



KRI-KRI MILK INDUSTRY S.A.

General Commercial Registry No.: 113772252000

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD

1.1.2021 – 30.9.2021

IN ACCORDANCE WITH IFRS (IAS 34)

(TRANSLATION FROM THE GREEK ORIGINAL)

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Condensed Statement of Comprehensive Income

	Note.	1/1-30/9/2021	1/1-30/9/2020
Sales	C1	110.241.498	102.748.550
Cost of sales		(72.785.201)	(67.580.397)
Gross profit	C1	37.456.297	35.168.153
Distribution expenses	C1	(16.124.209)	(14.341.322)
Administration expenses		(2.508.147)	(2.627.919)
Research and development expenses		(209.391)	(198.631)
Other income		484.677	583.050
Other (loss) / gain net		24.182	85.901
Profit before taxes, financial and investment income	C1	19.123.410	18.669.232
Financial income	C3	154.959	83.473
Financial expenses	C3	(218.415)	(207.555)
Financial cost of leasing	C3	(21.901)	(20.837)
Financial expenses (net)		(85.357)	(144.919)
Profit before taxes		19.038.053	18.524.313
Income tax	C4	(4.017.651)	(4.495.049)
Net profit for the period (A)		15.020.402	14.029.264
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Profit / (Loss) from revaluation of fair value of own shares		58.097	0
Other comprehensive income after tax (B)		58.097	0
Total comprehensive income after tax (A + B)		15.078.499	14.029.264

Net profit per share from continuous operations

- Basic and diluted (in €)	0,4543	0,4243
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The accompanying notes are an integral part of these financial statements.

Condensed Statement of Financial Position

	Note	<u>30/9/2021</u>	<u>31/12/2020</u>
ASSETS			
Non-current assets			
Tangible assets	C5	70.279.074	64.807.728
Rights of use of assets	C6	549.389	414.654
Investment in properties		10.082	10.082
Intangible assets		339.456	386.380
Other non-current assets		36.173	46.106
		71.214.174	65.664.950
Current assets			
Inventories	C7	11.137.664	14.024.192
Trade and other receivables	C8	32.149.275	24.249.201
Current income tax receivables		0	1.430.104
Investments in financial assets		0	301.852
Cash and cash equivalents		12.932.845	9.737.271
		56.219.784	49.742.620
Total assets		127.433.958	115.407.570
EQUITY AND LIABILITIES			
Equity			
Share capital		12.564.752	12.564.752
Reserves		24.677.839	22.437.778
Reserves of own shares		(21.242)	(134.311)
Retained earnings		47.240.189	41.014.778
Total equity		84.461.538	75.882.997
Liabilities			
Non-current liabilities			
Long term borrowings	C9	5.825.000	8.680.000
Long term portion of leasing		343.281	243.413
Accrued pension and retirement obligations		494.952	604.307
Deferred tax liabilities		3.413.651	3.382.217
Government grants		6.028.561	6.332.303
		16.105.445	19.242.240
Current liabilities			
Short-term borrowings	C9	3.479.922	2.249.837
Short term portion of leasing		224.451	187.790
Trade and other payables	C10	21.092.067	17.844.706
Current income tax liabilities		2.070.535	0
		26.866.975	20.282.333
Total liabilities		42.972.420	39.524.573
Total equity and liabilities		127.433.958	115.407.570

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

Condensed Statement of changes in equity

	Share capital	General reserve	Special reserves	Other reserves	Reserves of own shares	Actuarial gains-losses reserve	Retained earnings	Total Equity
Balance at 31.12.2019	12.564.752	3.055.955	17.295.670	38.275	0	185.936	32.965.832	66.106.422
Profit for the period							14.029.264	14.029.264
Total comprehensive income for the period							14.029.264	14.029.264
Reserves increase		668.742	1.193.200				(1.861.942)	0
Transactions with owners in their capacity as owners								
Dividends provided for or paid							(5.951.724)	(5.951.724)
Balance at 30.09.2020	12.564.752	3.724.697	18.488.870	38.275	0	185.936	39.181.430	74.183.960
Balance at 31.12.2020	12.564.752	3.724.697	18.488.870	38.275	(134.311)	185.936	41.014.779	75.882.997
Profit for the period							15.020.402	15.020.402
Profit / (Loss) from revaluation of fair value of own shares							58.097	58.097
Total comprehensive income for the period							15.078.499	15.078.499
Reserves increase		463.554	1.776.507				(2.240.061)	0
(Purchase) of own shares					(116.377)			(116.377)
Distribution of own shares					229.446			229.446
Transactions with owners in their capacity as owners								
Dividends provided for or paid							(6.613.027)	(6.613.027)
Balance at 30.09.2021	12.564.752	4.188.251	20.265.377	38.275	(21.242)	185.936	47.240.189	84.461.538

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

Condensed Statement of cash flows

<i>Indirect method</i>	<u>1/1-30/9/2021</u>	<u>1/1-30/9/2020</u>
OPERATING ACTIVITIES		
Profit before taxes	19.038.053	18.524.313
Adjustments for:		
Depreciation	3.467.902	3.046.946
Provisions	79.749	503.380
Foreign exchange differences, net	(597)	5.953
Amortization of government grants relating to capital expenses	(303.742)	(340.614)
Other non cash items	287.543	0
Investment income	(122.171)	(93.384)
Interest and related expenses	240.316	221.448
	<u>22.687.053</u>	<u>21.868.042</u>
Changes in working capital:		
Decrease / (Increase) in inventories	3.150.145	(1.744.150)
Decrease / (Increase) in receivables	(8.283.485)	(4.506.485)
Decrease / (Increase) in other long-term receivables	(534.677)	(608.097)
(Decrease) / Increase in payables (except banks)	3.441.894	1.311.445
Less:		
Interest and related expenses paid	(232.721)	(211.240)
Taxes paid	(538.132)	(1.180.373)
Cash flow from operating activities (a)	19.690.075	14.929.141
INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(8.771.074)	(8.496.840)
Proceeds from sales of intangibles and property, plant and equipment	637	1.048
Interest received	154.959	83.473
Purchases of financial instruments	(795.488)	(290.020)
Proceeds on disposal of financial instruments	1.066.211	118.432
Cash flow from investing activities (b)	(8.344.755)	(8.583.906)
FINANCING ACTIVITIES		
Repayments of loans	(1.625.000)	(6.300.000)
Repayments of financial leases	(205.963)	(192.765)
Purchase of own shares	(116.377)	0
Dividends paid to company's shareholders	(6.202.406)	(4.550.169)
Cash flow from financing activities (c)	(8.149.746)	(11.042.934)
Change in cash and equivalents (a+b+c)	3.195.574	(4.697.700)
Cash and equivalents at beginning of period	9.737.271	10.916.735
Cash and equivalents at end of period	12.932.845	6.219.036

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

A. General information

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

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

These financial statements have been approved by the Board of Directors on 24 November 2021.

The interim condensed financial statements have not been audited.

B. Significant accounting policies

B.1 Basis of preparation

These financial statements covering the period from 1.1.2021 to 30.9.2021 have been prepared according to IAS 34. The basis of their preparation is the historical cost and the "principle of going concern", taking into account all macroeconomic and microeconomic factors and their impact on the smooth operation of the Company.

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

Any differences that arise between the amounts in these interim financial statements and the corresponding amounts in the selected explanatory notes as well as in sums are due to rounding.

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

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

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

In May 2021, the International Financial Reporting Interpretations Committee ("the Committee") issued the final agenda decision under the title "Attributing Benefits to Periods of Service" (IAS 19), which includes explanatory ma-

terial regarding the way of distribution of benefits in periods of service following a specific defined benefit plan proportionate to that defined in Article 8 of Law 3198/1955 regarding provision of compensation due to retirement (the "Labor Law Defined Benefit Plan").

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

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

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

New standards, amendments to standards and interpretations:

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

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Ac-

counting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2021.

Amendments to IFRS 4 "Insurance Contracts" – deferral of IFRS 9 (effective for annual periods starting on or after 01/01/2021)

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

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16: "Interest Rate Benchmark Reform – Phase 2" (effective for annual periods starting on or after 01/01/2021)

In August 2020, the IASB has finalized its response to the ongoing reform of IBOR and other interest benchmarks by issuing a package of amendments to IFRS Standards. The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for a change in its hedging relationships as a result of the reform, as well as relevant information required to be disclosed. The amendments do not affect the Financial Statements.

Amendments to IFRS 16 "Leases": Covid-19 – Related Rent Concessions beyond 30 June 2021 (effective for annual periods starting on or after 01/04/2021)

In March 2021, the IASB issued amendments to the practical expedient of IFRS 16, that extend the application period by one year to cover Covid-19-related rent concessions that reduce only lease payments due on or before 30 June 2022. The amendments do not affect the Financial Statements.

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

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

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

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

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

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

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

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

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

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

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements

in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

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

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity's right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management's intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 1 "Presentation of Financial Statements" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Company will examine the impact of the above on its Financial Statements. The above have not been adopted by the European Union.

Amendments to IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates" (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish

changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

Amendments to IAS 12 "Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction" (effective for annual periods starting on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Company will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

B.2 Financial risk management

The interim financial statements do not include disclosure of all risks required in the preparation of the annual financial statements and should be read in conjunction with the annual financial statements of the Company for the year ended 31 December 2019.

B.3 Macroeconomic risks in Greece and United Kingdom

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

In March 2020, the World Health Organization (WHO) declared COVID-19 as a pandemic. The Management of the Company has taken a number of measures to manage the health crisis and minimize the negative effects on its activities. At this stage, employees safety is a top priority. To this end, the Company has developed the following initiatives through the establishment of a task force (hereinafter referred to as the "Team"), which reports to the top management, monitoring all relevant developments and

evaluating the possible effects of COVID-19. The Team, in line with all protocols of the WHO and other competent authorities, has already prepared and fully implemented a plan to ensure operational continuity. This plan also includes additional provisions for staff performing critical functions for production and business continuity in general, in order to minimize the risk of downtime. Also, business trips have been kept to a minimum and systems for remote work (teleworking) are applied where possible. Finally, emergency arrangements have been put in place for employees belonging to vulnerable groups and policies requiring staff to report any suspicious symptoms.

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

B.4 Significant accounting estimates and judgments of the management

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

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

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

B.5 Comparative information

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

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C. Notes to the financial statements

C1. Operating segment information

The chief operating decision maker, in the case of KRI-KRI the CEO, receives internal financial reports to measure the performance of the operating segments and to distribute the resources between them. Under the operating distinction the Company's reportable segments are identified as follows:

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

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

The segments results for the periods ended 30.9.2021 and 30.9.2020 are analyzed as follows:

1/1-30/9/2021	Sales	Gross profit	Distribution & selling expenses	Operating Earnings	EBIT
Ice-Cream	30.447.200	14.713.576	(6.200.722)	8.512.855	7.713.654
Greece	24.139.924	13.014.572	(5.493.679)	7.520.893	6.928.380
Other countries	6.307.276	1.699.004	(707.043)	991.961	785.274
Dairy-Yogurt	79.510.330	23.253.943	(9.913.035)	13.340.908	11.609.720
Greece	37.903.127	12.227.658	(5.936.404)	6.291.254	5.405.740
Other countries	41.607.203	11.026.284	(3.976.631)	7.049.654	6.203.981
Rest	283.968	(511.222)	(10.453)	(521.675)	(199.966)
Total	110.241.498	37.456.297	(16.124.209)	21.332.087	19.123.410
1/1-30/9/2020	Sales	Gross profit	Distribution & selling expenses	Operating Earnings	EBIT
Ice-cream	25.694.187	12.010.230	(5.414.534)	6.595.696	5.674.147
Greece	21.026.367	10.935.295	(4.992.075)	5.943.220	5.221.568
Other countries	4.667.820	1.074.935	(422.459)	652.476	452.580
Dairy-Yogurt	76.267.336	22.883.619	(8.883.218)	14.000.401	12.365.210
Greece	38.365.224	12.274.393	(5.428.184)	6.846.209	5.937.535
Other countries	37.902.112	10.609.226	(3.455.033)	7.154.192	6.427.675
Rest	787.027	274.304	(43.570)	230.734	629.875
Total	102.748.550	35.168.153	(14.341.322)	20.826.832	18.669.232

The "Operating Earnings" index is an Alternative Performance Measures (APM) and is calculated as follows: Gross profit minus Distribution Cost.

C2. Earnings before interest, taxes, depreciation and amortization

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

	<u>1/1-30/9/2021</u>	<u>1/1-30/9/2020</u>
Net profit for the period	15.020.402	14.029.264
Adjustments for:		
Income tax	4.017.650	4.495.049
Financial expenses (net)	85.357	144.919
Depreciation and amortization	<u>3.467.902</u>	<u>3.046.946</u>
EBITDA before government grants amortization	22.591.311	21.716.178
Amortization of government grants relating to capital expenses	<u>(303.742)</u>	<u>(340.614)</u>
EBITDA	<u>22.287.569</u>	<u>21.375.564</u>

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

C3. Financial income - expenses

Financial income-expenses are analyzed by type as follows:

	<u>1/1-30/9/2021</u>	<u>1/1-30/9/2020</u>
<u>FINANCIAL INCOME</u>		
Interest income	39.685	15.223
Other capital gains	51.108	65.690
Gains from financial instruments	<u>64.166</u>	<u>2.560</u>
Total financial income	154.959	83.473
<u>FINANCIAL EXPENSES</u>		
Interest expense	147.314	179.274
Bank fees and charges	38.064	28.281
Losses from financial instruments	<u>33.037</u>	<u>0</u>
Total financial expenses	218.415	207.555
<u>FINANCIAL COST OF LEASING</u>		
Financial cost of leasing	<u>21.901</u>	<u>20.837</u>
Financial income - expenses (net)	<u>(85.357)</u>	<u>(144.919)</u>

C4. Income tax expense

Income tax expense is analyzed as follows

	<u>1/1-30/9/2021</u>	<u>1/1-30/9/2020</u>
Current tax	3.986.216	4.269.415
Deferred tax	<u>31.434</u>	<u>225.634</u>
Total	<u>4.017.651</u>	<u>4.495.049</u>

The income tax was calculated at a 22% tax rate over taxable profits for the period.

C5. Property, plant and equipment

Property, plant and equipment are analyzed as follows:

	Land	Buildings	Plant & equipment	Motor vehicles	Furniture & other Equipment	Total
COST						
Balance at 1 January 2020	1.588.909	15.978.869	69.950.755	1.273.590	2.611.609	91.403.732
Additions	202.492	2.170.616	8.415.899	18.750	314.624	11.122.381
Disposals	0	(63)	(222.089)	(16.662)	0	(238.814)
Transfers	0	(60.396)	5.750	0	54.646	0
Write-offs	0	0	(233.893)	0	0	(233.893)
Balance at 31 December 2020	1.791.401	18.089.026	77.916.422	1.275.678	2.980.879	102.053.406
ACCUMULATED DEPRECIATION						
Balance at 1 January 2020		(3.906.485)	(27.165.229)	(1.061.536)	(1.851.586)	(33.984.836)
Depreciation expense		(433.411)	(3.066.157)	(65.413)	(154.291)	(3.719.272)
Disposals		0	207.874	16.662	0	224.536
Write-offs		0	233.893	0	0	233.893
Balance at 31 December 2020		(4.339.896)	(29.789.619)	(1.110.287)	(2.005.877)	(37.245.679)
Net book value at 31 December 2020	1.791.401	13.749.130	48.126.803	165.391	975.002	64.807.728
COST						
Balance at 1 January 2021	1.791.401	18.089.026	77.916.422	1.275.678	2.980.879	102.053.406
Additions	15.152	3.388.165	5.140.931	0	86.230	8.630.478
Disposals	0	0	(59.482)	0	(348)	(59.830)
Transfers	0	0	0	0	0	0
Write-offs	0	(8.341)	(155.705)	0	0	(164.046)
Balance at 30 September 2021	1.806.553	21.468.850	82.842.166	1.275.678	3.066.761	110.460.007
ACCUMULATED DEPRECIATION						
Balance at 1 January 2021		(4.339.896)	(29.789.619)	(1.110.287)	(2.005.877)	(37.245.679)
Depreciation expense		(373.678)	(2.604.830)	(47.391)	(130.026)	(3.155.925)
Disposals		0	59.476	0	70	59.546
Write-offs		5.419	155.705	0	0	161.124
Balance at 30 September 2021		(4.708.155)	(32.179.268)	(1.157.678)	(2.135.833)	(40.180.933)
Net book value at 30 September 2021	1.806.553	16.760.695	50.662.898	118.000	930.928	70.279.074

There are no pledges on fixed assets.

C6. Rights of use of assets

Right of use of assets are analyzed as follows:

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

COST

Balance at 1 January 2021	242.869	683.811	0	926.680
Additions	729	301.320	13.932	315.981
Balance at 30.09.2021	<u>243.598</u>	<u>985.131</u>	<u>13.932</u>	<u>1.242.661</u>

ACCUMULATED DEPRECIATION

Balance at 1 January 2021	(55.699)	(456.327)	0	(512.026)
Depreciation expense	(22.635)	(157.683)	(929)	(181.246)
Balance at 30.09.2021	<u>(78.334)</u>	<u>(614.010)</u>	<u>(929)</u>	<u>(693.272)</u>

Net book value at 30.09.2021	<u>165.265</u>	<u>371.121</u>	<u>13.003</u>	<u>549.389</u>
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As of 30.9.2021, the liability for operational leasing is €567.732 (as of 31.12.2020: €431.203).

C7. Inventories

Inventories are analyzed as follows:

	<u>30/9/2021</u>	<u>31/12/2020</u>
Merchandise	79.960	35.714
Finished goods	3.534.536	3.055.092
Raw materials	7.694.116	11.367.950
Less: Provisions for obsolete inventory	(170.947)	(434.564)
Total	<u>11.137.664</u>	<u>14.024.192</u>

The most important change of the item "Inventories" is in the line "Raw materials". The decrease in "Raw materials" reflects increased consumption, which was not accompanied by corresponding purchases, and relates to the increased stocking of raw materials in the last quarter of 2020, as a way to hedge against the rise of raw materials prices that seemed probable.

C8. Trade and other receivables

Trade and other receivables are analyzed as follows:

	<u>30/9/2021</u>	<u>31/12/2020</u>
Trade receivables	32.942.498	22.746.472
Less: Allowance for bad debts	(2.794.106)	(2.410.695)
	<u>30.148.392</u>	<u>20.335.777</u>
Creditors advances	108.183	100.008
VAT Receivables	1.301.016	3.565.011
Greek state -others	52.305	52.304
Other receivables	539.380	196.100
Total	<u>32.149.275</u>	<u>24.249.201</u>

The most significant changes of "Trade and other receivables" are found in the line "Trade receivables" that relate to the increase in sales and the high seasonality of the ice cream sector (see also note C12), and in the line "VAT Receivable", concerning the collection/offset of the VAT receivable.

The amounts in "Trade receivables" are non-interest related and are normally settled on 0-150 days.

For applying IFRS 9, the company uses a model to calculate expected credit losses. This model groups receivables according to the credit rating of each customer, links the rating to the probability of default and calculates the expected credit losses. Company recognized increased doubtful receivables of €383.411. At 30.09.2021 the Trade receivables totaling €2.794.106 appear impaired. It is estimated that a part of the provision for doubtful debts will be recovered in future time.

Provision analysis for doubtful accounts:

	<u>1/1-30/9/2021</u>	<u>1/1-31/12/2020</u>
Opening balance	2.410.695	2.447.999
Additions	383.411	0
Reversals	0	(37.304)
Ending balance	<u>2.794.106</u>	<u>2.410.695</u>

C9. Borrowings

Borrowings are analyzed as follows:

	<u>30/9/2021</u>	<u>31/12/2020</u>
<u>NON-CURRENT BORROWINGS</u>		
Bond loans	5.825.000	8.680.000
Total non-current borrowings	<u>5.825.000</u>	<u>8.680.000</u>
<u>CURRENT BORROWINGS</u>		
Current liability of non-current loans	3.479.922	2.249.837
Total current borrowings	<u>3.479.922</u>	<u>2.249.837</u>
Total borrowings	<u>9.304.922</u>	<u>10.929.837</u>

Maturity of non-current bank borrowings:

	<u>30/9/2021</u>	<u>31/12/2020</u>
Between 1-2 years	1.250.000	3.480.000
Between 2-5 years	4.575.000	5.200.000
Total non-current borrowings	<u>5.825.000</u>	<u>8.680.000</u>

Changes on loans balances are analyzed as follows:

Balance at 1 January 2020	12.222.565
Loans paid (cash item)	17.500.000
Loans received (cash item)	(18.800.000)
Financial instruments valuation (non-cash item)	7.272
Balance at 31 December 2020	<u>10.929.837</u>
Balance at 1 January 2021	10.929.837
Loans paid (cash item)	(1.625.000)
Financial instruments valuation (non-cash item)	85
Balance at 30 September 2021	<u>9.304.922</u>

Analysis of current long-term loans:

Loaner	Type of loan	Date of agreement	Initial value	Balance at 30/9/2021
Major shareholders	Bonds / 5year fixed interest rate	18/12/2013 Amended 16/11/2018	5.000.000	2.700.000
Piraeus Bank	Bonds / 3year floating interest rate	10/4/2019	4.230.000	2.229.954
Piraeus Bank	Bonds / 4year floating interest rate	3/12/2020	5.000.000	4.374.967

Effective interest rate of borrowings:

	<u>1/1-30/9/2021</u>	<u>1/1-31/12/2020</u>
Effective interest rate	<u>1,71%</u>	<u>2,31%</u>

C10. Trade and other payables

Trade and other payables are analyzed as follows:

	<u>30/9/2021</u>	<u>31/12/2020</u>
Trade payables	17.264.108	14.634.099
Cheques payables	368.927	487.360
Social security	203.300	424.082
Other Taxes and duties	492.974	296.486
Dividends payables	793.925	384.702
Customers' advances	298.886	652.643
Other payables	1.669.948	965.334
Total	<u>21.092.067</u>	<u>17.844.706</u>

The most important changes in "Trade and other payables" are found in the line "Trade payables" relate to the increase in sales, capital expenditures and the seasonality in the ice cream sector (see also note C12).

C11. Dividends

For the financial year 2020, Annual General Meeting of 6/7/2021 decided the distribution of dividend of gross value €0,20 per share (2019: €0,18 per share). The payment of dividend was on 18/8/2021.

C12. Seasonality

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

In the dairy industry, sales and operating profits are almost equally distributed throughout the year.

C13. Contingent assets – liabilities

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

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

C14. Related party transactions

Related party transactions are analyzed as follows:

	<u>1/1-30/9/2021</u>	<u>1/1-30/9/2020</u>
Payment of interest on a bond loan*	61.650	79.317
Income from related parties (I.E.G.)	150	0

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

	<u>30/9/2021</u>	<u>31/12/2020</u>
Payables to related parties*	2.700.000	2.700.000

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

<u>COMPENSATION OF DIRECTORS</u>	<u>1/1-30/9/2021</u>	<u>1/1-30/9/2020</u>
Remuneration of the members of the Board of Directors	401.096	382.071

Salaries of the members of the Board of Directors	<u>120.048</u>	<u>90.735</u>
Total	<u>521.144</u>	<u>472.806</u>

OTHER TRANSACTIONS WITH THE MEMBERS OF THE B.O.D. AND KEY
MANAGEMENT PERSONNEL

Transactions with the members of the B.O.D and key management personnel	<u>30/9/2021</u>	<u>30/9/2020</u>
Liabilities to the members of the B.O.D and key management personnel*	48.521	48.698
	2.500.000	2.500.000

* Bond loan covered by major shareholders

C15. Post balance sheet events

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

Serres, 24 November 2021

Chairman
& Managing Director

Vice-Chairman

Financial Director

Chief Accountant

Panagiotis Tsinavos
ID AE373539

Georgios Kotsambasis
ID AE376847

Konstantinos Sarmadakis
ID AN389135

Evangelos Karagiannis
ID AM894228