



KRI-KRI MILK INDUSTRY S.A.

General Commercial Registry No.: 113772252000

INTERIM FINANCIAL STATEMENTS

FOR THE PERIOD

1.1.2022 – 30.9.2022

IN ACCORDANCE WITH IFRS (IAS 34)

(TRANSLATION FROM THE GREEK ORIGINAL)

CONTENTS	Page
Condensed Statement of comprehensive income	3
Condensed Statement of financial position	4
Condensed Statement of change in shareholders' equity	5
Condensed Cash flow statement	6
General information	7
Significant accounting policies	7
Notes on Interim Financial Statements	11

Condensed Statement of Comprehensive Income

	Note.	1/1-30/9/2022	1/1-30/9/2021
Sales	C1	137.266.845	110.241.498
Cost of sales		(108.793.695)	(72.785.201)
Gross profit	C1	28.473.150	37.456.297
Distribution expenses	C1	(18.627.142)	(16.124.209)
Administration expenses		(2.706.417)	(2.508.147)
Research and development expenses		(306.584)	(209.391)
Other income		644.482	484.677
Other (loss) / gain net		111.011	24.182
Profit before taxes, financial and investment income	C1	7.588.500	19.123.410
Financial income		66.189	154.959
Financial expenses		(197.107)	(218.415)
Financial cost of leasing		(20.483)	(21.901)
Financial expenses (net)		(151.401)	(85.357)
Profit before taxes		7.437.099	19.038.053
Income tax	C3	(1.510.571)	(4.017.651)
Net profit for the period (A)		5.926.528	15.020.402
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss:			
Profit / (Loss) from revaluation of fair value of own shares		0	58.097
Other comprehensive income after tax (B)		0	58.097
Total comprehensive income after tax (A + B)		5.926.528	15.078.499
Net profit per share from continuous operations			
- Basic and diluted (in €)		0,1780	0,4243

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

Condensed Statement of Financial Position

	Note	<u>30/9/2022</u>	<u>31/12/2021</u>
ASSETS			
Non-current assets			
Tangible assets	C4	72.276.186	71.097.784
Rights of use of assets		562.349	631.097
Investment in properties		10.082	10.082
Intangible assets		213.747	299.894
Other non-current assets		182.355	36.173
		73.244.719	72.075.030
Current assets			
Inventories	C5	13.955.944	11.871.809
Trade and other receivables	C6	37.136.606	23.047.706
Restricted deposits		0	2.230.000
Cash and cash equivalents		9.375.402	10.749.735
		60.467.952	47.899.250
Total assets		133.712.671	119.974.280
EQUITY AND LIABILITIES			
Equity			
Share capital		12.564.752	12.564.752
Reserves		24.676.749	24.551.367
Reserves of own shares		(115.579)	(60.897)
Retained earnings		44.955.699	45.775.743
Total equity		82.081.621	82.830.965
Liabilities			
Non-current liabilities			
Long term borrowings	C7	10.075.000	6.430.000
Long term portion of leasing		380.977	428.068
Accrued pension and retirement obligations		306.217	285.270
Deferred tax liabilities		4.143.555	3.805.295
Government grants		5.624.615	5.927.470
		20.530.364	16.876.103
Current liabilities			
Short-term borrowings	C7	2.252.286	2.250.628
Short term portion of leasing		205.005	224.451
Trade and other payables	C8	28.279.987	17.345.408
Current income tax liabilities		363.408	446.725
		31.100.686	20.267.212
Total liabilities		51.631.050	37.143.315
Total equity and liabilities		133.712.671	119.974.280

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 31.12.2020 (modified)*	12.564.752	3.724.697	18.488.870	38.275	(134.314)	81.836	41.358.343	76.122.459
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							(6.613.027)	(6.613.027)
Dividends provided for or paid								
Balance at 30.09.2021	12.564.752	4.188.251	20.265.377	38.275	(21.245)	81.836	47.583.753	84.700.999
Balance at 31.12.2021	12.564.752	4.188.251	20.265.377	38.275	(60.899)	59.467	45.775.742	82.830.964
Profit for the period							5.926.528	5.926.528
Total comprehensive income for the period							5.926.528	5.926.528
Reserves increase			125.382				(125.382)	0
(Purchase) of own shares					(246.049)			(246.049)
Distribution of own shares					191.366		(8.162)	183.204
Transactions with owners in their capacity as owners							(6.613.027)	(6.613.027)
Dividends provided for or paid								
Balance at 30.09.2022	12.564.752	4.188.251	20.390.759	38.275	(115.582)	59.467	44.955.698	82.081.621

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

Condensed Statement of cash flows

<i>Indirect method</i>	<u>1/1-30/9/2022</u>	<u>1/1-30/9/2021</u>
OPERATING ACTIVITIES		
Profit before taxes	7.437.099	19.038.053
Adjustments for:		
Depreciation	3.898.413	3.467.902
Provisions	742.644	79.749
Foreign exchange differences, net	23.360	(597)
Amortization of government grants relating to capital expenses	(302.855)	(303.742)
Other non-cash items	191.367	287.543
Investment income	(119.875)	(122.171)
Interest and related expenses	217.590	240.316
	12.087.741	22.687.053
Changes in working capital:		
Decrease / (Increase) in inventories	(2.116.340)	3.150.145
Decrease / (Increase) in receivables (trade)	(14.657.589)	(8.283.485)
Decrease / (Increase) in other receivables	(289.696)	(534.677)
(Decrease) / Increase in payables (except banks)	11.511.955	3.441.894
Less:		
Interest and related expenses paid	(203.442)	(232.721)
Taxes paid	(820.140)	(538.132)
Cash flow from operating activities (a)	5.512.489	19.690.075
INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(5.791.328)	(8.771.074)
Proceeds from sales of intangibles and property, plant and equipment	24.600	637
Interest received	66.189	154.959
Purchases of financial instruments	0	(795.488)
Proceeds on disposal of financial instruments	0	1.066.211
Cash flow from investing activities (b)	(5.700.539)	(8.344.755)
FINANCING ACTIVITIES		
Loans	8.000.000	0
Repayments of loans	(4.355.000)	(1.625.000)
Repayments of financial leases	(204.162)	(205.963)
Purchase of own shares	(246.049)	(116.377)
Restricted deposits	2.230.000	0
Dividends paid to company's shareholders	(6.611.073)	(6.202.406)
Cash flow from financing activities (c)	(1.186.283)	(8.149.746)
Change in cash and equivalents (a+b+c)	1.374.333	3.195.574
Cash and equivalents at beginning of period	10.749.735	9.737.271
Cash and equivalents at end of period	9.375.402	12.932.845

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 23 November 2022.

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 1.1.2022 to 30.9.2022 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 2021, except for the new standards and interpretations adopted, the implementation of which was compulsory for periods after 1 January 2022.

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 2021, 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.

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 1.1.2022. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

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

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2022.

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 amendments do not affect the consolidated 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.

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

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:

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 been adopted by the European Union with effective date of 01/01/2023.

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

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 01/01/2023.

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 been adopted by the European Union with effective date of 01/01/2023.

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 been adopted by the European Union with effective date of 01/01/2023.

Amendments to IFRS 17 "Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information" (effective for annual periods starting on or after 01/01/2023)

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 "Insurance Contracts" and IFRS 9 "Financial Instruments" for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements.

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 01/01/2023.

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 IFRS 16 "Leases: Lease Liability in a Sale and Leaseback" (effective for annual periods starting on or after 01/01/2024)

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 "Leases" which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction.

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 2021.

B.3 Macroeconomic risks

Ukraine Crisis

The Company does not have any operations in the Ukraine's or Russia's markets. However, the macroeconomic environment presents strong challenges due to various geopolitical tensions, including the ongoing war in Ukraine, since the beginning of 2022, the significant inflationary pressures and the high transport and energy costs. Global markets are facing a new, unprecedented condition which increases economic and social instability while they were trying to recover from the effects of the pandemic and return to a "normality". All of the above, combined with the increased interest rates, limit the purchasing power of consumers and create an uncertain and insecure business environment.

Energy Crisis

The current global energy crisis has a multi-level effect on the Company's cost base. One of the major effects is the continuously increasing cost of electricity and natural gas consumption, which are main factors of production. During the nine-month period in 2022, energy spending accounted for about 4.5% of total spending, against of 2.2% of last year's.

Furthermore, the energy crisis indirectly affects the cost of products' transportation and distribution. During the first nine months of 2022, those expenses constituted approximately 5.1% of total expenses, compared to 5.4% in the same period last year. Additionally, the energy crisis has a strong effect on the formation and maintenance of an intensely inflationary environment. In our case, there is a significant increase in the production cost of raw milk, and consequently its price. That can be explained by the increase in the price of fertilizers which affect the cost of animal feed and overall the agricultural production. Moreover, the price of plastic, which is a basic packaging material, has increased significantly. Finally, inflation is expected to limit the real disposable income of households, and affect their consumption habits.

The Company has taken the following measures to manage the risk of energy supply reduction, as a consequence of the Ukrainian crisis: 1) we have been supplied with a diesel oil boiler to replace the supply of natural gas, 2) we use biogas which is produced from production's sewage

in order to partially substitute the natural gas supply and 3) we have submitted our application to the Greek Energy Regulation Authority to be included in the scheme of "important industries", which will ensure our continuous supply of natural gas.

Covid-19

In March 2020, the World Health Organization (WHO) declared Covid-19 as a pandemic. The Company has taken a series of measures to manage the health crisis and minimize the negative effects on its activities. Throughout this health crisis, the safety of workers is an absolute priority. Thus, the Company has developed the following initiatives through the establishment of a special team (the "Team"), which reports to the Senior Management, monitoring all relevant developments and evaluating the possible effects of Covid-19. The Team, in line with all the protocols of WHO, the Greek Health Regulatory Authority and other competent authorities, has already drawn up and fully implemented a plan to ensure business continuity. This plan also includes additional planning which is relating to employees who are critical to production and business continuity, in order to minimize the risk of downtime.

Currently, using the experience we have gained during the current health crisis, the Company can effectively manage any new risks that relate to the current health crisis of Covid-19.

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 state-

ments, both face of financial statements and notes. Differences may arise between the amounts stated in the financial statements and the amounts stated in the notes, as a result of numbers rounding.

C. Notes to the financial statements

C1. Operating segment information

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

◇ *Ice-cream– Greece and 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 30.9.2022 and 30.9.2021 are analyzed as follows:

1/1-30/9/2022	Sales	Gross profit	Distribution & selling expenses	Operating Earnings	EBIT
Ice-Cream	35.639.059	14.411.405	(6.993.495)	7.417.910	6.556.760
Greece	27.311.731	12.834.742	(6.393.063)	6.441.679	5.837.900
Other countries	8.327.328	1.576.663	(600.433)	976.231	718.859
Dairy-Yogurt	100.623.002	13.895.329	(11.633.647)	2.261.682	408.518
Greece	46.456.476	8.830.043	(6.630.731)	2.199.312	1.245.942
Other countries	54.166.526	5.065.286	(5.002.915)	62.370	(837.424)
Rest	1.004.783	166.416	0	166.416	623.222
Total	137.266.845	28.473.150	(18.627.142)	9.846.008	7.588.500
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

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>1/1-30/9/2022</u>	<u>1/1-30/9/2021</u>
Net profit for the period	5.926.528	15.020.402
Adjustments for:		
Income tax	1.510.571	4.017.651
Financial expenses (net)	151.401	85.357
Depreciation and amortization	<u>3.898.413</u>	<u>3.467.902</u>
EBITDA before government grants amortization	11.486.913	22.591.311
Amortization of government grants relating to capital expenses	<u>(302.855)</u>	<u>(303.742)</u>
EBITDA	<u>11.184.058</u>	<u>22.287.569</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. Income tax expense

Income tax expense is analyzed as follows

	<u>1/1-30/9/2022</u>	<u>1/1-30/9/2021</u>
Current tax	1.172.310	3.986.216
Deferred tax	<u>338.260</u>	<u>31.434</u>
Total	<u>1.510.571</u>	<u>4.017.651</u>

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

C4. Property, plant and equipment

Property, plant and equipment are analyzed as follows:

	<u>Land</u>	<u>Buildings</u>	<u>Plant & equipment</u>	<u>Motor vehicles</u>	<u>Furniture & other Equipment</u>	<u>Assets under construction</u>	<u>Total</u>
<u>COST</u>							
Balance at 1 January 2021	1.771.401	15.819.217	72.517.503	1.275.679	2.980.878	7.688.728	102.053.406
Additions	2.561	35.692	1.722.123	15.223	102.009	8.689.295	10.566.902
Disposals			(111.362)	(54.014)	(348)		(165.724)
Transfers		2.103.163	8.836.809		5.481	(10.939.972)	5.481
Write-offs		(8.341)	(199.085)			-	(207.426)
Balance at 31 December 2021	1.773.962	17.949.731	82.765.988	1.236.888	3.088.019	5.438.051	112.252.639
<u>ACCUMULATED DEPRECIATION</u>							
Balance at 1 January 2021		(4.339.896)	(29.789.619)	(1.110.287)	(2.005.877)		(37.245.679)
Depreciation expense		(503.689)	(3.538.702)	(63.144)	(173.583)		(4.279.118)
Disposals			111.354	54.014	70		165.438
Write-offs		5.419	199.085				204.504
Balance at 31 December 2021		(4.838.166)	(33.017.882)	1.119.417)	(2.179.390)		(41.154.855)
Net book value at 31 December 2021	1.773.962	13.111.565	49.748.106	117.471	908.630	5.438.051	71.097.784
<u>COST</u>							
Balance at 1 January 2022	1.773.962	17.949.731	82.765.988	1.236.888	3.088.019	5.438.051	112.252.639
Additions	234.885	56.865	1.964.384	37.690	148.966	2.333.114	4.775.905
Disposals			(77.971)	(71.949)	(414)		(150.334)
Transfers		1.120.074	5.904.499		19.168	(7.043.741)	0
Write-offs			(146.461)	(5.500)	(310)		(152.271)
Balance at 30 September 2022	2.008.847	19.126.670	90.410.439	1.197.129	3.255.429	727.424	116.725.938
<u>ACCUMULATED DEPRECIATION</u>							
Balance at 1 January 2022		(4.838.166)	(33.017.882)	(1.119.417)	(2.179.390)		(41.154.855)
Depreciation expense		(410.194)	(2.996.136)	(49.356)	(136.489)		(3.592.175)
Disposals			77.966	72.326	525		150.817
Write-offs			146.461	0			146.461
Balance at 30 September 2022		(5.248.360)	(35.789.591)	(1.096.447)	(2.315.354)		(44.449.752)
Net book value at 30 September 2022	2.008.847	13.878.310	54.620.848	100.682	940.075	727.424	72.276.186

There are no pledges on fixed assets

C5. Inventories

Inventories are analyzed as follows:

	<u>30/9/2022</u>	<u>31/12/2021</u>
Merchandise	24.893	77.596
Finished goods	4.953.675	3.403.979
Raw materials	9.100.875	8.481.528
Less: Provisions for obsolete inventory	(123.498)	(91.294)
Total	<u>13.955.944</u>	<u>11.871.809</u>

The most important change of the item "Inventories" is in the line "Finished goods" and in the line "Raw materials". The change is related to higher sales volumes, along with higher input costs.

C6. Trade and other receivables

Trade and other receivables are analyzed as follows:

	<u>30/9/2022</u>	<u>31/12/2021</u>
Trade receivables	38.069.479	21.173.526
Less: Allowance for bad debts	(2.902.604)	(2.333.915)
	35.166.875	18.839.611
Creditors advances	793.935	255.338
VAT Receivables	936.335	3.655.757
Greek state -others	13.334	52.304
Other receivables	226.127	244.695
Total	<u>37.136.606</u>	<u>23.047.706</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 C10), 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 €580.866. At 30.09.2022 the Trade receivables totaling €2.902.604 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>1/1-30/9/2022</u>	<u>1/1-31/12/2021</u>
Opening balance	2.333.915	2.410.695
Additions	580.866	0
Reversals	(12.177)	(76.780)
Ending balance	<u>2.902.604</u>	<u>2.333.915</u>

C7. Borrowings

Borrowings are analyzed as follows:

	<u>30/9/2022</u>	<u>31/12/2021</u>
<u>NON-CURRENT BORROWINGS</u>		
Bond loans	10.075.000	6.430.000
Total non-current borrowings	10.075.000	6.430.000
<u>CURRENT BORROWINGS</u>		
Current liability of non-current loans	2.252.286	2.250.628
Total current borrowings	2.252.286	2.250.628
Total borrowings	12.327.286	8.680.628

Maturity of non-current bank borrowings:

	<u>30/9/2022</u>	<u>31/12/2021</u>
Between 1-2 years	5.200.000	5.180.000
Between 2-5 years	4.875.000	1.250.000
Total non-current borrowings	10.075.000	6.430.000

Changes on loans balances are analyzed as follows:

Balance at 1 January 2021	10.929.837
Loans paid (cash item)	(2.250.000)
Financial instruments valuation (non-cash item)	791
Balance at 31 December 2021	8.680.628
Balance at 1 January 2022	8.680.628
Loans paid (cash item)	(4.355.000)
Loans received (cash item)	8.000.000
Financial instruments valuation (non-cash item)	1.658
Balance at 30 September 2022	12.327.286

Analysis of current long-term loans:

Loaner	Type of loan	Date of agreement	Initial value	Balance at 30/9/2022
Major shareholders	Bonds / 5year / fixed interest rate	18/12/2013 Amended 16/11/2018	5.000.000	2.700.000
Piraeus Bank	Bonds / 4year / floating interest rate	3/12/2020	5.000.000	3.124.983
Piraeus Bank	Bonds / 5year / floating interest rate	07/09/2022	6.500.000	6.502.302

Effective interest rate of borrowings:

	<u>1/1-30/9/2022</u>	<u>1/1-31/12/2021</u>
Effective interest rate	2,12%	1,72%

C8. Trade and other payables

Trade and other payables are analyzed as follows:

	<u>30/9/2022</u>	<u>31/12/2021</u>
Trade payables	24.276.084	14.208.085
Cheques payables	622.913	570.575
Social security	233.756	379.412
Other Taxes and duties	507.929	295.557
Dividends payables	18.254	17.491
Customers' advances	403.969	535.567
Other payables	2.217.083	1.338.721
Total	<u>28.279.987</u>	<u>17.345.408</u>

The most important changes in "Trade and other payables" are found in the line "Trade payables". The changes relate to the increased input costs and the seasonality in the ice cream sector (see also note C10).

C9. Dividends

For the financial year 2021, Annual General Meeting of 5/7/2022 decided the distribution of dividend of gross value €0,20 per share (2020: €0,20 per share). The payment of dividend was on 24/8/2022.

C10. 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.

C11. 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.

C12. Related party transactions

Related party transactions are analyzed as follows:

	<u>1/1-30/9/2022</u>	<u>1/1-30/9/2021</u>
Payment of interest on a bond loan*	61.650	61.650
Income from related parties (I.E.G.)	0	150

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

	<u>30/9/2022</u>	<u>31/12/2021</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>1/1-30/9/2022</u>	<u>1/1-30/9/2021</u>
Remuneration of the members of the Board of Directors	479.241	401.096
Salaries of the members of the Board of Directors	0	120.048
Total	<u>479.241</u>	<u>521.144</u>

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

	30/9/2022	30/9/2021
Transactions with the members of the B.O.D and key management personnel	56.875	48.698
Liabilities to the members of the B.O.D and key management personnel*	2.500.000	2.500.000

* Bond loan covered by major shareholders

C13. Post balance sheet events

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

Serres, 24 November 2022

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