Services	Purchases of Goods and Services
Kenfood S.A	233.897	714.403	340.799	484.963
Greek Baking School S.A.	4.200	20.000	4.200	15.000
Loulis Logistics Services S.A.	240	0	240	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	97.375	4.129.973	16.192	1.032.072
Associates	579	0	0	0
Executives and Members of the Management	0	0	0	0
Total:	**336.291**	**4.864.376**	**361.431**	**1.532.035**

	30.06.2022		31.12.2021	
	Receivables	Liabilities	Receivables	Liabilities
Kenfood S.A	50.013	343.657	58.811	72.418
Greek Baking School S.A.	0	20.000	0	0
Loulis Logistics Services S.A.	0	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	5.000.000	10.271	4.020.815	238.379
Associates	0	0	0	0
Executives and Members of the Management	0	0	0	554
Total:	**5.050.013**	**373.928**	**4.079.626**	**311.351**

Fees of Executives and Members of the Management

	Group		Company	
	01.01.2022 30.06.2022	01.01.2021 30.06.2021	01.01.2022 30.06.2022	01.01.2021 30.06.2021
Salaries and Other Fees	826.025	525.777	451.105	348.777
Total:	**826.025**	**525.777**	**451.105**	**348.777**

9.8 Income Tax

According to Law 4799/2021 the Corporate Income Tax of Legal Entities in Greece has been decreased from 24% to 22% from the year 2021 onwards.

The Corporate Income Tax Rate of Legal Entities in Bulgaria has been set to 10%, while in Cyprus it has been set to 12,5%.

9.9 Capital Expenditure

Investments in fixed assets for the first half of 2022 amounted to € 2.563 thousand for the Group € 1.898 thousand for the Company.

9.10 Contingent Liabilities/Receivables

The Group's contingent liabilities relate to the Banks, other guarantees and other issues arising from the Group's usual operations and they are not expected to have significant additional burden to the Group. In addition, the Company has provided guarantees for the loans of its subsidiaries.

On May 11, 2017, the Group's subsidiary "LOULIS MEL-BULGARIA EAD" came to an agreement with the company "National Company Industrial Zones", which is under the supervision of the Ministry of Finance of Bulgaria for the planning, development and management of the free industrial areas of the country in order to acquire a plot of land in the industrial zone of Bozhurishte in Sofia, Bulgaria in order to make a similar investment until November 9, 2021. The subsidiary of the Group on April 12, 2021 began the construction of a cereal silo with a capacity of 7.000 tons in the aforementioned plot, with the cost of the investment having been budgeted at € 2,8 million. The Group's subsidiary expects to complete the above investment on time in accordance with the terms of the contract and according to the applicable law. The Group's management estimates that there will be no additional obligations to the Bulgarian state in the future because of this case.

Unaudited Tax Years

Within 2020, the company "KENFOOD TROFOGNOSIA SA" which was merged by absorption by the Group's subsidiary "KENFOOD SA" in accordance with the notarial deed of repetition and correction No 1.106/10-09-2018 has been officially served with an audit mandate by the competent Greek tax authorities for the years 2015-2016. The audit is still in progress and is expected to be completed by the end of 2022. Management estimates that the audit will not have a material impact on the Financial Statements.

For the fiscal years 2011 up to 2015 the Greek Public Limited companies (SA) whose Financial Statements were mandatorily audited by a Certified Auditor, were subject to tax audit by the same Auditor or audit firm who audited their annual Financial Statements and received "Tax Compliance Certification" according to par.5, art.82 of L.2238/1994 and art.65A of L.4174/2013. For the fiscal years 2016 and onwards the tax audit and the provision of the "Tax Compliance Certification" is optional. The Group has chosen to continue being tax audited by the Auditors, which is now optional for the Group's most significant subsidiaries. It is noted that in application of relevant tax provisions on December 31, 2021, the years up to 2015 are considered written off.

The parent company and its subsidiary "KENFOOD SA" have been subjected to the tax auditing from Certified Auditors and have received "Tax Compliance Certification" for the years until 31.12.2020

For the fiscal year 2021, the parent Company and the subsidiary of KENFOOD SA have been subjected to tax auditing from an auditor in accordance with Law 4174/2013 article 65A as currently in effect. That audit for the year 2021 is in progress and the related tax certificate is expected to be provided after the publication of the Interim Financial Statements of the first half of 2022. If upon completion of the tax audit additional tax liabilities occur, we consider that they will not have substantial impact on the Financial Statements.

Considering the above, the table of note 6.2 "Group structure" shows the years for which the tax obligations of the Company and its subsidiaries have not characterized as final.

9.11 Approval of Financial Statements

The date of the approval of the Interim Financial Statements by the Board of Directors is September 29th, 2022.

9.12 Notes on Future Events

The Financial Statements, as well as the accompanying notes and disclosures, may contain assumptions and calculations concerning future events in relation to the operations, development and the financial performance of the Company and the Group.

No significant events have occurred after June 30, 2022 that may have a material impact on the Group's and Company's Financial Statements.

Sourpi, September 29, 2022

The Chairman of the Board of Directors	The CEO	The Chief Accountant
Nikolaos K. Loulis	**Nikolaos S. Fotopoulos**	**Georgios K. Karpouzas**
ID AH 778710/2009	ID AN 553616/2018	ID AO 100282/2022