

ANNUAL FINANCIAL REPORT

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FOR THE YEAR 2020
(1/1/2020-31/12/2020)

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LOULIS MILLS SA
GEMI (GENERAL
COMMERCIAL REGISTER)
NO: 50675444000
(FORMERLY SA REGISTER NO:
10344/06/B/86/131)
LOULIS HARBOUR, 370 08,
SOURPI MAGNESIA MUNICIPAL
DISTRICT



LOULIS
mills

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Figures and Information 31.12.2020

**STATEMENTS 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 MILLS SA:

- 1.** Mr Nikolaos K. Loulis - Chairman of the Board of Directors
- 2.** Mr Nikolaos S. Fotopoulos - Vice - Chairman of the Board of Directors & CEO
- 3.** Mr Konstantinos N. Dimopoulos - Member of the Board of Directors,

specifically appointed as per today's decision (26 April 2021) of the Company's Board of Directors

DO HEREBY DECLARE THAT

To the best of our knowledge:

- a.** The accompanying Annual Financial Statements for the Company and the Group, which have been prepared in accordance with the applicable Accounting Standards, fairly represent the assets and liabilities, the equity and operating results for LOULIS MILLS SA, as well as of the companies included in the consolidation as a whole and
- b.** The Annual Report of the Board of Directors fairly represents the development, performance and position of LOULIS MILLS SA, as well as of the consolidated companies as a whole, including of the description of the main risks and uncertainties they face.

The Chairman of the BoD

The Vice-Chairman of the BoD &
CEO

The BoD Member

NIKOLAOS K. LOULIS

NIKOLAOS S. FOTOPoulos

KONSTANTINOS N. DIMOPOULOS

**ANNUAL REPORT OF THE BOARD OF DIRECTORS
OF LOULIS MILLS SA
on the financial statements for the fiscal year from
1st January 2020 to 31st December 2020**

This report of the Board of Directors of LOULIS MILLS SA (hereinafter referred to as the "Company") has been prepared in accordance with the current legislation and the applicable provisions of the Hellenic Capital Market Commission and is referred to the Annual Financial Statements (Consolidated and Separate) of December 31, 2020 and for the year then ended. The LOULIS MILLS Group (hereinafter the "Group"), beyond the Company, includes subsidiaries which the Company directly or indirectly controls. The Consolidated and Separate Financial Statements prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU).

This report includes the financial review from January 01, 2020 to December 31, 2020, the significant events that took place in 2020, the expected growth and development, the description of the most significant risks and uncertainties for next year, the Corporate Governance Statement, 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 as well as any other additional information required by the relevant legislation.

A. Financial review 2020

The Group's **Turnover (Sales)** for 2020 amounted to € 111,06 million, increased by 3,09% compared to € 107,73 million in 2019. At the same time, the Company's turnover amounted to € 97,92 million compared to € 100,58 million in the previous period, having decreased by 2,64%.

Regarding the **Sales per Segment**, a significant increase was recorded in the sold quantities of the category "Flour mill consumer products & Mixtures for Bakery and Pastry" both in the Group and the Company, which accounted for the current period to 28,2 thousand tonnes compared to 19,4 thousand tonnes in the previous year. That increase affected respectively the sales of that category as they increased significantly by 38,63% in 2020 compared to the previous year. After the start of the production operation of new flour mill in Bulgaria in the beginning of 2020, the sold quantities of business products in the current year for the Group, amounted to 242,2 thousand tonnes, having decreased by 0,50% compared to the prior year, while respectively the sold quantities of business products for the Company amounted to 220,0 thousand tonnes, having decreased by 9,60% compared to the prior year. Therefore, the sales per segment in 2020 amounted to € 81,22 million for the Group and € 75,23 million for the Company, recording decrease by 3,99% and 11,58% respectively, compared to the prior year. Also, the sales of mixtures for bakery and pastry, for 2020, performed total sales of € 7,23 million compared to € 7,56 million in the previous year, decreased by 4,32%. Finally, the sales of cereals, for 2020, amounted to € 6,83 million both for the Group and the Company, showing significant increase by 72,00% compared 2019.

The Group's **Cost of Sales** for 2020 amounted to € 89,79 million compared to € 85,37 million in 2019, increased by 5,18%. At the same time, the Company's cost of sales amounted to € 78,86 million compared to € 80,39 million for 2019, having decreased by 1,90%. In addition, the **Gross Profit** for 2020 amounted to € 21,27 million for the Group and € 19,06 million for the Company, decreased by 4,88% compared to € 22,36 million in 2019 for the Group and decreased by 5,58% compared to € 20,19 million in the previous year for the Company. While, the ratio of cost of sales to sales, for 2019, from 20,76% for the Group and 20,07% for the Company, decreased, in 2020, to 19,15%, for the Group and 19,47% for the Company.

The Group's **Administrative Expenses and Distribution Expenses** amounted for 2020 to € 19,73 million increased by 4,89% compared to the previous year when they amounted to € 18,81 million, while also they increased as a percentage to sales since in the previous year they represented 17,46%% of sales compared to 2020 when they represent 17,77%. Respectively, the Company's administrative expenses and distribution costs amounted to € 17,10 million for the current year increased by 3,07% compared to € 16,59 million for the previous year, while the Company's ratio of administrative expenses and distribution costs to sales increased too, to 17,46% for 2020, compared to 16,49% for 2019. In particular, the Group's Distribution Costs, as a percentage to total sales, decreased, since in the 2019 they represented 13,23% of sales compared to 12,59% for the current year whereas the Administrative Expenses amounted to € 5,75 million for 2020 having increased by 26,10% compared to the previous year. Similarly, the Company's Distribution Costs, as a percentage to total sales, decreased, since in 2019 they represented 12,67% of sales compared to 12,36% for the current year, whereas the Administrative Expenses amounted to € 5,00 million for 2020 having increased by 30,21% compared to the previous year.

The Group's **Financial Expenses** amounted to € 2,37 million for 2020 having increased by 9,72% compared to the previous year when they amounted to € 2,16 million, while as a percentage to sales they increased from 2,00% to 2,14%. Correspondingly, the financial expenses of the Company amounted to € 1,91 million for the current year, having increased by 6,11% compared to the respective year of 2019, while as a percentage to sales they increased from 1,79% to 1,95%.

The **Total Depreciation** for 2020 for the Group amounted to € 5,00 million and € 4,55 million for the Company, compared to € 4,67 million for the Group and € 4,41 million for the Company for the prior period, having increased by 7,02% for the Group and 3,02% for the Company. As a percentage to sales, total depreciation increased for the Group from 4,33% to 4,50%, while for the Company it also increased from 4,39% in 2019 to 4,64% for the current year.

The Group's **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)**¹ amounted to € 9,27 million in 2020 having decreased by 15,57% compared to € 10,98 million for 2019. Respectively, for the Company, EBITDA decreased by 16,68% from € 10,79 million in the previous year to € 8,99 million in 2020. As a percentage to sales, Group's EBITDA decreased from 10,19% in 2019 to 8,35% in 2020, while Company's EBITDA decreased from 10,73% in 2019 to 9,18% for 2020.

Taking into account all the above, the Group's **Net Profit before Tax** amounted to € 1,29 million for the current year compared to € 3,33 million for the prior year, representing decrease by 61,26%. As a percentage to sales it also decreased from 3,10% in 2019 to 1,16% in 2020.

Respectively, for the Company the **Net Profit before Tax** amounted to € 2,24 million for 2020 compared to € 3,82 million in the previous period, showing an decrease of 41,36%. As a percentage to sales, it decreased from 3,80% in 2019 to 2,29% in 2020.

Income tax for the Group amounted to € -0,57 million for 2020 compared to € -0,32 million for the previous year and for the Company it amounted to € -0,47 million compared to € 0,09 million in 2019.

Following the above, the Group's **Net Profit after Tax** amounted to € 0,72 million for the current year (distributed to the Company's shareholders) compared to € 3,02 million in the previous period and as a percentage to sales it amounted to 0,64% in 2020 from 2,80% in 2019. Similarly, the Company's net profit after tax amounted to € 1,77 million in 2020 compared to € 3,92 million in the previous year and as a percentage to sales it amounted from 3,89% in 2019 to 1,81% in 2020.

For the year 2020, the **Operating cash flows** for the Group and the Company amounted to € -0,86 million and € 3,60 million, respectively, while in the previous year it amounted to € 6,63 million for the Group and € 9,33 million for the Company.

The **Purchases of Tangible and Intangible Assets** for the Group in 2020 amounted to € 3,96 million compared to € 4,74 in 2019.

The Group's **Total Net Borrowing¹** at December 31, 2020 amounted to € 45,39 million compared to € 38,83 million at December 31, 2019, showing an increase of 16,89%, while the Company's total borrowings at December 31, 2020 amounted to € 39,42 million compared to € 29,79 million December 31, 2019, having increased by 32.33%.

In summary, the financial results of the Group and the Company are depicted through some key financial ratios and are compared to the 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 the data are available, as follows:

		Basic Group's Ratios						
		01.01.2020 - 1.12.2020		01.01.2019 - 1.12.2019		01.01.2018 - 1.12.2018		Target
1	Total net Borrowing¹ EBITDA¹	<u>45.389.727</u> 9.272.610	4,90	<u>38.826.676</u> 10.975.898	3,54	<u>38.061.338</u> 9.332.081	4,08	(≤4,50)
2	EBITDA¹ Interest Paid	<u>9.272.610</u> 2.282.728	4,06	<u>10.975.898</u> 2.146.008	5,11	<u>9.332.081</u> 2.109.771	4,42	(≥4,00)
3	Non-Current Assets Total Net Borrowing¹	<u>106.019.979</u> 45.389.727	2,34	<u>106.245.220</u> 38.826.676	2,74	<u>104.128.186</u> 38.061.338	2,74	(≥2,50)
4	Total Net Borrowing¹ Total Equity	<u>45.389.727</u> 91.091.860	0,50	<u>38.826.676</u> 90.808.480	0,43	<u>38.061.338</u> 89.200.562	0,43	(≤0,60)
5	Total Current Assets Total Current Liabilities	<u>72.199.265</u> 17.336.229	4,16	<u>68.281.974</u> 30.126.967	2,27	<u>66.126.910</u> 33.186.864	1,99	(≥1,10)
6	Total Liabilities Total Equity	<u>87.127.384</u> 91.091.860	0,96	<u>83.718.714</u> 90.808.480	0,92	<u>81.054.534</u> 89.200.562	0,91	(≤1,00)

Basic Company's Ratios

		01.01.2020 - 1.12.2020	01.01.2019 - 1.12.2019	01.01.2018 - 31.12.2018	Target
1	Total Net Borrowing¹ EBITDA¹	$\frac{39.416.863}{8.987.118}$ 4,39	$\frac{29.793.539}{10.788.123}$ 2,76	$\frac{32.426.878}{9.361.954}$ 3,46	(≤4,50)
2	EBITDA¹ Interest Paid	$\frac{8.987.118}{1.837.921}$ 4,89	$\frac{10.788.123}{1.790.614}$ 6,02	$\frac{9.361.954}{1.891.022}$ 4,95	(≥4,00)
3	Non-Current Assets Total Net Borrowing¹	$\frac{107.369.077}{39.416.863}$ 2,72	$\frac{99.721.923}{29.793.539}$ 3,35	$\frac{97.055.118}{32.426.878}$ 2,99	(≥2,50)
4	Total Net Borrowing¹ Total Equity	$\frac{39.416.863}{92.603.685}$ 0,43	$\frac{29.793.539}{91.808.603}$ 0,32	$\frac{32.426.878}{88.190.362}$ 0,37	(≤0,60)
5	Total Current Assets Total Current Liabilities	$\frac{61.233.407}{15.250.203}$ 4,02	$\frac{63.123.627}{23.774.382}$ 2,66	$\frac{63.144.410}{25.818.366}$ 2,45	(≥1,10)
6	Total Liabilities Total Equity	$\frac{75.998.799}{92.603.685}$ 0,82	$\frac{71.036.947}{91.808.603}$ 0,77	$\frac{72.009.166}{88.190.362}$ 0,82	(≤1,00)

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 MILLS SA	Sourpi, Magnisia, Greece	Keratsini Attica, Mandra Attica, Podochori Kavala, Kalochori Thessaloniki,	-	Parent
KENFOOD SA	Keratsini, Attica, Greece	Ampelochori Viotia, Mandra Attica, Podochori Kavala, Kalochori Thessaloniki	99,99%	Direct
GREEK BAKING SCHOOL SA	Keratsini, Attica, Greece	-	99,70%	Direct
LOULIS LOGISTICS SERVICES SA	Sourpi, Magnisia, Greece	-	99,67%	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 in 2020

The most significant events that took place during 2020 are as follows:

Significant information regarding the effects of 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 affected negatively the global economy, Greece included. The restrictive measures initially implemented by the Greek government were gradually lifted from the beginning of May 2020, while they were reinstated in October 2020, as the cases of "Covid-19" in Greece increased.

Since the start of this crisis, the Group's priorities were the ensuring of its smooth business operation and the safety of its employees. In order to face effectively 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.

In 2020, the pandemic affected the Group in certain income categories, while in other revenue categories presented an unprecedented increase in demand. As a result of the above, the total income from the main activities of the Group in Greece in 2020, decreased by 5,59% compared to the corresponding income of the previous year. Specifically, the total income of the Group within Greece, of the categories "Professional Flour Mill Products" and "Mixtures & Raw Materials for Bakery & Pastry", decreased by 11,58% and 4,32% respectively compared to 2019 while unlike income category "Consumer Products mills & Mixtures for Bakery & Pastry" showed a significant increase 38,63% compared with the corresponding period of the previous year due to the unprecedented increased demand.

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. In particular, the negative effects are expected to intensify, mainly in the income categories from "Professional Flour Mill Products" and "Mixtures & Raw Materials for Bakery & Pastry" as the impact of the pandemic on global development and the Greek economy, which mainly depends on tourism, is expected to be significant.

Finally, the management continuously monitors the developments, evaluates the risks and takes the necessary actions in order to minimize the effects of the pandemic on the financial results of the Group, to continue the smooth implementation of the strategic plan 2019-2021 and to ensure the business continuity of the Group. Management believes that in any case, said health event, will not affect the continuation of the Company's and the Group's activity.

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

On June 10, 2020 the Annual General Meeting of Shareholders took place where 55,47% of the share capital was represented, which means that the shareholders and the shareholders' representatives who attended and voted represented 9.496.387 shares and 9.496.387 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 01.01.2019 to 31.12.2019 have been approved unanimously by 9.496.387 votes, equal to 55.47% of the share capital after the hearing and approval of the relative Reports of the Board of Directors and the Certified Auditors. At the same General Meeting it was decided by 9.496.387 votes, equal to 55,47% of the share capital, the distribution of dividends to shareholders of an amount of 1.198.419,60 which is equal to € 0,07 per share. Cut-off date has been set 12th June 2020 and payment date has been set 19th June 2020.

2. The overall management that took place during the fiscal year ended 31.12.2019 has been unanimously approved by 9.496.387 votes, equal to 55,47% of the share capital and the Certified Auditors were discharged unanimously by 9.496.387 votes, equal to 55,47% of the share capital, from any liability for indemnity for the fiscal period 01.01.2019- 31.12.2019.

3. The company "BDO Auditors Accountants SA" with registration number ELTE 173, which shall nominate from its members the regular Auditor – Accountant and the alternate Auditor - Accountant for the audit of the annual financial statements of the Company and the Consolidated Financial Statements in accordance with International Financial Reporting Standards for the fiscal period 01.01.2020 to 31.12.2020, was unanimously elected by 9.496.387, equal to 55,47% of the share capital.

4. The Earnings Report for the year 2019 was unanimously approved by 9.496.387 votes, equal to 55,47% of the share capital.

5. The distribution of remuneration to the Members of the Board of Directors for the fiscal year 01.01.2019 - 31.12.2019 was approved unanimously, by 9.496.387 votes, equal to 55,47% of the share capital and the distribution of remuneration to the Members of the Board of Directors for the next fiscal year 2020 was pre-approved.

6. The authorization, in accordance with Article 98 par. 1 of L.4548/2018, to both the Board of Directors members and the Company's Directors to participate in the Board of Directors or in the Management of other related companies as those companies are defined in article 32 of Law 4308/2014 and, therefore, to conduct on behalf of the related companies actions falling within the Company's purposes, has been granted by 9.496.387 votes, equal to 55,47% of the share capital.

All the above decisions of the Ordinary General Meeting are immediately applicable.

Dividend Distribution for the year 2019

On June 10, 2020 the Annual General Meeting of Shareholders approved the distribution of dividends of the amount of € 0.07 per share, to the shareholders, in accordance with the provisions of the Greek Law.

This dividend amount is subjected to a 5% withholding tax and therefore the shareholders will receive a net amount of € 0.0665 per share.

The cut-off date of the right in the receipt of the dividend for 2019 was set for June 12, 2020.

The shareholders of the company who were registered in files of the Intangible Assets System on June 15, 2020 (Record Date), were the beneficiaries in receiving the dividend. The start date for the payment of the dividend was set at June 19, 2020 and it was made via Alpha Bank SA.

Participation in the Share Capital Increase of the subsidiary under the name "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD"

On June 16, 2020, following a relevant decision of the judicial authorities of Cyprus, the increase of the share capital of the 100,00% subsidiary under the name "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" was completed with payment of the full amount of € 2,0 million of the increase. The purpose of this increase was the capital enhancement of the 100,00% indirect subsidiary under the name "LOULIS MEL – BULGARIA EAD", in order to cover the needs of working capital in it.

Issuance of bond loan

On July 13, 2020 the Company proceeded to the issuance of bond loan of total amount of € 6,0 million, with the guarantee of the Covid-19 Business Guarantee Fund of Hellenic Development Bank SA, in order to cover its needs in working capital. The loan has a five-year duration and it was issued in collaboration with Eurobank SA.

Issuance of bond loan

On July 31, 2020 and pursuant to the decision of the Board of Directors of July 30, 2020, the Company signed a Jointly Secured Bond Loan agreement amounting to € 34 million with coordinator and manager the Eurobank.

In the bond loan of total amount of € 34 million, the bond lenders are Eurobank SA, Alpha Bank SA, National Bank of Greece and t Bank SA.

The duration of the loan is five years with the possibility of a three-year extension and its purpose is the refinancing of the existing company's bank lending.

Issuance of bond loan

On August 26, 2020 the Company proceeded to the issuance of a bond loan of total amount of € 6,0 million, with the guarantee of the Covid-19 Business Guarantee Fund of Hellenic Development Bank SA, in order to cover its needs in working capital. The loan has a five-year duration and it was issued in collaboration with Alpha Bank SA.

Participation in the Share Capital Increase of the subsidiary under the name "KENFOOD SA"

On September 16, 2020 the Company participated in the share capital increase of its 99,99% subsidiary under the name "KENFOOD S.A", by paying the total amount of € 1.999.907,20 of the share capital increase, in order to strengthen its cash adequacy.

More specifically, on September 10, 2020 the Extraordinary General Meeting of Shareholders of "KENFOOD S.A" decided with 134.040 votes, which is equal to 100% of its share capital, the increase of its share capital by € 659.600,00 with the issuance of 65.960 new common registered shares of the amount of € 10,00 per share and with a sale price of € 30,32 each. The funds that were raised from the share capital increase in cash amounted to € 1.999.907,20 and they were distributed as follows: € 659.600,00 (equal to 65.960 shares X € 10 each) for the share capital increase and € 1.340.307,20 (equal to 65.690 shares X € 20,32 each) to the credit of the account "Reserve from Issue of Shares for the Premium".

Consequently, the share capital of "KENFOOD SA", after the above increase, amounts to € 2.000.000,00 divided into 200.000 common registered shares with nominal value of € 10,00 each.

Issuance of bond loan

On October 2, 2020 the Company proceeded to the issuance of a bond loan of total amount of € 4,0 million, with the guarantee of the Covid-19 Business Guarantee Fund of Hellenic Development Bank SA, in order to cover its needs in working capital. The loan has a five-year duration and it was issued in collaboration with Piraeus Bank SA.

Participation in the Share Capital Increase of the subsidiary under the name "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD"

On October 30, 2020 the Company proceeded to the capital support of the amount of € 5,5 million of its 100% subsidiary under the name "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" based in Nicosia, Cyprus. This support was made through the share capital increase of this subsidiary by paying in cash and by issuing 3.216.376 new common stocks of the amount of € 1,71 each.

The funds raised from "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" by the increase in share capital, were used to cover the participation in its 100% subsidiary under the name "LOULIS MEL-BULGARIA EAD" based in General Toshevo, Bulgaria.

The Company "LOULIS MEL-BULGARIA EAD" also proceeded to share capital increase of the amount of € 7,25 million, in two stages. Firstly, by capitalizing loans of the parent company "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" of total amount of € 2,93 million and secondly, by depositing cash from the parent company of total amount of € 4,32 million. This increase was made in order to increase the company's capital, as well as to repay its loans.

D. Future Performance and Development

The vision of LOULIS MILLS SA is "to create value for human nutrition". The continuous commitment of the Management is to keep that vision in order the Group to remain the undoubtful leader and pioneer in the market. In particular, the mission of the Group is:

- to produce and distribute innovative raw materials of high quality as well as render high-level services in the food market
- to pioneer and develop with respect to its three centuries tradition as well as create value for its customers, employees, shareholders and the society.
- to be the leader in the market of Southeast Europe and at the same time enforce its export orientation with environmental and social responsibility.

For 2021, the Group aims to achieve its annual business objectives and to set the foundation for its long term development. Like in the past, special focus shall be given to the digitalization of the internal control procedures of the Group as well as the further use of the synergies among the companies of the Group.

The main strategic orientations and priorities of the Group for the period 2019-2021 are:

- **Product Superiority.** To produce innovative and market-leader products of high quality, create value for its customers and be superior of its competitors.
- **Focus on Customer.** To understand the challenges of its customers and fulfill effectively their needs exceeding their expectations.
- **Team Strengthening.** To promote cooperation, respect, creativeness, improvement, training and safety so as the employees feel adequately assisted in accomplishing their work.
- **Operational Efficiency.** To keep operating cost at low levels without compromising the quality of the products and services through more effective management of the available resources as well as carrying out high-return investments.
- **Digitalization.** To invest and get trained in customized technologies which shall support its development and shall assist its more effective operation.
- **Support of International Activity.** To develop its activity abroad by boosting exports as well as by its expansion through the industrial unit in Bulgaria.
- **Edge Thinking.** To discover continuously operating and product innovations which shall support its further development through new ideas and experimentations.
- **Corporate Social Responsibility.** Every activity of the Group to have positive environmental and social impact so as to contribute to the long term sustainability of the planet and the social prosperity and at the same time ensuring its own viability.

The foreseen performance for 2021 depends to a great extent on the continuous uncertainty in the local market as well as the duration and intensity of the spreading of the new coronavirus "Covid-19", which is

estimated to decline gradually in 2021, as the pace of population's vaccination is accelerating, travel restrictions are expected to be lifted and tourism shall reboot. The critical moments we undergo and the financial effect of the pandemic have upset the markets worldwide and have changed significantly the daily working conditions. Management monitors closely the changes, assesses the risks and takes the necessary action in order to minimize the effect of the pandemic on the financial results of the Group, to continue the smooth implementation of its strategic plan 2019-2021 and to ensure the business viability of the Group.

E. Main risks and uncertainties for the next year

The main risks that the Group is exposed to and is likely to face next year 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 4,16 at December 31, 2020 towards 2,27 in the previous year.

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 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
01.01.2020	1,00%	-510.171	-602.765
31.12.2020	-1,00%	510.171	602.765
01.01.2019	1,00%	-379.542	-479.887
31.12.2019	-1,00%	379.542	479.887

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).

Risk of Inventory Loss

The Management of the Group takes all the necessary measures (insurance, storage) in order 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 lead 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 specific 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 in order to detect malfunctions and exceptions in its commercial operations. Property insurance and other risks are adequate.

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 is to create, develop, evolve and take care of the leading team.

Health and Safety

Within the 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 have to follow in order 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 so as 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 surveillance of all of our employees through the appointment of an Occupational Doctor,
- applies strict prevention procedures in order 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 in order to protect our employees from occupational diseases resulted from the exposure to those factors.

Relations between Management and Employees

Loulis Group traditionally operates like a big 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 are able to communicate directly with the Management regarding the solution of any working 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 an adapted 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 having 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 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. In particular the Group:

- provides competitive salaries so as 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 supports effectively 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 is 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 most optimistic 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 the various materials arising through contracting the process of waste management with verified providers of waste recycling,
- 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 tonne 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, in order 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" and "Goodwill Impairment". 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Sales	111.062.878	107.731.666	97.921.879	100.584.409
Profit/(Loss) before Tax	1.289.569	3.334.528	2.242.835	3.824.239
Other Income (excluding Other Operating Income)	(945.922)	(897.905)	(91.271)	(625.208)
Other Expenses	1.748.868	1.725.218	635.100	1.447.091
Fair Value valuation of bonds and participations	(169.140)	9.703	(169.140)	9.703
Financial Income	(21.489)	(22.505)	(87.573)	(83.094)
Financial Expenses	2.374.801	2.158.522	1.911.047	1.802.334
Depreciation	4.995.923	4.668.337	4.546.120	4.413.058
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)	9.272.610	10.975.898	8.987.118	10.788.123
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) margin	8,35%	10,19%	9,18%	10,73%

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 taking into account the items "Financial Income", "Fair Value valuation of bonds and participations" and "Goodwill Impairment". 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
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Fair Value valuation of bonds and participations	(169.140)	9.703	(169.140)	9.703
Financial Income	(21.489)	(22.505)	(87.573)	(83.094)
Financial Expenses	2.374.801	2.158.522	1.911.047	1.802.334
Earnings before Interest and Tax (EBIT)	4.276.687	6.307.561	4.440.998	6.375.065
Earning before Interest and Tax (EBIT) margin	3,85%	5,85%	4,54%	6,34%

Total Net Borrowing

The "Total Net Borrowing" is one ESMA 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Long-term Borrowing Liabilities	54.319.165	37.963.762	45.575.000	31.763.322

	Group		Company	
Short-term Borrowing Liabilities	5.957.363	10.024.972	5.442.134	6.190.880
Cash and Cash Equivalents	(14.886.801)	(9.162.058)	(11.600.271)	(8.160.663)
Total Net Borrowing	45.389.727	38.826.676	39.416.863	29.793.539

H. Corporate Governance Statement

Introduction

LOULIS MILLS SA is committed and adhere to standards of corporate governance. Within this context, the Company has implemented the principles set out by the Corporate Governance Code introduced by the Hellenic Corporate Governance Council (HCGC) with some exceptions, but always in accordance with the current legislation. The code can be found at the following Web address:

<http://www.helex.gr/el/web/guest/esed-hellenic-cgc>

1. Internal Audit and Risk Management

1.1 Main features of the Internal Audit

Internal Audit is performed by the Internal Auditing Department according to the Audit Program as described in the Company's Business Rules and Procedure.

It is noted that the audit, on the basis of which the relevant report is prepared, is carried out within the regulatory framework in line with Law 3016/2002, as now in force, and specifically in accordance with articles 7 and 8 of the same Law, and the provisions of the Resolution 5/204/2000 of the Board of Directors of the Hellenic Capital Market Commission (HCMC), as amended by HCMC Board of Directors decision Nr. 3/348/19.7.2005.

During the audit, the internal audit department takes into account the necessary journals, documents, files, bank accounts and portfolios of the Company and requests the Management's absolute and continuous cooperation, in order to obtain all the requested information and data so as to obtain reasonable assurance for the preparation of the report free of essential misstatements with respect to the information and conclusions included therein. The Internal Audit does not include any assessment regarding the appropriateness of the accounting policies that were implemented, as well as the reasonableness of the assessments that were made by Management, since these are goals of the audit carried out by the Company's certified auditor.

The aim of the Internal Audit is the assessment of the general conditions and the operating procedures of the internal audit system. During every audit period, certain audit areas – fields are selected, while the audit and the examination of the operation and organisation of the Company's Board of Directors and the operation of the two main Departments operating on the basis of the provisions pursuant to Law 3016/2002, i.e. the Department for Servicing Shareholders and the Corporate Announcements Department, are being audited on a fixed and permanent basis.

1.2 Managing the Company's risks in relation to the procedure for preparing the Financial Statements

The Company has developed and applies policies and procedures for the preparation of the financial statements to ensure their credibility and compliance with legislation and regulations that affect their preparation and disclosure.

These procedures concern the proper audit and recording of revenue and expenditure, as well as the monitoring of the status and the value of the Company's assets. The policies and procedures that have been implemented, are being evaluated and readjusted in case they become inadequate or due to changes in the current legislation.

At the end of each accounting period, the Company's accounting department undertakes the actions that are required for the preparation of the financial statements according to the law.

The implemented policies and procedures which relate to the preparation of the Financial Statements, are:

- Procedures for closing periods that include the deadlines for submission, competencies, classification and analysis of the accounts and updates for the necessary disclosures.
- Reconciliation of the account balances of Customers and Suppliers and the receivables and liabilities, at regular time basis.
- Procedures that ensure that the transactions are recognized in accordance with the International Financial Reporting Standards.
- Reconciliation of the bank accounts and borrowing accounts kept by the Company at approved Banks on a monthly basis.
- Audit and reconciliation of the cheques receivable and cheques payable.
- Forming provisions for the Company's receivables and liabilities in cases where the supporting documents have not yet been obtained.
- Carrying out inventory physical counting and audit of the warehouse imports – exports on a monthly basis.
- Audit procedure for the reconciliation of sales with the documents issued.
- Implementation of policies and procedures for areas such as significant purchases, payment and collection procedures, managing inventories, etc.
- Implementation of procedures for entries being made by different people within the context of segregation of duties.
- Approvals and procedures for the correct entry of the Company's expenses into the accounts of the applied chart of accounts and the correct cost center;
- Procedures for purchase approvals, register and monitoring of assets and charging of the proper depreciation amounts;

- Procedures for monitoring and managing staff and payroll liabilities.
- Procedures that ensure the appropriate use of the Company's applied accounting policies and that the access and the changes made to it through the Company's Information System are only carried out by authorized users in specified area of responsibility.

The Information System of the Company is continually being developed and upgraded in close cooperation with a competent IT Company in order to adjust to the Company's continuously growing and specific needs for the support of the Company's long-term goals and prospects.

2. General Meeting of Shareholders

2.1 Operation and main authorities of the General Meeting:

The General Meeting is the supreme body of the Company, and may decide for each corporate case and rule on all matters submitted to it. The role, powers, convening, participation, the ordinary and extraordinary quorum and majority of runners, the Bureau, the agenda and the general operation of the General Meeting of Shareholders of the Company are described in the Articles of Association of the Company, as it has been updated on the basis of the provisions of law 4548/2018, as amended.

In particular, the General Meeting is exclusively responsible to decide on:

- amendments to the Articles of Association, as they considered, however, the increases or reductions in the capital. The decisions for the amendment of the Company's Articles of Association are valid, if not prohibited by an explicit provision of it,
- election of the BoD members and Auditors,
- approval of the Company's balance sheet,
- distribution of annual profits,
- merge, split, convert, revival, extension of duration, or dissolution of the company and
- appointing liquidators

Within the provisions of the aforementioned paragraph the followings are not included: a) increases decided in accordance with the article 24 of codified law 4548/2018 by the Board of Directors, as well as increases imposed by provisions of other laws, b) the amendment or adjustment of provisions of the Articles of Association by the Board of Directors in accordance with article 117, paragraph 2(b) law 4548/2018, c) the appointment of the first BoD by the Statute, d) the election of Directors according to the Company's Articles of Association pursuant to article 82 of law 4548/2018, for the replacement of the resigned ones, deceased or lost their property in any other way, e) absorption of according to article 117 par. 2(e) of law 4548/2018 of a limited company from another company that owns 100% of its shares and f) possibility of profit distribution or optional reserves within the current fiscal year by decision of the Board of Directors, if authorized by the General Meeting.

Among the General Meeting's duties the election of the members of the Audit Committee is included pursuant to law 4449/2017 and Company's Business Rules of Procedure of the Audit Committee.

The decisions of the General Meeting are binding for the shareholders who are absent or disagree.

The General Meeting of Shareholders shall be convened by the Board of Directors at all times and regularly convenes at the registered office of the Company or to another district of Municipality within the county of the registered office of the Company or other adjacent municipality of the registered office of the Company, at least once per fiscal year and always within the first six months of the end of each fiscal year. The General Meeting can meet and at the district of the municipality where it is located the headquarters of the Athens Stock Exchange.

The Board of Directors may convene an extraordinary meeting of the General Meeting of shareholders if deemed necessary or if requested by shareholders representing the required percentage according to law and the Company's Articles of Association.

The General Meeting, with the exception of repetitive meetings and those assimilated, convened at least twenty (20) days before the date set for the meeting. It is clarified that non-working days are also counted. The day of publication of the invitation and the day of the meeting are not counted.

At the invitation of the shareholders in General Meeting, should be determined the date, the hour and the venue where the Meeting will be held, the agenda issues, shareholders who are entitled to participate, as well as precise instructions about the procedure in which shareholders will be able to participate in the meeting and to exercise their rights in person or through a representative or possibly remotely.

The convocation at shareholders meeting is not required when shareholders are present or represented who represent the entire share capital and none of them disagree for conducting the meeting and decision-making.

The General Meeting is to meet quorum and valid for agenda topics when they are present or are represented shareholders representing one fifth (1/5) of the paid-up share capital.

If this quorum is not reached the General Meeting shall meet and meet again within twenty (20) days from the day of the meeting that was aborted after invited the shareholders before ten (10) days. The Repeat Meeting shall be valid for the items of the original agenda irrespective of the represented percentage of the share capital is present.

The decisions of the General Meeting are taken by absolute majority of votes represented therein.

In the case decisions are to be taken by the General Meeting concern restrictively: a) change of nationality of the Company, b) extend, merge, split, convert, revival or dissolution of the Company, c) change of the purpose of the Company, d) increase of the share capital, which is not provided in the Company's Articles of Association, in accordance with paragraphs 1 and 2 of article 24 of codified law 4548/2018 unless imposed by law or is made by the capitalization of reserves, e) reduction of share capital, unless made in accordance with paragraph 5 of article 21 or paragraph 6 of article 49 of law 4548/2018, f) change the way of distribution

of profits, g) increase the liabilities of the shareholders, h) conversion of name shares to bearer shares or bearer shares to name shares, i) granting or renewal of authority to the Board of Directors to increase the share capital in accordance with article 24 paragraph 1 of law 4548/2018, the General Meeting shall form quorum, meet valid and can take legitimate decisions on the agenda when present or represented in that shareholders up to two thirds (2/3) of the paid-up share capital.

The General Meeting is chaired temporarily, and until the election of president by the General Meeting, by the Chairman of the Board of Directors or his Deputy, or if they are not presented, by another member of the Board of Directors, or if not attended any Board Member, a person who is elected from the Meeting. The interim President shall appoint a temporary secretary who will count the votes. After the declaration of the list of the shareholders present as final, the General Meeting will proceed to the election of a President and a secretary, who will count the votes.

The discussions and decisions of the General Meeting are limited to matters which are included on the agenda. Procedures for hearing and decision-making of the General Meeting are recorded in summary form in a special minute book and shall be signed by the Chairman and the secretary. The President of the General Meeting, on request of the shareholders, is obliged to record an accurate summary of the opinions expressed by those shareholders on the Company's record. The minutes should also include the list of shareholders who were present or represented at the meeting, as well as the number of shareholders and their vote. In case one (1) only shareholder is present at General Meeting, it is mandatory the presence of a notary, who subscribes to the Minutes.

2.2 Rights of the shareholders and ways of exercising those rights

2.2.1 Rights of participation and voting

The shareholders shall only exercise their rights, regarding the Company's management, at the General Meetings and in accordance with the provisions of the law and the Articles of Association. Every share represents one vote at the General Meeting, subject to the provisions of the article 36 & 38 par. 4 of Law 4548/2018, as in force.

Anyone that appears as a shareholder on the records of the Intangible Securities System of the Company that is managed by the "Hellenic Exchange SA" (HESA), which keeps the Company's securities (shares), may participate at the General Meeting. The verification of the shareholder status is made with the submission of the relevant written certification that is issued by the aforementioned body or alternatively through the direct online connection between the Company and the records of the mentioned above body. The shareholder's capacity must exist upon the record date, namely at the beginning of the fifth (5th) day prior to the convening of the General Meeting, and the relevant certification or online certification regarding the shareholder capacity must have been obtained by the Company at the latest on the third (3rd) day prior to the convening of the General Meeting.

As far as the Company is concerned, the right to participate and vote at the General Meeting is only exercised by the person holding the shareholder's capacity upon the corresponding record date. In case of non-

compliance with the provisions under article 124 of Law 4548/2018, the aforementioned shareholder may only participate in the General Meeting after it has received its permission.

It is noted that the exercise of the mentioned above rights (participation and voting) does not require the blocking of the holder's shares or the application of any other equivalent procedure, which restricts the capacity to sell and transfer these shares during the intervening period between the record date and the date of the General Meeting.

The shareholders may participate and vote at the General Meeting in person or via representatives. Every shareholder may appoint up to three (3) representatives. Legal entities may participate in the General Meeting by appointing up to three (3) natural persons as their representatives. Nevertheless, if the shareholder holds the Company's shares, which appear on more than one security accounts, that restriction does not prevent the shareholder from appointing different representatives for the shares that appear on each securities account in relating to the General Meeting. A representative that is acting for more than one shareholders may vote differently for each shareholder. The shareholder's representative is required to notify to the Company prior to the commencement of the General Meeting every specific fact that may be useful for the shareholders to evaluate the risk the representative to serve other interests apart from the interests of the represented shareholder. Within the definition of this paragraph, a conflict of interest may arise specifically when the representative:

- a) is a shareholder that is exercising control over the Company or another legal person or entity that is controlled by that shareholder;
- b) is a member of the Board of Directors or person of the Company's general management or a shareholder exercising control over the Company or shareholder of another legal person or entity that is controlled by a shareholder that is exercising control over the Company;
- c) is the Company's employee or Certified Auditor or a shareholder that is exercising control over the Company or shareholder of another legal person or entity that is controlled by a shareholder that is exercising control over the Company;
- d) is the spouse or a relative of 1st degree to one of the natural persons that subject to cases (a) to (c).

The appointment and revocation of the shareholder's representative shall be made in writing and communicated to the Company in the same way at least three (3) days prior to the date of the General Meeting.

2.2.2 Other rights of the shareholders

Ten (10) days prior to the Regular General Meeting every shareholder may receive copies of the Company's annual financial statements and reports by the Board of Directors and the Auditors. These documents must have been submitted in time in the Company's offices by the Board of Directors.

On request of the shareholders that represent one-twentieth (1/20th) of the paid up share capital the Board of Directors is obliged to convene an Extraordinary General Meeting of the shareholders, by appointing its date, which cannot be later than forty-five (45) days after the date upon which the request was submitted

upon the Chairman of the Board of Directors. The application shall contain the objective of the agenda. If the General Meeting is not convened by the Board of Directors within twenty (20) days from the submission of the relevant request, the meeting shall be convened by the petitioning shareholders at the Company's expense, by a resolution of the Single Member Court of First Instance where the Company's registered offices are based, which shall be issued under the interim relief proceedings. This decision shall specify the place and time for the meeting, as well as the agenda.

An application by the shareholders that represent one-twentieth (1/20th) of the paid up share capital shall compel the Board of Directors to enter additional matters on the agenda of the General Meeting that has already been convened, if the relevant application is received by the Board of Directors at least fifteen (15) days prior to the General Meeting. The additional matters must be disclosed or notified at the responsibility of the Board of Directors in accordance with article 122 pursuant to Law 4548/2018, at least seven (7) days prior to the General Meeting. Where these matters are not disclosed, the petitioning shareholders are entitled to request the adjournment of the General Meeting in accordance with paragraph 2 under article 141 pursuant to Law 4548/2018 and to personally proceed with the publication in accordance with the provisions of the previous section, at Company's expense.

An application by shareholders that represent one-twentieth (1/20th) of the paid up share capital shall compel the Board of Directors to make available to the shareholders, at least six (6) days prior to the date of the General Meeting, drafts of resolutions on matters that have been included in the initial or the revised agenda, where the relevant application has been received by the Board of Directors at least seven (7) days prior to the date of the General Meeting.

Following an application by any shareholder, submitted to the Company at least five (5) clear days prior to the General Meeting, the Board of Directors is required to provide the General Meeting with the required specific information concerning the affairs of the Company, to the extent that this is useful for making an actual assessment of the matters on the agenda.

An application by shareholder/s that represent one-twentieth (1/20th) of the paid up share capital shall compel the Chairman of the Meeting to postpone the decision-making for only one time regarding all or specific matters by the Extraordinary or Regular General Meeting, by appointing a date for continuing the meeting for the making of those decisions that are specified in the application by the shareholders, which cannot however be greater than thirty (30) days after the date of adjournment. The General Meeting after an adjournment constitutes a continuation of the previous meeting and it is not necessary to repeat the formalities for publishing the invitation to the shareholders, wherein new shareholders may not participate therein in observation of the provisions under article 141, paragraph 5 of Law 4548/2018.

An application by shareholders that represent one-twentieth (1/20th) of the paid up share capital, which must be submitted to the Company five (5) clear days prior to the regular General Meeting, shall compel the Board of Directors to inform the General Meeting regarding the amounts that have been paid for any reason by the Company over the last two-year period to members of the Board of Directors or Managers or its other employees, as well as any other agreement that has been made for any reason between the Company and the same persons. Furthermore, an application by any shareholder, submitted in accordance with the

mentioned, shall compel the Board of Directors to provide specific information regarding the Company's affairs to the extent that this is useful for the actual assessment of the matters on the agenda. The Board of Directors may refuse to provide the requested information for insufficient reason while writing down the relevant explanation in the Minutes. Such reason, under the circumstances, may be the representation of the petitioning shareholders on the Board of Directors, in accordance with articles 79 or 80 of Law 4548/2018.

At request by the shareholders that represent one-fifth (1/5th) of the paid up share capital, which must be submitted to the Company within the deadline mentioned in the previous paragraph, the Board of Directors shall compel to provide information to the General Meeting in relation to the course of the corporate affairs and the Company's assets status. The Board of Directors may refuse to provide the requested information for insufficient reason while writing down the relevant explanation in the Minutes. Such reason, under the circumstances, may be the representation of the petitioning shareholders on the Board of Directors, in accordance with articles 79 or 80 of Law 4548/2018 as long as the relevant members of the Board of Directors have been adequately informed.

If an application by shareholders that represent one-twentieth (1/20th) of the paid up share capital, resolutions upon any matter on the agenda of the General Meeting shall be passed with a roll call.

The Company's shareholders that represent one-twentieth (1/20th) of the paid up share capital have the right to request an audit of the Company from the Single Member Court of First Instance in the region where the Company is based, which shall adjudicate the matter on the basis of ex parte proceedings. The Audit shall be ordered where actions are conjectured that violate the provisions in the law or the Articles of Association or the resolutions by the General Assemble.

The Company's shareholders that represent one-fifth (1/5th) of the paid up share capital have the right to request an audit of the Company from the competent Court in the previous paragraph, where it is believed from the whole course of the corporate affairs that the Management of the corporate affairs is not being carried out as dictated by sound and prudent Management. This provision shall not be implemented on those occasions where the minority requesting the Audit is represented on the Company's Board of Directors.

3. Board of Directors

The Board of Directors manages the Company as a collective body, taking its decisions in accordance with the current SA legislation, the stock exchange legislation, the regulatory provisions of the ASE and the supervising authorities. The members of the Board of Directors shall acquire all relevant information regarding the operation of the Company. Moreover they must exercise their duties at the interests of the company and its shareholders.

The Board of Directors (BoD) is competent for the administration and representation of the Company and for the management of its property. It decides on all issues of the Company, in general, within the frame of the Company's scope and object, except for these issues which pursuant to the Law and these Articles of Association are subject to the exclusive competence of the General Meeting. The BoD has the authority to decide on the issuance of bond loans according to Law 4548/2018 and that duty cannot be transferred. The BoD elects the Remuneration Committee. The BoD mainly formulates the Company's strategy and growth

policy, while supervising and controlling its management corporate property. The composition and the duties of the BoD are prescribed by the law and the Company's Articles of Association. Main obligation and duty of the members of the BoD is the constant pursuit of enhancing the Company's long-term economic value and the protection of the general corporate interest. As part of the internal regulations of the company, the BoD has sufficient information to base its decisions on the Company's and subsidiaries' transactions with related parties.

3.1 Composition and operation of the Board of Directors

According to article 17 of the Company's Articles of Association the BoD shall be comprised of five (5) to seven (7) members that are natural or legal persons, which are elected by the General Meeting of the Shareholders by an absolute majority of the votes represented at the General Meeting. The members of the Board of Directors may be re-elected and freely revoked.

The tenure of the members on the Board of Directors shall be for a period of 4 years commencing from the meeting date of the General Meeting that elected the board and shall be extended until the expiry of the deadline, within the immediately following regular General Meeting must convene. That specific article of the Articles of Association has been amended and the tenure for the members of the Board of Directors shall be for four years.

The Board of Directors shall meet upon every occasion required under the law, the Articles of Association or the Company's needs, following an invitation by its Chairman or his/her deputy at the Company's registered offices or the Company's branch at Keratsini (1 Spetson Street). The invitation must necessarily state with clarity the matters on the agenda, or else the passing of resolutions shall only be permitted only if all of the members on the Board of Directors are present or represented and no one has objected to the decision-making.

The Board of Directors may validly convene outside its registered offices in any other domestic or location abroad, on condition that all its members are present or represented at that meeting and no one has objected to holding the meeting elsewhere and to decision-making.

The Board of Directors may convene via teleconferencing. In that case the invitation to the members on the Board of Director shall include the necessary information regarding their participation at the meeting. The Chairman or his/her lawful deputy shall chair the meetings by the Board of Directors.

The Board of Directors shall be in quorum and validly convened where one half plus one of the directors are present or represented, however the number of the directors present can under no circumstances be less than three (3).

An absolute majority of the directors present and represented is required for the valid decision-making by the Board of Directors.

A director that is absent may be represented by another director through a simple letter or Telegraph that is addressed to the Chairman of the Board of Directors. Every director may only represent one other director and it is furthermore necessary that at least three members are present at every meeting.

The discussions and decisions of the Board of Directors shall be entered in a précis form into a special Journal that may also be kept on a computerised system. Following an application by the member of the Board of Directors, the Chairman is required to enter a precise summary of his/her opinion in the Minutes. A list of the members of the Board of Directors that were present or represented at the meeting shall also be entered into this Journal. The minutes of the Board of Directors shall be signed by the Chairman or Vice- Chairman if elected, or if a Vice- Chairman has not been elected then the minutes are signed by the Managing Director. Copies of the Minutes shall be officially issued by these persons, without requiring any other validation.

The Board of Directors has the right to transfer its authorities on every occasion by its special decision, which shall be entered into the Minutes, (excluding of those that require collective action) on specific and individually determined matters to one or more members of the Board of Directors or to other persons that shall act alone or collectively. The Board of Directors may also assign the Company's internal audit to one or more persons that are not its members and to members of the Board of Directors where it is not prohibited by the law. These persons may further assign the exercise of the authorities that have been assigned to them or a section thereof to other members or third parties, where this is provided in the resolutions of the Board of Directors.

- a) If a director's position is vacated due to death, resignation or under any whatsoever other cause, the remaining members on the Board of Directors, which must be at least three (3), may elect a replacement director. The tenure of the replacement director shall expire at the same date with the director's tenure who has been replaced would have expired. The resolution with the election shall be submitted to the publication requirements under article 12 of Law 4548/2018 and shall be announced by the Board of Directors at the immediately next General Assemble, which may replace the elected members, even where the relevant matter has not been entered on the agenda.
- b) In the aforementioned case of resignation, death, or loss of the capacity as a member of the Board of Directors in any whatsoever manner, the remaining members may continue managing and representing the Company without replacing the missing members, in accordance with the hereinabove, on condition that their number exceeds one half of the members that were prior to the onset of the above events. In any case, these members cannot be less than three (3).
- c) In any case, the remaining members of the Board of Directors, regardless of their number, may proceed with convening a General Meeting for the exclusive purpose of electing a new Board of Directors.

3.2 Information concerning the members of the Board of Directors

The Company's current Board of Directors is comprised of six (6) members, in respect of which three (3) members are executive, two (2) are non-executive and independent members, whereas one (1) member is non-executive and dependent and their tenure is for a period of four years (4 years) until **June 13, 2021**.

In particular:

1. **Mr Nikolaos Loulis, son of Konstantinos Loulis**, Chairman of the Board of Directors – Executive Member

2. **Mr Nikolaos Fotopoulos, son of Spyridon Fotopoulos**, Vice- Chairman of the Board of Directors and Managing Director – Executive Member
3. **Mr Konstantinos Dimopoulos , son of Nikolaos Dimopoulos**, Member of the Board of Directors – Executive Member
4. **Mr Khedaim Abdulla Saeed Faris Alderei, son of Abdulla**, Member of the Board of Directors – Non-Executive Member
5. **Mr Georgios Mourelatos, son of Apostolos Mourelatos**, Member of the Board of Directors – Independent Non-Executive Member
6. **Mr Andreas Koutoupis son of Georgios Koutoupis**, Member of the Board of Directors – Independent Non-Executive Member.

The Board of Directors was convened on sixteen (16) occasions during 2020 and after having confirmed the legal quorum, members were present in person or represented at the meetings i.e. Nikolaos Loulis, Nikolaos Fotopoulos, Konstantinos Dimopoulos and Georgios Mourelatos have been present in person or represented in all meetings, Khedaim Abdulla Saeed Faris Alderei has been present via teleconference in five meetings and Andreas Koutoupis has been present in nine meetings.

Brief resumes of the members of the Board of Directors are presented below:

Mr Nikolaos Loulis, son of Konstantinos Loulis, Chairman of the Board of Directors – Executive Member

Born in 1986 at Volos; Studied at the Business Administration Department of the Boston College where he majored in accounting, costing and the financial sector; graduated in 2008; since August 2009 he has studied at the Special School for Technical Mills in Switzerland from where he received his diploma in February 2010; he has also graduated with an MBA from INSEAD business school; speaks English and German.

Mr Nikolaos Fotopoulos, son of Spyridon Fotopoulos, Vice- Chairman of the Board of Directors and Managing Director – Executive Member

Born in 1960; Graduated in 1983 from the Athens University of Economics and Business and holds an MBA from Universitaet Mannheim in Germany (1986). In 1992 he was appointed as the Officer in Charge of the Athens branch at the "KYLINDROMYLOS LOULI SA" Company and in 1986 he became the Chief Financial Officer of that Company. Between 1999 and 2004 he served as the Chairman \ and Managing Director of the "SAINT GEORGE MILLS SA" Company (a subsidiary of "LOULIS MILLS SA").

Mr Konstantinos Dimopoulos , son of Nikolaos Dimopoulos, Member of the Board of Directors – Executive Member

Born in 1929; held various positions between 1954 and 1988 at the "SAINT GEORGE MILLS SA" Company (1967-1974: Manager of the Thessaloniki branch, 1974-1982: Athens Sales Manager, 1982-1988: Attica Sales

Manager). Between 1991 and 2004 he was a member of the Board of Directors for "SAINT GEORGE MILLS SA".

Mr Khedaim Abdulla Saeed Faris Alderei, son of Abdulla, Member of the Board of Directors – Non-Executive Member.

He is a member of the Royal family and government of the United Arab Emirates; he has studied in the USA and Lebanon; He has served as the Deputy Foreign Minister for the United Arab Emirates and has held other senior government positions; he was also the Managing Director of the A/Y Sheikh Hamdan Bin Zayed Al Nahyan Enterprises.

Mr Georgios Mourelatos, son of Apostolos Mourelatos, Member of the Board of Directors – Independent Non-Executive Member.

He was born in Patras in 1954; he studied Political and Economic Sciences in Athens; during his career till today in the Banking and the Food Sector, he has served in middle management and senior positions of responsibility as the Senior Officer of the Central Treasury Management in the Banking Sector, General Manager at "Agios Georgios Mills" as well as the General Manager of LOULIS GROUP of Companies. He is currently employed as a consultant – internal associate at Eurobank.

Mr Andreas Koutoupis son of Georgios Koutoupis, Member of the Board of Directors – Independent Non-Executive Member.

He was born in 1974. Dr Andreas G. Koutoupis is Chartered and Certified Internal Auditor of the same name Consulting company providing Internal Audit services, Professional Trainer presenting Corporate Governance, Business Risk Management and Internal Audit and Head of Internal Audit Services (Director) of Mazars in Greece for the last 8 years.

He served as a Senior Manager within the Internal Audit Services department of PricewaterhouseCoopers of Greece for more than 10 years.

He owns PhD in Accounting and Auditing – Corporate Governance and Internal Controls, Degree of Master of Science in Internal Auditing and Management (City University Business School, London, UK) and he has been awarded a BSc in Public Administration (Panteion University).

He is Chartered Auditor in Risk Management, The Institute of Internal Auditors, holds an 'A' class Greek Accounting & Tax License, is Chartered Internal Auditor (CMIIA), Certified Internal Controls Auditor (CICA), Certified Internal Auditor (CIA). Moreover, he holds Accreditation in Internal Quality Assessment/ Validation and Certification in Control Self-Assessment (CCSA). Finally, he holds Advanced Diploma in Internal Auditing and Management (MIIA Internal Auditing Qualification, Professional Level), Diploma in Internal Audit Practice (PIIA Internal Auditing Qualification, Practitioner Level) and holds license to practice the profession of economist – Economic Chamber of Greece.

Therefore, the members of the BoD, as now in force, have diversity in terms of age, education and employment background as well as in skills, views, abilities, knowledge, qualifications and expertise which aims to the most effective pursuit of the corporate objectives.

4. Audit Committee

The Company, in full compliance with the Provisions and requirements of Law 4449/2017, appointed the Audit Committee with four year term, at the annual Ordinary General Meeting of the shareholders that took place on July 8, 2019. The Audit Committee has the appropriate composition provided in article 44 par. 1 subparagraph a) case ab) Law 4449/2017 (independent committee that consists of non-executive members of the Board of Directors and others) and consists of the following:

- 1) **Andreas Koutoupis** son of Georgios and Marianthi, 'A' class Greek Accounting & Tax License holder, Internal Audit Consultant, I.D. AB 011519/20-12-2005 of Piraeus P.D, residing in Athens, (36 Eressou str.), born in Athens in 1974, T.R.N. 062392659, Independent Non-Executive Member of the BoD of the Company, elected by the aforementioned Ordinary General Meeting as Chairman of the Audit Committee and has proven sufficient knowledge of accounting and auditing (international standards), as well as meets the requirements of independence of law 3016/2002.
- 2) **Georgios Mourelatos** son of Apostolos and Maria, business consultant, I.D. AE 041631/2-2-2007 of Vironas P.D., residing in Vironas of Attica, 5 Saranta Ekklosion str., born in Patra of Achaia in 1954, T.R.N. 022348273, Independent Non-Executive Member of the BoD of the Company.
- 3) **Konstantinos Kontochristopoulos** son of Anastasios and Paraskevi, economist, I.D. AK 537719/7-6-2012 of Neos Kosmos P.D., residing in Glika Nera of Attica, 10 Makrigianni str., born in Marousi in 1977, T.R.N. 078121528 and he is not a member of the Company's BoD. Konstantinos Kontochristopoulos is Economist, and born in 1977 in Athens. After completed his studies in Finance and Accounting at American College of Greece he attended Brunel University of London for postgraduate studies in Finance and Investments while he has also graduated with an MBA from Kent University. He has been over several years Deputy General Director in LOULIS MILLS SA in Greece and Bulgaria, Financial Director of SCHUR FLEXIBLES ABR S.A. member of the Austrian group SCHUR FLEXIBLES GROUP whereas for the time being he is Financial Director of DUNAPACK VIOKYT Packaging S.A. member of the Austrian group PRINZHORN GROUP. He is also a member of the board of directors of the Association of Industries of Thessaly & Central Greece.

The responsibilities and obligations of the Audit Committee, in full compliance with law 4449/2017 are the following:

- reporting to the BoD on the outcome of the statutory audit and the contribution of the statutory audit to the integrity of the financial information as well as the role of the Audit Committee on that procedure,
- monitoring the procedure of financial information and submitting recommendations or proposals for ensuring its integrity,

- monitoring the effectiveness of the Company's internal audit function, quality assurance of the Company's risk management system and, if applicable, of the internal audit department regarding the financial information of the Company without breaching its independence,
- monitoring the statutory audit of the annual and consolidated Financial Statements and primarily its performance taking into consideration any findings or conclusions of the competent authority pursuant to par. 6 art. 26 of the Regulation (EU) 537/2014.
- reviewing and monitoring the independence of the External Auditors or audit companies pursuant to art. 21, 22, 23, 26 and 27 as well as art. 6 of the Regulation (EU) 537/2014 and particularly the appropriateness of non-audit services' provision to the Company according to art. 5 of the Regulation (EU) 537/2014,
- monitoring the process of appointment of the External Auditor or audit companies and making recommendations regarding the appointment of the External Auditor or audit companies in accordance with article 16 of Regulation (EU) 537/2014, unless par. 8 of art. 16 of Regulation (EU) 537/2014 applies. In general, the mission of the Audit Committee is to provide reasonable assurance regarding the effectiveness and efficiency of operations, reliability of financial reporting, compliance with applicable laws and regulations, to safeguard the company's assets and investments and ensure that significant risks are identified and adequately managed.

It is clarified that the External Auditor who conducts the audit of the Annual and Interim Financial Statements neither provides any other type of non-audit services to the Company nor is linked with the Company in any other relationship in order to be ensured his objectivity, impartiality and independence.

4.1 Audit Committee Activities

4.1.1 Meetings and participation

The Committee held nine (9) meetings during 2020 at which all three members of the Audit Committee were present. These meetings were scheduled to coincide with the time of publishing of the Company's Financial Statements.

The internal auditor of the Company and the statutory auditor, Mr. Spirakis Dimitrios had the opportunity to discuss issues with the Audit Committee without the presence of members of the executive management.

4.1.2 Review of the Financial Results

The Audit Committee supervises and evaluates the procedures for preparing the Company's interim and annual Financial Statements in accordance with the applicable accounting standards and examines the reports of the external auditors regarding any deviations from the current accounting practices and audit standards. In particular, the Audit Committee re-examined the main estimations and judgements that significantly affect the financial results, the main issues for disclosure and presentation, in order to ensure the completeness, clarity and adequacy of the information disclosed in the Financial Statements, prior to their submission to the Board of Directors.

4.1.3 External audit

Independence

The Audit Committee is responsible for developing, implementing and auditing the Company's procedures in relation to the external audit. These procedures have been designed with a view to ensuring the independence and objectivity of the external auditors and determining the appropriate framework for the movement of staff from the Audit Company to the Company's branches. They, also, determine the required actions if non-auditing services are provided by the external auditor.

In principle, the external auditors are excluded from providing consulting services and cannot be employed at LOULIS MILLS SA in a non-auditing position, unless there are compelling reasons. Any recommendation for engaging external auditors in non-auditing activities must be approved by the Audit Committee prior to their assignment.

The Audit Committee annually receives a confirmation from the statutory auditor in relation to the independence and objectivity of the external auditors, as required on the basis of the professional standards and regulatory provisions, as well as confirmation regarding senior Management's compliance with the Company's instructions regarding the engagement of former external auditors by the Company or their employment in non-auditing projects.

Effectiveness and revision

The Audit Committee has undertaken the annual revision of the experience, available resources and the independence of the external auditors, as well as the evaluation of the effectiveness of the auditing procedures that were applied to:

- The review and approval of the audit plan by the statutory auditor regarding the financial statements for 2020, the terms included in the engagement letter and the preferred auditing fees;
- Conducting interviews with Management and other management executives, as well as the statutory auditor with respect to ensuring the independence, objectivity and integrity of the external auditors and defining the audit strategy and cooperation with the Company; and
- Obtaining information from the statutory auditor with respect to the procedures that ensure the independence and the quality of the audit.

Concerning the proposal to the Board of Directors for renewing the cooperation for one year with the statutory auditor, the Audit Committee considered the auditor's tenure and examined the need to conduct a full bidding process. There were no contractual obligations that would restrict the decision by the Audit Committee in relation to the selection of the external auditors.

4.1.4 Internal Audit

During 2020 the Audit Committee:

- Reviewed the outcome of the audits that were carried out by the Internal Audit Department and evaluated Management's response to the brought-up issues such as, inter alia, the implementation of any recommendations made.
- Reviewed and approved the internal audit plan for 2021, including the recommended audit approach, the coverage extent and allocation of resources.

- Reviewed the effectiveness of the internal audit after having taken into account the opinions of the Board of Directors and other senior management executives on issues such as independence, adequacy of resources and vocational training, strategy, planning and the methodology for the internal audit.
- Reviewed the periodical reports regarding the significant internal controls as well as the details for any taken remedial action.

The Internal Audit Department constitutes an independent operation that ensures that all operations of the Company are carried out in accordance with the corporate objectives, policies and procedures. Specifically, the Internal Audit aims to ensure the credibility and stability of the financial audit internal controls within the full scope of the Company's activities.

The Internal Auditor acts in accordance with the International Standards for the Professional Practice of Internal Auditing and the Company's policies and procedures and reports directly to the BoD Audit Committee.

The BoD monitors the main risks that over time the Company faces assisted by, among others, the Audit Committee and the Internal Control Department. Furthermore, the BoD regularly reexamines the corporate strategy, the main business risks and the internal control systems.

5. Remuneration Committee

The Remuneration Committee set up and elected by the Company's BoD, with three-year term, at its meeting of May 27, 2019 and consists of the following:

1. **Andreas Koutoupis** son of Georgios Koutoupis and Marianthi, Independent Non-Executive Member of the Board of Directors appointed as Chairman of the Remuneration Committee.
2. **Georgios Mourelatos** son of Apostolos and Maria, Independent Non-Executive Member of the BoD of the Company.
3. **Konstantinos Kontochristopoulos** son of Anastasios and Paraskevi, not a member of the Company's BoD

The Remuneration Committee acts as an independent and objective body that assists with transparency the Board of Directors in the performance of its duties with regard to the remuneration of the Board of Directors, the executives and the employees of the Company undertaking the drawing up procedures and monitoring of the Remuneration Policy and the Remuneration Report of articles 110-113 of Law 4548/2018.

Particularly, the Remuneration Committee:

1. Proposes and presents to the BoD the content of the Remuneration Policy and its revisions regarding the members of the BoD and the Management Executives. The Remuneration Committee includes in the Remuneration Policy all the elements required by the law and the Corporate Governance Code with all appropriate differentiations according to the roles and duties of each of these persons (Executive BoD members, Non-executive BoD members, Executives). At its proposal to the BoD regarding the content of the Remuneration Policy, the Committee takes into account the Company's payroll and working conditions, which examines regularly, as well as the developing strategy, the Company's objectives, the conditions prevailing in the economy and the food market and the needs indicated by the executive management and the Company's Human Resources Department.

2. Monitors the implementation of the Remuneration Policy internally and on a regular basis.
3. Suggests a temporary derogation from the Remuneration Policy, provided that (a) the Remuneration Policy sets forth the procedural conditions under which a derogation may be made from its content; (b) the Remuneration Policy defines the certain points under which the derogation may be applied, (c) this derogation is necessary for the long-term servicing of the interests of the Company as a whole, or for ensuring its viability.
4. Regularly reviews the terms and conditions of the current contract agreements of the members of the BoD and the executives of the Company, including indemnities in the event of compensation, as well as the pension arrangements.
5. Reviews annually the Remuneration Policy, with regards to its compliance with the policies and procedures adopted by the BoD, the Law and the Corporate Governance Code and informs the BoD thereof. The Remuneration Committee ensures that, when assessing the mechanisms adopted for the risk alignment of the Remuneration Policy, all types of risks, liquidity and Company's capital adequacy are taken into account and it proposes corrective actions if it finds implementation weaknesses or deviations of the Remuneration Policy.
6. Submits proposed performance targets in relation to any variable remuneration of the BoD executive members as well as targets linked to stock option plans or shares. For that purpose, examines and submits proposals to the BoD concerning the total amount of the annual variable fees, meaning apart from the salary.
7. Examines and submits proposals to the BoD (and subsequently to the General Meeting whenever it is required) regarding the offering of stock option plans or the granting of shares.
8. Submits proposals for the review and improvement of any process related to the drafting of the Remuneration Policy, the Remuneration Report and the determination of the information contained therein.
9. Prepares the Remuneration Report of article 112 of Law 4548/2018. The Remuneration Committee determines and includes in the Remuneration Report all the information required by Law 4548/2018 and the Corporate Governance Code. The Remuneration Committee submits a report to the BoD outlining how the Remuneration Report, takes into account the outcome of the General Meeting's vote on the previous Remuneration Report.
10. Is generally responsible for proposing, making decisions and expressing an opinion on any corporate policy linked with fees and on any matter falling under articles 109-114 of Law 4548/2018, either voluntarily or at the request of the BoD or the General Meeting.

The Committee held two (2) meetings during 2020 at which all three members of the Remuneration Committee were present.

I. 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 Group's and 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 Transaction with related parties

	Group - 2020			
	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Associates	0	0	0	0
Executives and Members of the Management	0	0	136.600	734
Total:	0	0	136.600	734

	Company - 2020			
	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Kenfood S.A	453.630	1.333.001	59.539	373.577
Greek Baking School S.A	8.400	67.200	0	0
Loulis Logistics Services S.A	480	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	174.781	440.689	695.853	0
Associates	0	0	0	0
Executives and Members of the Management	0	0	0	734
Total:	637.291	1.840.890	755.392	374.311

	Group - 2019			
	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Associates	0	0	0	0
Executives and Members of the Management	0	0	395.361	5.340
Total:	0	0	395.361	5.340

	Company - 2019			
	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Kenfood S.A	494.538	1.187.211	0	51.214
Greek Baking School S.A	8.400	47.250	0	0
Loulis Logistics Services S.A	480	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	80.873	927.527	3.582.897	0
Associates	0	0	0	0
Executives and Members of the Management	0	0	500	320
Total:	584.291	2.161.988	3.583.397	51.534

Fees of Executives and Members of the Management

	Group		Company	
	2020	2019	2020	2019
Salaries	1.084.533	900.080	638.515	664.451
Total:	1.084.533	900.080	638.515	664.451

There are no other significant transactions with the associated companies for 2020.

J. Events that have occurred up to the date of the Financial Statements' preparation

The most significant events that took place subsequently of December 31, 2020 and till the date of the Financial Statements' preparation are as follows:

Manufacture of Cereal Silos in Bulgaria

On April 12, 2021, the Company's 100% indirect subsidiary under the name "LOULIS MEL-BULGARIA EAD" started building cereal silos with a capacity of 7.000 tons, on a privately owned plot located in the industrial zone of Bozhurishte in Sofia, Bulgaria. The cost of the investment has been budgeted at € 2,8 million.

JA. Information pursuant to Article 50, par. 2 of Law 4548/2018 for acquired own share

The Company, on December 31, 2019, did not possess any own shares.

JB. Explanatory Report of the Board of Directors (pursuant to article 4, par. 7 & 8 of law 3556/2007)

This Explanatory Report of the Board of Directors to the Annual General Meeting of shareholders includes detailed information in accordance with the provisions of paragraph 1 of article 11a pursuant to Law 3371/2005 as in force.

1. Share Capital Structure

The Company's share capital amounts to € 16.093.063,20, divided into 17.120.280 shares with the nominal value of € 0,94 per each. All shares are ordinary, registered, voting shares, listed for trading on the Athens Exchange and particularly in the Mid Cap class.

2. Restrictions on the transfer of Company's shares

There are no restrictions in the Articles of Association regarding the transfer of the company shares, except of those declared by Law.

3. Significant direct or indirect participations according to articles 9-11 of Law 3556/2007.

On settlement date 15.04.2021 Mr. Loulis Nikolaos holds 48,47%, Mrs Evangelia Louli holds 6,86%, and AL DAHRA AGRICULTURE SPAIN SLU holds 20,01% of the share capital of the Company. There is no other natural or legal person that owns more than 5% of the share capital.

4. Holders of any type of share providing special rights of control.

There are no Company's shares providing their holders with any special control rights.

5. Restrictions on voting rights.

There are no restrictions in the Articles of Association regarding voting rights.

6. Agreements between Company's shareholders.

The Company is not aware of any agreements between its shareholders which might result in restrictions on the transfer of its shares or the exercise of voting rights.

7. Rules of appointment and replacement of members of the Board of Directors and amendment of Articles of Association which are differentiated from those as specified in Law 4548/2018.

The regulations set out in the Company's Articles of Association regarding the appointment and replacement of its BoD members as well as the amendment of its Articles of Association do not differ from the provisions of the Law 4548/2018.

8. Responsibility of the Board of Directors for issuing new shares or purchase own shares.

According to the provisions of article 6 of Company's Articles of Association, within five years from the relevant decision of the General Meeting, the BoD, following a decision taken with the quorum and majority requirements prescribed in Law 4548/2018, has the right to increase the share capital partially or in full by issuing new shares, for an amount that cannot exceed the triple of the paid up share capital at the date the relevant authority has been granted to the BoD. Pursuant to the provisions of art. 49 of Law 4548/2018, public limited companies, following a decision of the General Meeting of their shareholders, can acquire own shares, up to 10% of their total number of shares, based on the specific terms and procedures of the art. 49 of Law 4548/2018. There is no any contrary provision in the Company's Articles of Association.

9. Important agreement made by the Company, which will come into effect, be amended or expire upon any changes in the Company's control following a public offer and the results of this agreement.

There are no such agreements.

10. Agreements made between the Company and its BoD members or its personnel, regarding compensation in case of resignation or release from duties without sufficient reason or in case of termination of their term or employment due to a public offer.

There are no agreements between the Company and the members of its Board of Directors or its personnel for the payment of compensation particularly in the event of resignation or termination of employment without sufficient reason or termination of tenure or employment due to public offer.

JC. Dividends and Shares

The BoD of the Company after taking into account the financial results of the year 2020, the financial position of the Company, the prospects as well as the conditions prevailing in the wider financial environment shall propose in the following Annual General Meeting of the Shareholders the non-distribution of dividends.

JD. Corporate Social Responsibility

The annual Corporate Social Responsibility Report by Loulis Mills AE, based on a globally recognized reporting standard (GRI Standards), will be accessible to the public and posted on the Company's webpage (www.loulismills.gr).

The Chairman of the Board of Directors
Nikolaos Loulis

Soupri, Magnisia April 26, 2021

The Board of Directors

[Translated from the original in Greek]

Independent Auditor's Report

To the Shareholders of "LOULIS MILLS S.A."

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the Company "LOULIS MILLS S.A." (the Company), which comprise the separate and consolidated statement of financial position as at December 31, 2020, and the separate and consolidated statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "LOULIS MILLS S.A." and its subsidiaries (the Group) as of December 31, 2020, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards as endorsed by the European Union.

Basis for Opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as incorporated in Greek Legislation. Our responsibilities, under those standards are described in the "Auditor's Responsibilities for the Audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as incorporated in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece and we have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

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

Key audit matter	How our audit addressed the Key audit matter
Valuation of inventories	
As described in Note 7.7 of the financial statements the value of the inventories as included in the statement of financial position of the Group and the Company at December 31, 2020 amounts to € 22.499.105 and € 16.705.167 respectively.	We performed a risk based approach and our audit includes, among others, the following procedures:
The Group and the Company value inventories at the lower of cost and net realizable value.	<ul style="list-style-type: none">• The understanding and the test of the procedures designed by the Management regarding inventories.• We attended physical inventory counting in Company's warehouses and production facilities.• On a sample basis we tested the verification of both the purchase and the production cost.
For the determination of the net realizable value the Management of the Company performs appropriate estimates, based on the maturity of the	

inventories, their movement during every reporting period as well as any liquidation future plans. We consider valuation of inventories of the Group and the Company a key audit matter due to the significant value of the inventories as well as the judgment and estimations involved by the Management in the determination of their net realizable value.

The disclosures of the Group and the Company regarding the accounting policy applied for the valuation of inventories are described in Notes 6.4.7, 6.5.5 and 7.7 of the financial statements.

Recoverability of trade receivables

As described in Note 7.8 of the financial statements, the value of the trade receivables as included in the statement of financial position of the Group and the Company at December 31, 2019, amounted to € 31.848.818 and € 29.717.674 respectively and the relevant accumulated impairment provision amounts to € 7.462.906 and € 6.680.055 respectively.

Management evaluates the recoverability of the trade receivables of the Group and the Company and estimates the necessary impairment provision for the expected credit loss.

Management, in order to estimate the amount of impairment of its trade receivables, evaluates their recoverability, by reviewing the maturity of the customers' balances, their credit history and the settlement of the subsequent payments.

Given the significance of the matter above and the level of the judgements and estimations that were required we consider recoverability of trade receivables a key audit matter.

The disclosures of the Group and the Company regarding the trade receivables are described in Notes 6.4.9, 6.5.6 and 7.8 of the financial statements.

- We examined on a sample basis the available accounting records used to determine the net realizable value and the identification of obsolete stock.
- We evaluated the reasonableness of estimates and assumptions used by the Management for the valuation of inventories.
- We also assessed the adequacy and appropriateness of the relating disclosures included in the financial statements.

We performed a risk based approach and our audit includes, among others, the following procedures:

- The understanding and the examination of the credit control procedures of the Group and the Company designed for credit granting to customers as well as the monitoring of the trade receivables.
- The evaluation of the assumptions and methodology used by the Management of the Company to determine the recoverability of the trade receivables or their classification as bad debts, taking into account the customers' ageing analysis and any guarantees and collaterals provided by the customers.
- The examination of the response letters received from legal advisors concerning the matters they dealt with through the year so as to identify indications of trade balances that may not be recoverable in the future.
- We received third party confirmation letters on a sample basis of the trade receivables and performed procedures subsequent to the financial statements date for collections against end year balances
- The examination of the maturity of the year-end trade receivable balances and the existence of any debtors facing financial difficulty. Discussion with the Management and examination of the recent mail between the Company and its customers. Evaluation of the publicly available information.

- Recalculation of the expected credit loss taking into account the calculation model used by the management and we confirmed the completeness and the accuracy of the data.
- We also assessed the adequacy and appropriateness of the disclosures included in the financial statements.

Other Information

Management is responsible for the other information. The other information is included in the Board of Directors' Report, as referred to the "Report on other Legal and Regulatory Requirements" section, in the Declaration of the Board of Directors Representatives, but does not include the financial statements and our auditor's report thereon. Our opinion on the separate and consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

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

Responsibilities of Management and Those Charged with Governance for the separate and consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as endorsed by the European Union, and for such internal control as Management determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, Management is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless, Management either intends to liquidate the Company and the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee (art. 44 of Law 4449/2017) of the Company is responsible for overseeing the Company's and the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the separate and consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the separate and the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as incorporated in Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs as incorporated in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and the Group. We remain solely responsible for our audit opinion.

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

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

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

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement which is included therein, according to the provisions of paragraph 5 of article 2 of L. 4336/2015 (part B), we note that:

- a) The Board of Directors' Report includes the Corporate Governance Statement which provides the information required by Article 152 of Law 4548/2018.
- b) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of articles 150-151 and 153 and of paragraph 1 (cases c' and d') of article 152 of Law 4548/2018 and its content is consistent with the accompanying separate and consolidated financial statements for the year ended 31.12.2020.

c) Based on the knowledge we obtained during our audit about the company “LOULIS MILLS S.A.” and its environment, we have not identified any material inconsistencies in the Board of Directors’ Report.

2. Additional Report to the Audit Committee

Our audit opinion on the separate and the consolidated financial statements is consistent with our Additional Report to the Audit Committee of the Company, referred to in article 11 of EU Regulation 537/2014.

3. Provision of Non-Audit Services

We have not provided to the Company and the Group any prohibited non-audit services referred to in article 5 of EU Regulation No 537/2014.

4. Auditor’s Appointment

We were appointed as statutory auditors for the first time by the General Assembly of shareholders of the Company on 23/06/2014. Our appointment has been, since then, uninterrupted renewed by the Annual General Assembly of shareholders of the Company for 7 consecutive years.



BDO Certified Public Accountant S.A.
449 Mesogion Av,
Athens- Ag. Paraskevi, Greece
Reg. SOEL: 173

Ag. Paraskevi, 27/4/2021
Certified Public Accountant

Dimitrios V. Spirakis
Reg. SOEL: 34191

ANNUAL FINANCIAL STATEMENTS

1. STATEMENT OF FINANCIAL POSITION

(Amounts in €)

	Note	GROUP		COMPANY	
		31/12/2020	31/12/2019	31/12/2020	31/12/2019
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	7.1	101.320.038	100.367.011	90.516.419	92.248.428
Investment Property	7.1	355.992	341.116	336.000	341.116
Right of Use Assets	7.2	985.238	2.950.268	839.478	1.666.112
Other Intangible Assets	7.3	2.279.414	1.534.091	1.505.626	791.827
Goodwill	7.4	1.000.000	1.000.000	0	0
Investments in Subsidiaries	7.5	0	0	14.159.033	4.659.123
Other Non-Current Receivables	7.6	79.297	52.734	12.521	15.317
Deferred Tax Assets		0	0	0	0
		<u>106.019.979</u>	<u>106.245.220</u>	<u>107.369.077</u>	<u>99.721.923</u>
Current Assets					
Inventories	7.7	22.499.105	21.716.168	16.705.167	16.301.012
Trade Receivables	7.8	31.848.818	33.011.519	29.717.674	32.052.672
Derivative Financial Assets	7.9	0	177.240	0	177.240
Cash and Cash Equivalents	7.10	14.886.801	9.162.058	11.600.271	8.160.663
Other Current Assets	7.11	2.964.541	4.214.989	3.210.295	6.432.040
		<u>72.199.265</u>	<u>68.281.974</u>	<u>61.233.407</u>	<u>63.123.627</u>
TOTAL ASSETS		<u>178.219.244</u>	<u>174.527.194</u>	<u>168.602.484</u>	<u>162.845.550</u>
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
Own Shares Purchased		0	0	0	0
Other Reserves	7.12	43.396.038	43.112.889	44.908.264	44.113.182
Equity attributable to Equity Holders of the Parent		<u>91.091.459</u>	<u>90.808.310</u>	<u>92.603.685</u>	<u>91.808.603</u>
Non-Controlling Interest		401	170	0	0
Total Equity		<u>91.091.860</u>	<u>90.808.480</u>	<u>92.603.685</u>	<u>91.808.603</u>
Non-Current Liabilities					
Non-Current Loans and Borrowings	7.13	54.319.165	37.963.762	45.575.000	31.763.322
Deferred Tax Liabilities	7.14	11.277.124	11.177.405	11.148.530	11.204.232
Provisions for Retirement Benefits	7.15	870.140	850.416	782.537	787.580
Non-Current Lease Liabilities	7.2	323.374	458.673	241.177	365.940
Other Non-Current Liabilities	7.16	3.001.352	3.141.491	3.001.352	3.141.491
		<u>69.791.155</u>	<u>53.591.747</u>	<u>60.748.596</u>	<u>47.262.565</u>
Current Liabilities					
Trade Payables	7.17	8.627.153	13.623.434	7.317.978	11.359.686
Loans and Borrowings	7.13	5.957.363	10.024.972	5.442.134	6.190.880
Derivative Financial Liabilities	7.9	0	48.780	0	48.780
Tax Liabilities	7.18	870.694	1.451.295	806.130	1.415.727
Current Lease Liabilities	7.2	350.177	356.084	283.353	282.904
Other Current & Accrued Liabilities	7.19	1.530.842	4.622.402	1.400.608	4.476.405
		<u>17.336.229</u>	<u>30.126.967</u>	<u>15.250.203</u>	<u>23.774.382</u>
Total Equity and Liabilities		<u>178.219.244</u>	<u>174.527.194</u>	<u>168.602.484</u>	<u>162.845.550</u>

2. STATEMENT OF COMPREHENSIVE INCOME

(Amounts in €)

	Note.	GROUP		COMPANY	
		1/1-31/12/2020	1/1-31/12/2019	1/1-31/12/2020	1/1-31/12/2019
Revenue	7.20	111.062.878	107.731.666	97.921.879	100.584.409
Cost of Sales		(89.791.009)	(85.369.050)	(78.857.781)	(80.394.340)
Gross Profit		21.271.869	22.362.616	19.064.098	20.190.069
Other Income	7.21	3.683.145	3.654.636	2.565.626	3.398.638
Distribution Expenses	7.22	(13.978.690)	(14.250.708)	(12.101.047)	(12.748.641)
Administration Expenses	7.23	(5.753.715)	(4.561.078)	(4.996.408)	(3.839.793)
Other Expenses	7.24	(1.748.868)	(1.725.218)	(635.100)	(1.447.091)
Fair Value valuation of Bonds and Participations		169.140	(9.703)	169.140	(9.703)
Financial Income	7.25	21.489	22.505	87.573	83.094
Financial Expenses	7.25	(2.374.801)	(2.158.522)	(1.911.047)	(1.802.334)
Profits/(Losses) before Taxes		1.289.569	3.334.528	2.242.835	3.824.239
Tax Expense	7.26	(573.592)	(317.141)	(469.203)	93.468
Net Profit of the Year		715.977	3.017.387	1.773.632	3.917.707
Owners of the Parent Company		715.946	3.017.555	1.773.632	3.917.707
Non-Controlling Interests		31	(168)	0	0
Other Comprehensive Income					
Items that will be Reclassified to Profit or Loss		0	0	0	0
Profit/Loss on Revaluation of Property	7.27	1.160.933	1.308.972	543.583	1.308.972
Subsidies		0	0	0	0
Actuarial Profits/Losses		(14.191)	(72.754)	(1.784)	(64.365)
Income Tax that relates to Other Comprehensive Income		(189.023)	(314.153)	(130.032)	(314.153)
Items that will not be Reclassified to Profit or Loss		957.719	922.065	411.767	930.454
Total Comprehensive Income for the Year		1.673.696	3.939.452	2.185.399	4.848.161
Profit Attributable to:					
Owners of the Parent Company		1.673.666	3.939.621	2.185.399	4.848.161
Non-Controlling Interests		30	(169)	0	0

Earnings per Share for Profits Attributable to the Owners of the Parent					
Basics	7.28	0,0418	0,1763	0,1036	0,2288
Diluted	7.28	0,0418	0,1763	0,1036	0,2288
Proposed Dividend per Share		0,0000	0,0700	0,0000	0,0700
Depreciation		4.995.923	4.668.337	4.546.120	4.413.058
Earnings before Interest and Tax		4.276.687	6.307.561	4.440.998	6.375.065
Earnings before Interest, Tax, Depreciation and Amortization		9.272.610	10.975.898	8.987.118	10.788.123

Certain items on the Financial Statement of the previous year have been reclassified to be comparable with the corresponding items of the current year. This reclassification had no effect on Equity, Income after Taxes and Total Revenue after Taxes of the Group and the Company.

3. 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	Reserves from the Revaluation of Assets	Reserves from Foreign Exchange Differences	Other Reserves	Profit/(Loss) for the period after taxes	Equity before non-controlling interest	Non-controlling Interest	Equity after non-controlling interest
Balance at January 1st 2019	16.093.063	32.629.575	1.713.471	103.990	3.407.114	0	3.800.971	3.482.806	7.843.920	20.478.708	89.553.618	(353.056)	89.200.562
Profits/(Losses) for the period after Taxes	0	0	0	0	0	0	994.819	0	0	3.017.555	4.012.374	(168)	4.012.206
Net Revenue/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	(1.549.462)	(1.549.462)	0	(1.549.462)
Actuarial Profits/(Losses)	0	0	0	0	0	0	0	0	0	(72.753)	(72.753)	(1)	(72.754)
Dividends	0	0	0	0	0	0	0	0	0	(202.703)	(202.703)	0	(202.703)
Share Capital Increase	1.027.217	0	0	0	0	0	0	0	0	0	1.027.217	0	1.027.217
Return of Capital to Shareholders	(1.027.217)	0	0	0	0	0	0	0	0	0	(1.027.217)	0	(1.027.217)
Sales/ (Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	0	0	0
Change in Reserves	0	(1.027.217)	107.716	0	13.343	0	(1.487.757)	(2.420.917)	(192.141)	4.074.209	(932.764)	(94.453)	(1.027.217)
Minorities	0	0	0	0	0	0	0	0	0	0	0	447.848	447.848
Net Position at December 31st, 2019	16.093.063	31.602.358	1.821.187	103.990	3.420.457	0	3.308.033	1.061.889	7.651.779	25.745.554	90.808.310	170	90.808.480
Balance at January 1st, 2020	16.093.063	31.602.358	1.821.187	103.990	3.420.457	0	3.308.033	1.061.889	7.651.779	25.745.554	90.808.310	170	90.808.480
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	968.738	0	0	715.946	1.684.684	31	1.684.715
Net Revenue/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	0	0	0
Actuarial Profits/(Losses)	0	0	0	0	0	0	0	0	0	(11.018)	(11.018)	(1)	(11.019)
Dividends	0	0	0	0	0	0	0	0	0	(1.390.317)	(1.390.317)	0	(1.390.317)
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	154.496	0	0	0	0	0	0	(154.496)	0	0	0
Minorities	0	0	0	0	0	0	0	0	0	(200)	(200)	201	1
Net Position at December 31st, 2020	16.093.063	31.602.358	1.975.683	103.990	3.420.457	0	4.276.771	1.061.889	7.651.779	24.905.469	91.091.459	401	91.091.860

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 at January 1st 2019	16.093.063	32.629.575	1.641.544	103.990	3.208.286	0	3.800.971	6.592.716	24.120.217	88.190.362	88.190.362
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	3.917.707	3.917.707	3.917.707
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	(64.365)	(64.365)	(64.365)
Profit/(Losses) from revaluation of Property	0	0	0	0	0	0	994.819	0	0	994.819	994.819
Dividends	0	0	0	0	0	0	0	0	(202.703)	(202.703)	(202.703)
Share Capital Increase	1.027.217	0	0	0	0	0	0	0	0	1.027.217	1.027.217
Return of Capital to shareholders	(1.027.217)	0	0	0	0	0	0	0	0	(1.027.217)	(1.027.217)
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	(1.027.217)	76.900	0	0	0	(1.487.757)	0	1.410.857	(1.027.217)	(1.027.217)
Net Position at December 31st, 2019	16.093.063	31.602.358	1.718.444	103.990	3.208.286	0	3.308.033	6.592.716	29.181.713	91.808.603	91.808.603
Balance at January 1st 2020	16.093.063	31.602.358	1.718.444	103.990	3.208.286	0	3.308.033	6.592.716	29.181.713	91.808.603	91.808.603
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	1.773.632	1.773.632	1.773.632
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	(1.356)	(1.356)	(1.356)
Profit/(Losses) from revaluation of Property	0	0	0	0	0	0	413.123	0	0	413.123	413.123
Dividends	0	0	0	0	0	0	0	0	(1.390.317)	(1.390.317)	(1.390.317)
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	154.496	0	0	0	0	0	(154.496)	0	0
Net Position at December 31st, 2020	16.093.063	31.602.358	1.872.940	103.990	3.208.286	0	3.721.156	6.592.716	29.409.176	92.603.685	92.603.685

4. CASH FLOW STATEMENT

	GROUP		COMPANY	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash Flow from Operating Activities				
Profit/(Loss) before Tax	1.289.569	3.334.528	2.242.835	3.824.239
<i>Adjustments for :</i>				
Depreciation	4.995.923	4.668.337	4.546.120	4.413.058
Provisions	(341.865)	1.065.417	443.313	1.088.355
Profit/(Loss) from Sale of Property ,Plant & Equipment and Intangible Assets	147.215	1.523	142.777	1.523
Interest Expenses	2.374.801	2.158.522	1.911.047	1.802.334
Interest Income	(21.489)	(22.505)	(87.573)	(83.094)
Adjustments for change in Workings Capital or relating Operating Activities:				
(Increase)/Decrease in Inventories	(636.321)	(357.748)	(404.154)	3.141.689
(Increase)/Decrease in Receivables	4.649.090	4.872.376	5.288.424	95.717
(Decrease)/Increase in Payables (Excluding Loans)	(9.556.243)	(5.429.359)	(7.198.123)	(1.657.884)
Less :				
Interest paid	(2.448.681)	(2.220.280)	(1.973.304)	(1.864.702)
Tax paid	(1.315.540)	(1.435.984)	(1.307.582)	(1.430.319)
Net Cash from Operating Activities (a)	(863.541)	6.634.827	3.603.780	9.330.916
Cash Flow from Investing Activities				
-				
Acquisition of Associates, Jvs and Other Investments	0	(1.168.907)	(9.499.910)	(2.948.040)
Purchase of Tangible and Intangible Assets	(3.963.123)	(4.740.614)	(2.139.717)	(2.336.292)
Proceeds from Disposal of Tangible and Intangible Assets	23.920	80.510	23.920	6.252
Interest Received	21.490	27.442	87.574	100.983
Net Cash from Investing Activities (b)	(3.917.713)	(5.801.569)	(11.528.133)	(5.177.097)
Cash Flow from Financing Activities				
Proceeds/(Payments) from Increase/Decrease of the Share Capital	0	(1.027.217)	0	(1.027.217)
Proceeds from Bank Borrowings 7.13	49.302.794	16.333.791	49.812.932	12.857.888
Payment of Bank Borrowings 7.13	(37.015.000)	(11.657.112)	(36.750.000)	(11.600.000)
Payment of Lease Liabilities	(391.814)	(370.676)	(308.988)	(292.561)
Dividends/Fees paid to the members of the BoD	(1.389.983)	(200.703)	(1.389.983)	(200.703)
Net Cash from Financing Activities (c)	10.505.997	3.078.083	11.363.961	(262.593)
Net Increase / (Decrease) in the Cash and Cash Equivalents (a+b+c)	5.724.743	3.911.341	3.439.608	3.891.226
Cash and Cash Equivalents at begging of the year	9.162.058	5.250.717	8.160.663	4.269.437
Cash and Cash Equivalents at the end of the year	14.886.801	9.162.058	11.600.271	8.160.663

Certain items on the Financial Statements of the previous year have been reclassified to be comparable with the corresponding items of the current year. This reclassification had no effect on Equity, Income after Taxes and Aggregate Total Revenue after Taxes of the Group and the Company.

5. SEGMENT REPORTING

1. Geographic Segments

The following table presents revenues and results for the Group's geographic segments for the year ended 31 December 2020 and 31 December 2019.

	GREECE		CYPRUS		BULGARIA		Consolidation deletions		Group	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Revenue	106.541.363	109.400.453	0	0	6.879.471	967.053	(2.357.956)	(2.635.840)	111.062.878	107.731.666
Gross Profit	20.730.371	22.400.882	0	0	608.698	8.984	(67.200)	(47.250)	21.271.869	22.362.616
Earnings before Interest, Tax, Depreciation and Amortization	9.366.494	10.695.865	0	(48.973)	(93.884)	(580.667)	0	82.360	9.272.610	10.148.585
Profits before Tax	2.196.212	4.086.443	0	(49.550)	(906.643)	(784.725)	0	82.360	1.289.569	3.334.528
							0	0		
Fixed Assets	94.677.919	97.327.137	0	0	8.983.349	7.331.258	(1.985.238)	(3.950.268)	101.676.030	100.708.127
Other Assets	83.092.830	73.477.762	0	0	6.753.148	4.711.098	(13.302.764)	(4.369.793)	76.543.214	73.819.067
TOTAL ASSETS	177.770.749	170.804.899	0	0	15.736.497	12.042.356	(15.288.002)	(8.320.061)	178.219.244	174.527.194
Equity	94.994.548	92.339.732	0	0	10.256.345	3.127.871	(14.159.033)	(4.659.123)	91.091.860	90.808.480
Liabilities & Other Liabilities	82.776.201	78.465.167	0	0	5.480.152	8.914.485	(1.128.969)	(3.660.938)	87.127.384	83.718.714
TOTAL EQUITY & LIABILITIES	177.770.749	170.804.899	0	0	15.736.497	12.042.356	(15.288.002)	(8.320.061)	178.219.244	174.527.194

2. Product Segments

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

- a) Professional Flour Mill Products,
- b) Consumer products & Bakery and Pastry Mixtures,
- g) Mixtures & Raw Material for Bakery & Pastry.

More specifically:

- a) "Professional Flour Mill Products" include Flour, Semolina and Flour By-products and are available in bulk and professional packaging. They are addressed to food industries, bakers and breeders for professional use.
- b) "Consumer products of Flour Mill & Bakery and Pastry Mixtures" include Flour, Semolina and Mixtures for Bakery and Pastry and are available in packages up to 5kg. They are addressed to consume for domestic use.
- g) "Mixtures & Raw Materials for Bakery and Pastry" are available in professional packaging and are addressed to food industries, food crafts and bakers for professional use.

Management monitors all sales, operating results and profit / (loss) before tax separately in respect of of making decisions regarding allocation of resources and performance assessment of each segment.

The information regarding segments of operation is as follows:

Group

	01.01.2020 - 31.12.2020					
	Professional Products	Consumer Products and Bakery and Pastry Mixtures	Mixtures and Raw Materials of Bakery and Pastry	Cereal	Other Goods and Services	Total
Total Revenue From Gross Sales Per Segment	81.720.331	15.660.159	8.552.284	7.211.446	276.613	113.420.833
Revenue from Intra-Company Sales	(503.980)	0	(1.317.509)	(380.619)	(155.847)	(2.357.955)
Revenue from Sales (Net)	81.216.351	15.660.159	7.234.775	6.830.827	120.766	111.062.878
Profit/(Loss) before Interest and Tax	2.889.284	959.067	173.873	147.895	106.568	4.276.687
Profit/(Loss) before Tax	930.089	189.710	(62.505)	147.895	84.380	1.289.569
	01.01.2019 - 31.12.2019					
	Professional Products	Consumer Products and Bakery and Pastry Mixtures	Mixtures and Raw Materials of Bakery and Pastry	Cereal	Other Goods and Services	Total
Total Revenue From Gross Sales Per Segment	85.081.870	11.296.708	8.740.111	4.894.221	354.596	110.367.506
Revenue from Intra-Company	(486.152)	0	(1.178.911)	(923.527)	(47.250)	(2.635.840)
Revenue from Sales (Net)	84.595.718	11.296.708	7.561.200	3.970.694	307.346	107.731.666
Profit/(Loss) before Interest and Tax	5.130.962	476.862	650.885	77.178	(28.326)	6.307.561
Profit/(Loss) before Tax	2.730.651	241.079	314.566	77.178	(28.946)	3.334.528

Company

	01.01.2020 - 31.12.2020				
	Professional Products	Consumer Products and Bakery and Pastry Mixtures	Cereal	Others Goods and Services	Total
Total Revenue From Gross Sales Per Segment	75.232.473	15.660.159	6.830.827	198.420	97.921.879
Revenue from Sales (Net)	75.232.473	15.660.159	6.830.827	198.420	97.921.879
Profit/(Loss) before Interest and Tax	3.261.146	959.067	145.183	75.602	4.440.998
Profit/(Loss) before Tax	1.854.322	189.710	145.183	53.620	2.242.835

	01.01.2019 - 31.12.2019				
	Professional Products	Consumer Products and Bakery and Pastry Mixtures	Cereal	Other Goods and Services	Total
Total Revenue From Gross Sales Per Segment	85.081.870	11.296.708	3.927.168	278.663	100.584.409
Revenue from Sales (Net)	85.081.870	11.296.708	3.927.168	278.663	100.584.409
Profit/(Loss) before Interest and Tax	5.810.237	476.862	68.194	19.772	6.375.065
Profit/(Loss) before Tax	3.495.194	241.079	68.194	19.772	3.824.239

6. NOTES ON THE ANNUAL FINANCIAL STATEMENTS

1. General Information

1.1 Country of Incorporation

The Company LOULIS MILLS SA (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.

1.2 Main Activities

The Company's objectives are to :

- a) operate a 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.

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 MILLS S.A	Sourpi, Magnesia, Greece	-	Parent	-	2020
KENFOOD S.A	Keratsini, Attica, Greece	99,99%	Direct	Full	2020
GREEK BAKING SCHOOL S.A	Keratsini, Attica, Greece	99,70%	Direct	Full	2015 - 2020
LOULIS LOGISTICS SERVICES S.A	Sourpi, Magnesia, Greece	99,67%	Direct	Full	2016 - 2020
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD	Nicosia, Cyprus	100,00%	Direct	Full	2012 - 2020
LOULIS MEL- BULGARIA EAD	General Toshevo Sofia, Bulgaria	100,00%	Indirect	Full	2016 - 2020

LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD

On March 20, 2020 the Ordinary General Meeting of the company «LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD» decided the share capital increase by € 1.710.000,00 by issuing 1.000.000 new common registered shares of value of € 1,71 per each and of selling value of € 2,00 per each. The funds raised through the share capital increase amounted to € 2.000.000,00 and allocated as follows: € 1.710.000,00 (i.e 1.000.000 shares X € 1,71 each) for the share capital increase and € 290.000,00 (i.e 1.000.000 shares X € 0,29 each) credited the "Share Premium Reserve" account. On June 16, 2020, following a relevant decision of the judicial authorities of Cyprus,

the share capital increase was completed through cash payment representing 100% of the aforementioned share capital increase by «LOULIS MILLS S.A». After the completion of the process, the total percentage of participation of "MILLS LOULI S.A" in the share capital of the economy "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" remains at 100%.

On July 7, 2020 the General meeting of Shareholders of the company «LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD» decided the share capital increase by € 5.500.002,96 by issuing 3.216.376 new common registered shares of value of € 1,71 per each and of selling value of € 1,71 per each. The funds raised through the share capital increase amounted to € 5.500.002,96 (i.e 3.216.376 shares X € 1,71 each). On October 30, 2020, the share capital increase was completed through cash payment representing 100% of the aforementioned share capital increase by "LOULIS MILLS S.A". After the completion of the process, the total percentage of participation of "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" remains at 100,00%.

KENFOOD SA

On September 10, 2020 the Extraordinary General Meeting of the company "KENFOOD SA" decided the share capital increase by € 659.600,00 by issuing 65.960 new common registered shares of value of € 10,00 per each and of selling value of € 30,32 per each. The funds raised through the share capital increase amounted to € 1.999.907,20 and allocated as follows: € 659.600,00 (i.e 65.960 shares X € 10,00 each) for the share capital increase and € 1.340.307,20 (i.e 65.960 shares X € 20,32 each) credited the "Share Premium Reserve" account. On September 16, 2020 "LOULIS MILLS S.A", participated in the share capital increase through cash payment representing 100% of the aforementioned share capital increase. After the completion of the process, the total percentage of participation of "LOULIS MILLS S.A" in the share capital of "KENFOOD SA" remains at 99,99%.

LOULIS MEL-BULGARIA EAD

On October 21, 2020 the General Meeting of shareholders of the Company "LOULIS MEL-BULGARIA EAD" decided the share capital increase by 1.090.751 BGN (€ 557.692,13) by issuing 1.090.751 new common registered share of value of 1,00 BGN per each and of selling value of 13,00 BGN per each. This share capital increase was completed in two stages: a) through cash payment of 8.454.030,00 BGN (€ 4.322.476,90), as follows: 650.310,00 BGN (€ 332.498,22) (i.e 650.310 shares X 1,00 BGN each) for the share capital increase and 7.803.720,00 BGN (€ 3.989.978,68) (i.e 650.310 shares X 12,00 BGN each) credited the "Share Premium Reserve" account and b) with loan capitalization of the only shareholder "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" amounting to 5.725.735 BGN (€ 2.927.521,82), as follows: 440.441,00 BGN (€ 225.193,91) (i.e 440.441 shares X 1,00 BGN each) for the share capital increase and 5.285.294,00 BGN (€ 2.702.327,91) (i.e 440.441 shares X 12,00 BGN each) credited the "Reserve from Issuing of Premium Shares" account. On October 30, 2020, the share capital increase was completed and the total percentage of participation of "LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD" in the share capital of the Company "LOULIS MEL-BULGARIA EAD" remains at 100,00%.

3. Basis for the preparation of the Financial Statements

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

The financial statements of "LOULIS MILLS 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.

3.2 Basis for the preparation of the Financial Statements.

The Company's Financial Statements have been prepared on the basis of going concern and in accordance with the 'historic cost' principle except of some assets and liabilities which, according to the requirements of IFRS, are valued at fair value.

3.3 Reporting Period

The current consolidated financial statements include the financial statements of LOULIS MILLS SA and the Company's subsidiaries (Group) and refer to the period from January 1st, 2020 to December 31st, 2020.

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.

3.5 Significant Accounting Policies

The significant accounting policies applied in the preparation of the Financial Statements of the Group and the Company are referred to note 4 of Chapter 6. The policies are applied with consistency for all the periods except of some cases for which a relative disclosure is made.

3.6 Significant Accounting Estimations

The preparation of the Financial Statements involves the adoption of significant assumptions and estimations as well as the Management's judgment in the course of the application of the accounting policies. The areas which required significant assumptions and estimations are referred to note 5 of Chapter 6.

3.7 Change in Accounting Policies

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

Title	Applied in annual accounting periods beginning on
IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment-Definition of Material)	1 January 2020
IFRS 3 Business Combinations (Amendment – Definition of Business)	1 January 2020
Conceptual Framework for Financial Reporting (Amendments to References to the Conceptual Framework in the IFRS Standards)	1 January 2020
IBOR Reform and its Effects on Financial Reporting – Phase 1	1 January 2020
Covid-19-Related Rent Concessions – Amendment to IFRS 16	1 June 2020

The amendments that are applied compulsorily do not have a significant impact on the Financial Statements of the Group and the Company.

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

Title	Applied in annual accounting periods beginning on
IBOR reform and its effects on financial report – phase 2	1 January 2021
Amendments to IFRS 4 Insurance Contracts – deferral of IFRS 9	1 January 2021
Annual Improvements to IFRSs – 2018-2020 cycle	1 January 2022
IAS 16 Property, Plant and Equipment (Amendment-Proceeds before Intended Use)	1 January 2022
IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment – Onerous Contracts – Cost of Fulfilling a Contract)	1 January 2022
IFRS 3 Business Combinations (Amendment – Reference to the Conceptual Framework)	1 January 2022
IFRS 17 Insurance Contracts	1 January 2023
IAS 1 Presentation of Financial Statements and IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment – Classification of Liabilities as Current or Non-Current)	1 January 2023

Amendments that are applied compulsorily in subsequent periods are not expected to have a significant impact on the Financial Statement of the Group and the Company.

4. Accounting Principles Applied

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

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 realised that arose from transactions between the companies of the Group are deleted. The losses realised are deleted but are considered as an impairment indicator for the transferred asset.

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.

Transactions 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.

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.

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 on the basis of 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.

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
Furniture and 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.

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 investments in property is recorded at fair value.

4.7 Inventory

Inventories are valued 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.

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. With the exception of 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.

In order 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 the purpose of subsequent measurement, financial assets are classified in the following categories:

- (a) Financial assets measured at fair value through profit or loss
- (b) Financial assets at amortized cost
- (c) Financial assets measured at fair value through total income without recycling of cumulative gains and losses on de-recognition

(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 in the near future. 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 Company and the Group measure financial assets at amortized cost if both of the following conditions are met: (a) the financial asset is retained in a business model in order to hold financial assets for the collection of contractual cash flows; and (b) the contractual clauses of the financial asset generate cash flows on specific dates that consist only of capital and interest payments on the balance of the original capital.

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

(c) Financial assets classified at fair value through total income

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 on the basis of 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

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.

4.10 Cash and Cash Equivalent

For the purpose of 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 particular within the short-term liabilities.

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.

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.

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 particular 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 in order 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 particular 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 with regard to 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.

4.14 Personnel's 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 a defined contribution scheme as well as a defined benefit plan.

- Defined Contribution Scheme: Based on the defined contribution plan, the enterprise's (legal) liability is limited to the amount agreed to contribute to the body (fund) managing the contributions and providing the benefits

(pensions, health care, etc.). The accrued cost of defined contribution plans is recognized as an expense in the period in question.

- **Defined Benefit Scheme:** The company's liability (legal) relates to termination benefits which are payable as a result of a company's decision to terminate the services of an employee before the normal retirement date, as well as benefits payable on retirement (Retirement benefits created by legislation). For the purpose of calculating the present value of the defined benefit obligation, the current service cost, the cost of previous services, the Projected Unit Credit Method is the accrual service accrual service method, in accordance with Which benefits are attributable to periods in which the obligation to pay benefits after retirement arises. The obligation is created as the employee provides his / her services and gives him / her right to benefits during retirement. Therefore, the Unit Credit Projection Method requires that benefits be provided both in the current period (to calculate current service cost) and in the current and prior periods (to calculate the present value of the defined benefit obligation).

Although the benefits are conditional on future employment (i.e. non-vesting), the liability based on actuarial assumptions is calculated as follows: Demographic Assumptions: "Personnel Movement" (Employee Discontinuation / Dismissal of Personnel) and Financial Assumptions: Discount, future salary levels (Government bond yield factors with a similar maturity) and estimated future changes at the level of any government benefits that affect the benefits to be paid.

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.

4.16 Recognition of Income

Under IFRS 15, revenue is recognized in the amount that the group expects to be entitled to in exchange for the transfer of the goods or services to a customer. 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 is defined as the amount that an entity expects to be entitled to receive in exchange for the goods or services it has transferred to a client, except for amounts collected on behalf of third parties (value added tax, other sales tax). Variable amounts are included in the consideration and are calculated using either the "expected value" method or the "most likely amount" method

An economic entity recognizes revenue when (or as it) 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 the customer is able to 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 receivable is recognized when there is an unconditional right for the entity to receive the consideration for the contractual obligations performed to the customer. A contract asset is recognized when the Company and the Group have satisfied their 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 Company's right and Group to issue an invoice

The contractual obligation is recognized when the Company and the Group receive a consideration from the client (prepayment) or when it retains the right to a price that is unconditional (deferred income) before performing the obligations of the contract 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.

Classification of revenue 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 on the basis of 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.

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, taking into account 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.

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.

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.

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.

5. Significant Accounting Estimates and Judgments

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.

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.

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.

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.

5.4 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.

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.

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.

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 on a daily basis and the actuarial amounts may differ significantly from their value at the balance sheet date.

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.

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.

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.

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.

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.

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 C "Most Important Events during the Year".

7. ANALYSIS OF THE FINANCIAL STATEMENTS

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 31.12.2019	14.750.251	81.442.699	341.116	50.974.483	1.865.371	4.187.145	1.180.853	154.741.918
Accumulated Depreciation 31.12.2019	0	(28.271.131)	0	(21.600.008)	(1.259.692)	(2.902.960)	0	(54.033.791)
Net Book Value 31.12.2019	14.750.251	53.171.568	341.116	29.374.475	605.679	1.284.185	1.180.853	100.708.127
Acquisitions	0	327.478	0	1.098.925	173.387	383.817	1.299.472	3.283.079
Disposals & Transfers – Purchase Cost	(19.992)	1.331.219	19.992	400.510	(139.300)	350.863	(916.421)	1.026.871
Disposals & Transfers – Accumulated Depreciation	0	(221.480)	0	(73.997)	128.558	(23.246)	0	(190.165)
Revaluations	112.365	1.048.568	(5.116)	0	0	0	0	1.155.817
Depreciations	0	(2.338.466)	0	(1.602.515)	(106.537)	(260.181)	0	(4.307.699)
Net Book Value 31.12.2020	14.842.624	53.318.887	355.992	29.197.398	661.787	1.735.438	1.563.904	101.676.030

Company

	Land	Buildings	Investment Property	Machinery	Vehicles	Furniture & Fittings	Assets Under Construction	Total
Purchase Cost 31.12.2019	13.618.000	79.606.018	341.116	46.622.561	1.432.827	3.744.625	357.663	145.722.810
Accumulated Depreciation 31.12.2019	0	(28.241.788)	0	(21.079.954)	(1.186.833)	(2.624.691)	0	(53.133.266)
Net Book Value 31.12.2019	13.618.000	51.364.230	341.116	25.542.607	245.994	1.119.934	357.663	92.589.544
Acquisitions	0	316.949	0	747.949	41.347	363.928	0	1.470.173
Disposals & Transfers - Purchase Cost	0	5.630	0	784.390	(114.077)	(84.201)	(357.663)	234.079
Disposals & Transfers – Accumulated Depreciation	0	0	0	(101.676)	108.492	793	0	7.609
Revaluations	(37.000)	580.583	(5.116)	0	0	0	0	538.467
Depreciation	0	(2.277.333)	0	(1.479.673)	(48.722)	(181.725)	0	(3.987.453)
Net Book Value 31.12.2020	13.581.000	49.990.059	336.000	25.493.597	233.034	1.218.729	0	90.852.419

It is noted that the latest valuation of the Company's and the Group's main land, buildings and investment property at fair value has been conducted on December 31st, 2020. 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).

2. Right of Use Assets/Leases

Right of use assets are analyzed in the followings :

Group

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Purchase Cost 31.12.2019	0	1.319.310	1.168.431	1.157.068	0	3.644.809
Accumulated Depreciation 31.12.2019	0	(198.907)	(139.954)	(355.680)	0	(694.541)
Net Book Value 31.12.2019	0	1.120.403	1.028.477	801.388	0	2.950.268
Acquisitions	0	0	0	271.381	0	271.381
Disposals & Transfers – Purchase Cost	0	(1.319.310)	(786.850)	(130.579)	0	(2.236.739)
Disposals & Transfers – Accumulated Depreciation	0	219.089	112.904	109.807	0	441.800
Revaluations	0	0	0	0	0	0
Depreciation	0	(20.182)	(24.514)	(396.776)	0	(441.472)
Net Book Value 31.12.2020	0	0	330.017	655.221	0	985.238

Company

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Purchase Cost 31.12.2019	0	0	1.168.431	923.061	0	2.091.492
Accumulated Depreciation 31.12.2019	0	0	(139.954)	(285.426)	0	(425.380)
Net Book Value 31.12.2019	0	0	1.028.477	637.635	0	1.666.112
Acquisitions	0	0	0	184.674	0	184.674
Disposals & Transfers – Purchase Cost	0	0	(786.850)	(67.042)	0	(853.892)
Disposals & Transfers – Accumulated Depreciation	0	0	112.904	67.042	0	179.946
Revaluations	0	0	0	0	0	0
Depreciation	0	0	(24.514)	(312.848)	0	(337.362)
Net Book Value 31.12.2020	0	0	330.017	509.461	0	839.478

The following amounts relating to lease liabilities are included in the "Statement Of Financial Position":

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Non-Current Lease Liabilities	323.374	458.673	241.177	365.940
Current Lease Liabilities	350.177	356.084	283.353	282.904
Total:	673.551	814.757	524.530	648.844

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 31.12.2019	1.267.871	717.206	0	1.985.077
Accumulated Depreciation at 31.12.2019	(437.132)	(13.854)	0	(450.986)
Net Book Value 31.12.2019	830.739	703.352	0	1.534.091
Acquisitions	680.044	0	0	680.044
Disposals & Transfers – Purchase Cost	312.561	0	0	312.561
Disposals & Transfers – Accumulated Depreciation	(530)	0	0	(530)
Impairment	0	0	0	0
Depreciation	(246.178)	(574)	0	(246.752)
Net Book Value 31.12.2020	1.576.636	702.778	0	2.279.414

Company

	Software	Trademarks	Other	Total
Purchase Cost 31.12.2019	1.190.687	17.206	0	1.207.893
Accumulated Depreciation at 31.12.2019	(402.212)	(13.854)	0	(416.066)
Net Book Value 31.12.2019	788.475	3.352		791.827
Acquisitions	669.544	0	0	669.544
Disposals & Transfers – Purchase Cost	265.560	0	0	265.560
Disposals & Transfers – Accumulated Depreciation	0	0	0	0
Impairment	0	0	0	0
Depreciation	(220.731)	(574)	0	(221.305)
Net Book Value 31.12.2020	1.502.848	2.778		1.505.626

4. Goodwill

Companies' goodwill of the Group is presented in the followings:

	31.12.2020	31.12.2019
Opening Balance	1.000.000	1.000.000
Acquisitions / (Disposals)	0	0
Impairments	0	0
Ending Balance	1.000.000	1.000.000

Goodwill refers to the subsidiary "KENFOOD SA" and annual impairment test is being conducted. The recoverable amount of the goodwill at 31.12.2020 amounts to € 1.000.000 and it has been determined according to the net discounted cash flow expected to arise from the operation of the company (value in use).

The main assumptions used to determine the goodwill are as follows:

- **WACC/Weighted Average Cost Of Capital:** WACC used amounted to 4,55 %.
- **EBITDA:** the budgetary amounts of EBITDA have been determined according to previous experience and comply with assumptions according to "value in use" approach. The main assumptions reflect previous experience of the Management and other available information from internal sources regarding the course of the industry.

- **Growth rate:** the growth rate used for the impairment test is based on rational and valid assumptions, which reflect the best possible estimation of the Management. The growth rate beyond 5 years is 0,25% according to a conservative estimation for the course of the industry and the Greek economy.

5. Investments in Subsidiaries

The following table presents the LOULIS MILLS SA investments in subsidiaries :

	Direct participation rate % of the parent	Country of Incorporation	31.12.2020	31.12.2019
Kenfood SA	99,99%	Greece	6.322.733	4.322.826
Greek Baking School S.A	99,70%	Greece	74.775	74.775
Loulis Logistics Services S.A	99,67%	Greece	29.900	29.900
Loulis International Foods Enterprises Bulgaria Ltd	100,00%	Cyprus	7.731.625	231.622
Total:			<u>14.159.033</u>	<u>4.659.123</u>

The change in Investments in Subsidiaries is analyzed in note 2 of chapter 6

6. Other Non-Current Receivables

The analysis of other non-current receivables is as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Given Guarantees	35.933	17.377	12.521	15.317
Bond Loans	38.864	0	0	0
Other Non-Current Receivables	4.500	35.357	0	0
Total:	<u>79.297</u>	<u>52.734</u>	<u>12.521</u>	<u>15.317</u>

7. Inventory

The table below presents the analysis of inventory:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Merchandise	486.016	363.687	400.703	279.485
Finished & Semi-Finished Products	4.472.538	3.756.657	3.956.265	3.193.629
Raw and Packing Materials	17.240.620	17.595.824	12.107.292	12.827.898
Consumables and Other Stocks	20.212	0	20.212	0
Asset's spare parts	279.719	0	220.695	0
Total:	<u>22.499.105</u>	<u>21.716.168</u>	<u>16.705.167</u>	<u>16.301.012</u>

8. Trade Receivables

The analysis of trade receivables is as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade Receivables/Other Trade Receivables	27.471.468	28.665.766	25.114.569	26.697.534
Notes Receivables	18.121	22.121	13.350	17.350
Notes Overdue	436.278	436.278	434.478	434.478
Cheques Receivable	7.268.557	7.623.064	7.155.725	7.444.353
Cheques Receivable Overdue	4.117.300	3.933.309	3.523.596	3.354.545
Receivables from Related Companies	0	0	156.011	336.613
Receivables from Associates	0	0	0	0
<i>Minus: Provisions</i>	(7.462.906)	(7.669.019)	(6.680.055)	(6.232.201)
Total:	31.848.818	33.011.519	29.717.674	32.052.672

At 31.12.2020 and 2019, the ageing analysis of the current and overdue trade receivables is as follows :

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Trade Receivables not in arrears	28.568.511	28.347.586	26.797.690	27.852.990
Trade Receivables overdue 1-60 days	1.247.728	2.492.292	1.145.276	2.350.992
Trade Receivables overdue 61-180 days	914.652	1.309.204	868.240	1.205.400
Trade Receivables overdue >181 days	8.580.833	8.531.456	7.586.523	6.875.491
Total:	39.311.724	40.680.538	36.397.729	38.284.873

The Group and the Company apply the simplified approach of IFRS 9 and calculate the expected credit losses over the life of their receivables.

The following tables present the Group's and the Company's exposure to credit risk:

	Group - 31.12.2020				
	Not in arrears	Overdue 1-60 days	Overdue 61-180 days	Overdue > 181 days	Total
Total of Trade Receivables	28.568.511	1.247.728	914.652	8.580.833	39.311.724
Expected credit Loss	0	(4.855)	(162.068)	(7.295.983)	(7.462.906)
Expected % of Credit Loss	0,00%	-0,39%	-17,72%	-85,03%	-18,98%

	Company - 31.12.2020				
	Not in arrears	Overdue 1-60 days	Overdue 61-180 days	Overdue > 181 days	Total
Total of Trade Receivables	26.797.690	1.145.276	868.240	7.586.523	36.397.729
Expected credit Loss	0	(3.052)	(152.594)	(6.524.409)	(6.680.055)
Expected % of Credit Loss	0,00%	-0,27%	-17,58%	-86,00%	-18,35%

9. Derivative Financial Assets/Liabilities

The Derivative Financial Assets/Liabilities are presented in the following table:

	Group/Company	
	31.12.2020	31.12.2019
Receivables from Financial Derivatives	0	177.240
Total:	0	177.240

	Group/Company	
	31.12.2020	31.12.2019
Liabilities from Financial Derivatives	0	48.780
Total:	0	48.780

10. Cash and Cash Equivalent

The following table presents the cash and cash equivalent of the Group and the Company:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Cash in Hand	63.258	47.968	46.973	40.763
Cash at Bank	14.823.543	9.114.090	11.553.298	8.119.900
Total:	14.886.801	9.162.058	11.600.271	8.160.663

11. Other Current Assets

The table below presents the analysis of other current assets:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Sundry Debtors	3.353.087	4.775.362	3.125.084	3.918.100
Receivables from the Greek State	300.495	175.232	183.777	0
Advances and Creditors Suspense Accounts	0	6.179	0	5.964
Prepaid Expenses	155.050	108.035	146.144	105.648
Accrued Income Receivable	367	3.500	367	0
Short-term Receivables from Related Parties	0	0	599.381	3.246.284
<i>Minus: Provisions</i>	(844.458)	(853.319)	(844.458)	(843.956)
Total:	2.964.541	4.214.989	3.210.295	6.432.040

12. Other Reserves

The analysis of other reserves is as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Asset Revaluation Reserves	4.276.771	3.308.033	3.721.156	3.308.033
Statutory Reserves	1.975.683	1.821.187	1.872.940	1.718.444
Extraordinary Reserves	103.990	103.990	103.990	103.990
Non Taxable Reserves	3.420.457	3.420.457	3.208.286	3.208.286
Reserve from Foreign Exchange Differencies	1.061.889	1.061.889	0	0
Other Reserves	7.651.779	7.651.779	6.592.716	6.592.716
Profit/(Loss) after Tax	24.905.469	25.745.554	29.409.176	29.181.713
Total:	43.396.038	43.112.889	44.908.264	44.113.182

13. 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Short-Term Borrowings				
Borrowings	18.354	3.740.332	3.812	61.680
Bond Loans	5.925.687	6.055.000	5.425.000	6.000.000
Leasing Liabilities	13.322	229.640	13.322	129.200
Total:	5.957.363	10.024.972	5.442.134	6.190.880
	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Long-Term Borrowings				
Bond Loans	54.319.165	36.204.852	45.575.000	31.750.000
Leasing Liabilities	0	1.758.910	0	13.322
Total:	54.319.165	37.963.762	45.575.000	31.763.322
Total Borrowing:	60.276.528	47.988.734	51.017.134	37.954.202

The change in the total borrowing for the Group and the Company is presented in the table below:

	Group		
	Short-Term Borrowings	Long-Term Borrowings	Total
Balance at 01.01.2019	11.358.505	31.953.550	43.312.055
Cash Flow:			
- Proceeds from Bank Borrowings	(1.561.061)	17.894.852	16.333.791
- Repayment of Bank Borrowings	(5.157.112)	(6.500.000)	(11.657.112)
Non-Cash Flow:			
- Reclassification from Long-Term to Short-Term Borrowing	5.384.640	(5.384.640)	0
Balance at 31.12.2019	10.024.972	37.963.762	47.988.734
Balance at 01.01.2020	10.024.972	37.963.762	47.988.734
Cash Flow:			
- Proceeds from Bank Borrowings	(5.697.206)	55.000.000	49.302.794
- Repayment of Bank Borrowings	(4.309.412)	(32.705.588)	(37.015.000)
Non-Cash Flow:			
- Reclassification from Long-Term to Short-Term Borrowing	5.939.009	(5.939.009)	0
Balance at 31.12.2020	5.957.363	54.319.165	60.276.528

	Company		
	Short-Term Borrowings	Long-Term Borrowings	Total
Balance at 01.01.2019	6.803.793	29.892.522	36.696.315
Cash Flow:			
- Proceeds from Bank Borrowings	(742.113)	13.600.000	12.857.887
- Repayment of Bank Borrowings	(5.100.000)	(6.500.000)	(11.600.000)
Non-Cash Flow:			
- Reclassification from Long-Term to Short-Term Borrowing	5.229.200	(5.229.200)	0
Balance at 31.12.2019	6.190.880	31.763.322	37.954.202
Balance at 01.01.2020	6.190.880	31.763.322	37.954.202
Cash Flow:			
- Proceeds from Bank Borrowings	(187.068)	50.000.000	49.812.932
- Repayment of Bank Borrowings	(6.000.000)	(30.750.000)	(36.750.000)
Non-Cash Flow:			
- Reclassification from Long-Term to Short-Term Borrowing	5.438.322	(5.438.322)	0
Balance at 31.12.2020	5.442.134	45.575.000	51.017.134

The maturity periods of the long-term borrowing for the Group and the Company is presented in the table below:

	Group		Company	
	Repayment of Bond Loans	Repayment of Financial Lease	Repayment of Bond Loans	Repayment of Financial Lease
Within 2021	5.925.687	13.322	5.425.000	13.322
Within 2022	10.345.809	0	7.450.000	0
Within 2023	7.795.809	0	6.850.000	0
Within 2024	8.225.809	0	7.250.000	0
Within 2025	26.890.809	0	24.025.000	0
Within 2026	715.809	0	0	0
Within 2027	345.120	0	0	0
Total:	60.244.852	13.322	51.000.000	13.322

14. Deferred Tax Liabilities

The following table presents the deferred tax analysis in accordance with the International Accounting Standards:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred Tax Asset	1.207.968	1.536.322	1.255.425	1.052.671
Deferred Tax Liability	(12.485.092)	(12.713.727)	(12.403.955)	(12.256.903)
Total:	(11.277.124)	(11.177.405)	(11.148.530)	(11.204.232)

	Group	Company
Opening Balance of Deferred Tax Income 2019	(11.780.540)	(12.217.977)
Deferred Tax Asset due to Provision for Inventory Obsolescence	123.150	84.750
Deferred Tax Asset due to Provision for Receivables	(597.083)	(86.355)
Deferred Tax Asset due to Provision for Employee Compensation	(4.192)	(5.539)
Deferred Tax Asset due to Tax Loss Carry-Forwards	96.039	0
Deferred Tax Asset due to Other Liabilities	118.106	155.723
Deferred Tax Asset due to Fixed Assets	1.556.207	1.241.665
Deferred Tax Liability due to Other Intangible Assets	(11.576)	(1.489)
Deferred Tax Liability due to Right of use Assets	(702.373)	(399.867)
Deferred Tax Liability due to Participation in Associates	24.857	24.857
Closing Balance of Deferred Tax Income 2019	(11.177.405)	(11.204.232)
Opening Balance of Deferred Tax Income 2020	(11.177.405)	(11.204.232)
Deferred Tax Asset due to Provision for Inventory Obsolescence	(37.061)	0
Deferred Tax Asset due to Provisions for Receivables	(84.515)	75.019
Deferred Tax Asset due to Provision for Employee Compensation	3.609	(1.210)
Deferred Tax Asset due to Tax Loss Carry-Forwards	104.684	0
Deferred Tax Asset due to Other Liabilities	(445.530)	(1.515)
Deferred Tax Liability due to Fixed Assets	(92.606)	(214.739)
Deferred Tax Liability due to Other Intangible Assets	(16.829)	(245)
Deferred Tax Liability due to Right of Use Assets	468.529	198.392
Deferred Tax Liability due to Participation in Associates	0	0
Closing Balance of Deferred Tax Income 2020	(11.277.124)	(11.148.530)

The change in Deferred Tax Asset / (Liability) for the Group and the Company, is analyzed as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Deferred Tax Asset/(Liability) – Opening Balance	(11.177.405)	(11.780.540)	(11.204.232)	(12.217.977)
Deferred Income Tax recognized in the Income Statement	89.304	917.288	185.734	1.327.898
Deferred Income Tax recognized through Other Total Income	(189.023)	(314.153)	(130.032)	(314.153)
Deferred Tax Asset / (Liability) – Ending Balance	(11.277.124)	(11.177.405)	(11.148.530)	(11.204.232)

Deferred tax assets and deferred tax liabilities are included offset in the item "Deferred Tax Liabilities" of the Statement Of Financial Position.

15. Liabilities for Retirement Benefits

The liability for retirement benefits is included in the Financial Statements according to IFRS 19 and it is based on an actuarial study with date December 31, 2020.

For the calculations of the study the following actuarial assumptions have been used:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Discount Rate	0,60%	1,15%	0,60%	1,15%
Expected Salary Increase	1,50% - 2,00%	2,00%	2,00%	2,00%
Inflation	1,50%	1,50%	1,50%	1,50%

The amounts recognized in the Statement of Comprehensive Income concern defined benefit plans at retirement, as follows:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Current Cost Service	44.552	27.661	32.926	22.924
Interest Cost	9.791	12.514	9.057	11.720
Settlement/Curtailment Impact	180.424	84.172	180.424	81.583
Past Service Cost	0	0	0	0
Staff Transfer Cost	0	(5.351)	0	(1.677)
Amounts charged in Profit & Loss Statement	234.767	118.996	222.407	114.550
Actuarial (Profit)/Loss for the period	14.191	72.754	1.784	64.365
Total amounts charged in the Statement of Comprehensive Income:	248.958	191.750	224.191	178.915

The change in the present value of the defined benefit obligations at retirement, recognized in the Statement of Financial Position is presented in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Present Value of the Liability – Opening Balance:	850.416	787.461	787.580	734.182
Total Expense	234.767	118.996	222.407	114.550
Actuarial (Profit)/Loss for the Period	14.191	72.754	1.784	64.365
Benefits paid	(229.234)	(128.795)	(229.234)	(125.517)
Present Value of the Liability – End of the year:	870.140	850.416	782.537	787.580

The sensitivity of the Provision for Employee Compensation to a negative or positive change of any key financial assumption as at December 31, 2020, is as follows:

	Group	Company
Discount rate increase by 0,5%	-7,2%	-6,8%
Reduction rate discount by 0,5%	8,0%	7,6%
Expected wage increase by 0,5%	7,8%	7,4%
Reduction of expected salary by 0,5%	-7,1%	-6,8%

16. Other Non-Current Liabilities

The analysis of Other Non-Current Liabilities for the Group and the Company is presented in the table below:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Other Provisions	0	0	0	0
Long-Term Tax Liabilities	0	0	0	0
Subsidies for Fixed Assets	3.001.352	3.141.491	3.001.352	3.141.491
Long-Term Liabilities to Associated Companies	0	0	0	0
Total:	3.001.352	3.141.491	3.001.352	3.141.491

17. Trade Payables

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

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Suppliers (Third Parties)	6.740.023	11.835.393	5.873.469	10.461.079
Intra-Group Suppliers	0	0	373.577	51.214
Cheques Payable (Post-Dated)	771.561	906.718	0	0
Advances from Customers	1.115.569	881.323	1.070.932	847.393
Total:	8.627.153	13.623.434	7.317.978	11.359.686

18. Tax Liabilities

The analysis of the Tax Liabilities for the Group and Company is presented in the following table:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Tax & Duties Payable (Not Including Income Tax)	263.637	263.381	199.073	227.813
Income Tax on Profits	607.057	1.187.914	607.057	1.187.914
Total:	870.694	1.451.295	806.130	1.415.727

19. 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Insurance and Pension Fund Dues	451.081	461.375	367.855	374.127
Dividends Payables	0	0	0	0
Sundry Creditors	278.417	3.225.162	255.519	3.200.013
Unearned and Deferred Income	1.079	1.205	1.079	1.106
Accrued Expenses	800.265	934.660	776.155	901.159
Total:	1.530.842	4.622.402	1.400.608	4.476.405

20. Revenue

Revenue analysis of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Professional Products	81.216.351	84.595.717	75.232.474	85.081.869
Consumer Products	15.660.159	11.296.708	15.660.159	11.296.708
Mixtures & Raw Material for Bakery & Pastry	7.234.776	7.561.200	0	0
Cereal	6.830.827	3.970.694	6.830.827	3.927.168
Other Products and Services	120.765	307.347	198.419	278.664
Total:	111.062.878	107.731.666	97.921.879	100.584.409

21. Other Income

Other Income of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Other Operating Income	2.737.223	2.756.731	2.474.355	2.773.430
Extraordinary and Non-Operating Income	103.783	553.642	88.742	526.237
Extraordinary Profit	3.016	37.791	1.786	37.790
Prior Period Income	0	85.858	0	61.181
Income from Prior Period Provisions	838.926	220.614	554	0
Income arising from exchange differences	197	0	189	0
Total:	3.683.145	3.654.636	2.565.626	3.398.638

22. Distribution Expenses

Distribution expenses of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Materials	(31.462)	(37.330)	(30.361)	(36.133)
Salaries and Staff Cost	(4.307.028)	(3.681.300)	(3.755.545)	(3.155.197)
Third Party Fees	(583.970)	(853.826)	(332.967)	(700.767)
Changes for Outside Services	(468.718)	(624.437)	(393.467)	(537.514)
Other Expenses	(7.913.997)	(7.871.643)	(7.055.758)	(7.267.152)
Taxes-Fees	(109.711)	(231.615)	(100.820)	(186.674)
Depreciation	(563.804)	(950.557)	(432.129)	(865.204)
Total:	(13.978.690)	(14.250.708)	(12.101.047)	(12.748.641)

23. Administration Expenses

Administration Expenses of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Materials	0	(8.558)	0	(8.558)
Salaries and Staff Cost	(2.230.673)	(1.707.549)	(1.867.861)	(1.630.535)
Third Party Fees	(1.360.989)	(986.061)	(1.164.313)	(683.003)

	Group		Company	
	2020	2019	2020	2019
Changes for Outside Services	(900.619)	(555.858)	(831.097)	(512.228)
Other Expenses	(474.654)	(630.966)	(419.954)	(428.833)
Taxes - Fees	(116.184)	(135.210)	(77.889)	(97.954)
Depreciation	(670.596)	(536.876)	(635.294)	(478.682)
Total:	(5.753.715)	(4.561.078)	(4.996.408)	(3.839.793)

24. Other Expenses

Other Expenses for the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Extraordinary and non-operating expenses	(1.112.547)	(72.027)	(38.576)	(135.878)
Extraordinary losses	(149.001)	(219.377)	(144.563)	(146.808)
Prior period expenses	0	(35.472)	0	(22.593)
Loss arising from exchange differences	(9.981)	0	(3.051)	0
Provisions for extraordinary contingencies	(477.339)	(1.398.342)	(448.910)	(1.141.812)
Total:	(1.748.868)	(1.725.218)	(635.100)	(1.447.091)

25. Financial Expenses/Income

Financial Expenses/Income of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Interest Changes and Relevant Expenses	(2.282.728)	(2.146.008)	(1.837.921)	(1.790.614)
Other Financial Expenses	(92.073)	(12.514)	(73.126)	(11.720)
Interest Income and Relevant Income	21.489	22.505	87.573	83.094
Total:	(2.353.312)	(2.136.017)	(1.823.474)	(1.719.240)

26. Tax Expense

Tax Expense of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Property Tax	(55.838)	(46.516)	(47.880)	(46.516)
Tax Auditing Differences	0	0	0	0
Provision for Income Tax	(607.057)	(1.187.914)	(607.057)	(1.187.914)
Provisions & Other Tax Liabilities	0	0	0	0
Deferred Income Tax	89.303	917.289	185.734	1.327.898
Total:	(573.592)	(317.141)	(469.203)	93.468

According to Law 4646/2019 the Corporate Income Tax Rate Of Legal Entities in Greece decreased to 24% for 2019 and onwards.

The Income Tax Rate of Legal Entities in Bulgaria is set to 10%.

27. Profit/(Loss) from Revaluation of Assets

Profit/(Loss) from Revaluation of Asset of the Group and the Company is presented in the following table:

	Group		Company	
	2020	2019	2020	2019
Asset Revaluation Profit/(Loss)	1.160.933	1.308.972	543.583	1.308.972
Respective Income Tax On Other Comprehensive Income	(192.195)	(314.153)	(130.460)	(314.153)
Total:	968.738	994.819	413.123	994.819

28. Earnings per Share (Basic & Diluted)

Earnings per share of the Group and the Company is presented in the following table:

	Group		Company	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Net Profit/(Loss) attributable to the owners of the parent	715.946	3.017.555	1.773.632	3.917.707
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	0,0418	0,1763	0,1036	0,2288

8. FINANCIAL RISK MANAGEMENT – OBJECTIVES & PERSPECTIVES

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. Financial Receivables and Liabilities are warrants against future execution of contracts of French common wheat traded on the NYSE Liffe Paris market. These Financial Instruments are used to hedge the fair value of its inventories. 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	
	31.12.2020	31.12.2019	31.12.2020	31.12.2019
Non-Current Assets				
Other Long-Term Receivables	79.297	52.734	12.521	15.317
Total	79.297	52.734	12.521	15.317
Current Assets				
Trade Receivables	31.848.818	33.011.519	29.717.674	32.052.672
Cash and Cash Equivalents	14.886.801	9.162.058	11.600.271	8.160.663
Financial Receivables	0	177.240	0	177.240
Other Current Assets	2.964.541	4.214.989	3.210.295	6.432.040
Total	49.700.160	46.565.806	44.528.240	46.822.615
Long-Term Liabilities				
Long-Term Borrowings	54.319.165	37.963.762	45.575.000	31.763.322
Long-Term Lease Liabilities	323.374	458.673	241.177	365.940
Total	54.642.539	38.422.435	45.816.177	32.129.262
Short-Term Liabilities				
Trade Liabilities	8.627.153	13.623.434	7.317.978	11.359.686
Short-Term Borrowings	5.957.363	10.024.972	5.442.134	6.190.880
Short-Term Lease Liabilities	350.177	356.084	283.353	282.904
Financial Liabilities	0	48.780	0	48.780
Other Liabilities	2.401.536	6.073.697	2.206.738	5.892.132
Total	17.336.229	30.126.967	15.250.203	23.774.382

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 shows the allocation of the fair value of the assets and liabilities of the Group and the Company.

<u>Assets</u>	<u>Group</u>		<u>Company</u>		<u>Fair Value Hierarchy</u>
	<u>31.12.2020</u>	<u>31.12.2019</u>	<u>31.12.2020</u>	<u>31.12.2019</u>	
Land	14.842.624	14.750.251	13.581.000	13.618.000	Level 2
Buildings	53.318.887	53.171.568	49.990.059	51.364.230	Level 2
Investment Property	355.992	341.116	336.000	341.116	Level 2
Financial Receivables	0	177.240	0	177.240	Level 2

<u>Liabilities</u>	<u>Group</u>		<u>Company</u>		<u>Fair Value Hierarchy</u>
	<u>31.12.2020</u>	<u>31.12.2019</u>	<u>31.12.2020</u>	<u>31.12.2019</u>	
Financial Liabilities	0	48.780	0	48.780	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.

In Level 2, financial receivables are rights over futures contracts for French common wheat traded on the NYSE Liffe Paris market. These Financial Instruments are used to hedge the fair value of the Company's inventories.

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

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 whereas 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 4.16 at December 31, 2020 towards 2.27 for the previous year. 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 lead 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 specific agreements with its suppliers and using derivative financial instruments and secondly, to quickly 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
01.01.2020	1,00%	-510.171	-602.765
31.12.2020	-1,00%	510.171	602.765
01.01.2019	1,00%	-379.542	-479.887
31.12.2019	-1,00%	379.542	479.887

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

1. LOULIS MILLS S.A Shares

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

The Extraordinary General Meeting the Company's Shareholders of 16/12/2004 decided, inter alia, the reduction of the Company's share capital by € 64.896 through reducing its stock from 16.724.232 to 16.622.832 common registered shares, due to cancellation of own shares, in accordance with article 16 of Corporate Law 2190/1920. The above mentioned 101.400 shares were purchased during the period 17/12/2001 to 28/1/2002 in implementing the decision as of 23.7.2001 of the Extraordinary Shareholders Meeting and the resolution of the Board of Directors dated 7/11/2001. After the aforementioned reduction, the share capital of the Company amounted to € 10.638.612,48 divided into 16.622.832 common registered shares of a par value of € 0,64 each.

The Extraordinary General Meeting the Company's Shareholders of 2/1/2009 decided the share capital increase by € 8.311.416 through the capitalization of the "share premium" account reserve. The share capital increase completed through the increase of the par value of each share by € 0,50, namely from € 0,64 to € 1,14 followed by an equal decrease of the share capital of the Company by € 8.311.416 (eight million three hundred and eleven thousand four hundred and sixteen Euros) through the reduction of the par value of each share by € 0,50, namely from € 1,14 to € 0,64 per each share and simultaneous equal cash payment to the shareholders of amount of € 8.311.416 (eight million three hundred and eleven thousand four hundred and sixteen Euros) i.e. € 0,50 per share. Following the above decisions of the General Meeting, the Company's share capital amounted to € 10.638.612 divided into 16.622.832 registered shares of a nominal value of € 0,64 each.

On May 25, 2010, the Ordinary General Meeting of the Company's shareholders unanimously approved the increase of its share capital by € 1.994.739,84 by increasing the nominal value of each share by € 0,12 through capitalization of part of the reserve "Difference from issue of shares in favor of the premium" as well as an equal reduction of the share capital, i.e by € 1.994.739,84 with a reduction of the nominal value of each share by € 0,12 in order to return cash capital to the shareholders. Following the above decisions of the General Meeting, the share capital of the Company now amounts to € 10.638.612 divided into 16.622.832 registered shares, with nominal value of € 0,64 per share.

On June 20, 2011, the Ordinary General Meeting of the Company's shareholders unanimously approved the increase of its share capital by € 3.324.566,40 by increasing the nominal value of each share by € 0,20 by capitalizing the reserve "Difference from issue of shares in favor of the premium" and the equal reduction of the Company's share capital by € 3.324.566,40 that was unanimously approved with a reduction of the nominal value of each share by € 0,20 in order to return cash capital to the shareholders. In addition, it was decided to cancel 1.400.556 own registered shares of the Company of total amount of € 896.355,84, in accordance with the article 16 par.6 Codified Law 2190/1920, as well as to reduce the share capital of the Company. These shares were purchased during the period from September 18, 2008 to September 30.2010 in accordance with the decision of the Extraordinary General Meeting of September 18. 2008. After the above reduction, the share capital of the Company now amounts to € 9.742.256 divided into 15.222.276 common registered shares with a nominal value of € 0,64 each.

The Ordinary General Meeting the Company's Shareholders of 28/6/2013 approved the share capital increase by € 1.217.783,04 through cash payments, issuance of 1.902.786 new ordinary dematerialized registered shares with voting rights and of a nominal value of € 0,64 each, cancellation of the preemptive right of existing shareholders in favor of the new shareholder/strategic investor Al Dahra Agriculture Spain S.L. Sociedad Unipersonal. The offer price of the new shares amounted to € 4,0875753 per share. Following the above increase, the Company's share capital came to € 10.960.039,68 and is divided into 17.125.062 ordinary dematerialized registered shares with voting rights and a nominal value of € 0,64 each. Total revenues from the issue stood at € 7.777.781,05. The difference between the issue price and the nominal value of each share, which totals € 6.559.998,01, was credited to the "Share premium" account, according to the law and the Articles of Association.

The Extraordinary General Meeting the Company's Shareholders of 1/12/2014 decided the share capital increase by € 5.137.518,60 through the capitalization of a) of the untaxed reserves formed based on Law 2238/1994, in accordance with article 72 of the Law 4172/2013 of amount of € 4.678.218,10 and b) part of the reserve "Difference from issue of shares in favor of the premium" of amount of € 459.300,50 by increasing the par value of each share by € 0,30, namely from € 0,64 to € 0,94. The Ordinary General Meeting on June 23, 2015, amended the decision for the increase of the Company's share capital by € 5.137.518,60, decided by the Extraordinary General Meeting of the Company's shareholders on 1/12/2014, regarding the individual amounts (A) the tax-free reserves formed pursuant to Law 2238/1994 according to article 72 of law 4172/2013 amount to € 3.789.356,66 (instead of the amount of € 4.678.218,10) and (b) part of the reserve "share premium" amounts to € 1.348.161,94 (instead of the amount of € 459.300,50). Following the above decisions of the General Meeting, the Company's share capital amounted to € 16.097.558,28 divided into 17.125.062 registered shares of a nominal value of € 0,94 each.

The Extraordinary General Meeting the Company's Shareholders of 8/1/2015 decided the share capital increase by € 1.541.255,58 by increasing the par value of each share by € 0,09, from € 0,94 to € 1,03 through the capitalization of the reserve "Difference From Share Issue Premium" and a simultaneous equal decrease of the share capital of the Company by € 1.541.255,58 reducing the par value of each share by € 0,09 namely from € 1,03 to € 0,94 resulting in the return of capital through cash payments to the Shareholders and the relevant amendment of article 5 in the Company's Articles of Association. Following the above decisions of the General Meeting, the Company's share capital amounted to € 16.097.558,28 divided into 17.125.062 registered shares of a nominal value of € 0,94 each.

The Ordinary General Meeting dated 23.06.2016 decided the increase of the share capital of the Company by the amount of € 1.027.503,72 with an increase of the nominal value of each share by € 0,06 (from € 0,94 to € 1,00) through the capitalization of reserves "share premium" and the simultaneous equal reduction of the Company's share capital by € 1.027.503,72 with a reduction of the nominal value of each share by € 0,06 (from € 1,00 to € 0,94) for the purpose of returning capital in cash to the shareholders of € 1.027.503,72, € 0,06 per share. Following the increase and the simultaneous decrease mentioned above, the share capital remains at the amount of € 16.097.558,28, divided into 17.125.062 common registered shares, of a nominal value of € 0,94 per share.

The Annual General Meeting the Company's Shareholders of June 13, 2017 decided the increase of the share capital of the Company by € 941.878,41 by increasing the nominal value of each share by € 0,055 (from € 0,94 to € 0,995) with capitalization of the reserves "difference from the issue of shares above par" and the simultaneous decrease of the share capital of the Company by the same amount (€ 941.878,41) by decreasing the nominal value of each share by € 0,055 (from € 0,995 to € 0,94), in order to return capital in cash to shareholders of an amount of € 941.878,41 i.e. € 0,055 per share. Following the increase and the simultaneous decrease mentioned above, the share capital remains at the amount of € 16.097.558,28, divided into 17.125.062 common registered shares, of a nominal value of € 0,94 per share. Furthermore, the Annual General Meeting the Company's Shareholders, decided the share capital decrease by € 4.495,08 through the reduction of its stock from 17.125.062 to 17.120.280 common registered shares, due to cancellation of 4.782 own shares, in accordance with article 16 of Corporate Law 2190/1920. The own shares mentioned above were purchased during the period 08.01.2015 to 07.01.2017 in accordance with the decision of the Extraordinary General Meeting the Company's Shareholders of January 8, 2015. Following the aforementioned reduction, the share capital of the Company amounts now to € 16.093.063,20 divided into 17.120.280 common registered shares of a par value of € 0,94 each.

The Ordinary General Meeting dated 14.06.2018 decided the increase of the share capital of the Company by the amount of € 1.027.216,80 with an increase of the nominal value of each share by € 0,06 (from € 0,94 to € 1,00) through the capitalization of reserves "share premium" and the simultaneous equal reduction of the Company's share capital by € 1.027.216,80 with a reduction of the nominal value of each share by € 0,06 (from € 1,00 to € 0,94) for the purpose of returning capital in cash to the shareholders of € 1.027.216,80, i.e. € 0,06 per share. Following the increase and the simultaneous decrease mentioned above, the share capital remains at the amount of € 16.093.063,20, divided into 17.120.280 common registered shares, of a nominal value of € 0,94 per share.

The Annual General Meeting of July 08, 2019 decided the increase of the share capital of the Company by € 1.027.216,80 by increasing the nominal value of each share by € 0,06 (from € 0,94 to € 1,00) with capitalization of the reserves "difference from the issue of shares above par" and the simultaneous decrease of the share capital of the Company by the same amount (€ 1.027.216,80) by decreasing the nominal value of each share by € 0,06 (from € 1,00 to € 0,94) , in order to return capital in cash to shareholders € 1.027.216,80 i.e. € 0,06 per share.

Following the increase and the simultaneous decrease mentioned above, the share capital remains at the amount of € 16.093.063,20, divided into 17.120.280 nominal shares, of an amount of € 0,94 per share.

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

Balance Sheet	31.12.2020	31.12.2019	31.12.2020 vs 31.12.2019
1 Euro (EUR) = Bulgarian Lev (BGN)	1 EUR = 1,9558 BGN	1 EUR = 1,9558 BGN	0,00%

P&L	Average 2020	Average 2019	Average.2020 vs Average 2019
1 Euro (EUR) = Bulgarian Lev (BGN)	1 EUR = 1,9558 BGN	1 EUR = 1,9558 BGN	0,00%

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.

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 31.12.2020 to secure bond loans of amount of € 34,0 million.

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 final outcome of which will not affect significantly the Company's financial position.

6. Number of Employed Personnel

Number of staff employed at the end of current year 31.12.2020: Group 338, Company 257, compared with 320 for the Group and 55 for the Company in the previous year.

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 year arising from transactions with related parties within the meaning of IAS. 24 are as follows:

**Significant Transactions
with related parties**

Group – 2020

	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Associates	0	0	0	0
Executives and Members of the Management	0	0	136.600	734
Total:	0	0	136.600	734

Company – 2020

	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Kenfood SA	453.630	1.333.001	59.539	373.577
Greek Baking School S.A	8.400	67.200	0	0
Loulis Logistics Services S.A	480	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	174.781	440.689	695.853	0
Associates	0	0	0	0
Executives and Members of the Management	0	0	0	734
Total:	637.291	1.840.890	755.392	374.311

Group – 2019

	Sales of Good and Services	Purchases of Goods and Services	Receivables	Liabilities
Associates	0	0	0	0
Executives and Members of the Management	0	0	395.361	5.340
Total:	0	0	395.361	5.340

Company – 2019

	Sales of Goods and Services	Purchases of Goods and Services	Receivables	Liabilities
Kenfood SA	494.538	1.187.211	0	51.214
Greek Baking School S.A	8.400	47.250	0	0
Loulis Logistics Services S.A	480	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	80.873	927.527	3.582.897	0
Associates	0	0	0	0
Executives and Members of the Management	0	0	500	320
Total:	584.291	2.161.988	3.583.397	51.534

Fees of Executives and Members of the Management

	Group		Company	
	2020	2019	2020	2019
Salaries and Other Fees	1.084.533	900.080	638.515	664.451
Total:	1.084.533	900.080	638.515	664.451

8. Disposal of the Funds raised from the issuance of Bond Loans

On July 31, 2020, in application of the decision of the Board of Directors of July 30, 2020, a Jointly Secured Bond Loan Agreement was signed, amounting to € 34 million with coordinator and manager the Eurobank S.A. Mortgages and promissory notes of total amount of € 40.8 million were signed on the Company's fixed assets to secure these syndicated bond loans. The duration of the loan is five years with the possibility of a three-year extension and the aim is to refinance the existing bank lending of the Company. In the bond loan of € 34 million, the bond lenders are Eurobank SA, Alpha Bank SA, National Bank of Greece SA and Piraeus Bank SA.

9. Income Tax

According to Law 4646/2019 the Corporate Income Tax Rate of Legal Entities in Greece has been set to 24% since 2019 and onwards.

The Corporate Income Tax Rate of Legal Entities in Bulgaria has been set to 10%.

10. Capital Expenditures

Investments in fixed assets for 2020 amount to € 3.963 thousand for the Group and € 2.140 thousand for the Company.

11. Contingent Expenditure

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.

In September 2011, the Ministry of Competitiveness and Shipping issued a decision to submit a series of investments to Sourpi Industrial Unit in Development Law 3299/2004. The Company has already completed the investment, but due to the pending completion of the final audit by the Operator, a liability may arise towards the State in the future.

Unaudited Tax Years

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 according to the tax legislation up to 2020, the fiscal years up to 2014 are considered to be written off.

The parent Company and its subsidiary KENFOOD SA have been subjected to tax auditing from Certified Auditor and have received "Tax Compliance Certification" for the years until 31.12.2019.

For the fiscal year 2020, the parent Company and its subsidiary 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 2020 is in progress and the related tax certificate is expected to be provided after the publication of financial statements of 31.12.2020. If upon completion of the tax audit additional tax liabilities occur, we consider that they will not have substantial impact on the Financial Statements.

12. Dividend per share

The BoD of the Company after taking into account the financial results of the year 2020, the financial position of the Company, the prospects as well as the conditions prevailing in the wider financial environment shall propose the non-distribution of dividends in the following Annual General Meeting of the Shareholders.

13. Approval of Financial Statements

The date of the approval of the Financial Statements by the Board of Directors is 26.04.2021.

14. Notes on Future Events

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

The most significant events after December 31st, 2020 are:

Manufacture of Cereal Silos in Bulgaria

On April 12, 2021, the 100,00% indirect subsidiary of the Company under the name "LOULIS MEL-BULGARIA EAD" started building cereal silos with capacity of 7.000 tons, on a privately owned plot located in the industrial zone of Bozhurishte in Sofia, Bulgaria. The cost of the investment has been budgeted at € 2,8 million.

There are no events that have occurred after December 31st, 2020 that shall have a material impact on the Group's and Company's Financial Statements.

Sourpi, April 26, 2021

**The Chairman of the Board of
Directors**

Nikolaos K. Loulis

**The Vice-Chairman of the
Board of Directors
& CEO**

Nikolaos S. Fotopoulos

The Chief Accountant

Georgios K. Karpouzas



LOULIS
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