LOULIS mills

1782

ANNUAL FINANCIAL REPORT 2021

For the year 2021
(1/1/2021-31/12/2021)

LOULIS MILLS S.A.
G.E.M.I. (General commercial register)
No: 50675444000 (formerly S.A. register
No: 10344/06/B/86/131)
Loulis Harbour, 370 08,
Sourpi Magnesia municipal district,
Greece

www.loulismills.gr

Index

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 - Chief Executive Officer

3. Mr Georgios A. Mourelatos - Member of the Board of Directors,

specifically appointed as per today's decision (21 April 2022) 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 CEO	The BoD Member
NIKOLAOS K. LOULIS	NIKOLAOS S. FOTOPOULOS	GEORGIOS A. MOURELATOS

Annual Report Of The Board Of Directors Of Loulis Mills Sa

on the financial statements for the fiscal year from

1st January 2021 to 31st December 2021

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, 2021 and for the year then ended. The LOULIS MILLS Group (hereinafter the "Group"), besides 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, 2021 to December 31, 2021, the significant events that took place in 2021, 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 2021

The Group's **Turnover (Sales**) for 2021 amounted to € 134,91 million, increased by 21,17% compared to € 111,06 million in 2020. At the same time, the Company's turnover amounted to € 119,72 million compared to € 97,92 million in the previous period, having increased by 22,26%.

Regarding the **Sales per Segment**, a significant decrease 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 year to 22,4 thousand tonnes compared to 28,2 thousand tonnes in the previous year. That decrease affected respectively the sales of that category as sales decreased significantly by 10,58% for the Group and 10,39% for the Company in 2021 compared to the previous year's sales. After the start of the production operation of new flour mill in Bulgaria in the beginning of 2020 and the ongoing expansion of sales in Bulgaria , the sold quantities of "Flour mill business products" in the current year for the Group, amounted to 241,1 thousand tonnes, having decreased by 0,45% compared to the prior year, while respectively the sold quantities of "Flour mill business products" for the Company amounted to 215,7 thousand tonnes, having decreased by 1,98% compared to the prior year. Therefore, the sales of this segment in 2021 amounted to € 90,85 million for the Group and € 83,34 million for the Company, having recorded an increase of 11,89% and 10,79% respectively, compared to the prior year. That increase was due to the rise of the selling-price of that category within the last quarter of 2021 in order to offset the unprecedented rise in the price of raw materials (wheat) and the energy cost in the production. The sales of

"Mixtures for Bakery and Pastry", for 2021, performed total sales to third parties of € 7,98 million compared to € 7,23 million in the previous year, having increased by 10,29%. Lastly, the sales of "Cereals" to third parties, for 2021, amounted to € 21,85 million for the Group and € 21,76 for the Company, showing a significant increase compared to € 6,83 million for both the Group and the Company in 2020.

The Group's **Cost of Sales** for 2021 amounted to € 115,39 million compared to € 89,81 million in 2020, increased by 28,48%. At the same time, the Company's cost of sales amounted to € 102,64 million compared to € 78,89 million for 2020, having increased by 30,11%. That increase in the cost of sales is due to a) the continuing expansion of the «Covid-19» pandemic, b) the significant and ongoing rise in the price of key categories of raw materials in the local and international market, c) the significant increase of transportation cost and particularly of the fares of container-transportation and d) the significant rise of energy cost.

In addition, the **Gross Profit** for 2021 amounted to € 19,52 million for the Group and € 17,08 million for the Company, decreased by 8,14% compared to € 21,25 million in 2020 for the Group and decreased by 10,28% compared to € 19,04 million in the previous year for the Company. While, the ratio of cost of sales to sales, for 2020, from 19,13% for the Group and 19,44% for the Company, decreased, in 2021, to 14,47%, for the Group and 14,27% for the Company. The decrease of the Gross Profit is due to the continuously increasing cost of sales in the second half of 2021 despite the rise of the selling-prices after the last quarter of 2021.

The Group's **Administrative Expenses and Distribution Expenses** amounted for 2021 to € 20,03 million increased by 1,52% compared to the previous year when they amounted to € 19,73 million, while they decreased as a percentage to sales since in the previous year they represented 17,77%% of sales compared to 2021 when they represent 14,85%. Respectively, the Company's administrative expenses and distribution costs amounted to € 17,26 million for the current year increased by 0,94% compared to € 17,10 million for the previous year, while the Company's ratio of administrative expenses and distribution costs to sales decreased to 14,42% for 2021 compared to 17,46% for 2020. In particular, the Group's Distribution Costs, as a percentage to total sales decreased, since in 2020 they represented 12,59% of sales compared to 10,39% for the current year whereas the Administrative Expenses amounted to € 6,01 million for 2021 having increased by 4,52% compared to the previous year. Similarly, the Company's Distribution Costs, as a percentage to total sales decreased, since in 2020 they represented 12,36% of sales compared to 9,98% for the current year, whereas the Administrative Expenses amounted to € 5,32 million for 2021 having increased by 6,40% compared to the previous year.

The Group's **Financial Expenses** amounted to € 1,65 million for 2021 having decreased by 30,38% compared to the previous year when they amounted to € 2,37 million, while they also decreased as a percentage to sales from 2,13% to 1,22%. Correspondingly, the financial expenses of the Company amounted to € 1,41 million for the current year, having decreased by 26,18% compared to the respective year of 2020, while as a percentage to sales they decreased from 1,95% to 1,18%. The decrease of the financial expenses for the Group and the Company for 2021 is due to the decreased borrowing cost compared to the previous year.

The **Total Depreciation** for 2021 for the Group amounted to € 5,20 million and € 4,70 million for the Company, compared to € 5,00 million for the Group and € 4,55 million for the Company for the prior period, having increased by 4,05% for the Group and 3,35% for the Company. As a percentage to sales, total depreciation decreased for the Group from 4,50% to 3,85%, while for the Company it also decreased from 4,64% in 2020 to 3,92% for the current year.

The Group's **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)[1]** amounted to € 7,85 million in 2021 having decreased by 15,14% compared to € 9,25 million for 2020. Respectively, for the Company, EBITDA decreased by 20,09% from € 8,96 million in the previous year to € 7,16 million in 2021. As a percentage to sales, Group's EBITDA decreased from 8,33% in 2020 to 5,82% in 2021, while Company's EBITDA decreased from 9,15% in 2020 to 5,98% for 2021.

Taking into account all the above, the Group's **Net Profit before Tax** amounted to € 0,81 million for the current year compared to € 1,27 million for the prior year, representing a decrease by 36,22%. As a percentage to sales it also decreased from 1,15% in 2020 to 0,60% in 2021.

Respectively, for the Company the **Net Profit before Tax** amounted to € 0,90 million for 2021 compared to € 2,22 million in the previous year, showing a decrease of 59,46%. As a percentage to sales, it decreased from 2,27% in 2020 to 0,75% in 2021.

Income tax after the effect of the decrease of the Corporate Income Tax Rate from 24% to 22% on the basis of the Deferred Tax Assets and Liabilities, amounted for the Group to € 0,39 million for 2021 compared to € -0,57 million for the previous year and for the Company it amounted to € 0,40 million compared to € -0,47 million in 2020.

Following the above, the Group's **Net Profit after Tax** amounted to € 1,19 million for the current year (distributed to the Company's shareholders) compared to € 0,70 million in the previous year and as a percentage to sales it amounted to 0,88% in 2021 from 0,63% in 2020. Similarly, the Company's net profit after tax amounted to € 1,30 million in 2021 compared to € 1,76 million in the previous year and as a percentage to sales it amounted from 1,79% in 2020 to 1,09% in 2021.

For the year 2021, the **Operating cash flows** for the Group and the Company amounted to € -0,93 million and € -3,05 million, respectively, while in the previous year it amounted to € -0,86 million for the Group and € 3,60 million for the Company.

The **Purchases of Tangible and Intangible Assets** for the Group in 2021 amounted to € 4,02 million compared to € 3,96 in 2020.

The Group's **Total Net Borrowing[1]** at December 31, 2021 amounted to € 52,17 million compared to € 45,39 million at December 31, 2020, showing an increase of 14,94%, while the Company's total net borrowing at December 31, 2021 amounted to € 45,99 million compared to € 39,42 million at December 31, 2020, having increased by 16,67%.

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

		01.01.2021 - 31.12.2021		01.01.2020 - 31.12.2020		01.01.2019 - 31.12.2019	
1	**Total net Borrowing[1] / EBITDA[1]**	52.171.249 / 7.850.552	6,65	45.389.727 / 9.250.683	4,91	38.826.676 / 10.975.898	3,54
2	**EBITDA[1] / Interest Paid**	7.850.552 / 1.563.071	5,02	9.250.683 / 2.282.728	4,05	10.975.898 / 2.146.008	5,11
3	**Non-Current Assets / Total Net Borrowing[1]**	108.806.696 / 52.171.249	2,09	106.019.979 / 45.389.727	2,34	106.245.220 / 38.826.676	2,74
4	**Total Net Borrowing[1] / Total Equity**	52.171.249 / 93.181.239	0,56	45.389.727 / 91.465.588	0,50	38.826.676 / 90.808.480	0,43
5	**Total Current Assets / Total Current Liabilities**	87.793.616 / 41.558.673	2,11	72.199.265 / 17.336.229	4,16	68.281.974 / 30.126.967	2,27
6	**Total Liabilities / Total Equity**	103.419.073 / 93.181.239	1,11	86.753.656 / 91.465.588	0,95	83.718.714 / 90.808.480	0,92

Basic Company's Ratios

		01.01.2021 - 31.12.2021		01.01.2020 - 31.12.2020		01.01.2019 - 31.12.2019	
1	**Total Net Borrowing[1] / EBITDA[1]**	45.990.651 / 7.157.266	6,43	39.416.863 / 8.959.172	4,40	29.793.539 / 10.788.123	2,76
2	**EBITDA[1] / Interest Paid**	7.157.266 / 1.339.458	5,34	8.959.172 / 1.837.921	4,87	10.788.123 / 1.790.614	6,02
3	**Non-Current Assets / Total Net Borrowing[1]**	106.318.064 / 45.990.651	2,31	107.369.077 / 39.416.863	2,72	99.721.923 / 29.793.539	3,35
4	**Total Net Borrowing[1] / Total Equity**	45.990.651 / 94.239.287	0,49	39.416.863 / 92.926.256	0,42	29.793.539 / 91.808.603	0,32
5	**Total Current Assets / Total Current Liabilities**	79.313.131 / 35.285.647	2,25	61.233.407 / 15.250.203	4,02	63.123.627 / 23.774.382	2,66
6	**Total Liabilities / Total Equity**	91.391.908 / 94.239.287	0,97	75.676.228 / 92.926.256	0,81	71.036.947 / 91.808.603	0,77

[1] *For explanations and the calculation of the indicators see section "Z. 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,,	-	Parent
KENFOOD SA	Keratsini, Attica, Greece	Ampelochori Viotia, Mandra Attica, Podochori Kavala, Sourpi, Magnisia	99,99%	Direct
GREEK BAKING SCHOOL SA	Keratsini, Attica, Greece	-	99,70%	Direct
LOULIS LOGISTICS SERVICES SA	Sourpi, Magnisia, Greece	-	99,68%	Direct
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD	Nicosia, Cyprus	-	100,00%	Direct
LOULIS MEL-BULGARIA EAD	General Toshevo, Bulgaria	-	100,00%	Indirect

C. Significant Events in 2021

The most significant events that took place during 2021 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.

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

On June 1st, 2021 the Annual General Meeting of Shareholders took place where 76,91% of the share capital was represented, which means that the shareholders and the shareholders' representatives who attended and voted represented 13.166.371 shares and 13.166.371 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 01.01.2020 to 31.12.2020 have been approved by 13.166.371 votes, equal to 76,91% 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 13.166.371 votes, equal to 76,91% of the share capital, the distribution of dividends to shareholders of an amount of 1.027.216,80 which is equal to € 0,06 (gross) per share. Ex-dividend date has been set 3rd June 2021 and payment date has been set 10th June 2021.

2. The overall management that took place during the fiscal year ended 31.12.2020 has been approved by 13.166.371 votes, equal to 76,91% of the share capital and the Certified Auditors were discharged by

13.166.371 votes, equal to 76,91% of the share capital, from any liability for indemnity for the fiscal period 01.01.2020- 31.12.2020 as well as for the Financial Statements of the same fiscal year.

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 01.01.2021 to 31.12.2021, was elected by 13.166.371, equal to 76,91% of the share capital.

4. The Remuneration Report for the year 2020 has been discussed and approved, on a consultative basis, by 13.166.371 votes, equal to 76,91% of the share capital.

5. The advance payment of remuneration to the Members of the Board of Directors, up to € 200.000,00 in total, for the fiscal year 2021 was approved by 13.166.371 votes, equal to 76,91% of the share capital.

6. The Suitability Policy for the BoD members has been approved by 13.166.371 votes, equal to 76,91% of the share capital.

7. The new Board of Directors has been elected by 13.166.371 votes, equal to 76,91% of the share capital. The new BoD shall have a four-year term, i.e until 01.06.2025, which shall be extended until the expiry of the deadline, within of which the immediately following regular General Meeting must convene and until taking such decision and is comprised of the following members and the independent and non-executive members of the BoD have been elected according to L.4706/2020 as follows:

1. Nikolaos Loulis, of Konstantinos, Executive Member
2. Nikolaos Fotopoulos, of Spyridon, Executive Member
3. Georgios Mourelatos, of Apostolos, Executive Member
4. Khedaim Abdulla Saeed Faris Alderei of Abdulla, Non-Executive Member
5. Andreas Koutoupis Georgios, Independent Non-Executive Member
6. Elisavet Kapelanou – Alexandri of Spyridon, Independent Non-Executive Member
7. Taniskidis Georgios of Ioannis, Independent Non-Executive Member

The above independent non-executive members entirely meet the requirements of art. 9 of L.4706/2020 and therefore they are independent of the Company or any related parties.

8. The three-member Audit Committee of the Company has been adopted by 13.166.371 votes, equal to 76,91% of the share capital which shall be an independent joint committee according to article 44 par. 1 subparagraph (a)(ab) of Law 4449/2017 consisting of two (2) independent non-executive members of the BoD and one (1) independent third party, non-member of the BoD. The term of the Audit Committee which coincides with the term of the BoD shall be four years, i.e. until 01.06.2025. The following individuals have been elected by 13.166.371 votes, equal to 76,91% of the share capital, as members of the Audit Committee which is defined to be an independent joint committee consisting of two independent non-executive members of the BoD and one independent third person, as follows:

1. Andreas Koutoupis of Georgios, Independent Non-Executive Member of the BoD
2. Elisavet Kapelanou – Alexandri of Spyridon, Independent Non-Executive Member of the BoD
3. Konstantinos Kontochristopoulos of Anastasios. Third person, Non- member of the BoD

The members of the Audit Committee have sufficient knowledge of the sector in which the Company is operating while they are independent of the Company according to the provisions of Law 4706/2020. The criteria of sufficient knowledge and expertise in auditing and accounting is demonstrably met by the majority of the Audit Committee's members.

9. The Remuneration Policy for the members of the BoD of the Company has been amended by 13.166.371 votes, equal to 76,91% of the share capital, by the introduction of criteria which define the meaning of significant remuneration or benefit according to paragraph 2, item a, of article 9 of L. 4706/2020.

10. 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 13.166.371 votes, equal to 76,91% of the share capital.

11. The article 15 of the Articles of Association has been amended by 13.166.371 votes, equal to 76,91% of the share capital, regarding the possibility of participation in the voting before the General Meeting from a distance by mail or by audiovisual and electronic means (teleconference) as provided by article 126 of Law 4548/2018.

12. The article 21 of the Articles of Association has been amended by 13.166.371 votes, equal to 76,91% of the share capital, with regard to the setting of authority of official issuing the copies of the minutes of the BoD.

Constituent Composition of the Board of Directors

Following the election of the new BoD of the Company by the above General Meeting of the Shareholders, on 1st June 2021, by its decision the new BoD was appointed as follows:

1. Mr. Nikolaos Loulis, of Konstantinos, Chairman of the Board of Directors - Executive Member
2. Mrs. Elisavet Kapelanou – Alexandri of Spyridon, Vice - Chairman of the Board of Directors - Independent Non-Executive Member
3. Mr. Nikolaos Fotopoulos, of Spyridon, Chief Executive Officer - Executive Member
4. Mr. Georgios Mourelatos, of Apostolos, Member of the Board of Directors - Executive Member
5. Khedaim Abdulla Saeed Faris Alderei of Abdulla, Member of the Board of Directors, Non-Executive Member
6. Andreas Koutoupis Georgios, Member of the Board of Directors, Independent Non-Executive Member
7. Taniskidis Georgios of Ioannis, Member of the Board of Directors, Independent Non-Executive Member

The term of the above BoD shall be four-years, i.e until 01.06.2025, which shall be extended until the expiry of the deadline, within of which the immediately following Ordinary General Meeting must convene and until taking such decision.

Appointment of the Audit Committee and of its Chairman

Following the election of the new three-member Audit Committee by the above General Meeting of the Shareholders as independent committee according to article 44 par. 1 subparagraph (a)(ab) of Law 4449/2017 consisting of non-executive members of the BoD and third persons, on June 1st 2021, by its decision, it was appointed as follows:

1. Mr. Andreas Koutoupis of Georgios, Chairman of the Audit Committee, Independent Non-Executive Member of the BoD
2. Mrs Elisavet Kapelanou – Alexandri of Spyridon, Member of the Audit Committee, Independent Non-Executive Member of the BoD
3. Mr. Konstantinos Kontochristopoulos of Anastasios. Member of the Audit Committee, Third person, Non- member of the BoD

The term of the Audit Committee which coincides with the term of the BoD shall be four years i.e. until 01.06.2025.

Dividend Distribution for the year 2020

On June 1st, 2021 the Annual General Meeting of Shareholders approved the distribution of dividend to the shareholders of a total amount of € 1.027.216,80 (€ 0,06 per share) form the profit of the years 2020.

The above gross amount has been subjected to a 5% withholding tax (€ 0,003 per share) and therefore the shareholders received a net amount of € 0.057per share.

The ex-dividend date was set for June 3rd, 2021.

The shareholders of the company who were registered in files of the Intangible Assets System, managed by the "Greek Central Securities Depository SA", on June 4th, 2021 (Record Date), were the beneficiaries in receiving the dividend. The start date for the payment of the dividend was set at June 10th, 2021 and it was paid via Alpha Bank SA.

Participation in the Share Capital Increase of the subsidiary under the name "LOULIS LOGISTICS SERVICES SA"

On June 4th, 2021 the Company participated in the share capital increase of its 99,67% subsidiary under the name "LOULIS LOGISTICS SERVICES S.A.", by paying the total amount of € 15.000,00 of the share capital increase, in order for the subsidiary to continue its operations.

In particular, on May 31st, 2021 the Ordinary General Meeting of Shareholders of "LOULIS LOGISTICS SERVICES S.A." decided with 3.000 votes, which is equal to 100% of its share capital, the increase of its share capital by € 1.000,00 with the issuance of 100 new common registered shares of the amount of € 10,00 per share and with a sale price of € 150,00 each. The funds that were raised from the share capital increase in cash amounted to € 15.000,00 and they were distributed as follows: € 1.000,00 (equal to 100 shares X €

10 each) for the share capital increase and € 14.000,00 (equal to 100 shares X € 140,00 each) to the credit of the account "Reserve from Issue of Shares for the Premium".

Consequently, the share capital of "LOULIS LOGISTICS SERVICES S.A.", after the above increase, amounts to € 31.000,00 divided into 3.100 common registered shares with nominal value of € 10,00 each and the Company now possesses 99,68% of the share capital of "LOULIS LOGISTICS SERVICES S.A." instead of 99,67% previously owned.

Issuance of Bank Loan

On November 29, 2021 the Company proceeded to the issuance of a loan of total amount of € 4,0 million of two-years duration, in order to cover its working-capital needs as a consequence of the Covid-19 pandemic. The loan has been granted by the National Bank of Greece SA (Program NBG Covid-19 Response for SMEs and MidCaps) with funds of the European Investment Bank.

Acquisition of property, plant and equipment in Tyrnavos Thessaly.

On October 5th 2021, the decision of the Court of First Instance of Larissa confirmed the results of the tender according to which "LOULIS MILLS SA" has been declared as bidder for the acquisition of property (land and buildings) and plant and equipment (machinery and other equipment, vehicles, receivable from third parties) at the spot "Ammos" of the Municipal Department of Tyrnavos Thessaly (1st klm Tyrnavos-Larissa Ave) for a price of € 1,05 million. On 30th March 2022 the procedures for the conclusion of the relevant transfer contract have been completed.

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 to create value for its customers, employees, shareholders and the society.
- to be the leader in the market of Southeast Europe and at the same to time enforce its export orientation with environmental and social responsibility.

In the last years LOULIS Group is continually evolving. LOULIS Group is not anymore a flour mill only, yet it has evolved into a producer and distributor of raw materials, supporting bakers and pastry-makers with goods and services. For 2022, the group firstly aims to achieve its annual business goals and secondly to set the foundations for its long-term development.

The main strategic orientations and priorities of the Group for the period 2012-2025 are:

- Increase HORECA sales (Hotel, Bakery, Restaurant, Café) regarding flour and raw materials.

- Development of the sales network in Bulgaria aiming in sales with greater profitability.
- Product Superiority. Improvement of the quality and diversity of the existing provided products and services. To produce innovative and of high quality new products in the following years.
- Operational Efficiency. Increasing productivity in order to decrease production cost.
- Environment, Society and governance. Emphasizing sustainability and social activation. Optimization of the corporate governance's mechanisms.

The foreseen performance for 2022 depends to a great extent on the continuous uncertainty in the local market resulted from the existing war situation in Ukraine, the energy crisis and the "Covid-19" pandemic with its continuous mutations and the increase of the number of "Covid-19" cases globally and locally.

Within 2022 a greater recovery of food product's demand is expected to emerge compared to 2021 having a positive effect in the Group's financial results. In any case, the effect in the following period as well as the recovery course are not possible to be estimated since they depend on the course of indicators and figures such as international commodity prices, energy cost, local and regional demand, the progress and effectiveness of the vaccination programs globally, any new mutations and pandemic flares, the effect from the monetary and fiscal policy measures etc., facts that the Group is not able to influence.
The competitive production basis, the storage and supply facilities, the strong operating performance and the adequacy of the financial liquidity are significant competitive advantages which shall allow the continuation of the successful course, the smooth implementation of the Group's strategic plan 2022-2025 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 2,11 at December 31, 2021 towards 4,16 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 and at the same time the Group has entered into contracts of interest rate swaps in order to gain a fixed cost of long-term borrowing from a Euribor-index change. 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
01.01.2021 31.12.2021	1,00%	-543.337	-618.246
	-1,00%	543.337	618.246
01.01.2020 31.12.2020	1,00%	-510.171	-602.765
	-1,00%	510.171	602.765

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.

«Covid-19» Pandemic Crisis

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 and public health, Greece included.

Since the start of this crisis, the Group's priorities were the protection and safety of its employees, ensuring of its smooth business operation and especially the uninterrupted supply of its products to the market. The Group took immediate action and adopted the following measures: a) offered remote working (teleconferencing), b) suspended the business meetings in person and other business events c) restricted commuting and travelling and d) disinfected the working areas. Furthermore, the Group ensured the daily support and guidance of the employees in respect of their most effective adjustment to the new conditions, while also strengthening the National Health System through the donation of medical equipment to support the government's work in combating the pandemic.

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

The management continuously monitors the developments, evaluates the risks and takes the necessary actions 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 and to ensure the business continuity of the Group. Management believes that, in any case, that public-health issue will not affect the continuation of the Company's and the Group's activity.

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 a crucial matter and 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 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 keeping 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. In particular, 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", "Other Expenses" and "Other Income" (excluding "Other Operating Income"). The margin of this indicator is calculated as the ratio of the "Earnings before Interest, Tax, Depreciation and Amortization (EBITDA)" with the total of "Sales".

	Group		**Company**	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Sales	**134.908.470**	**111.062.878**	**119.715.042**	**97.921.879**
Profit/(Loss) before Tax	807.448	1.272.969	902.268	2.219.633
Other Income (excluding Other Operating Income)	(144.196)	(945.922)	(120.554)	(91.271)
Other Expenses	199.794	1.748.868	150.510	635.100
Fair Value valuation of bonds and participations	142.662	(169.140)	142.662	(169.140)
Financial Income	(3.650)	(21.489)	(29.050)	(87.573)
Financial Expenses	1.650.351	2.369.474	1.413.073	1.906.303
Depreciation	5.198.143	4.995.923	4.698.357	4.546.120
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA	**7.850.552**	**9.250.683**	**7.157.266**	**8.959.172**
Earnings before Interest, Tax, Depreciation and Amortization (EBITDA) margin	**5,82%**	**8,33%**	**5,98%**	**9,15%**

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 addition of "Financial Expenses" , without taking into account the items "Financial Income", "Fair Value valuation of bonds and participations", "Other Expenses" and "Other Income" (excluding "Other Operating Income"). The margin of this indicator is calculated as the ratio of the "Earnings before Interest and Tax (EBIT)" with the total of "Sales".

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Sales	**134.908.470**	**111.062.878**	**119.715.042**	**97.921.879**
Profit/(Loss) before tax	807.448	1.272.969	902.268	2.219.633
Other Income (excluding Other Operating Income)	(144.196)	(945.922)	(120.554)	(91.271)
Other Expenses	199.794	1.748.868	150.510	635.100
Fair Value valuation of bonds and participations	142.662	(169.140)	142.662	(169.140)
Financial Income	(3.650)	(21.489)	(29.050)	(87.573)
Financial Expenses	1.650.351	2.369.474	1.413.073	1.906.303
Earnings before Interest and Tax (EBIT)	**2.652.409**	**4.254.760**	**2.458.909**	**4.413.052**
Earning before Interest and Tax (EBIT) margin	**1,97%**	**3,83%**	**2,05%**	**4,51%**

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	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Long-term Borrowing Liabilities	47.473.357	54.319.165	42.125.000	45.575.000
Short-term Borrowing Liabilities	14.351.250	5.957.363	12.208.732	5.442.134
Cash and Cash Equivalents	(9.653.358)	(14.886.801)	(8.343.081)	(11.600.271)
Total Net Borrowing	**52.171.249**	**45.389.727**	**45.990.651**	**39.416.863**

H. Corporate Governance Statement

According to par. 1 article 152 of Law 4548/2018, the Corporate Governance Statement is included in the Annual Report of the Board of Directors of "LOULIS MILLS SA" for the fiscal year 1/1-31/12/2021. The reference date of the Corporate Governance Statement is 31.12.2021.

Corporate Governance Code

In compliance with article 17 of Law 4706/2020 and upon the decision of the Board of Directors dated on 25.06.2021, the Company applies the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council (HCGC) (June 2021), taking into consideration the relevant amendments of the legislative framework, the regulations and the best international practices of corporate governance as in force.

The Hellenic Corporate Governance Code is posted on the website of the Hellenic Corporate Governance Council: https://www.esed.org.gr/web/guest/code-listed

Apart from the website of HCGC the Code is available on the official corporate website of the Company: https://www.loulismills.gr

It is noted for the sake of completeness that until 25.06.2021, the Company applied the Hellenic Corporate Governance Code issued in 2013 by HCGC.

A description of the deviations of the Company from some special practices of the Hellenic Corporate Governance Code and a brief justification of such deviations follow:

Non-compliance/deviation from special practices

Section A – Board of Directors

2.4. Remuneration of Members of the Board of Directors

2.4.14. The contracts of the executive members of the Board of Directors provide that the Board of Directors may require the refund of all or part of the bonus awarded, due to breach of contractual terms or incorrect financial statements of previous years or generally based on incorrect financial data, used for the calculation of this bonus.

Such a provision is not included in the contracts of the executive members of the Board of Directors since the Remuneration Policy of the Company includes a corresponding term: "The payment of variable remuneration can be cancelled upon decision of the BoD in case the receiver has proven to have breached the Corporate Principles Code of the Company or has been convicted by a Criminal Court or in case the payment of the variable remuneration was based on corporate profit data that subsequently proved to be incorrect". Therefore, the adoption of the relevant practice of HCGC is not considered appropriate and no significant risk is estimated to arise from the above deviation.

Practices of Corporate Governance additional to Law

The Company does not apply Practices of Corporate Governance additional to the requirements of the relevant legislation.

Main characteristics of the Company's Internal Auditing and Risk Management Systems in relation to the procedure for preparing financial statements

The Company applies Corporate Governance System which includes the Internal Auditing System. The Internal Auditing System (IAS) is the set of internal auditing mechanisms and procedures, including risk management, internal auditing and regulatory compliance, which covers on a continuous basis every activity of the Group and contributes to its safe and efficient operation.

The Internal Auditing System includes but it is not limited to the following characteristics:

- Control Environment, consisting at least of the followings:
    - Integrity, Ethical Values and Management Behavior
    - Organizational Structure
    - Board of Directors
    - Corporate Responsibility

- Human Resources

- Risk Management
- Control Activities
- Information & Communication
- Monitoring Activities in order to report findings for correction and improvement.

The Company's Internal Auditing System aims at achieving the following targets:

a) Consistent implementation of the business strategy along with the effective use of the available resources.

b) Effective operation of the Internal Auditing Unit the structure, operation and responsibilities of which are defined by its Internal Auditing Charter.

c) Effective risk management, through the identification and management of significant risks linked with the operation and activity of the Company, through management risk operation.

d) Completeness and reliability assurance of the required data and information for the ultimate and timely determination of the Company's financial and non-financial status and preparation of reliable financial statements, according to article 151 of Law 4548/2018.

e) Effective compliance of the Company with the regulatory and legislative framework as well as the internal auditing mechanisms of the Company's operation through regulatory compliance.

The Board of Directors ensures that the Internal Auditing System's functions are independent of the business lines they control, including that they have the appropriate financial and human resources as well as powers to effectively perform their role. The reporting lines and the allocation of responsibilities are clear, enforceable and duly documented.

In addition to the Internal Auditing System, the Board of Directors annually reexamines the corporate strategy and the main business risks affecting the Company.

The Internal Auditing Unit of the Company audits the proper implementation of each procedure and internal auditing system regardless of its accounting or non-accounting nature and assesses the company through reviewing its activities, acting as a service accountable to Management. Its main mission is the monitoring and improvement of the policies of the Company and of its subsidiaries (hereinafter "Group") and the advisory support to the BoD through submitting relevant proposals regarding the Internal Auditing System.

The Internal Auditing System aims, among others, at achieving completeness and reliability assurance of the required data and information for the ultimate and timely determination of the Company's financial and non-financial status and preparation of reliable financial statements. Regarding the preparation of financial statements declares that the financial reporting system of the Company uses an accounting system sufficient enough for reporting to management as well as to other third-party users.

The Financial Statements as well as other reports referring to management are prepared on a separate and consolidated basis in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) for reporting purposes to management and for publishing purposes, according to the applicable regulations. Management information as well as financial information for publishing include all the necessary information regarding an updated internal auditing system including sales analysis, cost/expenses, operating profit as well as other data and ratios. All the reports to management include current data compared with the corresponding data of the previous referring period. All the published interim and annual financial statements include all the required information and disclosures on the financial accounts, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU), are being reviewed by the Audit Committee and being approved correspondingly by the BoD as a whole.

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 implemented policies and procedures, relating to the preparation of the financial statements concern among others:

- Procedures for closing periods that include the submission deadlines, responsibilities, classification and analysis of the accounts and updates for the necessary disclosures.
- Reconciliation of the account balances of Customers and Suppliers and receivables and liabilities, at a 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 when 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.

At the end of each period the accounting department of the Company conducts the required actions for the preparing the Financial Statements according to law.

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.

In addition, safeguards are applied regarding:

a) identification and risk assessment in relation to the credibility of the financial statements,

b) management planning and monitoring regarding financial figures,

c) fraud prevention and revealing,

d) roles/responsibilities of staff,

e) process of period-closing including consolidation (e.g. procedures, accesses, approvals, reconciliations etc.) and

f) assurance of the provided data from the information systems.

The preparation of the internal reports to Management and the required reports by Law 4548/2018, the International Financial Reporting Standards and the supervising authorities is conducted by the Financial Administration which consists of qualified and experienced executives for that purpose.

Management ensures that those executives update their knowledge regarding any changes in accounting and tax issues relating to the Company and the Group. The Company has implemented special procedures for gathering the required data from the subsidiaries and ensures the reconciliation of each transaction and the application of the same accounting policies by the Group's companies.

Risk Management of the Company targets to adequately and effectively support the BoD in identifying, assessing and managing significant risks related to the operation and activity of the Company and the Group through appropriate and sufficient policies, procedures and tools.

The Regulatory Compliance of the Company aims at supporting the BoD to the full and continuous compliance of the Company towards the legislative and regulatory framework in force and the internal Regulations and Policies governing its operation, providing anytime a clear view of the level of achievement of that objective. The implemented policies and procedures are being assessed and redefined when they found to be inadequate or when it is required by changes in the applicable legislation.

The first evaluation of the Internal Auditing System is to be completed until 31.03.2023, with reporting date 31.12.2022 and reference period 17.07.2021 – 31.12.2022.

The curriculum vitae of the Company's Internal Auditor follows:

Zakinos Cohen, Internal Auditor

He is Economist, born in Volos in 1979. After completed successfully his studies in Business Administration at University of Piraeus he continued his post-graduate studies at Bonn University of Germany, where he completed postgraduate course LLM and specifically "European Regulation of Network Industries" acquiring expertise in union law of regulatory authorities and competition. He has been for many years store Manager of a large retail company. From 2015 until 2019 he has been Deputy General Director of the strategic importance on-port terminal cereal-silo of the company "Al Dahra Holding LLC" in UAE and upon his return to Greece he has been appointed as Office Director of the General Secretariat of Tourism Policy and Development in the Ministry of Tourism. For the time being, he is appointed as internal auditor of the company "LOULIS MILLS SA" while in 2022 he has been elected member of the Disciplinary Board of the Institute of Internal Auditors of Greece.

General Meeting of Shareholders

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 reliable, 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
- appointment of 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, convene 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.

Invitation of a general meeting is not required when shareholders are all present or represented for 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 the shareholders being present or represented, represent 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 inviting 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.

<u>Rights of the shareholders and ways of exercising those rights</u>

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 (5^{th}) 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.

For the Company, 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 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 Company's 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.

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 ($1/20^{th}$) 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 ($1/20^{th}$) 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 ($1/20^{th}$) 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 ($1/20^{th}$) 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 aforementioned, 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 of 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 of shareholders that represent one-twentieth (1/20th) of the paid up share capital is submitted, 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.

<u>**Information according the provisions of article 152 par. 1d' of Law 4548/2018 regarding takeover bid offers.**</u>

It is noted that the information, according the provisions of article 152 par. 1d' of Law 4548/2018, as required by items c, d, f, h and i of par. 1 of article 10 of the Directive 2004/25/EC of the European Parliament and European Council, with date April 21st 2004, on takeover bid offers, is included within the Explanatory Report of the Board of Directors (according to article 4 par. 7 and 8 of Law 3556/2007), chapter IB of the Annual Report of the Board of Directors.

<u>**Composition and operation of the administrative, managing and supervising bodies of the company and of their committees.**</u>

<u>**Board of Directors**</u>

The Company is represented towards third parties as well as towards any Public, Judicial Authority or any other Authority by its Board of Directors acting as a collective body. The Board of Directors (BoD) is competent to decide on any action relating to the management of the Company, management of its assets and the achievement of its objectives according to the law, excluding issues for which the General Assembly is the sole responsible body to decide on.

For any matter falling within the responsibility of representation or Company's management of The BoD, the latter, upon its decision, can delegate the power of representation or management of the Company to one or more persons, regardless of whether they are or not members of the BoD, excluding matters for which the Law or the Articles of Association require collective action of the BoD as a collective body.

The BoD should effectively exercise its leading role and manage the corporate matters in favor of the Company and the shareholders, ensuring that the Management implements the corporate strategy demonstrating the diligence of a prudent businessman. Moreover the BoD should ensure the fair and equal treatment of all the shareholders, including minority shareholders and foreign shareholders.

Composition and operation of the Board of Directors

According to article 16 of the Company's Articles of Association the BoD shall be comprised of five (5) to nine (9) 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 term 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 of which the immediately following Ordinary General Meeting must convene and until taking such decision, in any case the term of the BoD cannot exceed sic (6) years.

The Board of Directors meets 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 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).

The decisions of the BoD are taken by the absolute majority of the directors, who are present in person or represented at the meeting.

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 however necessary that at least three members are present at every meeting.

The discussions and the decisions of the BoD are recorded in summary in a special book, which may be kept also according to a computer system. Upon an application of a member of the BoD, the Chairman is obliged to record in the minutes an exact summary of his opinion. In this book is also recorded a list of the present or represented at the meeting members of the BoD. The minutes of the BoD are signed by all the members, who are present. If a member refuses to sign, reference shall be made to the minutes. Copies of the minutes are officially issued by the Chairman or the Vice-Chairman, or by the Executive Director, without any other execution thereof to be required. The signatures of the members or their representatives can be replaced by email correspondence or other electronic means.

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 of 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, when this is provided by the decisions 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 term of the replacement director shall expire at the same date with the director's term who has been replaced would have expired. The decision of the election shall be submitted to the publication requirements under Law and shall be announced by the Board of Directors at the immediately next General Assembly, which may replace the elected members, even if 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 in place prior to the time the above events have occurred. 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.

The current Board of Directors

The Company's current Board of Directors has been elected by the Ordinary General Meeting of the Shareholders on 01.06.2021 with a term of four years (4) i.e until 01.06.2025, which shall be extended until the expiry of the deadline, within of which the immediately following Ordinary General Meeting must convene and until taking such decision and was formed into a body upon the 01.06.2021 decision of the BoD. The BoD of the Company is comprised of seven members in total, three executive members, one non-executive member and three independent non-executive members.

The BoD of the Company operates in accordance with its Charter which is posted on the Company's site (https://www.loulismills.gr).

The following table includes the members of the current BoD, their designation and the beginning and the end if their current term:

NAME	STATUS	BEGINNING OF TERM	END OF TERM
Nikolaos Loulis	Chairman of the BoD, Executive Member of the BoD	01.06.2021	01.06.2025
Elisavet Kapelanou-Alexandri	Vice-Chairman of the BoD, Non-Executive Member of the BoD	01.06.2021	01.06.2025
Nikolaos Fotopoulos	Chief Executive Officer – Executive member of the BoD	01.06.2021	01.06.2025
Georgios Mourelatos	Member of the BoD, Executive Member of the BoD	01.06.2021	01.06.2025
Khedaim Abdulla Saeed Faris Alderei	Member of the BoD, Non-Executive Member of the BoD	01.06.2021	01.06.2025
Andreas Koutoupis	Member of the BoD, Independent, Non-Executive Member of the BoD	01.06.2021	01.06.2025
Georgios Taniskidis	Member of the BoD, Independent, Non-Executive Member of the BoD	01.06.2021	01.06.2025

The curriculum vitaes of the Company's BoD Members follow:

Nikolaos Loulis, Chairman of the Board of Directors – Executive Member of the Board of Directors

Nikolaos Loulis serves as Chairman of the BoD of "LOULIS MILLS SA" since 2010 and of the Group's subsidiaries while he is Vice-President of the Hellenic Association of Flour Manufacturers as well as a Member of the General Council of the Association of Greek Enterprises & Industries (SEV). Therefore, he is proven to have long experience in all the matters relating to the business activity of the Company and his presence in the BoD shall have a very positive contribution in the log-term prospects and in achieving the Company's business objectives.

In the light of the above, it is apparent that Mr. Loulis has every necessary qualification required by the Suitability Policy of the Company, i.e. – professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

Elisavet Kapelanou-Alexandri, Vice-Chairman of the Board of Directors, Non-Executive Member of the Board of Directors

Elisavet Kapelanou – Alexandri is a Supreme Court Lawyer, member of the Athens Bar Association. From the acquisition of the status of the lawyer (1983) until today, being a lawyer at the Supreme Court, she practices the profession of the lawyer (trial lawyer) - in parallel with her activity as legal advisor in Greek commercial companies. Until 1999 she has been associate in other law offices and from 1999 and onwards she operates her own Law Office under the name "ELISAVET KAPELANOU – ALEXANDRI & ASSOCIATES LAW FIRM", with a wide range of activity in various sectors of law (commercial law, civil law, medical law, tax law, criminal law). She has been a legal advisor to many companies of all kinds, but mainly societes anonymes, listed and non-listed (including but not limited to : "AS COMMERCIAL - INDUSTRIAL COMPANY OF COMPUTERS AND TOYS S.A.", "TOURIST SOCIETE ANONYME ANDY VASILEIADI & SONS S.A.","LAXOURI TOURS TOURIST COMPANY S.A. ","SELECTIVE HOTELS SA HOTEL AND SERVICE PROVISION COMPANY","ELVAN SA RECYCLING OF CABLES - TIRES", "HIPPOCRATES GENERAL HOSPITAL SOCIETE ANONYME - DOCTOR'S HOSPITAL", "STARLET S.A. REAL ESTATE AND TRADING COMPANY"," VOULA REAL ESTATE AND TRADING SOCIETE ANONYME", "KORNILAKIS CHEMICAL INDUSTRY - INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME", "OBESITY TREATMENT CORPORATION - OBESITY MATERIALS - MEDICAL ITEMS AND MACHINERY TRADING LTD", "SKYBAY PRIVATE COMPANY" etc.), which, she has also represented before the Greek Courts, at a case by case basis. She was external cooperator of the "AUXILIARY FUND " (January 1997 - December 2002) and Legal Advisor of the Panhellenic Federation of Publishers - Booksellers (POEB) (January 1993 – June 2002). In this capacity, she actively participated in the creation of the National Book Center (EKEVI), in the year 1994, aiming at the strengthening and promoting of books in Greece. She was external cooperator of the National Bank of Greece in real estate cases and as its legal representative in many of its court cases (January 1992 – May 1996). Mrs. Kapelanou – Alexandri holds a Law degree from the University of Athens Law School and speaks English and Italian.

In light of the aforementioned profound formation and experience, it is deemed that Mrs. Kapelanou - Alexandri as a member of the Board of Directors of the Company is capable of contributing greatly to the operations of the latter, and therefore it is clear that she has every necessary qualification required by the Suitability Policy of the Company, i.e. professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

It is also determined that Mrs. Kapelanou is independent, in the meaning of the article 9 of the Law 4706/2020, having no relations of dependency as they are defined in said article.

Nikolaos Fotopoulos, Chief Executive Officer – Executive member of the Board of Directors

Nikolaos Fotopoulos graduated from the Athens University of Economics and Business in 1983 and holds an MBA from Universitaet Mannheim, Germany (1986). In 1992 he was appointed as the Manager of the Athens Branch at the "KYLINDROMYLOS LOULI SA" Company and in 1996 he became the company's Director of Finance. Since 1999 he has been the President and CEO of the company SAINT GEORGE MILLS S.A. until 2004, when the company was absorbed by the parent company LOULIS MILLS SA. From 2001 until 2021 he was Vice President and CEO of LOULIS MILLS SA and today he is Chief Executive Officer of the Company. He is member of the Boards of Directors of all the subsidiaries of the Loulis Group in Greece and Abroad.

In the light of the above, it is apparent that Mr. Fotopoulos has long experience and skill in the operating sector of the Company and it is clear that Mr. Fotopoulos has every necessary qualification required by the Suitability Policy of the Company, i.e. – professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

Georgios Mourelatos, Member of the Board of Directors, Executive member of the Board of Directors

Georgios Mourelatos during his career, both in the Banking and the Food sector, he has served in senior and top positions. Specifically, he has served as Head of the Central Accounting Office at the Bank of Crete (1980-1992), General Manager at Saint George Mills (2000- 2004), General Manager of Loulis Group of Companies (2004-2007) and General Manager at N.G.O. Grammi Zois (2008-2009). Since 2011, he works as a consultant - internal partner in Eurobank S.A. Since 2013 and onwards, he is a member of the Board to Loulis Mills S.A., as an independent executive member and a member of the Audit Committee.

In the light of this extensive experience, it is also apparent that Mr. Mourelatos is capable of having a valuable presence in the Board of Directors of the Company and therefore it is clear that Mr. Mourelatos has every necessary qualification required by the Suitability Policy of the Company i.e. – professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

Khedaim Abdulla Saeed Faris Alderei, Member of the Board of Directors, Non-Executive member of the Board of Directors

H.E Khedaim Abdulla Al Derei is a delegated member from the Ministry of Foreign Affairs, and he is in charge of commercial business in the Private Office of H.H Sheikh Hamdan Bin Zayed Al Nahyan. He has over 28 years of public and private sector experience and has held senior positions within the UAE's diplomatic core. H.E Khedaim is also the Vice Chairman and Co-Founder of Al Dahra Holding and the Managing Director of Al Ain Holding, H.E Khedaim has overall responsibility for ensuring the business strategy is aligned with the shareholder and the board target. He began his career working in the UAE Ministry of Foreign Affairs, with postings to the UAE Embassies in Washington DC, USA and Beirut, Lebanon, where he held the post of First Secretary. H.E Khedaim was then appointed Plenipotentiary Minister First Class at the Ministry of Foreign Affairs. In addition to these duties, he was made Deputy General Manager to the Private Office of H.H Sheikh Hamdan Bin Zayed Al Nahyan, the then Deputy Prime Minister and Minister of Foreign Affairs. After leaving the Ministry of Foreign Affairs, he was appointed Chief Executive Officer of the Private Office of H.H Sheikh Hamdan Bin Zayed Al Nahyan. In this role, he was responsible for the coordination of all private and business interests and activities of His Highness. H.E Khedaim has a number of external Chairmanships, these include; The Sheikh Zayed Private Academies for Girls and for Boys, Agility Abu Dhabi PJSC and Agricost SA (Romania). He is also Vice Chairman of Capital Group Properties (Egypt) and Chairman of the Audit Committee of International Capital Trading. Externally, he sits on the boards of a number of public and private entities. These include the National Investment Corporation, Abu Dhabi University, Tristar Transports LLC and the UAE Red Crescent. H.E Khedaim holds a Bachelor's degree in Human Resources Development from the American University in Washington DC, USA and Masters in International Relations from the Lebanese American University, Lebanon. He has also attended several executive management programs at top institutions such as the Harvard Business School in Boston, USA.

The aforementioned extensive experience and international exposure of H.E. Khedaim Abdulla Al Derei is deemed valuable for the purposes of the business activity of the Company and it is apparent that he meets the necessary criteria of the Suitability Policy of the Company, i.e. – professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

Andreas Koutoupis, Member of the Board of Directors, Independent Non-Executive member of the Board of Directors

Dr. Andreas Koutoupis, is Associate Professor of Financial Accounting & Auditing, University of Thessaly, Larissa, since June 2018, and Chartered and Certified Internal Auditor, founder and Chairman of KnR Governance, Risk, Compliance & Internal Audit Services with the main object of Providing Internal Audit Services and the Training of Business Executives. He served for 10 years as a Director, Head of Mazars, Athens – Greece Governance, Risk & Internal Audit Services. Before join Mazars he served as a Senior Manager within the Internal Audit Services department of PricewaterhouseCoopers for more than ten years. His experience comes mainly from the financial sector where he has collaborated with almost all major banks in Greece and their subsidiaries in the Balkans in Corporate Governance, Business Risk Management and

Internal Audit Projects, as well as from the Cooperative Banks, the Payment Institutions, the Public Health Units and the Municipalities that has participated in a large number of Internal Audits in the last ten years. Has participated in auditing and consulting projects in over 200 companies and organizations in the last 22 years from all sectors (mainly Banks, Health Units, listed companies, etc.) in 19 countries (Greece, Cyprus, Bulgaria , Romania, Serbia, Montenegro, Albania, Turkey, FYROM, Great Britain, Ukraine, Poland, Netherlands, Denmark, Hungary, Slovenia, Nigeria, Sierra Leone and Guinea). He has extensive experience in training of business executives in Corporate Governance, Business Risk Management and Internal Audit in 23 countries. He has worked as a Research Fellow at the University of Piraeus (MSc in Shipping), University of the Aegean (Department of Shipping and Business Services - Master of Shipping, Transport and Business Services (NAME) and Department of Business Administration - Master of Business Administration (MBA)), at International Hellenic University, at the University of West Attica, at the University of Western Macedonia, as well as at Panteion. Since October 2014 he has been working as a Collaborating Professor at the Open University of Greece in the Thematic Unit DEO25 - Accounting, while he has worked as a Research Associate in the Department of Accounting of the TEI of Crete (now Hellenic Mediterranean University). Since 2015 he has been teaching Risk Management at the IESEG Business School (Paris, France) (MSc in Accounting, Audit & Control). He is also a Research Fellow - Instructor in Seminars on Internal and Financial Audit of Public Organizations and other related seminars at the National Center for Public Administration and Local Government (Athens and Thessaloniki). He holds a degree in Public Administration (Panteion University) with honors, a Master's degree in Internal Audit and Business Administration (Cass Business School, City University, London-UK) with a Distinction in his Thesis, and a PhD in Corporate Governance and Internal Controls with a distinction (Panteion University) as well as Chartered Internal Auditor (CMIIA) and Certified Internal Auditor (CIA, Certified Internal Controls Auditor - CICA, Certified in Self Self Assessment - CCSA, Certified in Risk Management Assurance - CRMA, Certified Controls Specialist - CCS). It has also been certified as an Internal Audit Quality Assessment Validator by the International Institute of Internal Auditors (The IIA-Inc). He holds an 'A' class Greek Accounting & Tax License by the Economic Chamber of Greece. In 2005, he received the Michael J. Barett award by the International Institute of Internal Auditors and by the Italian Institute of Internal Auditors in 2006 for his PhD in Corporate Governance and Internal Audit, and has received numerous scholarships and awards. He is a member of the Hellenic Institute of Internal Auditors (EIEE) in which he served as an elected member of the Board from 2005 to 2013. He is also a member of the Institute of Internal Auditors of Great Britain and Ireland (since 1996), he is General Secretary of the Board of the Investors & Internet Association responsible for Corporate Governance (since 2011), member of the Corporate Governance Committee on the Athens Stock Exchange (representative of SED) and member of the Working Group of the Hellenic Corporate Governance Council (NCS) for Corporate Governance of Non-Listed companies, of the International and Hellenic Institute against Fraud (ACFE and HACFE), has been a Member of the Assembly of Representatives of the Economic Chamber of Greece (2007-2016) - participated as a representative of the above body in the Professional Qualifications Recognition Council of the Ministry of Education (from 2011 to 2014) and the Committee on Cross-Border Cooperation Greece - Cyprus (from 2011 - today)). He has participated after being elected as a member of the Academic Relations Committee of the International Institute of Internal Auditors (The IIA - Inc.), while since 2011 he has been appointed as a representative of the Institute for Internal Controls (USA) for Greece and Cyprus responsible for the professional certifications Certified Internal Controls Auditor (CICA) and Certified Controls Specialist (CCS). Finally, he is a member of the Board. of the company Nomisma, Independent and Non-Executive member and Chairman of the Audit Committee of the Board of Directors of the companies listed on the Athens Stock Exchange Myloi Loulis, Livanis Publications and Kordellou Bros as well as chairman of the Audit Committees of the companies IASO, Vioter, AEGEK and LANAKAM and the Second Mutual Insurance Cooperative of Professional Owners of Public Use Cars of Northern Greece and Thessaly SYN.PE., while he has been a member of the Board and Chairman of the Audit Committee of FFGroup and IASO, as well as the unlisted company Qivos, while he has been a member of several Audit Committees of Public Health Units as they were established and operate in accordance with Law 4025/2011. Finally, he was member of the Boards and Committees of Alpha Bank designated as the Monitoring Trustee by DG Comp during the years 2013-15.

In the light of the long academic and professional activity of Mr. Koutoupis described above it is apparent that he has every necessary qualification required by the Suitability Policy of the Company, i.e. – professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

It is also determined that Mr. Koutoupis is independent, in the meaning of the article 9 of the Law 4706/2020, having no relations of dependency as they are defined in said article.

Georgios Taniskidis, Member of the Board of Directors, Independent Non-Executive member of the Board of Directors

Having 30 years of experience in the Banking Sector, Mr. George Taniskidis holds the position of Optima bank's Chairman with previous professional experience as an associate attorney with the law firm of Rogers & Wells in New York, Motor Oil Hellas, Xiosbank, as Head of the Consumer Business Group and Branch Network and upon Xiosbank's acquisition by Piraeus Bank, Mr. Taniskidis was appointed General Manager and served on the Strategic Planning Committee. From 2002 until June 2010, as Chairman and Managing Director of Millennium Bank Greece, Mr. Taniskidis led the Bank to achieve its goals much earlier than expected. In the same period he led the acquisition of a banking institution in Turkey which was then renamed to Millennium Bank Turkey and served as Member of its Board of Directors. From 2003 to 2005, he was a Member of the Board of Directors of Visa International Europe. Today he serves as Member of the Board of Directors of the Hellenic Banks Association. He played a pivotal role in the acquisition of Marfin Bank Romania (currently VISTA BANK). He also envisaged the opportunity to create a bank without legacies in Greece. He pursued this goal fervently and finally Investment Bank of Greece (currently Optima bank) was acquired. Mr. Taniskidis holds a Law degree from the University of Athens Law School, having graduated first in his class and a Master of Laws (LL.M.) from the University of Pennsylvania Law School.

In the light of the above described successful career and formation of Mr. Taniskidis it is determined that he has every necessary qualification required by the Suitability Policy of the Company, i.e. – professional training, experience, sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment, no conflict of interests and time commitment.

It is also determined that Mr. Taniskidis is independent, in the meaning of the article 9 of the Law 4706/2020, having no relations of dependency as they are defined in said article.

Board Of Directors Suitability Policy

The aforementioned composition of the BoD is according to the Suitability Policy of the Board of Directors pursuant to the provisions of article 3 of law 4706/2020, was approved by the BoD decision dating 10.5.2021 and subsequently by the decision of the Ordinary General Assembly of the Company's shareholders on 1.6.2021 pursuant to the provisions of par. 3 art. 3 of Law 4706/2020. The Suitability Policy aims to ensure qualitative staffing, efficient operation and fulfillment of the BoD's role on the basis of the overall strategy and the medium/long-term business endeavors of the Company, in order to promote corporate interests.

The BoD monitors on an ongoing basis the suitability of its members and in cases in which it is deemed necessary and according to the applicable law and the Suitability Policy re-evaluates their suitability and where appropriate takes action for their preplacement. The Company's Policy and Diversity criteria are incorporated into the Suitability Policy.

This Suitability Policy is available at the Company's website (https://www.loulismills.gr).

Convening of the Board of Directors

During 2021, nineteen (19) meetings of the Board of Directors took place in total.

The following tale presents the participations of the members of the BoD in the meetings, either with natural presence or via teleconference that took place during 2021:

NAME	STATUS	PARTICIPATION IN MEETINGS	COMMENTS
Nikolaos Loulis	Chairman of the BoD, Executive Member of the BoD	19/19	
Elisavet Kapelanou-Alexandri	Vice-Chairman of the BoD, Non-Executive Member of the BoD	10/10	Commencement of term 01.06.2021
Nikolaos Fotopoulos	Chief Executive Officer – Executive member of the BoD	19/19	
Georgios Mourelatos	Member of the BoD, Executive Member of the BoD	19/19	
Khedaim Abdulla Saeed Faris Alderei	Member of the BoD, Non-Executive Member of the BoD	12/19	
Andreas Koutoupis	Member of the BoD, Independent, Non-Executive Member of the BoD	16/19	

Georgios Taniskidis	Member of the BoD, Independent, Non-Executive Member of the BoD	9/10	Commencement of term 01.06.2021

The main issues discussed in the meetings of the BoD during 2021, according to the adopted meeting calendar are the following:

- Financial Statements approval
- Approval of Regulations and Policies in the context of compliance with the new law regarding corporate governance.
- Approval of Remuneration Policy and Remuneration Report
- Subsidiaries' issues
- Bond loans
- Approval of the Internal Audit Department plan
- Forming into body of the new BoD, defining of the responsibilities and signing rights.
- Appointment of the Nomination & Remuneration Committee
- Preparation of succession plan of both Board Members and senior management.
- Evaluation of the BoD members

Evaluation of the BoD members and Bod Committees.

The BoD has adopted, upon suggestion of the Nomination & Remuneration Committee, which defined the evaluation criteria, an evaluation process of the members in order to ensure the sufficient operation of the BoD and the fulfillment of its role as the supreme management body of the company, responsible for setting the strategy and supervising management and sufficient audit. The evaluation procedures and their implementation frequency aim at early detection of issues that may need improvement, sufficient information and taking action so as the effective operation of the BoD is ensured.

The BoD members are being evaluated annually: (a) collectively, taking into account the diversity and the effective cooperation of the BoD members for the fulfillment of their duties and (b) individually, assessing the contribution of each member to the successful operation of the BoD, taking into account the status of the member (executive, nonexecutive, independent), participation in committees, assumption of special responsibilities / projects, time dedicated, behavior as well as utilization of knowledge and experience.

Moreover, the effectiveness of each BoD committee is being evaluated annually on the initiative of the Chairman of each committee regarding the contribution of the committee in supporting the BoD and a relevant report is prepared for each committee. The criteria for the evaluation of the committees are those referred above on proportion with the duties of each committee. The evaluation process is carried out in the form of questionnaires and interviews as well as examination of their actions as recorded in the minutes of their meetings.

Moreover, through the evaluation of the effectiveness of the BoD committees i.e. Audit Committee and Nomination & Remuneration Committee it is determined that their contribution to the constructive support of the BoD is being assessed.

The annual evaluation of the BoD, Audit Committee and Nomination & Remuneration Committee made clear that the members of the BoD, Audit Committee and Nomination & Remuneration Committee meet the aforementioned criteria of individual and collective suitability, have sufficiency of knowledge and skills, guaranteed morality and reputation, independence of judgment and time commitment.

In particular, an annual evaluation of the operation of the BoD and of its Committees as collective bodies has been carried out as well as evaluation of the individual and collective suitability of the BoD members and of its Committees. In the context of that evaluation:

- The operation of the BoD and of its Committees, as collective bodies, was considered satisfactory.
- It was found that the members of the BoD and of its Committees meet the criteria of the Company's Suitability Policy both individually and collectively.
- It was found that the guarantees of morality and reputation, independence of judgment and time commitment are met, taking into account the quality and the skills assigned to each member as well as their other professional or individual commitments and conditions.
- It was found that each member of the BoD and of its Committees have sufficient knowledge and skills for the execution of their tasks required by their role and status.
- It was found that all the members of the Audit Committee have sufficient knowledge of the business activity while most of them have sufficient knowledge and experience on auditing or accounting.
- All the members of the Nomination & Remuneration Committee have the necessary knowledge and experience in corporate remuneration as well as in selecting candidates for staffing positions of high responsibility and authority.
- The collective suitability of the BoD members and of its Committees has been assessed satisfactory. It was found that the BoD members are able to take proper decisions taking into account the business model, the risk appetite, the strategy and the markets in which the Company is active while the members cover all the areas of knowledge required for the Company's business activities.
- The composition of the BoD reflects the knowledge, skills and experience required for exercising of the Company's business activity, strategic plan, financial reports, risk identification and risk management.
- The Company has adequate gender representation 25% of the total number of members of the BoD and in general ensures equal treatment and equal opportunities between the sexes within the BoD and its Committees as well as within higher and highest hierarchical positions. In this context, it was found that the Diversity Policy of the Company has been implemented satisfactory.
- The presence and participation of the BoD members in the meetings has been assessed satisfactory.

Chairman of the BoD (Executive member)

The Chairman role consists of the organization and coordination of BoD matters. The Chairman chairs the BoD and is responsible for the overall efficient and effective operation and organization of its meetings. At the same time, he promotes a culture of openmindedness and constructive dialogue in the conduct of its work, facilitates and promotes the establishment of good and constructive relations between the members of the BoD and the effective contribution to the work of the BoD of all non-executive members, securing complete and positive information to its members.

The Chairman ensures that the BoD as a whole has a satisfactory understanding of the views of the shareholders. The Chairman of the BoD ensures the effective communication with the shareholders with a view to the fair and equal treatment of these interests and the development of a constructive dialogue with them, in order to understand their positions.

The Chairman works closely with the Chief Executive Officer and the Corporate Secretary for the preparation of the BoD and the full information of its members.

When he is absent or disabled, is replaced, for the above, non- executive responsibilities, by the independent non-executive Vice Chairman.

Vice-Chairman of the BoD (Independent Non-Executive member)

The independent non-executive Vice Chairman of the BoD is responsible, in addition to the statutory responsibilities and about the coordination and effective communication of the executive and non-executive members of the BoD. In this context, he may convene a special meeting of the executive and non-executive members quarterly, in order to be informed about Company's operations and current issues.

In addition, the non-executive Vice Chairman presides over the evaluation of the Chairman of the BoD, which is conducted by the members of the BoD as well as the meetings of the non-executive members of the BoD for the evaluation of its executive members. Finally, the non-executive Vice Chairman is obliged to be available and to attend the General Meetings of the Company's Shareholders, in order to inform and discuss the issues of Corporate Governance of the Company, when and if they arise.

Chief Executive Officer (Executive member)

The CEO draws up the corporate strategy, the corporate identity, and the corporate long-term investment plan, monitors and controls the implementation of strategic goals of the Company and daily management of its affairs and draws up guidelines for the Company's executives who report and are supervised and guided by him. Supervises and ensures the smooth, orderly, and efficient operation of the Company, in accordance with the strategic objectives, business plans, policies adopted and the action plan, as determined by decisions of the BoD. He also supervises the corporate communication strategy, represents the Company in its contacts and relations with external investors and financial institutions at the highest level and is responsible for the Company's Management related to the strategic development as well as general regulatory and financial issues of the Company.

The CEO develops the annual corporate business plan and the annual budget, which are submitted to the BoD of the Company for approval. Prepares, in collaboration with the Executive Chairman and the BoD, the corporate organizational structure, its strategic goals and objectives and supervises and ensures their full implementation. Guides the Company towards the achievement of corporate goals and objectives, informs the BoD about all the essential issues that mainly concern strategic goals, corporate business activity as well as its promotion. Ensures full corporate operation compliance with current legal and regulatory framework, assesses the risks and ensures that they are controlled, supervised, addressed and ultimately dealt and minimized, strengthens, advises, inspires and guides management to demonstrate maximum efficiency, effectiveness and integrity in order to achieve the corporate goals, represents the Company and actively and continuously supports the Executive Chairman, in order for the latter to develop and reach profitable business agreements, which will maximize the economic value of the company.

The CEO participates and reports to the BoD of the Company and implements the strategic choices and important decisions of the Company. He is also responsible for the operation, development, and performance of the Company.

BoD Remuneration – Remuneration Report of the BoD pursuant to article 112. of Law 4548/2018

The Remuneration Report of the BoD members regarding the remuneration paid within 2021, pursuant to article 112. of Law 4548/2018 and the Remuneration Policy of the BoD members, shall be submitted to the Ordinary General Meeting of the shareholders within 2022 for the approval of the financial results of the year 2021.

The Remuneration Policy and the Remuneration Report of the year 2020 are posted on the Company's website: https://www.loulismills.gr

List of other professional commitments of the BoD members (including their professional obligations as non-executive members in other companies and non-profit institutions)

BoD MEMBER	POSITION/STATUS	LEGAL ENTITY
Nikolaos Loulis	Chairman of the BoD	KENFOOD SA
	Chairman of the BoD & CEO	GREEK BAKING SCHOOL S.A
	Chairman of the BoD & CEO	LOULIS LOGISTICS SERVICES SA
	BoD member	LOULIS MEL-BULGARIA EAD
	BoD member	Evi's Goodness SA
Nikolaos Fotopoulos	BoD member	KENFOOD SA
	Vice-Chairman of the BoD	GREEK BAKING SCHOOL S.A
	Vice-Chairman of the BoD	LOULIS LOGISTICS SERVICES SA
	BoD member	LOULIS MEL-BULGARIA EAD
	BoD member	Evi's Goodness SA
	Vice-Chairman of the BoD & CEO	HEAVENWEST DEVELOPMENT SA
	BoD member	LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD
Khedaim Abdulla Saeed Faris Alderei	BoD member	AL AIN OIL LLC
	BoD member	ALDAHRA HOLDING LLC

BoD MEMBER	POSITION/STATUS	LEGAL ENTITY
	BoD member	ALDAHRA INTERNATIONAL INVESTMENTS LLC
	BoD member	ALDAHRA AGRICULTURE SPAIN SL
	BoD member	AL AIN HOLDING LLC
	BoD member	ADVANCED SCIENTIFIC GROUP LLC
	BoD member	ALDAHRA CAPITAL LLC
	BoD member	ALDAHRA NATIONAL INVESTMENTS LLC
	BoD member	ALDAHRA INDUSTRIAL LLC
	BoD member	ALDAHRA KOHINOOR LLC
	BoD member	AL NAKHEEL INVESTMENTS Co. LLC
	BoD member	AL AIN EDUCATIONAL INVESTMENTS LLC
	BoD member	THE SHEIKH ZAYED PRIVATE ACADEMY FOR GIRLS LLC
	BoD member	THE AIN PROPERTIES LLC
	BoD member	THE AIN PROPERTIES HOLDING LLC
	BoD member	JANNAH PROPERTIES LLC
	BoD member	AL AIN HOSPITALITY INVESTMENTS LLC
	BoD member	AL BATEEN PROPERTIES LLC
	BoD member	AL BATEEN TOWER PROPERTY LLC
	BoD member	AL AIN INTERNATIONAL GROUP-DIVISION OF GENERAL TRADE
	BoD member	THREE ROYALS INVESTMENT LLC
	BoD member	GHAZLAN GENERAL TRADING LLC
	BoD member	AL AIN CAPITAL LLC
Georgios Taniskidis	Chairman of the BoD	OPTIMA BANK SA
	Chairman of the BoD	Optima Factors SA
	Chairman of the BoD	CORE CAPITAL PARTNERS CONSULTING SA
	Vice-Chairman of the BoD	SFAKIANAKIS SA
	BoD member	EUROSEAS Ltd Trust Company Complex
	BoD member	EURODRY Ltd Trust Company Complex
Andreas Koutoupis	Director	SANTO BUDINESS SOLUTIONS CONSULTING PC
	Chairman	KnR SA
	Partner	ANDREAS KOUTOUPIS & ASSOCIATES Ltd
	Partner	NIKOS VANDOROS LTD
	Independent non-executive member	IKTINOS HELLAS SA
	Independent non-executive member	LIVANIS PUBLICATIONS SA
	Independent non-executive member	KORDELOU BROS SA
	Independent non-executive member	EUROFARMA SA
	Independent non-executive member	KARAMOLEGOS BREAD INDUSTRY SA
	Partner	ArtDion Hotel & Villas
	Chairman of the BoD	Institute Of Internal Controls – IIC (educational non-profit institution)

Corporate Secretary

The BoD is supported by a corporate secretary to comply with internal procedures and policies, relevant laws, and regulations and to operate effectively and efficiently. The corporate secretary is responsible, in consultation with the Chairman, for ensuring immediate, clear, and complete information of the BoD, inclusion of new members, planning of General Meetings, facilitation of shareholders' communication with the BoD and facilitation of communication of the BoD with senior management.

The corporate secretary of the BoD is Mrs. Irini Papakostopoulou, Lawyer at the Supreme Court and member of the Athens Bar Association since 1998. She is the Head of the Legal Department of the company "Loulis Mills SA" since 1999 with expertise, among others, in corporate law and corporate governance.

<u>CVs of the Senior Executives of the Company</u>

Brief CVs of the executives follow:

Nikolaos Fotopoulos, Chief Financial Officer – CEO

His CV is set out above.

Nikolaos Loulis, Head of Human Resources Department – Chairman of the BoD.

His CV is set out above.

Dimitrios Tarnaras, Deputy CEO

He has born in Athens, in 1990. He holds two BSc in Business Administration of American College of Greece and Open British University and M.Sc. in organizational psychology at University of Leicester and Master's degree in Economics at Harvard USA. He has served in various posts in multinational companies while in recent years he is working in "LOULIS MILLS SA" where he has served in various positions such as Project Manager, Business Development Manager, International Markets Manager, Head of Human Resources and CEO of «Loulis Mel – Bulgaria EAD». Since February 2021, he serves as deputy CEO of Loulis Group.

Anastasios Thanos, Purchasing & Logistics Director

He has born in Volos, in 1988. He holds BSc in Accounting at ATEI of Larissa (Business Administrations and Economics Department) and MSc in Applied Economics at University of Thessaly (Economic Sciences Department). Since 13.05.2013 he has been working in "LOULIS MILLS SA", his initial post had to with Invoicing, Routing and Cash Department and subsequently he continued providing his services in the newly established Routing Department of the Company. On July 2016 he was appointed as Logistics Manager being responsible for the company's routing fleet and logistics centers (Attica and N. Greece) and in 2021 he took over the Logistics Management of all the logistics centers and transportation system of the Group and finally since early 2022 he is Purchasing Director in the new unified department of Purchasing & Logistics.

Evaggelia Louli – Terzopoulou, Marketing Director

She has born in Larissa, in 1983. She holds BSc in Business Administration at Boston University and MSc in Marketing Management & CEMS at Esade University. She has practiced in Marketing at Loulis Mills and subsequently at Katselis SA and KMP Publishing S.A. Since 2006 she has been working in "LOULIS MILLS SA" as Consumer Products Director and since February 2014 she serves as Director of Consumer Sales and Marketing. Today she is Head of the Marketing Department of the Company.

Leonidas Kozanitis, Sourpi Plant Manager

He has born in Volos, in 1965. He graduated from University of Patras, Chemistry Department and from Swiss Milling School SMS. He holds MBA from the Hellenic Management Association. He has participated in educational seminars abroad (INTERNATIONAL SCHOOL FOR BREAD OF LUZERN, BUHLER UZWIL, MUHLENCHEMIE etc.) and in Greece (HMA, TUV, GREEK CHEMISTS ASSOCIATION, IVEOE, UNIVERSITY OF THESSALY etc.). Since 1989 he has been working at "LOULIS MILLS SA" and has participated in planning and construction of several plants of the Company in Greece and abroad.

Andreas Tselos, Quality Manager & Keratsini Plant Manager

He has born in Piraeus, in 1972. He has been working at "LOULIS MILLS SA" since 1996. He holds degree of Technical Engineer with expertise in Cereal processing (1990-1994 Germany - DMSB). He has professional experience, since 1996, in Flour-industry at the industrial plants of Loulis Group in Greece and abroad having been assigned with the following duties: panning and supervising of Production projects and Quality Control as well as Quality Assurance. Today, he is the Plant Manager of Keratsini plant (2000), Quality Assurance Director of "LOULIS MILLS SA" as well as Technical Director of the projects abroad (2013).

Olga Manou, Manager of Corporate Social Responsibility & Communication

She has born in Athens, in 1962. She graduated from Pierce College in 1980. She has been working at "LOULIS MILLS SA" from October 1980 since April 1990. Subsequently, she has worked at GRAFI S.A. of which she was a shareholder. GRAFI S.A. was the largest store of books and paper products of Volos and, as a publisher, she was the General Director of the newspaper THESSALIA. Since 1996 and onwards she has been working at "LOULIS MILLS SA" as Public Relations Manager. Since 2013 she is Manager of Corporate Social Responsibility & Communication as well as Manager of Loulis Museum.

Dionisios Kasotakis, Manager of B2C Sales

He has born in Athens, in 1981. He studied Economic Sciences at the National and Kapodistrian University of Athens with expertise in Finance and International Trade. He holds MSc in International Marketing Management at University of Surrey of England and he also holds MBA from the Hellenic Open University. He has worked in positions concerning sales and marketing in large multinational and Greek companies. He has been working at "LOULIS MILLS SA" since 2000 and today he is the Manager of Consumer Sales of the Company.

Evaggelos Telegkas, Manager of B2B Sales

He has born in Volos, in 1963. He has graduated from Accounting School and has participated in seminars on sales administration, human resources management and public relations. His engagement with the company "LOULIS MILLS SA" started on 1986. For the period 1991 – 1996 he has been General Director of GRAFI S.A., owned by Loulis family. Subsequently, he has been General Manager of Karditsa plant (1996 - 1997) and afterwards General Director of the company MOARA LOULIS SA» in Bucharest of Romania (1997 – 1999). In 1999, after the absorption of SAINT GEORGE MILLS S.A., he served as assistant of the CEO Mr. Fotopoulos. Since 2001 and onwards he is the Manager of B2B Sales for Greece.

Information regarding the number of shares of the Company owned by BoD members and Senior Management.

The following table presents the number of shares of the Company owned by BoD members and Senior Management at 31.12.2021:

NAME	STATUS	NUMBER OF SHARES
Nikolaos Loulis	Chairman of the BoD, Executive member of the BoD	8.298.125
Nikolaos Fotopoulos	CEO, Executive member of the BoD	23.392
Evaggelia Louli – Terzopoulou	Marketing Director	1.175.170
Leonidas Kozanitis	Sourpi Plant Manager	1.600
Dionisios Kasotakis	Manager of Consumer Sales	770

Description of the policy regarding the diversity applied for the administrative, managing and supervising bodies of the Company

The Company provides equal opportunities to all of its employees, at all levels of hierarchy and avoids discriminations of any kind. The same diversity and equality policy applied for the administrative, managing and supervising bodies in an effort to promote an environment of equality without discriminations.

Management and employees are evaluated on the basis of their professional background, knowledge of the Company's objectives as well as their leadership skills, experience and performance. Evaluation results are free of any discrimination.

Within the BoD, the Committees of the Company as well as senior management of the Company the maximum possible diversity is pursued regarding, sex, age and educational and professional background of the members.

Pluralism of opinions, skills, knowledge and experience that correspond to the corporate objectives is intended. The adoption and implementation of that policy results in a working environment free of discriminations and prejudices.

The diversity criteria of the BoD are included in the Company's Suitability Policy as well.

BoD Committees

Audit Committee

The Audit Committee consists of three (3) independent members and operates according to article 44 of Law 4449/2017 as amended by article 74 of Law 4706/2020, articles 10, 15 and 16 of Law 4706/2020 and

537/2014 EU Regulation, the Hellenic Corporate Governance Code as voluntarily adopted by the Company and the Operating Rules of the Company.

The Audit Committee operates with the aim of supporting the BoD of the Company in the effective fulfillment of its duties regarding financial information, supervising of the internal control system and the statutory audit of the Company.

The main responsibilities of the Audit Committee are, among others, monitoring of the financial reporting process and making recommendations or proposals to ensure its integrity, monitoring of the effectiveness of the internal control systems, risk management and internal control system of the Company and monitoring of the statutory audit of the annual and consolidated annual financial statements.

The operation principles and duties of the Committee are described in detail on the website of the Company https://www.loulismills.gr.

The Audit Committee of the Company, as appointed by the Ordinary General Meeting of the Company's shareholders on 01.06.2021, is a three (3) member independent joint committee, consisting of two (2) independent non-executive members of the BoD and one (1) independent third individual, non-member of the BoD with four year term, which coincides with the term of the BoD, expiring at 01.06.2025.

The members of the Audit Committee are the following:

Andreas Koutoupis	Chairman of the Audit Committee, Independent Non-Executive Member of the BoD
Elisavet Kapelanou – Alexandri	Member of the Audit Committee, Independent Non-Executive Member of the BoD
Konstantinos Kontochristopoulos	Member of the Audit Committee, Non- member of the BoD

The Chairman of the Audit Committee, Mr. Koutoupis Andreas, meets the independence requirements of article 9 of the Law 4706/2020 and has sufficient of knowledge of the Company's activity, having been, moreover, member of the BoD of the Company since June 2017 as well as Chairman of the Audit Committee he is proven to have sufficient knowledge in accounting and auditing (international standards).

The detailed CV of Mr. Koutoupis has been already disclosed above.

The member of the Audit Committee, Mrs. Elisavet Kapelanou – Alexandri meets the independence requirements of article 9 of the Law 4706/2020 and has sufficient of knowledge of the Company's activity. In particular, Mrs. Kapelanou – Alexandri has long experience in the field of production and distribution of consumer products, services and goods. For many years - over 35- she is engaged with Commercial Law, Labor Law and tax Law, having served for several years legal advisor of many (listed and non-listed) companies, with successful management of issues relating to different kinds of sectors. Moreover, she has engaged with the Internal Audit of the companies she served as legal advisor for many years.

The detailed CV of Mrs. Kapelanou – Alexandri has been already disclosed above.

The member of the Audit Committee, Mr. Konstantinos Kontochristopoulos, meets the independence requirements of article 9 of the Law 4706/2020 and has sufficient of knowledge of the Company's activity, having been member of the Audit Committee since July 2019 and has sufficient knowledge in accounting and auditing.

The detailed CV of Mr. Kontochristopoulos follows:

Mr. Konstantinos Kontochristopoulos, Economist, born in Athens, in 1977. 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 Executive MBA from Kent University. He has been for several years (2004-2010) 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", Financial Director of "DUNAPACK VIOKYT Packaging S.A.", member of the Austrian group PRINZHORN GROUP, as well as member of the board of directors of the ASSOCIATION OF INDUSTRIES OF THESSALY & CENTRAL GREECE while today he is Group Controller of the Austrian group "SCHUR FLEXIBLES GROUP" with 24 plants in 11 European countries.

During 2021 the Audit Committee dealt with, among others, approval of the internal audit reports and their submission to the BoD, examination of the financial statements to be published and disclosed and their submission to the BoD and amendment of its charter.

The Audit Committee convened thirteen (13) times during 2021 with presence of all its members (i.e. participation rate 100%). The Audit Committee, in the context of its operation, examined its performance and found that the maximum effectiveness of its operation is ensured since the Committee fully performed its duties and carried out timely and adequately all the works assigned.

Audit Committee 2021 Annual Actions Report

"Dear Shareholders,

In accordance with article 44 paragraph 1 (i) of Law 4449/2017, which stipulates that: "The Audit Committee shall submit an annual report of its activities to the general meeting of the audited entity or, in the case of entities without shareholders, to the equivalent body. This report shall include a description of the sustainable development policy pursued by the audited entity", we submit to you the report on the activities of the Audit Committee about fiscal year 2021. The Chairman of the Audit Committee is Mr. Andreas Koutoupis, independent non-executive member of the Board of Directors, and members of the Audit Committee are Mrs. Elisavet Kapelanou – Alexandri, independent non-executive member of the board of directors and Konstantinos Kontochristopoulos, independent third party (non-member of the board of directors). All the members of the Audit Committee were present at the meetings of the Audit Committee and all decisions were taken unanimously. Minutes are held about each meeting and all got signed by all members of the Audit Committee. We note that the members of the Audit Committee meet frequently with each other, the Certified auditor of the Company, the internal auditor of the Company and with Company's management in general, in the context of the performance of their duties in accordance with Regulation (EU) 537/2014, Article 44 of Law 4449/2017, Decision 1302/2017 of the Hellenic Capital Market Commission and in general the applicable legislation.

In 2021, 13 meetings of the Audit Committee were held, where the following took place:

Regarding External Audit

- Reviewed and examined the statutory audit process of the annual financial statements of the Company and the Group for the year 2021 and 1st Semester of 2021 as well as the context of the Audit Reports of the Certified Auditor and held meetings with the Certified Auditor before the implementation of the audit program in order to inform the Committee and to examine the audit plan of the statutory auditors and also after the completion of the audit and before the publication of the financial statements in order to discuss any findings.
- Examined key audit matter and potential risks that could affect the financial information process such as those reported in Certified Auditor's Report and informed the BoD about the results of the statutory audit.
- Confirmed Certified Auditor's Independence. The audit firm BDO stated in writing its independence as well as the independence of the audit team involved in the statutory audit.
- Confirmed that the qualifying conditions for changing the Certified Auditor had not been met and suggested the re-election of BDO.
- Reviewed the audit fees in total of the Certified Auditor for the conducted audit procedures and the compliance of the provisions of 537/2014 EU Regulations has been confirmed. No non-audit services have been provided by the audit firm BDO.

Regarding Financial Information process

- Reviewed and assessed the Financial Information process followed by the Company upon publishing the annual and interim financial statements and informed the BoD about a this matter.
- Informed extensively, through meetings with the competent bodies of Management and the Certified Auditors, about the key audit matters that may have an impact on the company's financial statements as well as the important judgments and assessments of management during their preparation.
- Reviewed the information published regarding the main risks and uncertainties of the Company in relation to financial information.
- Held meetings with the Group's financial managers, internal audit manager, IT director as well as other Company's executives and got informed about significant matters such as IT work-plan, pending legal cases and the relevant provisions.
- Suggested to the BoD on the annual and interim financial statements based on the results of the external auditors' work, internal auditor and above meetings.

Regarding Internal Control System

- Examined and assessed the work of the internal Audit Unit regarding the adequacy and effectiveness of the audit conducted, got informed about all the performed audits during 2021, the findings, the corrections agreed with senior management and informed the BoD about these matters.

- Examined and approved the audit plan of the Internal Audit Unit based on the risk assessment of the Group's companies.
- Monitored the compliance process of the Company with the requirements of the corporate governance Law 4706/2020 through the works of the Internal Audit Unit and the meetings with the competent executives of the Group and the executives engaged with that particular project.
- Examined and approved the Charter of the Internal Audit Unit.
- Examined and approved the Risk Management and Regulatory Compliance Charter as well as the Policy and Procedure of the Internal Audit System evaluation before their approval by the BoD.
- Monitored the compliance with the applicable law and regulations, including the internal corporate policies as well.
- Evaluated the Company's methods applied for the identification and monitoring of the key risks of the Company.

Regarding Sustainable Development Policy

The Company recalling its sincere commitment to the principles of Social Corporate Responsibility and Sustainable Development prepared the Company's Sustainable Development Policy as got approved within 2021 by the BoD. The policy covers every activity of the Company and the Group and commits the Company and all of its subsidiaries.

The Company with the Sustainable Development Policy applied, aims, over time, at creating value to those engaged with the Company, i.e. shareholders, BoD members, Senior management and other employees, customers, suppliers, Banks, State, society and other social groups that interact with the Company.

To achieve that goal, the Company, places particular emphasis, among others, on human resources' training and development, working hygiene and safety and environmental protection as well, following the principles of the sustainable operation and development.

The Sustainable Development Policy of the Company reflects the approach and commitment of the management about issues of sustainable development and responsible operation. Responsible operation is an ongoing commitment for substantive actions in an effort to create value for all those involved in the company, meeting society's modern needs and contribute to its prosperity.

The Company implements specific strategy focusing on significant issues linked with its activity and aims at its ongoing responsible development emphasizing at crucial pillars of corporate responsibility ESG, i.e. Environment, Society, Governance. Sustainable Development Policy is an integrated part of the Company's business-practice model and culture. In the context of Sustainable Development's implementation, the Company is active, among others, to the following fields:

a) Hygiene and Safety of employees and products

The Company has set unconditional priority and primary concern the protection of the health and safety of its personnel. In the context of applying that priority, the Company has adopted every international best practice that contributes to the strengthening and improving of the safety culture and achieving the goal for "zero accidents" and at the same time conducts training programs about awareness of hazards on the production process and promoting of a common sense and safety behavior among employees.

The Company has set health protection as maximum of goods and in this context addresses the current situation regarding CONID-19 pandemic, with due seriousness aiming at employees' health and safety.

Regarding its products, the Company has adopted the following policies for ensuring the hygiene and safety of its products in the context of its Product Superiority strategy:

- Quality Policy
- Quality and Food Safety Policy

b) Training and development of employees

The Company acknowledges the significant contribution of the personnel to its successful course until today. Long experience, high expertise, knowledge and creativity of the personnel support the Company's course for a stable, dynamic and ongoing development. The Company greatly emphasizes at objective evaluation of its personnel, promoting and enhancing talents and its continuous training as well, planning and conducting training courses of high added value based on structured methodology, targeted topics and training material that meet specific needs and cover a wide range of knowledge fields. The Company encourages professional development and makes maximum use of the knowledge and skills of the personnel whereas filling vacant posts with redeployment of staff within the Company is a prevailing principle in the Company's culture. Within 2021 training courses have been conducted having offered the opportunity to participants to take part, learn and benefit from trainers of high expertise. Some of the courses have been conducted on a repetitive basis.

c) Social Responsibility

The Company aims at the sustainability of the local community through bilateral cooperation. The Company covers significant portion of its needs in human resources and suppliers from the local community in which the Company is active. A significant proportion of all employees comes from the local communities and in that way the Company contributes to the local and national economy. Within the Company's social initiatives the following are included: support of vulnerable social groups and particularly the Company supported 180 organizations providing them with more than 90 tonnes of flour, the Company's response to emergencies (i.e. natural disasters) having provided 2 tonnes of flour to the victims of the earthquake in Elassona and 5 tonnes of flour to the fire victims in Northern Evvoia, voluntary blood donations in the Company's premises, granting donations to public welfare institutions, support of 40 baking schools with a donation of more than 10 tonnes of flour for their training needs, support of "Food Saving Alliance" in cooperation with the non-profit organization "We Can" as well as many other initiatives that promote common values for progress, development and social service such as the implementation of new training courses in the "Loulis Museum" of the Company.

d) Environmental protection

For the Company, environmental protection is a primary element of its Sustainable Development Policy and represents a crucial pillar for its business strategy which is continuously adjusted to the constantly changing business international environment. Conscience about environment is expressed through adopting

Environmental Management Policy for protecting the environment form the Company's operation and making specific investments of environmental protection and adopting daily practices as well that combine responsible environmental management with the effort to continually eliminate the environmental impact. In this context, the Company applies the applicable Law and the implementation of environmental management programs is conducted through Environmental Management System certified with ISO 14001:2015.

In particular the Company proceeded in:

- Designing preventive measures of addressing problems and emergencies that could arise during the Company's operation.
- Setting measurable objectives and relevant programs for the ongoing improvement of the Company's environmental performance.
- Regular communication with all the parties involved- personnel, suppliers, business-partners, local community, companies with identical or similar activity- about environmental issues that affect all aspects of the Company's activity.

Also:

- Conducts targeted training sessions of environmental management (i.e. energy-saving programs, actions and initiatives for the reduction of pollutant emissions etc.)
- Seeks sustainable use of raw materials and natural resources (i.e. water drainage) and implements recycling program of metal, equipment, electrical and electronic devices, paper and plastic packages in association with verified recycling collectors.
- Implements integrated waste system and manages 100% recycling through verified providers of waste recycling.
- Monitors technological developments and periodically upgrades environmental infrastructure:
    - Annual noise and dust measurements are conducted by a verified company for that purpose.
    - Conducting emergency drills, fire-protection, depollution.
    - Continuous revitalization and afforestation of the surrounding areas of the production plants.
    - Achieving significant reduction of water consumption within the last 40 years with the production process.
    - Carrying-out disinsectisation of organic cereals and flour in conditions of controlled atmosphere without the use of chemicals.
- Ensures the ongoing training and sensitization of the employees on environmental issues.

e) Corporate Governance

The Company recognizes the importance of the principles of corporate governance and the advantages arising from their adoption as well and follows international best practices and international standards applicable in the field of its activity in an effort to maximize the benefit for its shareholders and to create value for all those involved and the society in general.

The Company, as a listed company, applies the legislation regarding corporate governance as now in force.

In an effort to ensure corporate transparency and control activities, effective management and best operational performance, the Company applies the Internal Operating Rules and has adopted the Hellenic Corporate Governance Code of the Hellenic Corporate Governance Council (HCGC) (June 2021).

Moreover, the Code of Conduct, the Policy and Process to prevent and manage potential conflicts of interest, the Corruption and Bribery Policy and the Shareholder Communication Mechanism Policy and Procedure reflect the Company's commitment to transparency issues, fighting corruption and bribery and conflicts of interest.

It is noted that in an effort to achieve the aforementioned goals of the Sustainable Development Policy, the Company has set up and operates the following Departments – Divisions and roles, which are fully staffed with sufficient and appropriate personnel:

- Corporate Social Responsibility & Communication Department
- Human Resources Department
- Quality Department
- Internal Audit Department
- Risk Management role
- Regulatory Compliance role

We are at your disposal for any additional information or clarification.

Keratsini, 19 April 2022

«the Audit Committee of the Company»

Nomination & Remuneration Committee

The Nomination & Remuneration Committee supports the BoD regarding the nomination process and succession planning of the BoD and the remuneration scheme of Board Members and senior management of the Company. The Committee is appointed by the BoD and consists of at least three (3) non-executive Board Members, two (2) of which at least must be independent non-executive. The independent non-executive members of the BoD are always the majority of the Committee's members.

The Nomination & Remuneration Committee of the Company was appointed on 25.06.2021 by the BoD of the Company and consists of the following members:

Andreas Koutoupis	Chairman of the Committee, Independent Non-Executive member of the BoD
Elisavet Kapelanou – Alexandri	Member of the Committee, Independent Non-Executive member of the BoD
Georgios Taniskidis	Member of the Committee, Independent Non-Executive member of the BoD

The tenure of the Committee coincides with the tenure of the BoD, i.e. until 01.06.2025.

The Nomination & Remuneration Committee convened three (3) times during 2021 with presence of all its members (i.e. participation rate 100%).

The Nomination & Remuneration Committee of the Company operates in accordance with its Charter which is posted on the Company's site https://www.loulismills.gr.

Within 2021 the Nomination & Remuneration Committee focused on its formation into a body, its Charter, the succession planning of the CEO and the evaluation of the BoD of the Company. The Nomination & Remuneration Committee, as part of its work, examined its performance and found that the maximum effectiveness of its operation is ensured since the Committee fully performed its duties and carried out timely and adequately all the works assigned.

Remuneration Committee

The Remuneration Committee was appointed and elected by the BoD of the Company at its meeting on 27 May 2019, with a three years term, and consists of the following members:

1. Koutoupis Andreas, Chairman of the Remuneration Committee - Independent Non-Executive member of the BoD.
2. Georgios Mourelatos, Independent Non-Executive member of the BoD.
3. Konstantinos Kontochristopoulos, Non-Member of the BoD.

The Remuneration Committee was abolished by the BoD in its meeting with date 25.6.2021, in view of the appointment of the above Nomination & Remuneration Committee, pursuant to articles 11 and 12 of Law 4706/2020. During 2021 the Remuneration Committee convened only one time and all of its members participated. In that particular meeting the Remuneration Committee submitted the Remuneration Report to the BoD for the year 1.1.2020 - 31.12.2020 (article 112 Law4548/2018) and suggested the amendment of the Remuneration Policy with the introduction of criteria which shall define the meaning of significant remuneration or benefit according to paragraph 2, item a, of article 9 of L. 4706/2020.

Sustainable Development Policy of the Company

Company's Vision

Creating value for human nutrition.

The Mission

Production and distribution of innovative and competitive raw materials of high quality as well as providing high-level services in the food market

With respect to the Company's tradition of 3 centuries, the commits itself to be pioneer and be developed with environmental and social responsibility, as well as to create value for its customers, employees, shareholders and the society

The Company targets at being the leader in the market of Southeast Europe and at the same time enforce its export orientation with environmental and social responsibility.

Financial Improvement & Corporate Governance

All companies should voluntarily integrate in their business activity and in the relationship with their business-partners social and environmental practices as they realize that responsible behavior leads to their sustainability and to sustainable business success.

In Loulis Mills a specific strategy of corporate responsibility and sustainable development is followed.

The Company identifies and manages the impact arising from its operation:

- On economy (market)
- On people
- On environment
- On society

and seeks to reduce the negative effect and increase the positive one.

The Company aims at achieving valid financial results, following the applicable legal framework regarding corporate governance. Evaluates the opportunities and manages business risks in an effort to ensure its continuous and smooth operation.

Moreover, complies with all relevant laws aiming at carrying out its activities with absolute transparency and integrity taking into account its share of moral and regulatory obligations.

Loulis Mills' priority is achieving strategic goals such as good competitiveness and corporate performance, through exclusively legal behavior. Based on the above, the Company does not encourage and does not tolerate illegal or immoral business activities.

The Company prepares the Sustainability Report in which the international standards of Sustainable Development are included.

Relations with Third Parties

Loulis Mills SA has adopted a customer-oriented approach of customer service aiming at meeting their best interests and the Company invests in research and development providing a wide range of products of high quality.

Moreover, the Company targets at creating added value for its customers not only through providing them with products of high quality but also supporting them with excellent and personalized services. In that way the Company reinforces its position in the continually developing business environment.

In addition, the Company expects the commitment of its suppliers and business-partners regarding their sound and responsible business behavior.

Human Resources

The protection of human rights as well as providing a healthy and safe working environment are Company's primary goals.

The Company respects and supports the internationally recognized human rights, through the adoption of policies of fair reward, merit and equal opportunities, free of discriminations for its entire personnel whereas ensures the development of its staff and the BoD members according to the training Policy of the Company.

The Company does not tolerate any kind of discrimination regarding, sex, religion, age, ethnicity, social background, disability, beliefs, sexual orientation or political views. These principles apply for hiring new staff, employees with contract and the professional development of the Company's staff. The unique factors affecting decisions about employment is performance, experience, personality, effectiveness, skills, qualifications and character.

The Company and its subsidiaries are against any kind of forced labor. All the works performed within the Company should be voluntary and according to the applicable legislation.

The Company constantly ensures health and safety at all levels of its activity, including personnel, business-partners, customers and visitors. The Company strictly complies with the applicable legislation and fully applies all the appropriate standards, directives and procedures regarding health and safety.

Environment

Environmental management is one of the Company's priorities and in that context the Company applies the prevention principle and takes systematic actions aiming at minimizing as much as possible the environmental impact with the adoption of good environmental practices.

The operation of the Company and of its subsidiaries ensure the best management of natural resources, the promotion of a green culture to its personnel, the compliance with the applicable local and EU legislation as well as with the specific environmental criteria of operation of each unit. The Company operates with absolute transparency and participates in an open dialogue about environmental issues with all the interested parties.

Local community

The Company actively participates and responds with social responsibility to issues concern the local community. Designs and carries out actions aiming at elimination of social problems such as employment issues, educational development, welfare and culture.

The Company at the same time encourages its personnel and its business-partners as well to participate on voluntary actions and take initiatives for the Sustainable Development of the local community.

In the core of the business model of sustainable development is the human being and not only the economic profit making the role of management of a company more difficult and demanding as it is not easy enough for someone to strike the right balance between achieving economic goals of a company and respect of principles and regulations of ESG criteria.

Loulis Mills gradually and continuously integrate the ESG criteria and goals (Environment, Social, Governance) in its investment strategy for all of its activities.

At mid-term and long-term that process shall result in an improved investment impact on environment, society and adoption of corporate governance best practices. At the same time the Company expects, after the adoption of ESG's practices, to contribute to reducing investment risks and strengthen the performance of its investment.

Covid-19 pandemic affected everyone's life and business community had to respond immediately and responsibly to the challenges and to support employees, business-partners and the community. Loulis Mills confirms its commitment to operate as a sustainable business with policies and procedures in favor of the environment and to create a culture of integrity. The pandemic outlined the importance of sustainability and social responsibility for the societies and economies in order to become more resistant and prosperous in the long-term and shall not "allow to anyone to stay behind" imposing significant culture change, from achieving short-term profit to creating sustainable value.

Significant non-financial issues regarding long-term sustainability of the Company

a) Hygiene and Safety of employees and products

The Company has set unconditional priority and primary concern the protection of the health and safety of its personnel. In the context of applying that priority, the Company has adopted every international best practice that contributes to the strengthening and improving of the safety culture and achieving the goal for "zero accidents" and at the same time conducts training programs about awareness of hazards on the production process and promoting of a common sense and safety behavior among employees.

The Company has set health protection as maximum of goods and in this context addresses the current situation regarding CONID-19 pandemic, with due seriousness aiming at employees' health and safety.

Regarding its products, the Company has adopted the following policies for ensuring the hygiene and safety of its products in the context of its Product Superiority strategy:

- Quality Policy
- Quality and Food Safety Policy

b) Training and development of employees

The Company acknowledges the significant contribution of the personnel to its successful course until today. Long experience, high expertise, knowledge and creativity of the personnel support the Company's course for a stable, dynamic and ongoing development. The Company greatly emphasizes at objective evaluation of its personnel, promoting and enhancing talents and its continuous training as well, planning and conducting training courses of high added value based on structured methodology, targeted topics and training material that meet specific needs and cover a wide range of knowledge fields. The Company encourages professional development and makes maximum use of the knowledge and skills of the personnel whereas filling vacant posts with redeployment of staff within the Company is a prevailing principle in the Company's culture. Within 2021 training courses have been conducted having offered the opportunity to participants to take part, learn and benefit from trainers of high expertise. Some of the courses have been conducted on a repetitive basis.

c) Social Responsibility

The Company aims at the sustainability of the local community through bilateral cooperation. The Company covers significant portion of its needs in human resources and suppliers from the local community in which the Company is active. A significant proportion of all employees comes from the local communities and in that way the Company contributes to the local and national economy. Within the Company's social initiatives the following are included: support of vulnerable social groups and particularly the Company supported 180 organizations providing them with more than 90 tonnes of flour, the Company's response to emergencies (i.e. natural disasters) having provided 2 tonnes of flour to the victims of the earthquake in Elassona and 5 tonnes of flour to the fire victims in Northern Evvoia, voluntary blood donations in the Company's premises, granting donations to public welfare institutions, support of 40 baking schools with a donation of more than 10 tonnes of flour for their training needs, support of "Food Saving Alliance" in cooperation with the non-profit organization "We Can" as well as many other initiatives that promote common values for progress, development and social service such as the implementation of new training courses in the "Loulis Museum" of the Company.

d) Environmental protection

For the Company, environmental protection is a primary element of its Sustainable Development Policy and represents a crucial pillar for its business strategy which is continuously adjusted to the constantly changing business international environment. Conscience about environment is expressed through adopting Environmental Management Policy for protecting the environment form the Company's operation and making specific investments of environmental protection and adopting daily practices as well that combine responsible environmental management with the effort to continually eliminate the environmental impact. In this context, the Company applies the applicable Law and the implementation of environmental management programs is conducted through Environmental Management System certified with ISO 14001:2015.

In particular the Company proceeded in:

- Designing preventive measures of addressing problems and emergencies that could arise during the Company's operation.

- Setting measurable objectives and relevant programs for the ongoing improvement of the Company's environmental performance.
- Regular communication with all the parties involved- personnel, suppliers, business-partners, local community, companies with identical or similar activity- about environmental issues that affect all aspects of the Company's activity.

Also:

- Conducts targeted training sessions of environmental management (i.e. energy-saving programs, actions and initiatives for the reduction of pollutant emissions etc.)
- Seeks sustainable use of raw materials and natural resources (i.e. water drainage) and implements recycling program of metal, equipment, electrical and electronic devices, paper and plastic packages in association with verified recycling collectors.
- Implements integrated waste system and manages 100% recycling through verified providers of waste recycling.
- Monitors technological developments and periodically upgrades environmental infrastructure:
    - Annual noise and dust measurements are conducted by a verified company for that purpose.
    - Conducting emergency drills, fire-protection, depollution.
    - Continuous revitalization and afforestation of the surrounding areas of the production plants.
    - Achieving significant reduction of water consumption within the last 40 years with the production process.
    - Carrying-out desensitization of organic cereals and flour in conditions of controlled atmosphere without the use of chemicals.
- Ensures the ongoing training and sensitization of the employees on environmental issues.

Standards used in publishing non-financial information of the Company

Through publishing the Sustainability Development Report (sixth consecutive report) the Company aims at interested parties' comprehensive information regarding the quantitative and qualitative data related to the Company's performance in achieving its goals about Environmental, Social and Governance issues. These have been prepared in line with GRI criteria and underline and meet ESG's criteria (Environmental, Social and Governance criteria) according to the ESG Reporting Guide of the Athens Stock Exchange.

ESG criteria include several indicators that measure Company's performance and adapt its behavior so as to be in line with those criteria. ESG criteria are used and been assessed by prospective investors who wish to focus on responsible investments.

Moreover, for the determination of the Report's context, the Company used the basic version of GRI Standards: "Core option" and at the same time the requirements of Food Processing Sector Supplement of the GRI guidelines have been used. In addition the seven fundamental Principles of Social Responsibility of the international standard ISO 26000:2010 have been taken into account.

The Company clearly defined its limits and effect on sustainable development after taking into account the Sustainable Development Goals – SDGs of the UN, examining the impact of its several essential issues on each one of the 17 Goals.

Through the publishing of that report, the Company wishes to start and strengthen the dialogue with all the interested parties so as to support its strategy for the development of a sustainable and responsible business environment, for a greater contribution to economy, society and environment.

Targeting at transparency and strengthening the reliability of data the Company assigned an independent company of providing assurance on sustainability reports the external assurance of its Sustainability Development Report.

The Company based on the GRI standards and Sustainable Development Goals – SDGs of the UN is committed to pinpoint opportunities that could improve its strategy and decision-making regarding its operating performance, reducing the risks related to climate change and economic development.

Decision-making procedure regarding transactions with related parties

The related parties transaction process aims to describe the manner in which related party transactions must be approved in accordance with the applicable legal framework and the manner in which they must be followed by the Company's staff prior to the signing/approval of a related party transaction.

Each affiliated company follows the rules regarding transparency, independent financial management, accuracy and correctness of its transactions, as stipulated by law. Transactions between the Company and its affiliated companies are made at a price or consideration, which is proportional to what would be agreed in case the transaction would be made with another natural or legal person, with the prevailing market conditions during the time of the transaction and especially in proportion to the price or consideration agreed by the Company, when it is traded with any third party, in accordance with the relevant provisions of the relevant legislation.

In the context of the application of International Accounting Standards and International Financial Reporting Standards and specifically in accordance with IAS 24 "Disclosures of Related Parties", the Company is required to disclose mainly through periodic financial statements the transactions between related parties. According to the provisions of that standard, in addition to the companies (subsidiaries and affiliates) being part of the Group of the Company, the BoD members, senior management, close members of the family thereof as well as third entities in which the above parties have a significant stake (>20%) and who, on account of the nature of such transactions, have significant influence over the Company's decisions, strategies or economic activities.

On the responsibility of Financial Department, information relevant to the said transactions between related parties is included in the report accompanying the financial statements of the Company, for the shareholders' information.

In the context of the above, within 2021 the Company carried out the following transactions with related parties, as described in Chapter I of the Annual Report Of The Board Of Directors.

I. Significant transactions with Related Parties

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

Significant Transaction with related parties

Group

	01.01.2021 - 31.12.2021		01.01.2020 - 31.12.2020	
	Sales of Goods and Services	Purchases of Goods and Services	Sales of Goods and Services	Purchases of Goods and Services
Executives and Members of the Management	0	0	0	0
Total:	**0**	**0**	**0**	**0**

	31.12.2021		31.12.2020	
	Receivables	Liabilities	Receivables	Liabilities
Executives and Members of the Management	266.826	813	136.600	734
Total:	**266.826**	**813**	**136.600**	**734**

Company

	01.01.2021 - 31.12.2021		01.01.2020 - 31.12.2020	
	Sales of Goods and Services	Purchases of Goods and Services	Sales of Goods and Services	Purchases of Goods and Services
Kenfood SA	844.105	1.348.163	453.630	1.333.001
Greek Baking School S.A	8.400	37.000	8.400	67.200
Loulis Logistics Services SA	480	0	480	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	64.090	1.283.983	174.781	440.689
Executives and Members of the Management	0	0	0	0
Total:	**917.075**	**2.669.146**	**637.291**	**1.840.890**

	31.12.2021		31.12.2020	
	Receivables	Liabilities	Receivables	Liabilities
Kenfood SA	58.811	72.418	59.539	373.577
Greek Baking School S.A	0	0	0	0
Loulis Logistics Services SA	0	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	4.020.815	238.379	695.853	0
Executives and Members of the Management	0	554	0	734
Total:	**4.079.626**	**311.351**	**755.392**	**374.311**

Fees of Executives and Members of the Management

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Salaries and other benefits	1.285.278	1.084.533	743.155	638.515
Total:	**1.285.278**	**1.084.533**	**743.155**	**638.515**

There are no other significant transactions with the associated companies for 2021.

J. Significant Events s from the end of the fiscal year 2021

The most significant events that took place subsequently of December 31, 2021 and until the date of the Financial Statements' preparation are as follows:

Completion of the Audit of the Investment on Sourpi according to Inv. Law 3299/2004

On February 22, 2022 by the Decision No. 19460 of the General Secretary of Investment and Development, of Ministry of Development and Investment the audit of the Company's investment has been completed regarding upgrade of flour-producing plant in the Sourpi Industrial Unit, in Magnisia which has undertaken according to Law3299/2004. The total final subsidized cost of the investment amounts to € 4.057.160 whereas the grant amounts to € 1.014.290, i.e, 25% of the total subsidized cost of the investment.

Issuance of Bank Loan

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

War situation in Ukraine

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

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

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

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

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

The Company, on December 31, 2021, 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 12.04.2022 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 provisions 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 2021, 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 internationally recognized reporting standard (GRI Standards), will be available 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 21, 2022

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, 2021, 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, 2021, 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, 2021 amounts to € 35.962.213 and € 28.402.995 respectively. The Group and the Company valuate inventories at the lower of cost and net realizable value.	We performed a risk based approach and our audit includes, among others, the following procedures: • 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.

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.

- On a sample basis we tested the verification of both the purchase and the production cost.
- We examined on a sample basis the available accounting records used to determinate 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.

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, 2021, amounted to € 36.368.869 and € 33.049.955 respectively and the relevant accumulated impairment provision amounts to € 7.474.147 and € 6.685.158 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

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

Notes 6.4.9, 6.5.6 and 7.8 of the financial statements.

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 31.12.2021.

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 or other permitted non-audit services.

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 8 consecutive years.

5. Rules of Procedure

The Company has in place Rules of Procedure in conformance with the provisions of article 14 of Law 4706/2020.

6. Assurance Report on European Single Electronic Format

We examined the digital records of "LOULIS MILLS S.A." (hereinafter Company and Group), prepared in accordance with the European Single Electronic Format (ESEF) as defined by the European Commission Delegated Regulation 2019/815, amended by the Regulation (EU) 2020/1989 (ESEF Regulation), which comprise the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format (213800SZN4MZXLBCIB60-2021-12-31-en) as well as the provided XBRL file (213800SZN4MZXLBCIB60-2021-12-31-en.zip) with the appropriate mark-up, on the aforementioned consolidated financial statements.

Regulatory Framework

The digital records of the ESEF are prepared in accordance with the ESEF Regulation and the Commission Interpretative Communication 2020/C379/01 of November 10, 2020, in accordance with Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (ESEF Regulatory Framework).

In summary, this framework includes, inter alia, the following requirements:

- All annual financial reports shall be prepared in XHTML format.
- For the consolidated financial statements in accordance with IFRS, financial information included in the statements of comprehensive income, financial position, changes in equity and cash flow shall be marked-up with XBRL tags, in accordance with the effective ESEF Taxonomy. ESEF technical specifications, including the relevant taxonomy, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework constitute the appropriate criteria for expressing a conclusion of reasonable assurance.

Responsibilities of Management and Those Charged with Governance

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

Auditor's Responsibilities

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

We conducted our work in accordance with the Code of Ethics for Professional Accountants (IESBA Code) issued by the International Ethics Standards Board for Accountants, as incorporated in Greek legislation and we have complied with the ethical requirements of independence, in accordance with Law 4449/2017 and EU Regulation 537/2014.

We conducted our work in accordance with the International Standard on Assurance Engagements (ISAE) 3000 "Assurance Engagements other than Audits or Reviews of Historical Financial Information" and our procedures are limited to the requirements of ESEF Guidelines. Reasonable assurance is a high level of assurance, but is not a guarantee that this work will always detect a material misstatement of non-compliance with the requirements of ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2021, in XHTML format (213800SZN4MZXLBCIB60-2021-12-31-en), as well as the provided XBRL file (213800SZN4MZXLBCIB60-2021-12-31-en.zip), with the appropriate mark-up on the above consolidated financial statements, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Ag. Paraskevi, April 21, 2022
Certified Public Accountant

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

Dimitrios V. Spirakis
Reg. SOEL: 34191

Annual Financial Statements

1. Statement of Financial Position

(Amounts in €)		GROUP		COMPANY	
		31/12/2021	31/12/2020	31/12/2021	31/12/2020
ASSTETS	**Note**				
Non-Current Assets					
Property, Plant and Equipment	7.1	103.055.115	101.320.038	89.743.079	90.516.419
Investment Property	7.1	519.992	355.992	500.000	336.000
Right of Use Assets	7.2	513.392	985.238	348.201	839.478
Other Intangible Assets	7.3	1.972.506	2.279.414	1.216.479	1.505.626
Goodwill	7.4	1.000.000	1.000.000	0	0
Investments in Subsidiaries	7.5	0	0	14.174.033	14.159.033
Other Non-Current Receivables	7.6	1.745.691	79.297	336.272	12.521
Deferred Tax Assets		0	0	0	0
		108.806.696	**106.019.979**	**106.318.064**	**107.369.077**
Current Assets					
Inventories	7.7	35.962.213	22.499.105	28.402.995	16.705.167
Trade Receivables	7.8	36.368.868	31.848.818	33.049.955	29.717.674
Derivative Financial Assets	7.9	521.000	0	521.000	0
Cash and Cash Equivalents	7.10	9.653.358	14.886.801	8.343.081	11.600.271
Other Current Assets	7.11	5.288.177	2.964.541	8.996.100	3.210.295
		87.793.616	72.199.265	79.313.131	61.233.407
TOTAL ASSETS		**196.600.312**	**178.219.244**	**185.631.195**	**168.602.484**
EQUITY AND LIABILITIES					
Equity attributable to Equity Holders of the Parent					
Share Capital		16.093.063	16.093.063	16.093.063	16.093.063
Share Premium Account		31.602.358	31.602.358	31.602.358	31.602.358
Other Reserves	7.12	45.485.330	43.769.761	46.543.866	45.230.835
Equity attributable to Equity Holders of the Parent		93.180.751	91.465.182	94.239.287	92.926.256
Non-Controlling Interest		488	406	0	0
Total Equity		**93.181.239**	**91.465.588**	**94.239.287**	**92.926.256**
Non-Current Liabilities					
Non-Current Loans and Borrowings	7.13	47.473.357	54.319.165	42.125.000	45.575.000
Deferred Tax Liabilities	7.14	10.812.199	11.394.244	10.532.166	11.250.394
Provisions for Retirement Benefits	7.15	402.879	379.292	378.590	358.102
Non-Current Lease Liabilities	7.2	310.751	323.374	209.291	241.177
Other Non-Current Liabilities	7.16	2.861.214	3.001.352	2.861.214	3.001.352
		61.860.400	69.417.427	56.106.261	60.426.025
Current Liabilities					
Trade Payables	7.17	19.829.680	8.627.153	15.914.403	7.317.978
Loans and Borrowings	7.13	14.351.250	5.957.363	12.208.732	5.442.134
Derivative Financial Liabilities	7.9	762.350	0	762.350	0
Tax Liabilities	7.18	722.130	870.694	684.380	806.130
Current Lease Liabilities	7.2	217.095	350.177	149.682	283.353
Other Current & Accrued Liabilities	7.19	5.676.168	1.530.842	5.566.100	1.400.608
		41.558.673	17.336.229	35.285.647	15.250.203
Total Equity and Liabilities		**196.600.312**	**178.219.244**	**185.631.195**	**168.602.484**

Note:The comparative figures of the Statement of Fiancial Position of the Group and the Company for the year 2020 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7)

2. Statement Of Comprehensive Income

(Amounts in €)

	Note	GROUP 1/1-31/12/2021	GROUP 1/1-31/12/2020	COMPANY 1/1-31/12/2021	COMPANY 1/1-31/12/2020
Revenue	7.20	134.908.470	111.062.878	119.715.042	97.921.879
Cost of Sales		(115.387.298)	(89.812.936)	(102.636.050)	(78.885.727)
Gross Profit		**19.521.172**	**21.249.942**	**17.078.992**	**19.036.152**
Other Income	7.21	3.304.365	3.683.145	2.764.622	2.565.626
Distribution Expenses	7.22	(14.021.981)	(13.978.690)	(11.941.854)	(12.101.047)
Administration expenses	7.23	(6.006.951)	(5.753.715)	(5.322.297)	(4.996.408)
Other Expenses	7.24	(199.794)	(1.748.868)	(150.510)	(635.100)
Fair value valuation of Bonds and Participations		(142.662)	169.140	(142.662)	169.140
Financial Income	7.25	3.650	21.489	29.050	87.573
Financial Expenses	7.25	(1.650.351)	(2.369.474)	(1.413.073)	(1.906.303)
Profits/(Losses) before Taxes		**807.448**	**1.272.969**	**902.268**	**2.219.633**
Tax Expense	7.26	386.144	(569.171)	398.665	(463.634)
Net Profit of the Year		**1.193.592**	**703.798**	**1.300.933**	**1.755.999**
Owners of the Parent Company		1.193.607	703.767	1.300.933	1.755.999
Non-Controlling Interests		(15)	31	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	2.086.473	1.160.933	1.436.996	543.583
Actuarial Profits/Losses		7.329	30.578	3.635	33.280
Income Tax that relates to Other Comprehensive Income		(362.225)	(199.520)	(219.013)	(138.447)
Items that will not be Reclassified to Profit or Loss		**1.731.577**	**991.991**	**1.221.618**	**438.416**
Total Comprehensive Income for the Year		**2.925.169**	**1.695.789**	**2.522.551**	**2.194.415**
Profit Attributable to:					
Owners of the Parent Company		2.925.184	1.695.758	2.522.551	2.194.415
Non-Controlling Interests		(15)	31	0	0
Earnings per Share for Profits Attributable to the Owners of the Parent					
Basics	7.28	**0,0697**	**0,0411**	**0,0760**	**0,1026**
Diluted	7.28	**0,0697**	**0,0411**	**0,0760**	**0,1026**
Proposed Dividend per Share		**0,0000**	**0,0000**	**0,0000**	**0,0000**
Depreciation		5.198.143	4.995.923	4.698.357	4.546.120
Earnings before Interest and Tax		**2.652.409**	**4.254.760**	**2.458.909**	**4.413.052**
Earnings before Interest, Tax, Depreciation and Amortization		**7.850.552**	**9.250.683**	**7.157.266**	**8.959.172**

Note:The comparative figures of the Statement of Income of the Group and the Company for the year 2020 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7)

3. Statement of Changes in Equity

3.1 Group*(Amounts in €)*

	Share Capital	Share Premium	Statutory Reserves	Extraordinary Reserves	Non Taxable Reserves	Resereve 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 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**
Change in accounting policy (IAS 19)	0	0	0	0	0	0	0	0	0	351.631	**351.631**	4	**351.635**
Restated balance at 1st January 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**	**26.097.185**	**91.159.941**	**174**	**91.160.115**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	0	703.767	**703.767**	31	**703.798**
Actuarial Profits/(Losses)	0	0	0	0	0	0	0	0	0	23.253	**23.253**	0	**23.253**
Profit/(Losses from revaluation of Property	0	0	0	0	0	0	968.738	0	0	0	**968.738**	0	**968.738**
Net Revenue/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Dividends	0	0	0	0	0	0	0	0	0	(1.390.317)	**(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**
Other movements	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
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**	**25.279.192**	**91.465.182**	**406**	**91.465.588**
Balance at January 1st 2021	**16.093.063**	**31.602.358**	**1.975.683**	**103.990**	**3.420.457**	**0**	**4.276.771**	**1.061.889**	**7.651.779**	**25.279.192**	**91.465.182**	**406**	**91.465.588**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	0	1.193.607	**1.193.607**	(15)	**1.193.592**
Actuarial Profits/(Losses)	0	0	0	0	0	0	0	0	0	6.203	**6.203**	0	**6.203**
Profit/(Losses from revaluation of Property	0	0	0	0	0	0	1.725.374	0	0	0	**1.725.374**	0	**1.725.374**
Net Revenue/Expenses directly recognized in Equity	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Dividends	0	0	0	0	0	0	0	0	0	(1.209.519)	**(1.209.519)**	0	**(1.209.519)**
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Return of Capital to Shareholders	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Sales/(Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	**0**	0	**0**
Change in Reserves	0	0	100.723	0	0	0	0	0	0	(100.723)	**0**	0	**0**
Minorities	0	0	0	0	0	0	0	0	0	(98)	**(98)**	97	**(1)**
Other movements	0	0	0	0	0	0	0	0	0	2	**2**	0	**2**
Net Position at December 31st 2021	**16.093.063**	**31.602.358**	**2.076.406**	**103.990**	**3.420.457**	**0**	**6.002.145**	**1.061.889**	**7.651.779**	**25.168.664**	**93.180.751**	**488**	**93.181.239**

Note:The comparative figures of the Statement of Changes in Equity of the Group and the Company for the year 2020 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7)

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 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**
Change in accounting policy (IAS 19)	0	0	0	0	0	0	0	0	313.555	313.555	**313.555**
Restated balance at 1st January 2020	**16.093.063**	**31.602.358**	**1.718.444**	**103.990**	**3.208.286**	**0**	**3.308.033**	**6.592.716**	**29.495.268**	**92.122.158**	**92.122.158**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	1.755.999	1.755.999	**1.755.999**
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	25.293	25.293	**25.293**
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**
Other movements	0	0	0	0	0	0	0	0	0	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**	**29.731.747**	**92.926.256**	**92.926.256**
Balance at January 1st, 2021	**16.093.063**	**31.602.358**	**1.872.940**	**103.990**	**3.208.286**	**0**	**3.721.156**	**6.592.716**	**29.731.747**	**92.926.256**	**92.926.256**
Profits/(Losses) for the Period after Taxes	0	0	0	0	0	0	0	0	1.300.933	1.300.933	**1.300.933**
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	2.836	2.836	**2.836**
Profit/(Losses from revaluation of Property	0	0	0	0	0	0	1.218.782	0	0	1.218.782	**1.218.782**
Dividends	0	0	0	0	0	0	0	0	(1.209.520)	(1.209.520)	**(1.209.520)**
Share Capital Increase	0	0	0	0	0	0	0	0	0	0	**0**
Return of Capital to Shareholders	0	0	0	0	0	0	0	0	0	0	**0**
Sales/(Purchases) of Own Shares	0	0	0	0	0	0	0	0	0	0	**0**
Capital Amount Returned relating to Own Shares	0	0	0	0	0	0	0	0	0	0	**0**
Change in Reserves	0	0	100.723	0	0	0	0	0	(100.723)	0	**0**
Other movements	0	0	0	0	0	0	0	0	0	0	**0**
Net Position at December 31st 2021	**16.093.063**	**31.602.358**	**1.973.663**	**103.990**	**3.208.286**	**0**	**4.939.938**	**6.592.716**	**29.725.273**	**94.239.287**	**94.239.287**

Note:The comparative figures of the Statement of Changes in Equity of the Group and the Company for the year 2020 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7)

4. Cash Flow Statement

	GROUP		COMPANY	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Cash Flow from Operating Activities				
Profit/(Loss) before Tax	**807.448**	**1.272.969**	**902.268**	**2.219.633**
Adjustments for :				
Depreciation	5.198.143	4.995.923	4.698.357	4.546.120
Provisions	21.792	(319.938)	24.598	471.259
Profit/(Loss) from Sale of Property ,Plant & Equipment and Intangible Assets	30.521	147.215	18.285	142.777
Interest Expenses	1.650.351	2.369.474	1.413.073	1.906.303
Interest Income	(3.650)	(21.489)	(29.050)	(87.573)
Adjustments for change in Workings Capital or relating Operating Activities:				
(Increase)/Decrease in Inventories	(13.449.722)	(636.321)	(11.697.828)	(404.154)
(Increase)/Decrease in Receivables	(7.663.399)	4.649.090	(9.716.946)	5.288.424
(Decrease)/Increase in Payables (Excluding Loans)	14.238.488	(9.556.243)	12.819.156	(7.198.123)
Less :				
Interest paid	(1.708.280)	(2.448.681)	(1.440.686)	(1.973.304)
Tax paid	(48.296)	(1.315.540)	(46.195)	(1.307.582)
Net Cash from Operating Activities (a)	**(926.604)**	**(863.541)**	**(3.054.968)**	**3.603.780**
Cash Flow from Investing Activities				
Acquisition of Associates, Jvs and Other Investments	0	0	(15.000)	(9.499.910)
Proceeds/(Payments) from disposal/(purchase) of investment securities	(250.000)	0	(250.000)	0
Purchase of Tangible and Intangible Assets	(4.023.813)	(3.963.123)	(1.763.943)	(2.139.717)
Proceeds from Disposal of Tangible and Intangible Assets	14.210	23.920	13.010	23.920
Interest Received	30.733	21.490	29.050	87.574
Net Cash from Investing Activities (b)	**(4.228.870)**	**(3.917.713)**	**(1.986.883)**	**(11.528.133)**
Cash Flow from Financing Activities				
Proceeds from Bank Borrowings	9.473.765	49.302.794	8.741.598	49.812.932
Payment of Bank Borrowings	(7.925.687)	(37.015.000)	(5.425.000)	(36.750.000)
Payment of Lease Liabilities	(416.340)	(391.814)	(322.230)	(308.988)
Dividends/Fees paid to the members of the BoD	(1.209.707)	(1.389.983)	(1.209.707)	(1.389.983)
Net Cash from Financing Activities (c)	**(77.969)**	**10.505.997**	**1.784.661**	**11.363.961**
Net Increase / (Decrease) in the Cash and Cash Equivalents (a+b+c)	**(5.233.443)**	**5.724.743**	**(3.257.190)**	**3.439.608**
Cash and Cash Equivalents at begging of the year	**14.886.801**	**9.162.058**	**11.600.271**	**8.160.663**
Cash and Cash Equivalents at the end of the year	**9.653.358**	**14.886.801**	**8.343.081**	**11.600.271**

Note:The comparative figures of the Cash Flow Statement of the Group and the Company for the year 2020 have been revised by the change brought about by the change in the accounting policy of IAS 19 (see note 6.3.7)

5. Segment Reporting

5.1 Geographic Segments

The following table presents revenues and results for the Group's geographic segments for the year ended 31 December 2021 and 31 December 2020.

	GREECE		CYPRUS		BULGARIA		Consolidation deletions		Group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Revenue	128.974.872	106.541.363	0	0	9.362.297	6.879.471	(3.428.699)	(2.357.956)	134.908.470	111.062.878
Gross Profit	18.815.589	20.705.337	0	0	742.583	611.805	(37.000)	(67.200)	19.521.172	21.249.942
Earnings before Interest, Tax, Depreciation and Amortization	7.774.028	9.341.460	0	0	76.524	(90.777)	0	0	7.850.552	9.250.683
Profits before Tax	1.149.308	2.176.498	0	0	(341.860)	(903.529)	0	0	807.448	1.272.969
Fixed Assets	94.188.364	94.677.919	0	0	10.900.135	8.983.349	(1.513.392)	(1.985.238)	103.575.107	101.676.030
Other Assets	101.428.030	83.092.830	0	0	8.648.539	6.753.148	(17.051.364)	(13.302.764)	93.025.205	76.543.214
TOTAL ASSETS	**195.616.394**	**177.770.749**	**0**	**0**	**19.548.674**	**15.736.497**	**(18.564.756)**	**(15.288.002)**	**196.600.312**	**178.219.244**
Equity	97.449.625	95.363.891	0	0	9.905.647	10.260.730	(14.174.033)	(14.159.033)	93.181.239	91.465.588
Liabilities & Other Liabilities	98.166.769	82.406.858	0	0	9.643.027	5.475.767	(4.390.723)	(1.128.969)	103.419.073	86.753.656
TOTAL EQUITY & LIABILITIES	**195.616.394**	**177.770.749**	**0**	**0**	**19.548.674**	**15.736.497**	**(18.564.756)**	**(15.288.002)**	**196.600.312**	**178.219.244**

5.2 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,

c) 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

	01.01.2021 - 31.12.2021					
	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	91.388.518	14.032.689	9.222.830	23.073.433	619.699	138.337.169
Revenue from Intra-Company Sales	(542.047)	(28.653)	(1.243.541)	(1.227.616)	(386.842)	(3.428.699)
Revenue from Sales (Net)	**90.846.471**	**14.004.036**	**7.979.289**	**21.845.817**	**232.857**	**134.908.470**
Profit/(Loss) before Interest and Tax	1.389.604	113.518	438.928	321.995	388.364	**2.652.409**
Profit/(Loss) before Tax	286.179	(431.306)	260.493	321.995	370.087	**807.448**

	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	(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	2.867.357	959.067	173.873	147.895	106.568	**4.254.760**
Profit/(Loss) before Tax	913.489	189.710	(62.505)	147.895	84.380	**1.272.969**

Company

	01.01.2021 - 31.12.2021				
	Professional Products	**Consumer Products and Bakery and Pastry Mixtures**	**Cereal**	**Others Goods and Services**	**Total**
Total Revenue From Gross Sales Per Segment	83.347.366	14.032.689	21.763.320	571.667	119.715.042
Revenue from Sales (Net)	**83.347.366**	**14.032.689**	**21.763.320**	**571.667**	**119.715.042**
Profit/(Loss) before Interest and Tax	1.872.410	113.518	300.124	172.857	**2.458.909**
Profit/(Loss) before Tax	876.160	(431.306)	300.124	157.290	**902.268**

	01.01.2020 - 31.12.2020				
	Professional Products	**Consumer Products and Bakery and Pastry Mixtures**	**Cereal**	**Other 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	3.233.200	959.067	145.183	75.602	**4.413.052**
Profit/(Loss) before Tax	1.831.120	189.710	145.183	53.620	**2.219.633**

6. Notes on the Annual Financial Statements

6.1 General Information

6.1.1 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.

6.1.2 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.

6.2 Group's Structure

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

Name	Head Office	%participation of the parent	Basics for the consolidation	Consolidation method	Tax un-audited fiscal years
LOULIS MILLS S.A	Sourpi Magnisia, Greece	-	Parent	-	2021
KENFOOD S.A	Keratsini, Attica, Greece	99,99%	Direct	Full	2021
GREEK BAKING SCHOOL S.A	Keratsini, Attica, Greece	99,70%	Direct	Full	2016 – 2021
LOULIS LOGISTICS SERVICES S.A	Sourpi Magnisia, Greece	99,68%	Direct	Full	2016 – 2021
LOULIS INTERNATIONAL FOODS ENTERPRISES BULGARIA LTD	Nicosia, Cyprus	100,00%	Direct	Full	2017 – 2021
LOULIS MEL- BULGARIA EAD	General Toshevo Sofia, Bulgaria	100,00%	Indirect	Full	2016 - 2021

LOULIS LOGISTICS SERVICES S.A.

On May 31st, 2021 the Ordinary General Meeting of Shareholders of "LOULIS LOGISTICS SERVICES S.A." decided the increase of its share capital by € 1.000,00 with the issuance of 100 new common registered shares of the amount of € 10,00 per share and with a sale price of € 150,00 each. The funds that were raised from the share capital increase in cash amounted to € 15.000,00 and they were distributed as follows: € 1.000,00 (equal to 100 shares X € 10 each) for the share capital increase and € 14.000,00 (equal to 100 shares X € 140,00 each) to the credit of the account "Reserve from Issue of Shares for the Premium". On June 4th, 2021 the Company participated in the share capital increase by paying the total amount of € 15.000,00 of the share capital increase, in order for the subsidiary to continue its operations. Following the above increase the Company now possesses 99,68% of the share capital of "LOULIS LOGISTICS SERVICES S.A." instead of 99,67% previously owned.

6.3 Basis for the preparation of the Financial Statements

6.3.1 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.

6.3.2 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 valuated at fair value.

6.3.3 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, 2021 to December 31st, 2021.

6.3.4 Presentation of Financial Statements

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

6.3.5 Significant Accounting Policies

The significant accounting policies applied in the preparation of the Financial Statements of the Group and the Company are referred to note 6.4. The policies are applied with consistency for all the periods except of some cases for which a relative disclosure is made.

6.3.6 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 6.5.

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**
IBOR reform and its effects on financial report – phase 2	1 January 2021

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

In addition to the above pronouncements, the IFRS Interpretations Committee has issued a number of agenda decisions which set out the Interpretations Committee's rationale on how the requirements of applicable IFRSs should be applied.

Accounting Standard	**Topic**
IAS 19	Attributing Benefit to Periods of Service

IAS 19 Employee Benefits - Attributing Benefit to Periods of Service

The IFRS Interpretations Committee (IFRS IC) has issued, in May 2021, a tentative decision "Attributing Benefit to Periods of Service (IAS 19 Employee Benefits)" where additional explanatory application guidance is provided on the method used to attribute employee benefits on specific defined benefit schemes with similar characteristics of the scheme contemplated in article 8 of legislation Law 3198/1955 which refers to staff retirement indemnity.

The application guidance modifies the method currently used in Greece to apply the basic principles of IAS 19 and as a result, entities which prepare IFRS financial statements are required to change their accounting policy accordingly.

Any changes are presented as a change in accounting policy and applied retrospectively in the annual financial statements for the year ending 31 December 2021 and accounted as «Change of Accounting Policy". The change applied retrospectively, adjusting comparatives balances for 2020 and the opening balance of reserves for amounts relating to previous periods, as if the new policy had always been applied.

The effect of applying the practical expedient is disclosed in the tables below. Any items that have not been affected from the change in the accounting policy are not included in the following tables:

Extract of Statement of Financial Position

(All amounts in euro)

	Group		
	Published 31.12.2019	**Restatement IAS 19**	**Restated 01.01.2020**
Equity			
Other Reserves	43.112.889	351.631	43.464.520
Non-Controlling Interests	170	4	174
Non-Current Liabilities			
Provisions for Retirement Benefits	850.416	(462.679)	387.737
Deferred Tax Liabilities	11.177.405	111.044	11.288.449

Extract of Statement of Financial Position

(All amounts in euro)

	Company		
	Published 31.12.2020	**Restatement IAS 19**	**Restated 31.12.2020**
Equity			
Other Reserves	43.396.038	373.723	43.769.761
Non-Controlling Interests	401	5	406
Non-Current Liabilities			
Provisions for Retirement Benefits	870.140	(490.848)	379.292
Deferred Tax Liabilities	11.277.124	117.120	11.394.244

Extract of Statement of Comprehensive Income

(All amounts in euro)

	Group		
	Published 01.01-31.12.2020	**Restatement IAS 19**	**Restated 01.01-31.12.2020**
Comprehensive Income			
Cost of Sales	(89.791.009)	(21.927)	(89.812.936)
Financial Expenses	(2.374.801)	5.327	(2.369.474)
Income Tax	(573.592)	4.421	(569.171)
Other Comprehensive Income			
Actuarial Profits/Losses	(14.191)	44.769	30.578
Income Tax that relates to Other Comprehensive Income	(189.023)	(10.497)	(199.520)

Extract of Statement of Financial Position
(All amounts in euro)

	Company		
	Published 31.12.2019	Restatement IAS 19	Restated 01.01.2020
Equity			
Other Reserves	44.113.182	313.555	44.426.737
Non-Current Liabilities			
Provisions for Retirement Benefits	787.580	(412.573)	375.007
Deferred Tax Liabilities	11.204.232	99.018	11.303.250

Extract of Statement of Financial Position
(All amounts in euro)

	Company		
	Published 31.12.2020	Restatement IAS 19	Restated 31.12.2020
Equity			
Other Reserves	44.908.264	322.571	45.230.835
Non-Current Liabilities			
Provisions for Retirement Benefits	782.537	(424.435)	358.102
Deferred Tax Liabilities	11.148.530	101.864	11.250.394

Extract of Statement of Comprehensive Income
(All amounts in euro)

	Company		
	Published 01.01-31.12.2020	Restatement IAS 19	Restated 01.01-31.12.2020
Comprehensive Income			
Cost of Sales	(78.857.781)	(27.946)	(78.885.727)
Financial Expenses	(1.911.047)	4.744	(1.906.303)
Income Tax	(469.203)	5.569	(463.634)
Other Comprehensive Income			
Actuarial Profits/Losses	(1.784)	35.064	33.280
Income Tax that relates to Other Comprehensive Income	(130.032)	(8.415)	(138.447)

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

Title	Applied in annual accounting periods beginning on
IFRS 16 Leases: Covid-19-Related Rent Concessions beyond 30 June 2021	1 April 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
IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2 (Amendment – Disclosure of Accounting Policies)	1 January 2023

Title	Applied in annual accounting periods beginning on
IAS 8 Accounting policies, Changes in Accounting Estimates and Errors (Amendment - Definition of Accounting Estimates)	1 January 2023
IAS 12 Income Taxes (Amendment - Deferred Tax related to Assets and Liabilities arising from a Single Transaction)	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.

6.4 Accounting Principles Applied

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

6.4.1 Subsidiaries

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

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

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

The intragroup transactions, the account balances and the profits 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.

6.4.2 Foreign Currency Translation

Operating Currency and Reporting Currency

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

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 exchanges rates of each reported period.

Any differences that arise from this procedure have been transferred to a separate equity reserve account.

6.4.3 Goodwill

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

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

6.4.4 Other Intangible Assets

Intangible assets acquired separately are presented at historical cost. Intangible assets acquired as part of business combinations are recognized at their fair value at the acquisition date.
After initial recognition, intangible assets are measured at historical cost less accumulated depreciation and accumulated impairment losses. Internally generated intangible assets, other than capitalized development costs, are not capitalized and expenses are recognized in the income statement in the period in which they are incurred. Software programs and the relative licenses that are separately acquired are capitalized 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.

6.4.5 Property, Plant and Equipment

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

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

The useful economic lives are as follows:

	years
Buildings	25-40
Facilities and machinery	20-35
Vehicles	5–9
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.

6.4.6 Investment Property

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

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

6.4.7 Inventory

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

6.4.8 Financial Instruments

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

The classification of financial assets at initial recognition depends on the contractual characteristics of the cash flows of the financial asset and the business model of the Group for their management. 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

<u>(a) </u>Financial assets 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.

<u>(b) Financial assets at amortized cost </u>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.

.

<u>(c) Financial assets classified at fair value through total income</u>

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
- 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

6.4.9 Trade Receivables

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

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

6.4.10 Cash and Cash Equivalents

For the 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.

6.4.11 Share Capital

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

6.4.12 Loans

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

6.4.13 Leases

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

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

The lease liabilities are initially measured at the present value of leases which were not paid at the commencement of lease. They are discounted with the implied lease rate or, if this 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 values
- 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.

6.4.14 Personnel Benefits (I.A.S. 19)

Short-term benefits:

Short-term benefits to personnel (excluding termination benefits) in money and in kind are recognized as an expense when deemed payable. Portions of the benefit yet unpaid are classified as a liability, whereas if the amount already paid exceeds the benefit then the company recognizes the excess amount as an asset (prepaid expenses) only to the extent to which the prepayment will result in a reduction in future payments or to a fund return.

Retirement benefits:

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

Defined Contribution Plan

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

Defined Benefit Plan

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

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

6.4.15 Grants

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

6.4.16 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.

6.4.17 Income Tax and Deferred Tax

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

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

6.4.18 Contingent Liabilities and Provisions

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

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

6.4.19 Dividend Distribution

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

6.4.20 Related Party Disclosures

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

6.5 Significant Accounting Estimates and Judgements

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

6.5.1 Impairment of Goodwill

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

6.5.2 Estimation of the Useful Life of Assets and Residual Values

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

6.5.3 Fair Value Measurement

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

6.5.4 Right of Use Assets

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

6.5.5 Provision of the Net Realizable Value of Inventories

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

6.5.6 Provisions for Expected Credit Losses from Customer Receivables

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

6.5.7 Valuation of Financial Instruments

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

6.5.8 Provision for Staff Compensation

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

6.5.9 Deferred Tax Liabilities

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

6.5.10 Income Tax

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

6.5.11 Contingent Liabilities

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

6.5.12 Weighted average number of shares

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

6.5.13 Covid-19 Pandemic Impact Assessment

Information regarding the assessment of the impact of "Covid-19" pandemic is provided in the Annual Management Report of the Board of Directors, Chapter C "Most Important Events during the Year".

7. Analysis of the Financial Statements

7.1. Property, Plant, Equipment & Investment Property

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

Group

	Land	Buildings	Investment Property	Machinery	Vehicles	Furniture & Fittings	Assets Under Construction	Total
Purchase Cost 31.12.2020	14.842.624	84.149.964	355.992	52.473.917	1.899.456	4.921.826	1.563.904	160.207.683
Accumulated Depreciation 31.12.2020	0	(30.831.077)	0	(23.276.519)	(1.237.669)	(3.186.388)	0	(58.531.653)
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**
Acquisitions	0	288.653	0	373.967	111.352	403.970	2.766.052	3.943.994
Disposals & Transfers-Purchase Cost	(60.000)	1.107.303	252.169	371.396	(285.567)	(59.762)	(1.299.472)	26.067
Disposals & Transfers-Accumulated Depreciation	0	82.169	(82.169)	(50.996)	276.384	59.525	0	284.913
Revaluations	762.000	1.312.750	(6.000)	0	0	0	0	2.068.750
Depreciations	0	(2.410.031)	0	(1.630.700)	(119.870)	(264.046)	0	(4.424.647)
Net Book Value 31.12.2021	**15.544.624**	**53.699.731**	**519.992**	**28.261.065**	**644.086**	**1.875.125**	**3.030.484**	**103.575.107**

Company

	Land	Buildings	Investment Property	Machinery	Vehicles	Furniture & Fittings	Assets Under Construction	Total
Purchse cost 31.12.2020	13.581.000	80.509.180	336.000	48.154.900	1.360.096	4.024.352	0	147.965.528
Accumulated Depreciation 31.12.2020	0	(30.519.121)	0	(22.661.303)	(1.127.062)	(2.805.623)	0	(57.113.109)
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**
Acquisitions	0	267.353	0	367.517	81.620	348.368	626.266	1.691.124
Disposals & Transfers-Purchase Cost	(60.000)	(192.169)	252.169	374.896	(274.337)	(59.763)	0	40.796
Disposals & Transfers-Accumualted Depreciation	0	82.169	(82.169)	(51.655)	272.458	59.525	0	280.328
Revaluations	692.000	733.273	(6.000)	0	0	0	0	1.419.273
Depreciations	0	(2.297.685)	0	(1.504.446)	(57.352)	(181.378)	0	(4.040.861)
Net Book Value 31.12.2021	**14.213.000**	**48.583.000**	**500.000**	**24.679.909**	**255.423**	**1.385.481**	**626.266**	**90.243.079**

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, 2021. The valuation has been conducted by a qualified valuator based on the institutional rules. The method used for the measurement of the fair value of those assets is presented in the 2nd level (Note 8.1).

Within 2021 the Company decided to close and transfer the warehouse operated in Kalochori of Thessaloniki and subsequently made that property available for hire. At the date of use-change, the property has been classified as Investment Property according to the provisions of IAS 16 and IAS 40. When a property presented at fair value is transferred to investment property then the provisions of IAS 16 apply at the date of transfer. Any arising difference between the fair value and the accounting value of the property is treated as adjustments differences according to IAS 16.

7.2. Right of Use Assets/Leases

Right of use assets are analyzed in the followings :

Group

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Purchase Cost 31.12.2020	0	0	381.580	1.297.871	0	1.679.451
Accumulated Depreciation 31.12.2020	0	0	(51.563)	(642.650)	0	(694.213)
Net Book Value 31.12.2020	**0**	**0**	**330.017**	**655.221**	**0**	**985.238**
Acquisitions	0	0	0	270.634	0	270.634
Disposals & Transfers – Purchase Cost	0	0	(381.580)	(359.064)	0	(740.644)
Disposals & Transfers – Accumulated Depreciation	0	0	54.511	330.422	0	384.933
Revaluations	0	0	0	0	0	0
Depreciation	0	0	(2.948)	(383.821)	0	(386.769)
Net Book Value 31.12.2021	**0**	**0**	**0**	**513.392**	**0**	**513.392**

Company

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Purchase Cost 31.12.2020	0	0	381.580	1.040.693	0	1.422.273
Accumulated Depreciation 31.12.2020	0	0	(51.563)	(531.232)	0	(582.795)
Net Book Value 31.12.2020	**0**	**0**	**330.017**	**509.461**	**0**	**839.478**
Acquisitions	0	0	0	156.672	0	156.672
Disposals & Transfers – Purchase Cost	0	0	(381.580)	(266.535)	0	(648.115)
Disposals & Transfers – Accumulated Depreciation	0	0	54.511	241.185	0	295.696
Revaluations	0	0	0	0	0	0
Depreciation	0	0	(2.948)	(292.582)	0	(295.530)
Net Book Value31.12.2021	**0**	**0**	**0**	**348.201**	**0**	**348.201**

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Non-Current Lease Liabilities	310.751	323.374	209.291	241.177
Current Lease Liabilities	217.095	350.177	149.682	283.353
Total:	**527.846**	**673.551**	**358.973**	**524.530**

The Lease Liabilities for the following years are presented in the table below:

	Group			
	up to 1 year	**up to 1-5 years**	**> 5years**	**Total**
Lease Liabilities	231.186	321.380	0	**552.566**
Interest charges for the Period	(14.091)	(10.629)	0	**(24.720)**
NPV of Liability	**217.095**	**310.751**	**0**	**527.846**

	Company			
	up to 1 year	up to 1-5 years	> 5years	Total
Lease Liabilities	159.713	216.778	0	**376.491**
Interest charges for the Period	(10.031)	(7.487)	0	**(17.518)**
NPV of Liability	**149.682**	**209.291**	**0**	**358.973**

The change of Lease liabilities follows:

	Group	Company
Opening Balance of Lease Liabilities 2020	**814.019**	**648.844**
Acquisitions	248.325	184.675
Interest Charges	31.719	25.399
Leasing Payments	(420.512)	(334.388)
Modification in the Contract's Terms	0	0
Closing Balance of Lease Liabilities 2020	**673.551**	**524.530**
Opening Balance of Lease Liabilities 2021	**673.551**	**524.530**
Acquisitions	270.634	156.672
Interest Charges	24.040	17.830
Leasing Payments	(408.752)	(312.063)
Modification in the Contract's Terms	(31.627)	(27.996)
Closing Balance of Lease Liabilities 2021	**527.846**	**358.973**

7.3 Other Intangible Assets

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

Group

	Software	Trademarks	Other	Total
Purchase Cost 31.12.2020	2.260.477	717.206	0	2.977.683
Accumulated Depreciation at 31.12.2020	(683.841)	(14.428)	0	(698.269)
Net Book Value 31.12.2020	**1.576.636**	**702.778**	**0**	**2.279.414**
Acquisitions	79.819	0	0	79.819
Disposals & Transfers – Purchase Cost	0	0	0	0
Disposals & Transfers – Accumulated Depreciation	0	0	0	0
Impairment	0	0	0	0
Depreciation	(386.153)	(574)	0	(386.727)
Net Book Value 31.12.2021	**1.270.302**	**702.204**	**0**	**1.972.506**

Company

	Software	Trademarks	Other	Total
Purchase Cost 31.12.2020	2.125.792	17.206	0	2.142.998
Accumulated Depreciation at 31.12.2020	(622.944)	(14.428)	0	(637.372)
Net Book Value 31.12.2020	**1.502.848**	**2.778**		**1.505.626**
Acquisitions	72.819	0	0	72.819
Disposals & Transfers – Purchase Cost	0	0	0	0
Disposals & Transfers – Accumulated Depreciation	0	0	0	0
Impairment	0	0	0	0
Depreciation	(361.392)	(574)	0	(361.966)
Net Book Value 31.12.2021	**1.214.275**	**2.204**		**1.216.479**

7.4. Goodwill

Companies' goodwill of the Group is presented in the followings

	31.12.2021	31.12.2020
Opening Balance	1.000.000	1.000.000
Opening Balance	0	0
Acquisitions / (Disposals)	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 31.12.2021 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 6,12%.
- **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 0,50% according to a conservative estimation for the course of the industry and the Greek economy.

7.5. Investments in Subsidiaries

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

	Direct participation rate % of the parent	Country of Incorporation	31.12.2021	31.12.2020
Kenfood S.A	99,99%	Greece	6.322.733	6.322.733
Greek Baking School S.A	99,70%	Greece	74.775	74.775
Loulis Logistics Services S.A	99,68%	Greece	44.900	29.900
Loulis International Foods Enterprises Bulgaria Ltd	100,00%	Cyorus	7.731.625	7.731.625
Total:			**14.174.033**	**14.159.033**

The change in Investments in Subsidiaries is analyzed in note 6.2

7.6. Other Non-Current Receivables

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

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Given Guarantees	69.866	35.933	10.769	12.521
Bond Loans	0	38.864	0	0
Advance Payments to Suppliers for Non-Current Assets	1.670.088	0	325.503	0
Other Non-Current Receivables	5.737	4.500	0	0
Total:	**1.745.691**	**79.297**	**336.272**	**12.521**

7.7. Inventory

The table below presents the analysis of inventory:

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Merchandise	416.580	486.016	350.736	400.703
Finished & Semi-Finished Products	6.570.278	4.472.538	5.838.131	3.956.265
Raw and Packing Materials	28.672.215	17.240.620	21.971.989	12.107.292
Consumables and Other Stocks	21.444	20.212	21.444	20.212
Asset's spare parts	281.696	279.719	220.695	220.695
Total:	**35.962.213**	**22.499.105**	**28.402.995**	**16.705.167**

7.8. Trade Receivables

The analysis of trade receivables is as follows:

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Trade Receivables/Other Trade Receivables	31.629.391	27.471.468	28.393.695	25.114.569
Notes Receivables	7.338	18.121	1.550	13.350
Notes Overdue	436.278	436.278	434.478	434.478
Cheques Receivable	7.636.681	7.268.557	7.286.141	7.155.725
Cheques Receivable Overdue	4.133.327	4.117.300	3.539.623	3.523.596
Receivables from Related Companies	0	0	79.626	156.011
Receivables from Associates	(7.474.147)	(7.462.906)	(6.685.158)	(6.680.055)
Minus: Provisions	**36.368.868**	**31.848.818**	**33.049.955**	**29.717.674**

At 31.12.2021 and 2020, the ageing analysis of the current and overdue trade receivables is as follows :

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Trade Receivables not in arrears	32.228.158	28.568.511	29.324.986	26.797.690
Trade Receivables overdue 1-60 days	2.532.044	1.247.728	2.349.406	1.145.276
Trade Receivables overdue 61-180 days	419.777	914.652	390.639	868.240
Trade Receivables overdue >181 days	8.663.036	8.580.833	7.670.082	7.586.523
Total:	**43.843.015**	**39.311.724**	**39.735.113**	**36.397.729**

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 - 31.12.2021				
	Not in arrears	**Overdue 1-60 days**	**Overdue 61-180 days**	**Overdue > 181 days**	**Total**
Total of Trade Receivables	32.228.158	2.532.044	419.777	8.663.036	**43.843.015**
Expected credit Loss	0	(65.722)	(87.471)	(7.320.954)	**(7.474.147)**
Expected % of Credit Loss	0,00%	-2,60%	-20,84%	-84,51%	**-17,05%**

Company - 31.12.2021	Not in arrears	Overdue 1-60 days	Overdue 61-180 days	Overdue > 181 days	Total
Total of Trade Receivables	29.324.986	2.349.406	390.639	7.670.082	**39.735.113**
Expected credit Loss	0	(64.086)	(82.422)	(6.538.650)	**(6.685.158)**
Expected % of Credit Loss	0,00%	-2,73%	-21,10%	-85,25%	**-16,82%**

7.9. Derivative Financial Assets/Liabilities

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

	Group/Company	
	31.12.2021	**31.12.2020**
Receivables from Financial Derivatives	521.000	0
Total:	**521.000**	**0**

	Group/Company	
	31.12.2021	**31.12.2020**
Liabilities from Financial Derivatives	762.350	0
Total:	**762.350**	**0**

7.10. Cash and Cash Equivalents

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Cash in Hand	63.073	63.258	47.628	46.973
Cash at Bank	9.590.285	14.823.543	8.295.453	11.553.298
Total:	**9.653.358**	**14.886.801**	**8.343.081**	**11.600.271**

7.11. Other Current Assets

The table below presents the analysis of other current assets:

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Sundry Debtors	2.782.535	3.353.087	2.648.390	3.125.084
Receivables from the Greek State	1.834.874	300.495	1.683.633	183.777
Prepaid Expenses	1.515.573	155.050	1.507.541	146.144
Accrued Income Receivable	0	367	0	367
Short-term Receivables from Related Parties	0	0	4.000.000	599.381
Minus: Provisions	(844.805)	(844.458)	(843.464)	(844.458)
Total:	**5.288.177**	**2.964.541**	**8.996.100**	**3.210.295**

7.12. Other Reserves

The analysis of other reserves is as follows:

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Asset Revaluation Reserves	2.076.406	1.975.683	1.973.663	1.872.940
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
Asset Revaluation Reserve	6.002.145	4.276.771	4.939.938	3.721.156
Reserve from Foreign Exchange Differences	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	25.168.664	25.279.192	29.725.273	29.731.747
Total:	**45.485.330**	**43.769.761**	**46.543.866**	**45.230.835**

7.13. 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	
Short-Term Borrowings	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Borrowings	5.505.441	18.354	4.758.732	3.812
Bond Loans	8.845.809	5.925.687	7.450.000	5.425.000
Leasing Liabilities	0	13.322	0	13.322
Total:	**14.351.250**	**5.957.363**	**12.208.732**	**5.442.134**

	Group		Company	
Long-Term Borrowings	**31.12.2021**	**31.12.2020**	**31.12.2021**	**31.12.2020**
Bond Loans	47.473.357	54.319.165	42.125.000	45.575.000
Leasing Liabilities	0	0	0	0
Total:	**47.473.357**	**54.319.165**	**42.125.000**	**45.575.000**
Total Borrowing:	**61.824.607**	**60.276.528**	**54.333.732**	**51.017.134**

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 01.01.2020	**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**

Balance at 01.01.2021	**5.957.363**	**54.319.165**	**60.276.528**
Cash Flow:			
- Proceeds from Bank Borrowings	7.473.765	2.000.000	9.473.765
- Repayment of Bank Borrowings	(7.425.687)	(500.000)	(7.925.687)
Non-Cash Flow:			
- Reclassification from Long-Term to Short-Term Borrowing	8.345.809	(8.345.808)	1
Balance at 31.12.2021	**14.351.250**	**47.473.357**	**61.824.607**

	Company		
	Short-Term Borrowings	**Long-Term Borrowings**	**Total**
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**
Balance at 01.01.2021	**5.442.134**	**45.575.000**	**51.017.134**
Cash Flow:			
- Proceeds from Bank Borrowings	4.741.598	4.000.000	8.741.598
- Repayment of Bank Borrowings	(5.425.000)	0	(5.425.000)
Non-Cash Flow:			
- Reclassification from Long-Term to Short-Term Borrowing	7.450.000	(7.450.000)	0
Balance at 31.12.2021	**12.208.732**	**42.125.000**	**54.333.732**

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 Bond Loans**
Within 2022	8.845.809	7.450.000
Within 2023	11.795.809	10.850.000
Within 2024	8.225.809	7.250.000
Within 2025	26.390.809	24.025.000
Within 2026	715.809	0
Within 2027	345.121	0
Total:	**56.319.166**	**49.575.000**

7.14. Deferred Tax Liabilities

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

	Group		**Company**	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Deferred Tax Asset	977.241	1.090.848	1.011.280	1.153.561
Deferred Tax Liability	(11.789.440)	(12.485.092)	(11.543.446)	(12.403.955)
Total:	**(10.812.199)**	**(11.394.244)**	**(10.532.166)**	**(11.250.394)**

	Group	Company
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 Provision for Receivables	(84.515)	75.019
Deferred Tax Asset due to Provision for Employee Compensation	(113.511)	(103.074)
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 Asset 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	**(11.394.244)**	**(11.250.394)**
Opening Balance of Deferred Tax Income 2021	**(11.394.244)**	**(11.250.394)**
Deferred Tax Asset due to Provision for Inventory Obsolescence	(18.339)	(17.000)
Deferred Tax Asset due to Provisions for Receivables	(79.183)	(73.352)
Deferred Tax Asset due to Provision for Employee Compensation	(2.468)	(2.655)
Deferred Tax Asset due to Tax Loss Carry-Forwards	39.175	0
Deferred Tax Asset due to Other Liabilities	(52.791)	(49.273)
Deferred Tax Liability due to Fixed Assets	575.964	737.062
Deferred Tax Liability due to Other Intangible Assets	(6.617)	646
Deferred Tax Liability due to Right of Use Assets	128.375	124.871
Deferred Tax Liability due to Participation in Associates	(2.071)	(2.071)
Closing Balance of Deferred Tax Income 2021	**(10.812.199)**	**(10.532.166)**

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Deferred Tax Asset/(Liability) – Opening Balance	**(11.394.244)**	**(11.177.405)**	**(11.250.394)**	**(11.204.232)**
Deferred Income Tax recognized in the Income Statement	944.273	93.724	937.243	191.303
Deferred Income Tax recognized through Other Total Income	(362.228)	(310.563)	(219.015)	(237.465)
Deferred Tax Asset / (Liability) – Ending Balance	**(10.812.199)**	**(11.394.244)**	**(10.532.166)**	**(11.250.394)**

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

7.15. 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, 2021.

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Discount Rate	0,60%	0,60%	0,60%	0,60%
Expected Salary Increase	2,00%	1,50% - 2,00%	2,00%	2,00%
Inflation	1,80%	1,50%	1,80%	1,50%

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Current Cost Service	46.600	42.559	38.336	36.953
Interest Cost	2.275	4.463	2.148	4.313
Settlement/Curtailment Impact	126.741	206.690	123.112	204.343
Past Service Cost	2.694	0	3.652	0
Staff Transfer Cost	**178.310**	**253.712**	**167.248**	**245.609**
Amounts charged in Profit & Loss Statement	(7.329)	(30.578)	(3.635)	(33.280)
Actuarial (Profit)/Loss for the period	**170.981**	**223.134**	**163.613**	**212.329**

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	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Present Value of the Liability – Opening Balance:	**379.292**	**387.738**	**358.102**	**375.007**
Total Expense	178.310	253.712	167.248	245.609
Actuarial (Profit)/Loss for the Period	(7.329)	(30.578)	(3.635)	(33.280)
Benefits paid	(147.394)	(231.580)	(143.125)	(229.234)
Present Value of the Liability – End of the year:	**402.879**	**379.292**	**378.590**	**358.102**

The sensitivity of the Provision for Employee Compensation to a negative or positive change of any key financial assumption as at December 31, 2021, is as follows:

	Group	Company
Discount rate increase by 0,5%	-3,0%	-2,9%
Reduction rate discount by 0,5%	3,2%	3,1%
Expected wage increase by 0,5%	3,1%	3,0%
Reduction of expected salary by 0,5%	-3,0%	-2,9%

7.16. 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	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Other Provisions	0	0	0	0
Long-Term Tax Liabilities	0	0	0	0
Subsidies for Fixed Assets	2.861.214	3.001.352	2.861.214	3.001.352
Long-Term Liabilities to Associated Companies	0	0	0	0
Total:	**2.861.214**	**3.001.352**	**2.861.214**	**3.001.352**

7.17. Trade Payables

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Suppliers (Third Parties)	16.571.081	6.740.023	14.632.213	5.873.469
Intra-Group Suppliers	0	0	310.797	373.577
Cheques Payable (Post-Dated)	2.242.287	771.561	0	0
Advances from Customers	1.016.312	1.115.569	971.393	1.070.932
Total:	0	0	0	0
Suppliers (Third Parties)	**19.829.680**	**8.627.153**	**15.914.403**	**7.317.978**

7.18. Tax Liabilities

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Tax & Duties Payable (Not Including Income Tax)	223.929	263.637	191.997	199.073
Income Tax on Profits	498.201	607.057	492.383	607.057
Total:	**722.130**	**870.694**	**684.380**	**806.130**

7.19. 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	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Insurance and Pension Fund Dues	399.907	451.081	344.592	367.855
Dividends Payables	0	0	0	0
Sundry Creditors	4.352.854	278.417	4.328.430	255.519
Unearned and Deferred Income	2.633	1.079	2.633	1.079
Accrued Expenses	920.774	800.265	890.445	776.155
Total:	**5.676.168**	**1.530.842**	**5.566.100**	**1.400.608**

7.20. Revenue

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

	Group		Company	
	2021	**2020**	**2021**	**2020**
Professional Products	90.846.471	81.216.351	83.347.366	75.232.474
Consumer Products	14.004.036	15.660.159	14.032.689	15.660.159
Mixtures & Raw Material for Bakery & Pastry	7.979.289	7.234.776	0	0
Cereal	21.845.816	6.830.827	21.763.320	6.830.827
Other Products and Services	232.858	120.765	571.667	198.419
Total:	**134.908.470**	**111.062.878**	**119.715.042**	**97.921.879**

7.21. Other Income

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

	Group		Company	
	2021	**2020**	**2021**	**2020**
Other Operating Income	3.160.169	2.737.223	2.644.068	2.474.355
Extraordinary and Non-Operating Income	100.919	103.783	96.432	88.742
Extraordinary Profit	10.351	3.016	10.351	1.786
Income from Prior Period Provisions	32.895	838.926	13.771	554
Income arising from exchange differences	31	197	0	189
Total:	**3.304.365**	**3.683.145**	**2.764.622**	**2.565.626**

7.22. Distribution Expenses

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

	2021	**2020**	**2021**	**2020**
Materials	(50.870)	(31.462)	(35.942)	(30.361)
Salaries and Staff Cost	(4.368.333)	(4.307.028)	(3.698.379)	(3.755.545)
Third Party Fees	(831.394)	(583.970)	(606.412)	(332.967)
Changes for Outside Services	(515.978)	(468.718)	(442.278)	(393.467)
Other Expenses	(7.601.248)	(7.913.997)	(6.654.171)	(7.055.758)
Taxes-Fees	(90.311)	(109.711)	(86.107)	(100.820)
Depreciation	(563.847)	(563.804)	(418.565)	(432.129)
Total:	**(14.021.981)**	**(13.978.690)**	**(11.941.854)**	**(12.101.047)**

7.23. Administration Expenses

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

	Group		Company	
	2021	**2020**	**2021**	**2020**
Materials	0	0	0	0
Salaries and Staff Cost	(2.292.969)	(2.230.673)	(2.071.014)	(1.867.861)
Third Party Fees	(1.548.589)	(1.360.989)	(1.139.926)	(1.164.313)
Changes for Outside Services	(857.002)	(900.619)	(785.584)	(831.097)
Other Expenses	(640.687)	(474.654)	(699.947)	(419.954)
Taxes - Fees	(50.607)	(116.184)	(44.001)	(77.889)
Depreciation	(617.097)	(670.596)	(581.825)	(635.294)
Total:	**(6.006.951)**	**(5.753.715)**	**(5.322.297)**	**(4.996.408)**

7.24. Other Expenses

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

	Group		Company	
	2021	2020	2021	2020
Extraordinary and non-operating expenses	(151.042)	(1.112.547)	(129.243)	(38.576)
Extraordinary losses	(12.231)	(149.001)	(3.286)	(144.563)
Provisions for extraordinary contingencies	(31.098)	(477.339)	(17.880)	(448.910)
Loss arising from exchange differences	(5.423)	(9.981)	(101)	(3.051)
Total:	**(199.794)**	**(1.748.868)**	**(150.510)**	**(635.100)**

7.25. Financial Expenses/Income

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

	Group		Company	
	2021	2020	2021	2020
Interest Changes and Relevant Expenses	(1.563.071)	(2.282.728)	(1.339.458)	(1.837.921)
Other Financial Expenses	(87.280)	(86.746)	(73.615)	(68.382)
Interest Income and Relevant Income	3.650	21.489	29.050	87.573
Total:	**(1.646.701)**	**(2.347.985)**	**(1.384.023)**	**(1.818.730)**

7.26. Tax Expenses

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

	Group		Company	
	2021	2020	2021	2020
Current Income tax	(509.833)	(607.057)	(492.383)	(607.057)
Property Tax	(48.296)	(55.838)	(46.195)	(47.880)
Deferred Tax Income	944.273	93.724	937.243	191.303
Tax Audit Differences	0	0	0	0
Provisions & Other Tax Liabilities	0	0	0	0
Total:	**386.144**	**(569.171)**	**398.665**	**(463.634)**

The tax rate of Legal Entities in Greece according Law 4799/2021 reduced to 22% from 24% for the year 2021 and onwards.
The tax rate of Legal Entities in Bulgaria is 10% and in Cyprus 12,5%.

7.27. 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	
	2021	2020	2021	2020
Asset Revaluation Profit/(Loss)	2.086.473	1.160.933	1.436.996	543.583
Respective Income Tax On Other Comprehensive Income	(459.024)	(192.195)	(316.139)	(130.460)
Income Tax Adjustment relating to Other Comprehensive Income from Change of Tax Rate	97.925	0	97.925	0
Total:	**1.725.374**	**968.738**	**1.218.782**	**413.123**

7.28. Earnings per Share (Basic & Diluted)

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

	Group		Company	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Net Profit/(Loss) attributable to the owners of the parent	1.193.607	703.767	1.300.933	1.755.999
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	**0,0697**	**0,0411**	**0,0760**	**0,1026**

8. Financial Risk Management-Objectives & Perspectives

8.1 Financial Instruments

The Company's Financial Instruments consist of Receivables from Customers and Short-term Liabilities with annual maturity and therefore their book value can be considered as reasonable. Regarding the Long-Term Loans, the Company's weighted average cost of capital is very close to the borrowing rate and thus the book value of the item is very close to the fair value. 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	
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**
Non-Current Assets				
Other Long-Term Receivables	75.603	79.297	10.769	12.521
Total	**75.603**	**79.297**	**10.769**	**12.521**
Current Assets				
Trade Receivables	36.368.869	31.848.818	33.049.955	29.717.674
Cash and Cash Equivalents	9.653.358	14.886.801	8.343.081	11.600.271
Financial Receivables	521.000	0	521.000	0
Other Current Assets	6.958.264	2.964.541	9.321.603	3.210.295
Total	**53.501.491**	**49.700.160**	**51.235.639**	**44.528.240**
Long-Term Liabilities				
Long-Term Borrowings	47.473.357	54.319.165	42.125.000	45.575.000
Long-Term Lease Liabilities	310.751	323.374	209.291	241.177
Total	**47.784.108**	**54.642.539**	**42.334.291**	**45.816.177**
Short-Term Liabilities				
Trade Liabilities	19.829.680	8.627.153	15.914.403	7.317.978
Short-Term Borrowings	14.351.250	5.957.363	12.208.732	5.442.134
Short-Term Lease Liabilities	217.095	350.177	149.682	283.353
Financial Liabilities	762.350	0	762.350	0
Other Liabilities	6.398.298	2.401.536	6.250.480	2.206.738
Total	**41.558.673**	**17.336.229**	**35.285.647**	**15.250.203**

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.

	Group		Company		
	31.12.2021	**31.12.2020**	**31.12.2021**	**31.12.2020**	**Fair Value Hierarchy**
Land	15.544.624	14.842.624	14.213.000	13.581.000	Level 2
Buildings	53.699.731	53.318.887	48.583.000	49.990.059	Level 2
Investment Property	519.992	355.992	500.000	336.000	Level 2
Financial Receivables	513.392	985.238	348.201	839.478	Level 2

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

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

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

8.2 Financial Risk Factors

The Company is exposed to financial risks such as exchange risk, interest rates risk, credit risk and liquidity risk arising from its activities and operation. The Company's policy aims to minimize the impact of those risks when they may arise. The Company uses financial instruments such as long-term and short-term loans, foreign currency transactions, trade receivables accounts, accounts payable, liabilities arising from financial leasing agreements, dividends payable, bank deposits and investments in securities.
Risk management is performed by the Financial Department 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 2.11 at December 31, 2021 towards 4.16 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
01.01.2021 31.12.2021	1,00%	-543.337	-618.246
	-1,00%	543.337	618.246
01.01.2020 31.12.2020	1,00%	-510.171	-602.765
	-1,00%	510.171	602.765

e) Exchange Rate Risk

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

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

f) Other Operating Risks

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

9. Other Information

9.1 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 Company's Share Capital at 31.12.2021 amounts to €16.093.063,20 divided into 17.120.280 nominal shares, of an amount of € 0,94 per share.

9.2 Main Exchange Rates for Balance Sheet and P&L

Balance Sheet	31.12.2021	31.12.2020	31.12.2021 vs 31.12.2020
1 Euro (EUR) = Bulgarian Lev (BGN)	1 EUR = 1,9558 BGN	1 EUR = 1,9558 BGN	0,00%

P&L	Average 2021	Average 2020	Average 2021 vs Average. 2020
1 Euro (EUR) = Bulgarian Lev (BGN)	1 EUR = 1,9558 BGN	1 EUR = 1,9558 BGN	0,00%

9.3 Comparative Information

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

9.4 Existing Encumbrances

On the fixed assets of the parent Company, mortgages and footnotes have been subscribed for a total amount of, € 40,8 million at 31.12.2021 to secure bond loans of amount of € 30,0 million.

9.5 Litigation and Arbitration Cases

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

9.6 Number of Employed Personnel

Number of staff employed at the end of current year 31.12.2021: Group 348, Company 258, compared with 338 for the Group and 257 for the Company in the previous year.

9.7 Transactions with Related Parties

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

Significant Transactions with related parties

Group

	01.01.2021 - 31.12.2021		01.01.2020 - 31.12.2020	
	Sales of Goods and Services	Purchases of Goods and Services	Sales of Goods and Services	Purchases of Goods and Services
Executives and Members of the Management	0	0	0	0
Total:	**0**	**0**	**0**	**0**

	31.12.2021		31.12.2020	
	Receivables	Liabilities	Receivables	Liabilities
Executives and Members of the Management	266.826	813	136.600	734
Total:	**266.826**	**813**	**136.600**	**734**

Company

	01.01.2021 - 31.12.2021		01.01.2020 - 31.12.2020	
	Sales of Goods and Services	Purchases of Goods and Services	Sales of Goods and Services	Purchases of Goods and Services
Kenfood SA	844.105	1.348.163	453.630	1.333.001
Greek Baking School S.A	8.400	37.000	8.400	67.200
Loulis Logistics Services S.A	480	0	480	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	64.090	1.283.983	174.781	440.689
Executives and Members of the Management	0	0	0	0
Total:	**917.075**	**2.669.146**	**637.291**	**1.840.890**

	31.12.2021		31.12.2020	
	Receivables	Liabilities	Receivables	Liabilities
Kenfood SA	58.811	72.418	59.539	373.577
Greek Baking School S.A	0	0	0	0
Loulis Logistics Services S.A	0	0	0	0
Loulis International Foods Enterprises Bulgaria Ltd	0	0	0	0
Loulis Mel-Bulgaria EAD	4.020.815	238.379	695.853	0
Executives and Members of the Management	0	554	0	734
Total:	**4.079.626**	**311.351**	**755.392**	**374.311**

Fees of Executives and Members of the Management

	Group		Company	
	31.12.2021	31.12.2020	31.12.2021	31.12.2020
Salaries and Other Fees	1.285.278	1.084.533	743.155	638.515
Total	**1.285.278**	**1.084.533**	**743.155**	**638.515**

9.8 Income Tax

The tax rate of Legal Entities in Greece according Law 4799/2021 reduced to 22% from 24% for the year 2021 and onwards.
The tax rate of Legal Entities in Bulgaria is 10% and in Cyprus 12,5%.

Income Tax attributable to Other Comprehensive Income as presented in the "Statement of Comprehensive Income" includes revenue of an amount of 0,98 million for the Group and the Company which has resulted from revaluation of Differed Tax Assets and Liabilities due to the reduction of the aforementioned Income Tax Rate in Greece.

9.9 Capital Expenditures

Investments in fixed assets for 2021 amount to € 4.024 thousand for the Group and € 1.764 thousand for the Company.

9.10 Contingent Liabilities/Receivables

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

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

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, the fiscal years up to 2015 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 31.12.2020.

For the fiscal year 2021, 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 2021 is in progress and the related tax certificate is expected to be provided after the publication of financial statements of 31.12.2021. If upon completion of the tax audit additional tax liabilities occur, we consider that they will not have significant impact on the Financial Statements.

9.11 Dividend per share

The BoD of the Company after taking into account the financial results of the year 2021, 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.

9.12 Approval of Financial Statements

The date of the approval of the Financial Statements by the Board of Directors is 21.04.2022.

9.13 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, 2021 are:

Completion of the Audit of the Investment on Sourpi according to Inv. Law 3299/2004

On February 22, 2022 by the Decision No. 19460 of the General Secretary of Investment and Development, of Ministry of Development and Investment the audit of the Company's investment has been completed regarding upgrade of flour-producing plant in the Sourpi Industrial Unit, in Magnisia which has undertaken according to Law3299/2004. The total final subsidized cost of the investment amounts to € 4.057.160 whereas the grant amounts to € 1.014.290, i.e, 25% of the total subsidized cost of the investment.

Issuance of Bank Loan

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

War situation in Ukraine

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

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

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

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

There are no other events that have occurred after December 31st, 2021 that shall have a material impact on the Group's and Company's Financial Statements.

Sourpi, April 21, 2022

The Chairman of the Board of Directors	**The CEO**	**The Chief Accountant**
Nikolaos K. Loulis	Nikolaos S. Fotopoulos	Georgios K. Karpouzas

LOULIS
mills

LOULIS MILLS S.A.
G.E.M.I. (General commercial register) No: 50675444000
(formerly S.A. register No: 10344/06/B/86/131)
Loulis Harbour, 370 08, Sourpi Magnesia municipal district

www.loulismills.gr