KRI-KRI MILK INDUSTRY S.A.

General Commercial Registry No.: 113772252000

ANNUAL FINANCIAL REPORT

FOR THE PERIOD

1.1.2023 – 31.12.2023

(TRANSLATION FROM THE GREEK ORIGINAL)

This Annual Financial Report was created according to art. 4 of Law N. 3556/2007 and was approved by the Board of Directors of KRI-KRI SA. on 15th of April, 2024. It is posted online on the Company's official website: https://www.krikri.gr/oikonomikes-katastaseis

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DECLARATIONS OF THE MEMBERS OF THE BOARD OF DIRECTORS

(in accordance with article 4 (2) of Law 3556/2007)

Hereby we declare, that to the best of our knowledge:

The Financial Statements for the period ended 31 December 2023, were prepared in accordance with IFRS, accurately present the assets, liabilities, shareholder's equity and the financial results of "KRI-KRI Milk Industry S.A." and the Report of the Board of Directors accurately presents the performance and position of "KRI-KRI Milk Industry S.A." including the description of basic risks and uncertainties that it faces.

Serres, 15 April 2024

Confirmed by

Chairman & CEO	Vice-Chairman	Member of the B.o.D.
PANAGIOTIS TSINAVOS ID AE373539	GEORGIOS KOTSAMBASIS ID AE376847	ANASTASIOS MOUDIOS ID AK276897

KRI KRI MILK INDUSTRY S.A.

REPORT OF THE BOARD OF DIRECTORS

FOR THE PERIOD OF 1 JANUARY 2023 UNTIL 31 DECEMBER 2023

Dear shareholders,

The present Annual Report of the Board of Directors (hereinafter referred to as the "Report"), concerning the period 01.01.2023 until 31.12.2023, drafted in accordance with the articles 150, 151 and 152, of Law 4548/2018, article 4 of law 3556/2007 and decision 8/754/14.4.2016 of the Hellenic Capital Market Commission. The Report includes all the necessary information in an objective and adequate manner and in the light of providing substantial and not typical information with regards to the issues included in such. In particular, the Report summarizes the financial information for the financial year 2023, the major events that took place during that period, the impact of those events on the financial statements, the main risks and uncertainties that the company may face in the near future and finally the most important transactions between the company and its related parties. The Report also contains non-financial information, such as the statement of the Corporate Governance, as well as additional information which are required by the relevant legislation.

In addition to the 2023 financial statements the Report includes the required by the law data and statements in the Annual Financial Report, which concern the financial year ended 31 December 2023. The financial statements, the independent auditor's report and the current report are posted on the Company's official website: https://www.krikri.gr/oikonomikes-katastaseis .The sections of the Report and the content are as follows:

GENERAL INFORMATION

KRI-KRI MILK INDUSTRY S.A. (hereinafter referred to as the "Company"),operates in the dairy industry. Our main business activities are the production of ice-cream, yogurt and fresh milk. Our extensive distribution network comprises of super market chains and small points of sale all across Greece. We export our products to more than 40 countries abroad. The headquarters and the production facilities are located in Serres, northern Greece. Additionally, the Company owns and operates a logistics centre located in Aspropyrgos, region of Attica, Greece. Its main purpose is the distribution of our products to southern Greece.

I. PERFORMANCE AND FINANCIAL POSITION

SALES

Company's turnover amounted to €216.329k compared to €171.883k in 2022 (increased by +25,9%).

Ice cream sales increased by 13,7% in value amounting to €40.723k compared to €35.828k in 2022. Accordingly, ice cream sales volume increased by +2,3%.

Yogurt sales increased by +28,6% in value amounting to €173.564k compared to €135.014k in 2022. Accordingly, yogurt sales volume increased by +15,3%.

Finally, exports were 48,9% of total sales presenting an increase of +29,9%.

PROFITABILITY

Company's gross profit margin was 33,5% compared to 18,3% in 2022 and specifically a) ice cream segment 46,0% compared to 37,7% in 2022 and b) yogurt segment 30,7% compared to 13,8% in 2022.

The net profit before tax amounted to €40.301k compared to €3.832k in 2022 (+951,5% increase). Moreover, net profit after tax amounted to €32.269k compared to €3.175k in 2022 (+916,4% increase). Finally, EBITDA amounted to €45.124k compared to €8.863k in 2022 (+409,1% increase).

LOANS

Company's senior management seeks to maintain a limited exposure to debt. On 31/12/2023, the balance of the Company's loans amounted to €11.904k. Net debt is zero.

ALTERNATIVE PERFORMANCE MEASURES of the European Securities and Marketing Authority (ESMA/2015/1415el)

The European Securities and Markets Authority (ESMA / 2015 / 1415el) has published the final guidelines on "Alternative Performance Measures" (hereinafter "APM") which apply from July 3, 2016 to companies with securities traded on regulated stock exchanges. APM are disclosed by publishers when publishing regulated information and aim to enhance transparency and promote utility, as well as the correct and complete information of the investing community.

APM are a customized economic measurement of historical or future financial performance, financial position or cash flows, other than the economic measurement defined in the applicable financial reporting framework. That is, APMs on the one hand do not rely solely on the standards of the financial statements, on the other hand they provide substantial additional information, excluding items that may differ from the operating result or cash flows.

Transactions with non-operating or non-cash valuation with a significant effect on the Statement of Comprehensive Income are considered as elements that affect the adjustment of APM. These non-recurring, in most cases, funds could arise from, among other things:

- impairment of assets
- restructuring measures
- remediation measures
- sales of assets or divestitures
- changes in legislation, claims for damages or legal claims

APM should always be considered in conjunction with the financial results prepared under IFRSs and in no case should they be considered as substitutes. The Company uses APM in order to better reflect the financial and operational performance related to the Company's actual activity in the reporting year, as well as the corresponding comparable period last year. The definition, analysis and calculation basis of APM, used by the Company, is set out below. It is noted that, for the calculation of APM, it was not considered necessary to make an adjustment to the items of the financial statements.

1. *EBITDA Margin*

This ratio is widespread in the investment community and is part of the general unit of profitability ratios, having the advantage that it isolates the effects of financial investment results, income tax and the main category of non-cash expenses which are depreciation.

The Statement of Comprehensive Income includes " Earnings before interest, taxes, depreciation and amortization (EBITDA)", to which no adjustment is made.

The "EBITDA Margin" Ratio is obtained by dividing "EBITDA" by Sales. Expresses the percentage that EBITDA has on Sales. The Management of the Company uses this ratio in the context of the wider evaluation of the operational performance of the Company.

2. *EBIT Margin*

This Ratio, like the previous one, is widespread in the investment community and is part of the general unit of profitability ratios, having the advantage of isolating the effects of financial investment results and income taxation.

The Statement of Comprehensive Income includes " Earnings before interest and taxes (EBIT)", to which no adjustment is made.

The "EBIT Margin" Ratio is obtained by dividing "EBIT" by Sales. Expresses the percentage that EBIT has on Sales. The Management of the Company uses this ratio in the context of the wider evaluation of the operational performance of the Company.

3. *Free Cash Flows to the Firm*

This index is part of the general unit of efficiency indices, as it shows the amount of cash available for distribution to shareholders and lenders of the company and at the same time is one of the key indicators of financial soundness.

The index is calculated by adding total inflows / (outflows) from Operating Activities to the total inflows / (outflows) from Investment Activities, of the Cash Flow Statement.

4. *Capital Structure ratios*

These ratios show the degree of financing of the company with foreign capital. The Ratios used by the company are the Capital Leverage Ratio and the Debt Ratio.

The Capital Leverage Ratio is calculated if divided Total Debt by the sum of total Equity and Total Debt.

The Debt Ratio is calculated by dividing Total Debt by the amount of Total Equity.

5. *Efficiency ratios*

In general, the return on Equity shows the profit that corresponds to the investment of a company's shareholders. It belongs to the group of profitability indicators and is also generally used for the purpose of comparing similar companies and evaluating the management of a company.

The Return on Equity Ratio is calculated by dividing the net income, ie "Profit after Tax", by the amount of Total Equity.

The Efficiency ratio is calculated by dividing the net income, ie "Profit after Tax", by the total Assets.

BASIC FINANCIAL RATIOS

		31/12/2023	31/12/2022
1. EBITDA Margin	EBITDA / Sales	20,9%	5,2%
2. EBIT Margin	EBIT / Sales	18,6%	2,3%
3. Free cash flow	Operating activities + Investment activities	31.930.356	(4.258.519)
4a. Debt to capital	Total Debt / Total Debt & Total Equity	10,2%	15,7%
4b. Debt to Equity	Total Debt / Total Equity	11,4%	18,6%
5a. ROA	Profit after Tax / Total Assets	20,1%	2,5%
5b. ROE	Profit after Tax / Total Equity	30,8%	4,0%

II. IMPORTANT EVENTS OF CURRENT FINANCIAL YEAR

OUR POSITION IN THE MARKET

In the ice cream segment, in the domestic market, our sales show a strong double-digit increase (+20,4%). Our ice cream market share increased by 0.4 percentage points in volume (12.7%) and decreased by 0.4 percentage point in value (13.8%) [NIELSEN data, Jan.-Dec. 2023]. Within the current highly inflationary business environment, that facilitates private label products' growth, KRIKRI was the only company that managed to increase its branded ice cream market share in volume.

In the domestic yogurt market, our sales show strong growth. More specifically, our sales increased by +21,8% in value, exceeding €76m. The current inflationary environment has led the overall market to limited consumption growth in volume (+3,4%), while consumption in value shows a double-digit increase by +10,1% [Circana data (ex. IRI), Jan.-Dec. 2023]. At the same time, there is a strong shift of consumers to private label products, because of their preference to value for money products. Those market developments have strengthened private label market share in volume, which increased by +2,7 percentage points (+7,7 percentage points compared to 2021), applying strong downward pressure on branded yogurts. That constant pressure has led KRIKRI branded yogurt to a slight decrease in the market share (-0,7% in value) [Circana data (ex. IRI), Jan.-Dec. 2023]. In general, KRIKRI seems to benefit from those market developments, since it is the largest producer of private label yogurts in the domestic market.

In terms of profitability, the gross profit margin reached 29,9%, approaching 2021 level (2021: 30,1%). Economies of scale in yogurt segment led to strong double-digit EBIT margin (2023: 15,5%).

Overseas, yogurt sales continued their strong growth (+34,4% in value.) This boost in sales is contributed by the major markets of Italy, the UK, as well as other countries such as Sweden, Austria and Belgium. As far as KRIKRI's profitability figures are concerned, they have returned back to their normal levels. The EBIT margin has significantly improved. That is mainly a result of the economies of scale and the dilution of sales and admin costs, which are, for the most part, fixed.

INVESTMENTS

We have developed and we are implementing investment projects to increase production capacity, as well as technological upgrading, of both yoghurt and ice cream factories. In financial year 2023, total CAPEX reached €13m.

For the fiscal year 2024, CAPEX is expected to be between €21m to €25m.

III. MAJOR RISKS & UNCERTAINTIES

Due to the nature of its operations, the Company is exposed to various financial risks such as, market risk (fluctuations of exchange rates, interest rates and of production costs), credit risk and liquidity risk. The Company's overall risk management program focuses on financial market unpredictability and aims to minimize the potential negative impact on the Company's financial performance.

Risk management is carried out by the Company's main financial department, which operates under certain rules approved by the Board. The Board of Directors provides instructions and guidelines on general risk management and special instructions on managing specific risks such as currency risk, interest rate risk and credit risk.

MARKET RISK

Risk of fluctuation of raw material prices

The Company is exposed to risk of loss of income in case of sudden changes in prices of raw materials. This is a result of the inability to roll these costs to sale prices in a timely manner.

Foreign exchange risk

Company's operations are mainly conducted within the Euro zone. Company exposure to exchange rate (FX) risk derives from existing or expected cash flows in foreign currency, and it is considered very limited.

Interest rate fluctuation risk

The Company's assets do not include significant items that are interest-bearing, thus operating income and inflows are essentially independent of changes in market interest rates.

The loans of the Company are related to either variable rates or fixed rates. The company does not use financial derivatives. The interest rate fluctuation risk relates primarily to long-term loans. Loans with variable interest rates expose the Company to cash flow risk. Loans issued at fixed rates expose the Company to risk of changes in fair value.

A policy of retaining loans with variable interest rate is beneficial in cases of declining interest rates. On the other hand a liquidity risk appears when the interest rates rise.

From the total loans of the Company on 31.12.2023, the amount of € 6.300.000 is linked to a fixed interest rate and the amount of € 5.604.236 is linked to a floating rate.

The financing solutions that banks offer are systematically reviewed, in order to minimize financing cost.

CREDIT RISK

The Company has established and applies credit control procedures in order to minimize credit risk. Generally, sales are distributed to a large number of customers, resulting in an efficient dispersion of the commercial risk, except some large super market chains in Greece and a foreign customer, their individual sales of which exceed 10% of total sales. Their sales concern both major segments (Yoghurt and Ice-cream).

Wholesale sales are made to customers with appropriate credit history. The credit control department defines credit limit per customer that is continuously monitored and reviewed. Also, in some cases our receivables are secured with collaterals. For example from the company domestic customers-distributors, the Company receives personal guarantees amounting the double of two months turnover, hence consistently applying its credit policy. Finally, receivables of specific supermarket chains are credit insured with a contract covering credit losses, occurring from insolvency, up to 90%.

Receivables from foreign customers, are credit insured with a contract covering credit losses, occurring from insolvency, up to 95%. Credit limits per customer are established by the insurance company. Therefore, the credit risk exposure is limited to 5% of the insured credit limit, plus any excess.

The Company's senior management emphasizes on reducing working capital needs. It promotes the reduction of credit limits and of the credit period to its customers, to increase operating cash flows.

LIQUIDITY RISK

The Company manages liquidity risk by maintaining adequate cash reserves and credit lines from banks. At present, available overdraft can adequately cover any immediate cash requirement.

OPERATING RISKS

Suppliers - stock

The Company has no significant dependence on certain suppliers. However, in 2023 there is one instance of a supplier of raw materials, purchases of whom exceeded 10% of total company purchases.

The company's management promotes overall stock management, in a way that allows meeting the demand, without excessive liquidity reservation.

Staff

The company's management is based on a team of experienced and qualified personnel, who have full knowledge of their subject and industry market conditions. This contributes significantly to the proper functioning of the company's processes and the further development of its activities.

Company executives are working harmoniously with each other and with the company's management. Potential disruption of this relationship may affect, temporarily, its proper functioning. However, the existing staffing infrastructure company enabling the direct replenishment executives, with no significant impact on the progress of its work.

Product contamination

Risk of product contamination may result in product recall and, consequently, negative publicity that damages brand reputation. Product recall, depending on the size, can have a significant negative economic impact. The same can happen from the negative publicity that usually results from such an event, whether it is due to the fault of the Company or not.

The Company's Management estimates that the quality assurance and quality control system it applies drastically reduces this risk.

Changes in the nutritional behavior of consumers

Possible changes in the nutritional behavior of consumers can lead to the replacement of the consumption of the company's products with substitutes or competing products. The above can lead to a decrease in sales and a burden on the Company's results.

The Company tries to closely monitor market trends, in order to adapt as quickly as possible to the new conditions.

Extraordinary events

The possibility of an event occurring, which, to a large extent, is beyond the control of the Company, could potentially affect the normal conduct of its business activities. Indicatively, the following cases can be mentioned:

- Natural Disaster,
- Accidents at work, which may be related to employees of the Company, suppliers, or even third parties.
- Problems / Insufficiency in the operation of information systems,
- Significant mechanical damage, which may result in delay or even cessation of production,
- Fraud,
- Termination of contracts with customers / suppliers.

In such a case, any disruption in the conduct of the Company's business activities could have a negative effect on sales, costs and, in general, on its financial results.

The Management tries to take all the necessary actions, in order to limit, both the chances of the occurrence of the specific risk, and, in case it happens, its effects on the smooth conduct of its business activities.

IV. Macroeconomic risks

Macroeconomic risks for 2024 are mainly related to: a) the negative effects of inflation on the real disposable income of households, b) the high cost of borrowing, c) any geopolitical risks associated with the ongoing conflicts in Ukraine and the Middle East, d) the slowdown of the European economy, which is Greece's main trading partner.

V. Strategies – Future Performance Estimations

STRATEGIES

In the ice cream sector, our strategy is preserve high operating results. At the same time, we aim to increase the number of the distribution points, mainly focusing on the tourist areas. Particular emphasis will be placed on boosting exports, as there are great opportunities to grow our sales overseas. In this effort, the tip of our spear is the Greek Frozen Yogurt ice cream series that we have developed and combines the pleasure offered by ice cream with the values of healthy nutrition offered by yogurt.

In the yogurt sector, we utilize our modern production facilities, with high production capacity and competitive processing costs, aiming to increase sales. In this regard, we make sure to actively communicate the competitive advantages of our products (such as the use of 100% daily milk for the production of yogurt). At the same time, we are strengthening our export orientation, responding to the increased demand for Greek yogurt in foreign markets.

DIVIDEND POLICY

The KRI-KRI Dividend Policy promotes the distribution of an increased dividend each year, as long as the profitability figures allow.

For the financial year 2022, the Annual General Meeting of shareholders decided the distribution of gross dividend of €0,20 per share.

For the financial year 2023, the Board of Directors decided to propose to the Annual General Meeting of shareholders the distribution of an increased gross dividend of €0,35 per share. The distribution is subject to the approval of the Annual General Meeting of shareholders.

FUTURE PERFORMANCE ESTIMATES

KriKri's Management is optimistic about the Company's financial results in 2024, despite the current demanding economic and business environment. For the financial year 2024, the Company's sales are expected to continue their upward trend. Based on the Management's estimate, sales are expected to grow by 8% - 11% compared to 2023, exceeding €233m. For 2024 a pressure to profit margins is expected, so that EBIT margin to be around 15%.

VI. Related party transactions

The significant transactions between the Company and its related parties, as defined in IAS 24, are described below.

Transactions with related legal parties

In 2018, the Hellenic Milk Institute (IEG), a non-for-profit organization, was established in Greece to support and promote cow farming. The Company is related to IEG, because two members of its BoD participate to the management of IEG. There is no connection of any other form.

During the current year, there were no transactions with IEG.

Transactions with related parties

The Company maintains an obligation to related parties (its major shareholders) arising from the coverage of a bond loan of €4.200.000. This loan was issued on 03.04.2023, it is unsecured and according to market terms. Its expiration is determined on 03.04.2026 and its balance on 31.12.2023 amounts to €4.200.000.

Related party transactions are analyzed a follows:

	31/12/2023	31/12/2022
Income from rents (IEG)	0	120
Payment of interest on a bond loan*	142.205	82.125

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

	31/12/2023	31/12/2022
Receivables from related parties (IEG)	360	383
Payables to related parties*	4.200.000	2.700.000

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

COMPENSATION OF DIRECTORS	31/12/2023	31/12/2022
Remuneration of the members of the Board of Directors	511.429	483.258
Salaries of the members of the Board of Directors	27.782	41.609
Total	**539.211**	**524.867**

OTHER TRANSACTIONS WITH THE MEMBERS OF THE B.O.D. AND KEY MANAGEMENT PERSONNEL	31/12/2023	31/12/2022
Transactions with the members of the B.O.D and key management personnel	136.800	76.042
Liabilities to the members of the B.O.D and key management personnel*	2.100.000	2.500.000

* Bond loan covered by major shareholders

VII. Branches

The Company operates a branch in Aspropyrgos, Attica. The branch operates as a logistics center to serve the market of southern Greece.

VIII. Research & Development

The Company has a separate department dealing with product research and development (new development and improvement / development of existing ones) and new production technologies. During the current financial year, R&D expenses amounted €455.026.

IX. Own shares

As at 31.12.2022, the Company held 90.148 own shares, with an acquisition value of € 541.306. During 2023, the Company acquired 20.240 treasury shares, with an acquisition value of € 161.058.

Pursuant to the 05.07.2022 Program of free distribution of shares (stock awards), between 27.03.2023 and 07.06.2023 41.187 common shares were distributed to 37 beneficiaries, in the context of the execution of the 1st cycle of the Program.

Therefore, as at 31.12.2023, the Company holds 69.201 own shares, with an acquisition value of € 455.051.

X. Post balance sheet events

Purchase of own shares

During 2024, the Company acquired 25.874 common shares with an acquisition value of €282.206. Thus, as at 15.04.2024 the Company holds 95.075 treasury shares, with an acquisition value of €737.257.

Also, pursuant to the stock awards program as of 05.07.2022, the Board of Directors approved on 31.01.2024 the distribution of 52.720 common shares to 58 beneficiaries, based on the annual performance review for 2023 . Upon the completion of this disposal, the number of treasury shares held by the Company will amount to 42.355.

XI. NON - FINANCIAL INFORMATION REPORT

The non-financial Information report contains information about the Company's activities for 2023 that relate to the following subjects, which are defined by section 7 "Report (Status) of Non-Financial Information" of the circular under no. 62784/6-6-2017 of the Ministry of Economics and Development and the provisions of art. 151 of Law 4548/2018 and contains:
- brief description of the Company's business model,
- description of the Company's policies in relation to the subjects in question, including the due diligence procedures it applies,
- the results of those policies,
- the main risks related to the subjects in question and which are related to the Company's activities, including, where appropriate and proportionately, its business relationships, its products or its services, which are likely to cause negative effects in those areas and how the company manages those risks,
- key non-financial performance indicators related to the specific business sector.

Some of the non-financial factors related to the environment, social responsibility and governance (Environmental, Social, Governance (ESG)) and determine the Company's viability, are published according to the "ESG 2022 Information Disclosure Guide" of the Athens Stock Exchange.

BUSINESS MODEL

The Company's business model briefly describes how the Company operates and achieves constant growth.

Main activities

The main activities are the production and distribution of:
- ice cream,
- yogurt and
- fresh milk (on a limited scale within the region of Serres).

Distribution channels

The products are distributed in Greece through the following channels:
- organized trade (super markets),
- convenience stores, kiosks

The products are distributed overseas through the following channels:
- local importers,
- directly to foreign super market chains

Main resources

The main resources associated with the Company's activity are:
- ice cream production unit in Serres,
- yogurt production unit in Serres,
- warehouse areas for dry cargo, refrigerated and freezer storage in Serres,
- warehouse areas for refrigerated and freezer storage in Aspropyrgos, Attica,
- human resources,
- cooperation with selected cow milk producers - farms,
- cooperation with selected suppliers for the supply of other raw materials,
- cooperation with local distributors and importers,
- strong brand name in the ice cream and yogurt categories.

Value production

The value creation by the Company's activity is mostly linked to:
- the high quality and nutritional value of its products,
- the Company's constant support to the society (emphasising on local communities). This support is multifaceted and relates to the employment opportunities offered by the Company, the economic development created by the Company's investments, the support to the primary sector as well as other important actions including sponsorships and donations,
- a pleasant working environment that contributes to the attraction and retention of talent,
- protection of the environment,
- responsible corporate governance and sound financial position

RISK MANAGEMENT (NON-FINANCIAL)

The Company is exposed to various non-financial risks as a result of its business activities. Those risks could affect the sustainability of the Company.

The main non-financial risks are:
- disruption of the smooth operation of the supply chain,
- risks related to product quality and safety,
- risks related to regulatory compliance,
- changes in the consumers' nutritional behaviour,
- operational risks that cause disruption of operational activity, such as significant mechanical breakdowns, disruption in the relation among staff, fraud issues, etc.
- technological risks. In the short term, these are mainly related to problems or deficiencies in the operation of information systems. In the long-term, they also include the disruption of the business model by technological developments.
- environmental risks.

Risk management is handled by the Company's risk management unit, which operates with specific rules approved by the Board of Directors. The ESG Committee also assists in the management of non-financial risks, which monitors and coordinates all actions related to sustainable development. The Board of Directors provides instructions and directions for general risk management as well as specific instructions for the management of specific risks.

ENVIRONMENT

Scope 1 emissions

ATHEX C-E1

Direct emissions of greenhouse gas (Scope 1) are defined as GHG emissions which derive from sources owned or controlled by the Company. The below table shows the direct emissions (Scope 1) produced by the burning of fossil fuels within the Company's premises and the fuel consumption of its fleet vehicles. The table does not include the CO_2 emissions from the combustion of biogas (biogenic sources).

	2023	2022	dif.
Tons of equivalent CO_2 (tCO_2e)	9.954	11.251	(11,5%)
Intensity *	66,2	85,4	(22,5%)

* tCO_2e/1000tn pasteurized product

The decrease in the intensity of direct gas emissions by 22.5% is due to the Company's energy saving actions and to the reduction refrigeration gases.

The below table shows the direct emissions (Scope 1) from the combustion of biogas (biogenic sources) in both the steam boiler and the cogeneration engine.

	2023	2022
Tons of equivalent CO_2 (tCO_2e)	3.326,6	3.071,0

To calculate the direct emissions of greenhouse gases we used a tool called "GHG Emissions Calculation Tool_0" of GHG protocol.

The calculation of direct greenhouse gas emissions was carried out in accordance with the requirements of article 20 of Law 4936/2022 using the categorization provided in ISO 14064-1:2018. The calculation of the year 2022 has been verified in accordance with the provisions of the standard EN ISO 14064-3:2019 and figures have been amended.

Scope 2 emissions

ATHEX C-E2

Indirect GHG emissions (Scope 2) are defined as GHG emissions resulting from the production of purchased electricity consumed by the Company.

	2022	2021*	dif.
Tons of equivalent CO_2 (tCO_2e)	12.163,6	12.385,0	(1,8%)
Intensity *	80,8	94,0	(14,0%)

* tCO_2e/1000tn pasteurized product

The decrease in the intensity of indirect gas emissions by 14.0% is due to the Company's energy efficiency. The energy efficiency was achieved through targeted actions which implemented in 2023, such as the start of the operation of the 1MW photovoltaic plant, and resulted to the Company's reduction of energy needs.

The calculation of the indirect gas emissions was carried out in accordance with the requirements of article 20 of Law 4936/2022 using the categorization provided in ISO 14064-1:2018. The calculation of the year 2022 has been verified in accordance with the provisions of the standard EN ISO 14064-3:2019 2019 and figures have been amended..

Energy consumption and production

ATHEX C-E3

The amount of energy consumed is defined as the total consumption of energy purchased or produced by the company itself from renewable and non-renewable sources.

The table below shows the amount of energy consumed, the percentage of electricity consumed, the percentage of electricity consumed that produced by renewable sources, the total energy production and the percentage of energy produced by renewable sources .

	2023	2022	dif.
MWh of energy consumed	69.983,5	62.772,1	11,5%
% electric power consumed	33%	37%	
% electric power consumed by Renewable sources	23%	22%	
MWh of produced energy	7.850,2	11.242,4	
% electric power produced by Renewable sources	100%	100%	

Climate change risks and opportunities

ATHEX A-E2

We recognize that climate change poses significant risks in the future, which could affect our operations, if the Company does not adequately address them.

Below are the main categories of the climate risks that our Company may face, with an impact on our financial results or our supply chain, as well as the actions that will be taken to turn business risk into an opportunity.

Transition risks

Transition risks are associated with a company's transition to a low carbon economy.

A) Policy actions to limit greenhouse gas emission activities

Risks:

- Increase in energy costs

- Imposition of taxes based on the amount of CO_2 emissions

Opportunities - Business Change:

- Complete recording and analysis of the energy profile of our facilities to find opportunities for energy savings and increase energy efficiency. In 2023, an audit of our energy efficiency took place in our premises by an class c' authorised energy inspector.

- Electricity generation through RES. The investment of biogas production and cogeneration of electricity & heat of 998kW has already been implemented. Within 2023, a photovoltaic station will also be installed on the roofs of our 1MW buildings. The electricity power produced was 1.104.720kWh and it used in the yogurt production facilities.

In 2022 we launched the anaerobic treatment of our company's wastewater and by-products, through which biogas is produced. 93% of 2,345,242 Nm3 produced biogas was used to replace natural gas and to the production of steam, while 7% was led to electricity and heat cogeneration unit (CHP). In 2023, the volume of produced electricity which distributed to the electricity network was 5.396.199 kWh.

We have already constructed a new photovoltaic station of 1MW power. That station is installed on the roofs of our buildings and its operation started in early 2023. Furthermore, we are in the process to receive approval for an additional 2MW power photovoltaic station.

- Conversion investigation of our trucks, with dual diesel / LPG system, in order to reduce oil consumption while reducing CO_2 emissions.

B) Policy actions to limit the use of plastic

Risks:

- Increase the cost of packaging materials

- Imposition of packaging tax

Opportunities - Business Change:

- Reduction of weight of plastic packaging. We have already taken actions to reduce the weight of packaging materials (See ATHEX SS-E5).

- Replacement of part of the virgin plastic with a corresponding recycled one. We are in the phase of extended pilot tests with our partners - suppliers.

C) Change in the habits of consumers and the products they buy

Risks:

- Decrease in sales

Opportunities - Business Change:

- Investigate the change of packaging with corresponding ones that will contribute less to the greenhouse effect.

- Investigation of product characterization as climate neutral.

Physical hazards

Physical hazards are related to the immediate material damage of a company's assets or the disruption of its supply chain.

A) Extreme weather events - floods

Risks:

- Destruction of our property

Opportunities - Business Change:

- Our facilities are designed and manufactured to the highest quality standards, adequately addressing the risk of extreme weather events. At the same time we have developed and are constantly updating the emergency response system

B) Access to natural resources

Risks:

- Lack of water for use in the production process

Opportunities - Business Change:

- The Company is supplied with water through three boreholes which are located in different parts within our facilities so that we can spread out the risk of lacking of water. At the same time, we are constantly analyse their characteristics, such as their supply, their physico-chemical and microbiological characteristics, so that any variation can be detected on time and avoid any damage.

- Coordinated efforts are made to better manage water, save it, and reuse it where possible. In this direction we have already made a partial reuse of the water resulting from the stages of automatic washing through CIP of our equipment.

Waste management

ATHEX A-E3

Waste management is defined as the collection, transport, disposal or recycling and monitoring of waste.

	2023	2022
Tons of hazardous waste	52	47
Tons of non-hazardous waste	83.641	47.970

Waste treatment:

	2023	2022
Biogas recycling or production	99,8%	99,7%%
Waste management - composting	0,4%	1,4%
Landfill	0,2%	0,3%

Environmental impact of packaging

ATHEX SS-E5

The environmental impact of packaging is defined as the impact caused by the disposal of packaging materials in the environment.

The packaging of our products is very important because we must:

- ensure all rules of hygiene & food safety and consumer protection, and

- at the same time it should be environmentally friendly.

In the direction of sustainability and minimization of the negative effects on the environment, our Company has taken the following actions:

- Weight reduction of plastic packaging in order to reduce the use of raw material.

- Change of production method of plastic baby yogurt cup packaging from the injection method to the thermorforming method.

- Redesign the packaging of the cups in order to replace the flexible product (sleeve) with printing directly on the cup (offset printing).

The above actions resulted to the reduction of the use of PP plastic by 245 tons in 2023, which led to the reduction of our CO_2e emissions into the atmosphere by 698 tons[1].

In addition, we have proceeded with the use of recycled PET (r-PET) in a PET container, resulting in a further reduction in the use of PET plastic in the year 2023 of 3.9 tons, resulting in a reduction of CO2 eq. emissions into the atmosphere by 10.5 tons[1].

In addition, we are constantly increasing the use of recycled material in cartons and paper trays, resulting in the percentage of recycled material in our paper packaging ranging from 74% to 100%.

Finally, our company, in cooperation with our suppliers, conducts a series of pilot programs in order to:

- replacing part of the plastic raw material with recycled

[1] To calculate the CO_2 equivalent emissions we get the value of 2.85 kg CO_2 eq. / kg PP resulting from the production and formulation of the plastic.

SOCIAL RESPONSIBILITY

Stakeholder engagement

ATHEX C-S1

Stakeholder participation is defined as the process of communicating, consulting and interacting with stakeholders.

In our company, establishing a dialogue with our stakeholders is of the utmost importance, as it helps us to operate more effectively, to understand market conditions and to mitigate potential risks. We recognize as interested parties of the company, those who influence and are significantly affected by our activities. In this context, the company maps the groups of stakeholders that influence with its decisions its ability to implement its strategy and achieve its goals, and on an annual basis validates and prioritizes them, while monitoring and improving methods of communication and consultation with them. At the same time, it records the basic needs and expectations of the stakeholders, as they arise from their daily business operation, through the existing channels of communication and consultation with them (eg telephone or electronic communication, etc.).

Shareholders

Type of communication:
- Electronics
- Telephone
- Corporate presentations

Key topics of interest:
- Financial performance
- Sustainability, ESG

Employees

Type of communication:
- Electronics
- Telephone
- Live communication
- Complaints box

Key topics of interest:
- Health and safety of workers
- Employment, training and development of employees
- Responsible corporate governance
- Financial performance

Customers

Type of communication:
- Electronics
- Telephone
- Live communication

Key topics of interest:
- Raw materials and packaging materials
- Sustainability, ESG
- Responsible corporate governance

Consumers

Type of communication:
- Electronics
- Telephone

Key topics of interest:
- Consumer health and safety
- Raw materials and packaging materials
- Sustainability, ESG

State and local authorities

Type of communication:
- Electronics
- Telephone
- Live communication

Key topics of interest:
- Consumer health and safety
- Health and safety of workers
- Employment, training and development of employees
- Responsible corporate governance

Local and wider society

Type of communication:
- Electronics
- Telephone
- Live communication

Key topics of interest:
- Health and safety of workers
- Financial performance
- Employment, training and development of employees
- Responsible corporate governance

Percentage of female employees

ATHEX C-S2

The number of female employees in the company is defined as the total number of women according to the personnel register.

	2023	2022
% women	18,9%	18,4%

Percentage of women in managerial positions

ATHEX C-S3

The number of women in management positions is defined as the number of female employees who are in the 10% of the employees with the highest total salary.

	2023	2022
% women	19,0%	10,9%

Employee turnover

ATHEX C-S4

Personnel mobility indicators refer to the indicators of voluntary and involuntary mobility that result from the departure of employees from a company.

	2023	2022*
% voluntary departures	11,6%	13,6%
% involuntary departures	1,5%	1,8%

* 2022 funds appear revised, due to the inclusion of seasonally employed staff.

Human rights policy

ATHEX C-S6

Human rights policy is an official document of the Company that describes a company's practices and commitment to respecting internationally recognized human rights standards.

The Company has established and implements a code of ethics regarding human rights. This ensures equal opportunities and the fight against discrimination. More specifically, the selection, appointment and remuneration of all employees is based on their qualifications and suitability for the job to be performed and not on the basis of race, religion, ethnicity, nationality, color, gender, age, nationality, sexual preferences, marital status, physical disability, or any other characteristics. It also prohibits sexual or other forms of harassment of its employees by anyone in the workplace. The Code of Conduct also includes the Company's commitment against child labor.

The Company encourages the reporting of cases of human rights violations, as well as complaints of any other nature that may arise in the work environment, through the complaint boxes that have been placed on the premises of its facilities.

Percentage of employees covered by collective bargaining agreements

ATHEX C-S7

Collective bargaining is defined as the process of negotiation between employers and trade unions regarding terms and conditions of employment, such as wages, benefits, safe working conditions and freedom of the association. The Company's active employees do not cover by any collective bargaining agreements.

Total amount of monetary expenditure on employee training

ATHEX A-S2

Employee training is defined as the training of employees through formal training programs that aim to increase or enhance the technical skills, knowledge, efficiency, and value that employees create for the company itself.

The training provided to employees focuses on both their current role, ie the immediate needs of the company, and their future development. The strategy followed concerns the provision of equal training opportunities to employees aiming at their adaptation to the changing working conditions, the general development of their personality and the cultivation of their leadership skills.

The Company follows the following methods related to the implementation of the trainings: Induction, On the job training, training outside and inside work, Coaching, Mentoring, University Programs / postgraduate, as well as through rotation of jobs (Rotation). The cost of training from external partners amounted to:

	2023	2022
Training costs (€)	70.332	45.078

Percentage of difference between male and female earnings

ATHEX A-S3

The wage difference between the sexes is defined as the difference between the average wage of women and men, calculated as a percentage of men's wages.

	2023	2022
% gender pay gap	13,7%	14,5%

CEO pay ratio - Ratio of CEO to median employee earnings

ATHEX A-S4

CEO-to-worker pay ratio is defined as the ratio between the annual compensation of the Company's CEO and the median value of the annual compensation of the Company's employees.

	2023	2022
CEO's Annual Compensation	397.564	383.207
CEO to median employee earnings	15,1	25,6

Product quality and safety

ATHEX SS-S1

Product quality and safety refers to the procedures for monitoring and mitigating unintended risks to the health or safety of a product to end users. Revocation, commonly used to address quality and safety, is the process of recovering a product from a customer due to malfunction and deformation problems, providing some sort of compensation.

A strategic choice, but also a commitment, is the production and distribution of dairy products of exceptional quality. This has been achieved through continuous investments in specialized scientific staff, in technology and in new production lines as well as in strict controls.

To achieve the above objectives, we have developed, implemented and have been certified by the competent bodies for the Quality Assurance System, according to the ISO 9001: 2015 standard, for the Food Safety Management System according to the ISO 22000: 2018 standards, BRC issue 8 and IFS version 7 which are based on the principles of HACCP (hazard analysis at critical control points), for all production lines so as to fully ensure the hygiene, safety and quality of our products. Also, the applied BRC & FDF Technical Standard certifies the supply of milk from farms that do not use feed that come from or that contain genetically modified microorganisms for animal feed.

We implement procedures for maintaining a Quality Management System, including:
- Control of Suppliers and Raw Materials
- Microbiological analysis.
- Water analysis.
- Risk analysis.
- Contamination of the product.
- Carrying out internal inspections.
- Allergen Management Procedures.
- Product recall procedures.
- Internal and external conditions of the facilities.
- Implementation of security measures.
- Application of cleaning standards and procedures.
- Regular equipment maintenance.
- Controlled transport and distribution of products.
- Systematic training of employees.

The following table presents quantitative data of product recall cases:

	2023	2022
Product recalls (number)	1	0

The product recall carried out in fiscal year 2023 was of a precautionary nature, on a limited scale in a foreign market. It came about due to the omission of an allergenic ingredient on the product packaging and does not concern any quality or microbiological issue.

CORPORATE SOCIAL RESPONSIBILITY ACTIONS

During 2023 the Company continued its social responsibility actions by supporting the local community with sponsorships, donations and by offering its support to various clubs and organizations. In terms of sports, the Company sponsored the academies of Panserraikos basketball team and supported Konstantino Genniki, a local-based shot put champion. At the same time, the Company was the main sponsor for two local running races, Kerkini Lake Run and Serres Half Marathon. Furthermore, the Company continued its cooperation with the Social Kitchen of the Municipality of Serres, offering free milk for the whole year to 25 families who were in need, and also continued to support the local food banks with its products. It also supported the primary education directorate of Serres by sponsoring the International Student Short Film Competition for 2023. Moreover, KriKri was a gold sponsor of the Serres Art Festival. Finally, the annual cleanliness campaign was also organized with the voluntary participation of the Company's employees.

GOVERNANCE

Board composition

ATHEX C-G1

The Board of Directors (BoD) is the elected committee in a company that represents the shareholders of the company and consists of high-ranking executives. The composition of the Board of Directors is defined as the structure of the members of the Board. (ie, skills and qualifications, independence, diversity, etc.).

In section XII. CORPORATE GOVERNANCE, par. (G) and (j) the composition and mode of operation of the Board of Directors are mentioned and the CVs of its members are listed.

The following table presents quantitative data on the composition of the Board of Directors:

	2023	2022
% women	16,7%	16,7%
% non executive members	66,7%	66,7%
% independent non executive members	33,3%	33,3%

Sustainability oversight

ATHEX C-G2

The supervision of sustainable development is defined as the process by which the Board of Directors (BoD) oversees the issues of sustainable development of the company at the level of board committee or by which the issues of sustainable development of the company are discussed with the Management during meetings. of the Board.

For the most effective exercise of sustainability issues, the Company has provided training to the existing members of its Board of Directors regarding ESG issues.

Furthermore, the Company has established a special ESG Committee with responsibilities: a) the assessment of the materiality of the various ESG factors, b) the shaping of the content of the Company Sustainability Policy and c) the monitoring and coordination of all ESG actions.

Materiality

ATHEX C-G3

Materiality is defined as the importance of certain issues in relation to their impact on both the financial and non-financial performance of a company. Impact is defined as the impact that an organization has or could have on the economy, the environment and people, as a result of the organization's activities or business relationships. Substantive evaluation is the process by which an organization identifies 'substantive' issues that can add long-term value to its business and that also reflect its significant economic, environmental and social impact. These issues are reasonably likely to affect the decision-making processes of investors and stakeholders.

The Company recognizes not only the economic, social and environmental aspects of its activities that relate to the needs and expectations of its stakeholders and but also the wider effects caused to the economy, society and the natural environment.

The dual materiality analysis, which is in line with the European Sustainability Reporting Directive (CSRD), takes into account both the impact of the Company's activity on the environment, society and the economy, as well as the impact of the environment, society and economy, on the sustainability and on the continuous development of our Company.

Dual materiality was conducted through a three-phase framework

1) Recognition of relevant issues of sustainable development

In the first stage of the analysis, the company will take into account the Stakeholder Participation Principle and the GRI Principle of Sustainable Development Framework and will identify issues related to the activities and needs and expectations of its stakeholders, which emerged, inter alia, from the following review work:

- The Principle of the Sustainable Development Framework of the GRI Standards.

- The regulation 2020/852 of the Classification of the European Union
- Internal documents relating to policies, procedures, strategy and results of ongoing stakeholder consultation.
- The reports of sustainable development of similar companies.
- The sectoral versions of the GRI organization for consumer products.
- The 17 Sustainable Development Goals of the United Nations Organization (UN SDGs)

The issues that will be recognized potential impacts of the company on sustainable development are the following:

A) Environment
- Climate Change
- Packaging and Water management
- Food loss and food waste
- Water

B) Society
- Diversity & Inclusion
- Employee security, health, safety, & wellness
- Product safety and quality
- Sustainable farming, fair relationships and pricing with farmers, farmer development
- Responsible procurement and supply chain management
- Responsible marketing
- Healthy foods / Action on public health issues through portfolio
- Affordable food
- Local community engagement

C) Governance
- Business integrity - ethics Transparent & accountable business
- Corporate advocacy on public policy, stakeholder engagement and partnerships
- Safeguarding data
- Investments, Innovative business models / Competitiveness and productivity
- Attractive employer / Talent attraction, retention and growth

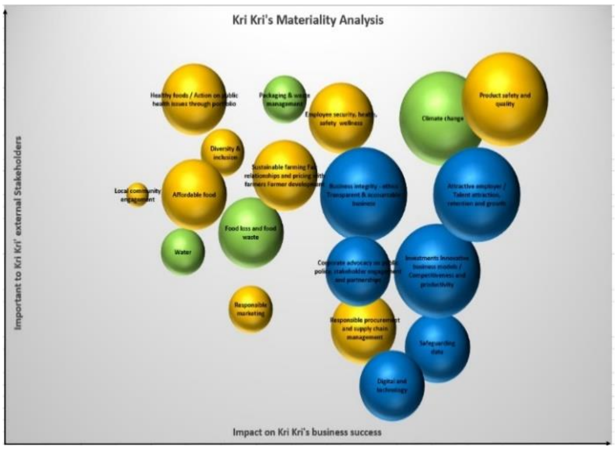
2) Prioritization of issues

In the second stage of the analysis, the prioritization of these issues was carried out based on the Principle of Materiality of the GRI Standards.

3) Validation of results

At the last stage of the analysis, taking into account the Principle of Completeness and the Principle of Stakeholder Participation of the GRI Standards, the results of the ranking stage were validated by the Company's Board of Directors.

The chart below shows the essential issues, the ranking of the impact of each of them on the business success of our company, the ranking of the importance of each of them for the stakeholders of our company, as well as the size of the impact of each of these to the sustainability and continuous development of our company. Essential issues related to the environment are shown in green, those related to society in yellow, and those related to governance in blue. The size of the bubble captures the impact of the respective substantive issue on the viability of our company.



Business ethics policy

ATHEX C-G5

A business ethics policy is an official company document that describes the practices and fundamental principles of business ethics (eg, the fight against corruption, bribery, anti-competitive behavior, etc.) that a company adopts and adopts in order to to conduct its activities in an ethical and honest manner.

The Code of Ethics of the Company, together with the rules of corporate governance and the policies that are applied, define the framework of its business operation.

The Code is based on the 10 principles of the UN Global Compact, which aims to align business with the 10 universally accepted principles in the areas of human rights, working conditions, the environment and the fight against corruption. . In addition to the Company Code of Ethics, the Guidelines of the ETI (Ethical Trading Initiative) and the requirements of SEDEX, where our company has been a member for many years, have been taken into account. Sedex is an international business platform that aims at transparency in the supply chain and covers four areas: work, health and safety, business ethics and environment. As part of this commitment, we participate in annual SMETA unannounced independent audits, share results with our partners, and work systematically to implement any new requirements.

The Code of Ethics and the related procedures and measures apply to all employees, employees, executives, and the top management of the Company.

We also encourage our subcontractors, suppliers, partners, consultants and other business partners to respect the principles of the UN Global Compact and to adopt the principles contained in our Company Code of Conduct.

The company Code of Conduct covers the following sections:
- General for the Company
- Protection of Personal Data
- Offense Behaviour Reporting Policy
- Anti-Bribery Policy
- Against Violence & Harassment
- Human Rights Protection Policy
- Gender Equality Policy - Equal Opportunities
- Competition Policy

Data security policy

ATHEX C-G6

The data security policy is an official document of the company that describes its practices and commitments to ensure the integrity and security of its data and that of its customers.

The Company's Security Policy follows the ISO / IEC 27001: 2013 standard. The purpose of the Policy is to identify the obligations of the company and to demonstrate its compliance with the legal and regulatory framework regarding the safeguarding of managed information and related data. Its validity is universal, ie it applies to all staff as well as to all external partners.

The main safety axes are the following:
- Organization of information security
- Security of human resources

Business Ethics Violation

Business ethics violations are defined as violations that take place in a company in relation to business ethics issues, such as price fixing agreements, conduct that distorts competition, and cases of corruption and bribery.

There has been no incident of violation of business ethics, and therefore no financial burden on the Company for this reason.

Monetary damages from violations of business ethics may be due to collusive activities, price fixing agreements, antitrust activities, cases of fraud, acts of persons in possession of confidential information, conduct that constitutes a distortion of competition, activities of manipulation of market, unfair practices, cases of corruption and bribery.

EU TAXONOMY

The EU Regulation 2020/852 establishes the general framework for determining whether an economic activity is environmentally sustainable, in order to determine to what extent an investment is environmentally sustainable.

The taxonomy regulation sets six environmental objectives:
- Reducing the effects of climate change
- Adaptation to climate change
- Sustainable use and protection of water and marine resources
- Transition to a circular economy
- Prevention and control of pollution
- Protection and restoration of biodiversity and ecosystems

The European Commission has established technical screening criteria to determine the conditions under which a specific economic activity is considered to contribute significantly to mitigating climate change or adapting to climate change, respectively, and has established for each relevant environmental objective, technical control criteria for determining whether the specific economic activity does not significantly burden one or more of the environmental objectives in question.

The control criteria cover the following areas:
- Agriculture and forestry
- Environmental protection and restoration activities
- Product Processing
- Energy
- Water, sewerage, waste management and remediation activities
- Transportation (including sea transportation)
- Construction and real estate
- Information technology and communications
- Professional scientific and technical activities
- Financial and insurance activities
- Education
- Human health and social work activities
- Arts, entertainment and recreation

For each identified eligible activity, included in the Taxonomy, the Company considered the following criteria:

a) significantly contributes to the achievement of one or more of the environmental objectives defined in the Taxonomy

b) does not significantly harm any of the environmental objectives specified in the Taxonomy

c) is exercised in accordance with the minimum safeguards provided in the Taxonomy

d) complies with the technical control criteria of the Taxonomy.

as well as the Do Not Significant Harm (DNSH) requirements, in order to determine whether the specific activity can be considered aligned with the Taxonomy (EU). In this report, the eligible activities are presented. Those activities are aligned with the Taxonomy (EU), and are considered environmentally sustainable economic, for the period ending on 31.12.2023.

Eligible and Aligned activities

The eligible and aligned taxonomy activities for the Company are the following, and the environmental objectives achieved by the Company are described in each of them:

4.1 Electricity production using solar photovoltaic technology
- Mitigation of Climate Change
- Adaptation to Climate Change
- Biodiversity and Ecosystems

4.16 Installation and operation of electric heat pumps
- Mitigation of Climate Change
- Adaptation to Climate Change
- Water and Marine Resources
- Biodiversity and Ecosystems

4.20 Cogeneration of heat/cooling and electricity from bioenergy
- Mitigation of Climate Change
- Adaptation to Climate Change
- Water and Marine Resources
- Pollution
- Biodiversity and Ecosystems

5.7 Anaerobic digestion of biological waste
- Mitigation of Climate Change
- Adaptation to Climate Change
- Water and Marine Resources
- Pollution
- Biodiversity and Ecosystems

Key Performance Indicators (KPI) of sales

The percentage of economic activities eligible for the taxonomy from total sales has been calculated as the part of the net sales which derives from services related to economic activities eligible for the taxonomy (numerator) divided by the net amount of sales of gas (denominator), both for the financial year 2023. The denominator of the KPI sales has been based on the net amount of sales.

Key Performance Indicators (KPI) of CAPEX

The KPI of CAPEX is defined as the CAPEX eligible for the taxonomy (numerator) divided by the total CAPEX (denominator). Regarding financial year 2023, the numerator includes only the capital expenditure related to Taxonomy-eligible activities, as there are currently no CAPEX plans to upgrade taxonomy-eligible economic activities to meet the alignment criteria or to expand any aligned activities.

Key Performance Indicators (KPI) of operating expenditures

They are defined as the operating expenses eligible for the taxonomy (numerator) by the total amount of operating expenses (denominator). The European taxonomy System definition of the relevant operating expenditures includes expenses for research and development, building renovation, maintenance and repair, as well as any other direct expenses related to the daily maintenance of tangible assets. The total operating expenditures consist of direct non-capital repair and maintenance expenses as well as those expenses related to the exit of leases with a duration of less than 12 months (denominator). Expenditures related to the daily operation of tangible assets are not included, such as e.g. raw materials, cost of labor for machine operation, electricity or liquids necessary for the operation of tangible assets, etc. Similarly to CAPEX in the above paragraph, for the financial year 2023 the numerator includes only the operational expenditures related to the eligible for Taxonomy activities, as there are currently no operational expenditure plans to upgrade Taxonomy-eligible economic activities to meet the alignment criteria or to expand any aligned activities.

The following tables provide information on sales, capital expenditure and operating expenditure for each eligible and aligned activity identified and listed above.

Proportion of sales from products or services associated with Taxonomy-aligned economic activities

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										
Economic Activities (1)	Code (2)	Sales (3) €	Proportion of sales (4) %	Climate change mitigation (5) N/O, N/A	Climate change adaptation (6) N/O, N/A	Water and marine resources (7) N/O, N/A	Circular economy (8) N/O, N/A	Pollution n (9) N/O, N/A	Biodiversity and ecosystems (10) N/O, N/A	Climate change mitigation (11) N/O, N/A	Climate change adaptation (12) N/O, N/A	Water and marine resources (13) N/O, N/A	Circular economy (14) N/O, N/A	Pollution on (15) N/O, N/A	Biodiversity and ecosystems (16) N/O, N/A	Minimum safeguards(17) N/N	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) sales, 2023 (18) %	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) sales, 2022 (19) %	Category enabling activity (20) E	Category transitional activity M
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Electricity generation using solar photovoltaic technology	4.1	0	0,0%	N	N	N/A	N/A	N/A	N	N	N	N	N	N	N	N				
Installation and operation of electric heat pumps	4.16	0	0,0%	N	N	N	N/A	N/A	N	N	N	N	N	N	N	N				
Cogeneration of heat/cooling and electricity from bioenergy	4.20	1.451.378	0,7%	N	N	N	N/A	N	N	N	N	N	N	N	N	N				
Anaerobic digestion of biological waste	5.7	0	0,0%	N	N	N	N/A	N	N	N	N	N	N	N	N	N			E	
Sales of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.451.378	0,7%														100,0%	100,0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																				
A. Sales of Taxonomy eligible activities (A.1+A.2)		1.451.378	0,7%														100,0%	100,0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
Sales of Taxonomy non-eligible activities (B)		214.878.233	99,3%																	
TOTAL (A+B)		216.329.611	100,0%																	

Proportion of capex from products or services associated with Taxonomy-aligned economic activities

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										
Economic Activities (1)	Code (2)	CAPEX (3) €	Proportion of sales (4) %	Climate change mitigation (5) N/O, N/A	Climate change adaptation (6) N/O, N/A	Water and marine resources (7) N/O, N/A	Circular economy (8) N/O, N/A	Pollution η (9) N/O, N/A	Biodiversity and ecosystems (10) N/O, N/A	Climate change mitigation (11) N/O, N/A	Climate change adaptation (12) N/O, N/A	Water and marine resources (13) N/O, N/A	Circular economy (14) N/O, N/A	Pollution on (15) N/O, N/A	Biodiversity and ecosystems (16) N/O, N/A	Minimum safeguards(17) N/N	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) CAPEX, 2023 (18) %	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) CAPEX, 2022 (19) %	Category enabling activ-ity (20) E	Category transitional activity M
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activi-ties (Taxonomy-aligned)																				
Electricity generation using solar photo-voltaic technology	4.1	0	0,0%	N	N	N/A	N/A	N/A	N	N	N	N	N	N	N	N				
Installation and operation of electric heat pumps	4.16	0	0,0%	N	N	N	N/A	N/A	N	N	N	N	N	N	N	N				
Cogeneration of heat/cooling and elec-tricity from bioenergy	4.20	0	0,0%	N	N	N	N/A	N	N	N	N	N	N	N	N	N				
Anaerobic digestion of biological waste	5.7	151.193	1,2%	N	N	N	N/A	N	N	N	N	N	N	N	N	N			E	
CAPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		151.193	1,2%														100,0%	100,0%		
A.2 Taxonomy-eligible but not environ-mentally sustainable activities (not Tax-onomy-aligned activities)																				
CAPEX of Taxonomy-eligible but not en-vironmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																				
A. CAPEX of Taxonomy eligible activities (A.1+A.2)		151.193	1,2%														100,0%	100,0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
Sales of Taxonomy non-eligible activi-ties (B)		12.623.579	98,8%																	
TOTAL (A+B)		12.774.772	100,0%																	

Proportion of opex from products or services associated with Taxonomy-aligned economic activities

				Substantial contribution criteria						DNSH criteria (Does Not Significantly Harm)										
Economic Activities (1)	Code (2)	OPEX (3) €	Proportion of sales (4) %	Climate change mitigation (5) N/O, N/A	Climate change adaptation (6) N/O, N/A	Water and marine resources (7) N/O, N/A	Circular economy (8) N/O, N/A	Pollution η (9) N/O, N/A	Biodiversity and ecosystems (10) N/O, N/A	Climate change mitigation (11) N/O, N/A	Climate change adaptation (12) N/O, N/A	Water and marine resources (13) N/O, N/A	Circular economy (14) N/O, N/A	Pollution σn (15) N/O, N/A	Biodiversity and ecosystems (16) N/O, N/A	Minimum safeguards(17) N/N	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) OPEX, 2023 (18) %	Proportion of Taxonomy aligned (A.1) or -eligible (A.2) OPEX, 2022 (19) %	Category enabling activ-ity (20) E	Category transitional activity M
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activi-ties (Taxonomy-aligned)																				
Electricity generation using solar photo-voltaic technology	4.1	25.464	0,0%	N	N	N/A	N/A	N/A	N	N	N	N	N	N	N	N	0,0%	0,0%		
Installation and operation of electric heat pumps	4.16	1.298	0,0%	N	N	N	N/A	N/A	N	N	N	N	N	N	N	N	0,0%	0,0%		
Cogeneration of heat/cooling and elec-tricity from bioenergy	4.20	175.961	0,3%	N	N	N	N/A	N	N	N	N	N	N	N	N	N	28,5%	17,0%		
Anaerobic digestion of biological waste	5.7	855.644	1,7%	N	N	N	N/A	N	N	N	N	N	N	N	N	N	8,0%	4,1%	E	
OPEX of environmentally sustainable activities (Taxonomy-aligned) (A.1)		1.058.367	2,1%														11,2%	5,0%		
A.2 Taxonomy-eligible but not environ-mentally sustainable activities (not Tax-onomy-aligned activities)																				
OPEX of Taxonomy-eligible but not envi-ronmentally sustainable activities (not Taxonomy-aligned activities) (A.2)																				
A. OPEX of Taxonomy eligible activities (A.1+A.2)		1.058.367	2,1%														11,2%	5,0%		
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
OPEX of Taxonomy non-eligible activi-ties (B)		50.038.782	97,9%																	
TOTAL (A+B)		51.097.149	100,0%																	

XII. DETAILED INFORMATION IN ACCORDANCE TO ART. 4 OF LAW 3556/2007

EXPLANATORY REPORT OF THE BOARD OF DIRECTORS

(According to paragraphs 7 and 8 of article 4 of Law 3556/2007)

(a) The share capital structure, including shares that are not admitted to trading on a regulated market in Greece or in another Member State, reporting for each class of shares the rights and obligations associated with this category And the percentage of the total share capital represented by the shares of that category.

The share capital of the Company amounts to € 12,564,751.68, divided into 33,065,136 shares of nominal value € 0.38 each and is fully paid up. All the shares of the company are common, nominal, with voting rights, listed for trading on the Athens Exchange. The rights and obligations of the shareholders of the company derived from each share are proportional to the percentage of the capital to which the paid value of each share corresponds and each share confers all the rights and obligations laid down by the Law and the Articles of Association. As at 31/12/2023, the Company holds 69.201 treasury shares, which do not have voting rights.

(b) Restrictions on the transfer of company shares, such as indicative restrictions on the holding of shares or the obligation to obtain prior approval from the company, other shareholders or a Public or Administrative Authority, without prejudice to article 4, paragraph 2 of Law 3371 / 2005.

The transfer of the company's shares is carried out in accordance with the Law and there are no restrictions on the transfer of the Company's statutes.

(c) Significant direct or indirect holdings within the meaning of Articles 9 to 11 of Law 3556/2007.

On 31/12/2023, register records holding significant voting rights (≥5%) are:

REGISTER RECORDS	HOLDER	%
OIKONOMOU ATHANASIA (JIA)	OIKONOMOU ATHANASIA TSINAVOU ANASTASIA	15.12%
TSINAVOS PANAGIOTIS	TSINAVOS PANAGIOTIS	13.54%
TSINAVOU CHARIKLEIA (JIA)	TSINAVOU CHARIKLEIA TSINAVOU SEVASTI	11.80%
TSINAVOS PANAGIOTIS(JIA)	TSINAVOS PANAGIOTIS TSINAVOS GEORGIOS	11.46%
TSINAVOU SEVASTI	TSINAVOU SEVASTI	6.20%
TSINAVOU CHARIKLEIA	TSINAVOU CHARIKLEIA	6.06%

JIA= Joint Investors' Account

(d) Holders of all kinds of shares that provide special control rights and a description of the related rights.

There are no Company shares that provide special control rights to their shareholders.

(e) Restrictions on voting rights, such as, but not limited to, voting rights to holders of a certain percentage of the share capital or to holders of a certain number of voting rights, and the time limits for the exercise of voting rights.

The Company's Articles of Association do not provide for restrictions on voting rights.

(f) Agreements between shareholders that are known to the Company and entail restrictions on the transfer of shares or restrictions on the exercise of voting rights.

The company is not aware of the existence of agreements between its shareholders, which impose restrictions on the transfer of its shares or on the exercise of the voting rights deriving from its shares.

(g) Rules for the appointment and replacement of members of the Board of Directors, as well as for the amendment of the Articles of Association, if different from the provisions of the Law 4548/2018.

The rules laid down in the Company's Articles of Association for the appointment and replacement of the members of the Board of Directors and the amendment of its provisions do not differ from the provisions of Law 4548/2018.

(h) Powers of the Board of Directors or certain members of the Board of Directors to issue new shares or purchase of own shares in accordance with articles 49 and 50 of the Law 4548/2018.

The Board of Directors and its members do not have the power to issue new shares or to buy own shares.

(i) Significant agreement entered into by the Company which enters into force, is amended or terminated in the event of a change in the control of the company following a public offer and the results of that agreement unless, by its nature, disclosure Agreement would cause serious damage to the company.

There are no agreements that enter into force, are amended or expire, in the event of a change of control of the company following a public offer.
However, there are loan agreements which stipulate, as is customary in similar contracts, that in case of change in the control of the Company, the bondholders are given the right to request the immediate repayment of the loan balance and termination of the contract. This right is not related exclusively for the case of public offer.

(j) An agreement that the Company has concluded with members of its board of directors or its personnel, which provides for compensation in the event of resignation or dismissal without valid reason or termination of their term or employment due to the public offer.

There are no special agreements of the company with members of its Board of Directors or its personnel, which provide for the payment of compensation especially in case of resignation or dismissal without a valid reason or termination of their term or employment due to a public offer.

XIII. CORPORATE GOVERNANCE

CORPORATE GOVERNANCE DECLARATION

This Corporate Governance Statement is drafted in accordance with article 152 of Law 4548/2018 constitutes a special part of the Annual Management Report of the Board of Directors (hereinafter referred to as the "BoD") and contains all information required by law.

(a) Compliance with Corporate Governance Code

The Company has established and follows the Greek Code of Corporate Governance issued on June 2021 by Greek corporate governance council (hereinafter referred to as the "Code"). The Company has complied with the Code since the BoD’s meeting on 16/7/2021. The Code is posted on the Company's official website https://www.krikri.gr/corporate-governance/ (text in Greek only).

(b) Deviations from the Corporate Governance Code and Justification of Such

The Senior Management of the Company believes that some of the Special Practices of the Code are in line with the needs of large size and complexity companies.

Below are the Special Practices of the Code with which the Company has not complied, with a brief analysis and explanation of the reasons justifying the specific non-compliance / deviation. In addition, the time of alignment with the respective Practices is mentioned.

Section 2 - Size and Composition of the Board of Directors, subsection 2.2- Composition of the Board of Directors, SPECIAL PRACTICES 2.2.14 and 2.2.15:

The Remuneration and Nomination Committee has already proposed quantitative gender participation targets for the BoD and for senior and higher management accompanied with corresponding timelines of achieving those targets. The above proposal is under consideration as there is a pending decision by the BoD.

Section 2 - Size and Composition of the Board of Directors, subsection 2.2- Composition of the Board of Directors, SPECIAL PRACTICES 2.2.21, 2.2.22 and 2.2.23:

The Chairman of the BoD of the Company is an executive member, while the Vice Chairman of the BoD is a non-executive member. The Company has decided that at present this is not a necessity to appoint a Senior Independent Director or an Independent Non-Executive Vice President, as the size, structure and complexity of its work, as well as that of its Board of Directors, do not require it . The role and responsibilities of the Non-Executive Vice-Chairman of the BoD ensure its proper functioning.

(c) Corporate Governance Practices applied by the Company in addition to the provisions of the law

The Company does not apply Corporate Governance Practices beyond the provisions of the law.

(d) Description of the internal control and risk management system as regards to the procedure of preparing financial statements

Internal audit

The internal audit as a set of procedures, methods and mechanisms, is a responsibility of the management and all staff, in general. It is supervised by the Audit Committee, the Board of Directors and the CEO and is examined for its effectiveness and completeness, by the Internal Audit function. The Board of Directors has the ultimate responsibility for monitoring the adequacy of the company's internal control system including the internal control system for the preparation of financial statements, which system is designed to ensure a reasonable but not absolute level of protection from a significantly misrepresentation or damage, as well as risk management, prevention and detection of managerial irregularities and errors, efficiency and effectiveness of various operations, safeguarding of corporate assets, reliability of financial statements and reports in general.

The description of some basic responsibilities of the Company's Units helps to understand some elements of the Company's Risk Management System, in relation to the preparation of the financial statements.

Audit Committee

The Audit Committee operates as an independent and objective body, which is responsible for reviewing and evaluating audit practices and the performance of internal and external auditors. The main mission of the Audit Committee is to assist the Board of Directors in the execution of its duties, regarding the financial information procedures, the policies and the internal control system of the Company, the integrity of the obligatory (external) audit, as well as the evaluation and management policies. risk, overseeing all of the above.

Regarding the Financial Information and the preparation of the financial statements, the Audit Committee has indicatively the following responsibilities:

-Assists the Board of Directors, to ensure that the financial statements of the Company are accurate, reliable and in accordance with accounting standards, tax principles and current legislation,
- Ensures the existence of an effective financial information process,
- Monitors the process and the performance of the mandatory audit of the financial statements of the Company as well as supervises every official announcement regarding the financial performance of the Company and examines the main points of the financial statements that contain significant judgments and estimates by the Management,
- Informs the Board of Directors of the Company about the result of the statutory audit and explains how the statutory audit contributed to the integrity of the financial information.

The Audit Committee carried out all the above actions in the execution of its responsibilities regarding the financial statements for the year 2023. More and more detailed information on the responsibilities, the principles of operation of the Audit Committee are reflected in the Rules of Procedure of the Internal Audit Unit, which is posted on the Company's website at the following address https://www.krikri.gr/corporate-governance/ .

Internal Audit Department

The main tasks of the Internal Audit Unit are a) the thorough control of the observance of all the rules, measures and procedures of the applied Internal Control Systems b) the control of the implementation of the decisions and instructions of the BoD and the Senior Management and c) the suggestion of any corrections or improvements of the system.

The Internal Audit Unit is independent from any other unit, address or department of the Company, it is reported administratively to the Board. and is functionally subordinated to and supervised by the Audit Committee. More information regarding the responsibilities and operating principles of the Internal Audit Unit is contained in the Rules of Operation of the Internal Audit Unit, which is posted on the Company's website at the following address https://www.krikri.gr/corporate-governance/ .

Risk management and Regulatory

The Company has created the appropriate structures and procedures in order to assess and manage the risks related to the preparation of the financial statements. In particular, the Company has developed a reliable system for identifying, evaluating and managing potential risks, both those due to its financial activity and those due to endogenous operating factors. Depending on the nature, the probability of occurrence and the estimated impact of the risks, relevant decisions are made, either for their acceptance or for taking measures aimed at mitigating or mitigating their consequences.

The evaluation process applied by the Risk Management Department (of the Risk Management and Regulatory Compliance Unit) summarizes the following steps: 1) Identification of the risk, 2) Description of the possible consequences for the Company from its occurrence and assessment of them, 3) Assessment of the probability of occurrence of the risk, 4) Determination of the level of tolerance of the Company to the specific risk, 5) Prioritization of Risks according to the previous, 6) Actions of the Management for the management of the risk.

Internal Control System

The internal control system is evaluated on an ongoing basis in order to ensure that a safe and effective control environment is maintained. The annual audit plan prepared based on the previous risk assessment and which provides reasonable assurance regarding the key corporate activities and financial risks faced by the Company, is approved on an annual basis by the Audit Committee. Special operational procedures have been put in place for areas with a high risk of fraud. The Audit Committee addresses all serious audit issues raised by both the management and the internal and external auditors and submits its findings to the Board. For all the identified weaknesses of the internal control system, the Audit Committee ensures that the administration will take all the necessary corrective measures.

Corporate Policies and Procedures

The Company applies policies and procedures that ensure the effectiveness and efficiency of its core business activities, supporting both the internal control system it has adopted and effective risk management. The policies and procedures applied are subject to evaluation by the Board of Directors based on business unit reports and internal audit reports to ensure their adequacy and the compliance to them.

Information systems

The Company has developed an Information System that supports financial information in an effective way. The Information System provides management with indicators that measure the Company's financial and operating performance. Analysis of the results is carried out on a monthly basis covering all important business fields.

(e) Evaluation of the corporate strategy, the main business risks and the Internal Audit Systems

The BoD of the Company states that it has examined the main business risks faced by the Company as well as the Internal Control Systems. On an annual basis, the Board of Directors reviews the corporate strategy, the main business risks and the Internal Audit Systems, based on a relevant recommendation of the Audit Committee, and relevant recommendations of the Risk Management and Regulatory Compliance Unit.

(f) Provision of non-audit services to the Company by its statutory auditors and assessment of the impact that this event may have on the objectivity and effectiveness of the statutory audit, taking into account the provisions of Law 4449/2017

The Audit Committee took note of the statutory auditor's annual declaration of independence and discussed with him threats that may jeopardize his independence, as well as ways to ensure that these threats are addressed. The Commission also examined whether the relationship, taking into account the views of the statutory auditor, the Management and the internal audit, on a case-by-case basis, appeared to affect the auditor's independence and objectivity.
The Audit Committee confirmed that no services other than statutory auditing and tax auditing services have been provided by the Chartered Auditors, with the exception of the following (a) and (b) safeguards and (c) permitted non-auditing services:
a) audit of completeness of information referred to in article 112 of Law 4548/2018 in the salary report for the year 2022 amounting to € 2,500.
b) on the observance of specific indicators within the framework of common bond loans of the Company with a reference date of 31/12/2022 and amounting to € 500.
c) training seminar on sustainable development and ESG issues for members of the Board of Directors, and senior managers amounting to €1,500.

The above additional fees do not exceed the limit set by the Audit Committee for the provision of additional services by an external auditor (70% of the average fees paid during the last three (3) consecutive financial years for the statutory audit of the audited entity. in accordance with Regulation 537/2014 on the mandatory audit of Public Interest Entities and Law 4449/2017) and, in the opinion of the Audit Committee, do not question the independence and integrity of the external auditor.

(g) Reference to points (c), (d), (f), (h) and (i) of Article 10 of Directive 2004/25/EC

The above are mentioned in paragraph "X. DETAILED INFORMATION IN ACCORDANCE TO ART. 4 OF LAW 3556/2007" (Explanatory Report) referring to the additional information of paragraphs 7 and 8 of article 4 of Law 3556/2007.

(h) General Meeting and shareholders' rights

The General Meeting is the supreme body of the Company, convened by the Board of Directors and entitled to decide on any matter concerning the company to which the shareholders are entitled to participate, either in person or by legally authorized representative, in accordance with the legal procedure provided for.
The Board of Directors ensures that the preparation and conduct of the General Meeting of Shareholders facilitates the effective exercise of shareholders' rights, who are informed of all matters related to their participation in the General Meeting, including agenda items, and their rights at the General Meeting.
More specifically, regarding the preparation of the General Meeting in conjunction with the provisions of Law 3884/2010, the Company posts on its web site at least twenty (20) days before the General Meeting, information on:
- the date, time and place of the General Meeting of Shareholders,
- the basic rules and practices of participation, including the right to put items on the agenda and to ask questions, and the time limits within which those rights may be exercised,
- voting procedures, terms of proxy representation and the forms used for proxy voting,
- the proposed agenda for the Meeting, including draft decisions for discussion and voting, as well as any accompanying documents,
- the proposed list of candidate members of the Board of Directors and their CVs (if applicable) and
- the total number of shares and voting rights at the date of the invitation.
i. The President of the Board of Directors, the Company's Chief Executive Officer, the Chief Financial Officer and the Heads of the BoD Committees attend the General Meeting of Shareholders in order to provide information on issues raised for discussion or clarifications requested by shareholders. Furthermore, the General Meeting of Shareholders is also attended by the Company's Internal Audit Officer.

ii. At the beginning, the General Meeting is temporarily chaired by the President of the Board of Directors, who also appoints a temporary secretary.
iii. Following the validation of the list of shareholders entitled to vote, the General Meeting elects its Chairman and secretary, who also counts the ballots. The decisions of the General Meeting are taken in accordance with the provisions of the Law and the Articles of Association of the Company.
iv. A summary of the minutes of the General Meeting of Shareholders is published on the company's website.
v. Any shareholder who appears in this capacity in the Company's securities records, is entitled to participate and vote at the General Meeting. The shareholder may appoint a representative if he so wishes.

The Company's website is a source of information on the forthcoming and past General Meetings of the Company's shareholders and the shareholders' rights https://www.krikri.gr/corporate-governance/.

(i) Composition and mode of operation of the Board of Directors and its Committees

Composition and mode of operation of the Board

The Company is governed by a Board of Directors, which according to the decision of the last General Meeting consists of six (6) members. All members of the Board of Directors are elected by the General Meeting. The term of office of members is six years. A member of the Board of Directors may also be a legal person.

The Board of Directors elects the President and a Vice-President from among its members. When the President is absent or impeded, his duties (as defined by Law or Articles of Associations) are exercised by the Vice-President. The Board of Directors may meet validly, at the head office of the company, and also wherever the company has a business establishment or a subsidiary. The Board of Directors may also meet by videoconference. The Board of Directors meets with the necessary frequency that ensures the effective performance of its tasks, at least 6 times in a year. The President chairs the meetings of the Board of Directors, and he may nominate a secretary of the Board. The Board of Directors decides by a majority of the number of its present and/or legally represented members. The minutes of the meetings of the Board of Directors are signed either by its President or by the Vice-President who are also entitled to issue copies and extracts thereof.

Following the General Meeting of the Company's shareholders that took place on 06/07/2021, the meeting of the Board of Directors on 07/07/2021 and the meeting of the Board of Directors on 26/01/2022,the composition of the Board of Directors throughout the year 2023 includes the following six (6) members, with their term of office ending on 06/07/2027, which can be automatically extended until the end of the deadline, within which the next Annual General Meeting must be convened during financial year 2027 and until the relevant decision is taken:

The members of the Board of Directors throughout financial year 2023 were:

Tsinavos Panagiotis, Chairman & CEO
Kotsambasis Georgios, Vice-Chairman, Non-Executive Member
Tsinavos Georgios, Deputy CEO, Executive Member
Kartsani Georgia, Non-Executive Member
Kyriakidis Anastasios, Independent Non-Executive Member
Moudios Anastasios, Independent Non-Executive Member

It is pointed out that the Board of Directors of the Company, assisted by the Company's Regulatory Compliance unit , reviewed and confirmed that the independence criteria were met, within the meaning of article 9 par. 1 and 2 N. 4706 / 2020 for the following independent member of the Board of Directors:
Kyriakidis Anastasios
Moudios Anastasios

During 2023, fifty (40) meetings of the Board of Directors took place. The following table shows the participation of each member in the meetings:

Member	Participation in BoD meetings Physical
Tsinavos Panagiotis	40
Kotsambasis Georgios	40
Tsinavos Georgios	40
Moudios Anastasios	40
Kyriakidis Anastasios	17
Kartsani Georgia	17

On 15.1.2024, Mrs. Georgia Kartsani, non-executive member of the Board of Directors, resigned as a member of the Board of Directors, for personal reasons. Subsequently, the Board of Directors decided, at its meeting on 18.1.2024, to appoint Mrs. Aikaterini Nendou as a new non-executive member of the Company's Board of Directors, to replace Mrs. Georgia Kartsani, according to art. . 82 par. 1 of Law 4548/2018 and 23 par. 2 of the Company's Articles of Association, up to the the next Annual General Meeting of the shareholders of the Company. The next Annual General Meeting of the shareholders of the Company will decide and announce, according to art. 82 par. 1 of Law 4548/2018, either the appointing of Mrs Aikaterini Nendou as a member of the Board of Directors for the period up to the end of the term of the current Board of Directors on 06.07.2027, automatically extending until the end of the term , where during the extension the next Annual General Meeting must be convened and until the relevant decision is taken, or the election of a new non-executive member until the end of its term as stated above.

Following the above replacement, the current composition of the Board of Directors is:

Tsinavos Panagiotis, Chairman & CEO, Executive Member
Kotsambasis Georgios, Vice-Chairman, Non-Executive Member
Tsinavos Georgios, Deputy CEO, Executive Member
Nendou Aikaterini, Non-Executive Member
Kyriakidis Anastasios, Independent Non-Executive Member
Moudios Anastasios, Independent Non-Executive Member

Composition and mode of operation of BoD Committees

Audit Committee

Audit Committee throughout 2023, was not modified and consisted of:

Moudios Anastasios, Independent Non-Executive Member
Kyriakidis Anastasios, Independent Non-Executive Member
Kotsambasis Georgios, Non-Executive Member

The Audit Committee meets as many times as necessary, but at least six (6) times a year at the invitation of the Chairman and at least two (2) times a year should meet the regular auditor - accountant of the Company, without the presence of its members Management, during the planning stage of the audit, during its execution, during the stage of preparation of the audit reports and presentation of the supplementary report. The Audit Committee also meets before the announcement of the annual or interim financial reports or financial information that the Company must publish. The operating regulations of the Audit Committee are posted at https://www.krikri.gr/corporate-governance/ .

During 2023, eleven (11) meetings of the Audit Committee took place, all with the physical presence of the members.

Member	Participation in meetings Physical
Moudios Anastasios	11
Kyriakidis Anastasios	11
Kotsambasis Georgios	11

Indicative issues that the Audit Committee addressed in its meetings are:

Briefing from the auditors and the Directorate of Finance on the progress of the audit work, presentation of audit reports of the internal audit department, evaluation of the work of the external auditors and proposal for appointment of statutory auditors, regulatory compliance based on the new framework for corporate governance.

The report of the activities of the Audit Committee will be published along with the financial statements and will be posted at https://www.krikri.gr/corporate-governance/.

Remuneration and Benefits Committee / Remuneration and Nomination Committee

The Remuneration and Nominations Committee throughout 2023, was not modified and consisted of:

Moudios Anastasios, Independent Non-Executive Member
Kyriakidis Anastasios, Independent Non-Executive Member
Kotsambasis Georgios, Non-Executive Member

The operating regulations of the Remuneration and Nominations Committee are posted at https://www.krikri.gr/corporate-governance/ .

During 2023, four (4) meetings of the Remuneration and Benefits Committee took place, with the physical presence of the members.

Member	Participation on meetings Physical
Moudios Anastasios	4
Kotsambasis Georgios	4
Kyriakidis Anastasios	4

Indicative issues that the Remuneration and Benefits Committee addressed at its meeting are:

Modification of the Company's organizational chart, modification of the internal operations' regulations, personal and collective performance evaluation, etc.

The members of the Board of Directors, the members of the Committees and the work of these Bodies were evaluated according to the prescribed procedure. In particular, with the contribution of the Remuneration & Nominations Committee, the Chairman of the Board of Directors and the Regulatory Compliance Department, the Board of Directors evaluated its effectiveness, the fulfillment of its duties, as well as its committees. The Board of Directors collectively, as well as the Chairman and CEO and the other members of the Board of Directors individually, were evaluated in terms of the effective fulfillment of their duties, in the form of self-evaluation and mutual evaluation. The assessment concerned the individual and collective suitability and effectiveness of the Board of Directors and included the following levels:
At the Collective level, the fulfillment of the collective suitability and diversity criteria, as defined in the Company's Suitability Policy, was examined, as well as the achievement of the effectiveness of its operation. At the Individual level, the individual contribution of each member was examined, taking into account their status

(executive/non-executive/independent non-executive). At the level of Chairman of the Board of Directors and CEO, the degree of achievement of the Chairman's responsibilities was examined, and separately his contribution and the achievement of the Company's goals as CEO. With reference to the committees, the combination of knowledge and skills of the members to achieve the objectives of the committees was examined, as well as the effective exercise of their duties, and the individual and collective suitability was assessed. The results of the evaluation were presented to the members of the Board of Directors and the Committees. The results of the evaluation were overall positive, while it was pointed out that the members of the Board of Directors should be further educated on ESG issues, so that they can systematically monitor and control the Company's relevant policies and decisions on these issues.

(j) Diversity policy applicable to the Company's governing bodies

Diversity on the Board of Directors as well as in senior management is based on a number of factors, including, for example, gender, age, cultural and educational background, nationality, work experience, skills, knowledge and length of service. The appointment of the members of the Board of Directors and the Senior Executives of the Company is based on meritocracy and the candidates are evaluated based on objective criteria in order to defend the corporate property, plan the strategy and increase the value of the Company. The percentage of representation of each sex in the Board of Directors is identical with the provisions of Law 4706/2020. That of senior executives depends mainly on the availability of executives in the labor market at the time of demand of each executive. The Company recognizes the importance of promoting the Principle of Diversity in the composition of both its Bodies and its Management and Executive staff. In this direction, the Company has improved the gender diversity, within 2023.

(i) Suitability policy

The Suitability Policy of the members of the Board of Directors is part of the Corporate Governance System of the Company. It aims to ensure the quality staffing, efficient operation and fulfillment of the role of the Board of Directors, based on the overall strategy and medium-long-term business aspirations of the Company in order to promote the corporate interest and includes:

- The set of principles and criteria that are applied at least during the selection, replacement and renewal of the term of office of the members of the Board of Directors, in the context of the evaluation of individual and collective suitability.
- Establishing transparent rules and procedures for assessing the suitability and reliability of the members of the Board of Directors, in particular as regards the guarantees of morality, reputation, adequacy of knowledge, skills, independence of judgment and experience in the performance of the tasks assigned to them. they are assigned, both before taking the specific position (placement) and on a periodic basis (evaluation).
- The provision of diversity criteria for the selection of the members of the Board of Directors.
- Determining the cases where it is deemed appropriate to review the suitability and reliability of these persons and the procedures applied accordingly.

The Suitability Policy is approved and revised by the Board of Directors of the Company, submitted for approval to the General Meeting of Shareholders and posted on the Company's website.
The Suitability Policy is valid from the date of its approval by the General Meeting of the Company's shareholders, until its amendment by a new decision.

The Suitability Policy of the Company's Board of Directors approved by the Company on 11/07/2023 from the Ordinary General Meeting of the Company's shareholders is posted on the Company's website at: https://www.krikri.gr/corporate-governance/
The members of the Board of Directors of the Company meet the criteria of individual and collective suitability.

(j) Curriculum vitae of Board members and senior executives

Curriculum vitae of members of the Board of Directors

Tsinavos Panagiotis, Chairman & CEO
Panagiotis Tsinavos holds a degree in chemistry from the Aristotle University of Thessaloniki, while he holds a postgraduate degree in dairy from the University of Milan and a postgraduate degree in business administration.
He has been working for the Company since 1983, holding managerial positions. In 1987 he took over the position of Commercial Director. In this context, his contribution to the development of the company's sales network in the Greek market and the Balkan market was essential. In 1994 he took over the duties of Chief Executive Officer of the Company, while from 2003 until today he is also the Chairman of its Board of Directors.
In his 38 years in the Company, he has contributed greatly to the formulation of the Company's strategy and to the business decisions that have led and continue to lead to its continuous expansion and development.
In addition, he has been awarded the title of "Dynamically Growing Entrepreneur", within the institution of Ernst & Young, Greek "Entrepreneur of the Year".
He is a member of the Board of Directors and the company 'MELISSA- KIKIZAS SA FOOD'.
He speaks English and Italian.

Kotsambasis Georgios, Vice-Chairman, Non-Executive Member
Georgios Kotsambasis studied Chemical Engineering at the University of Bologna, Italy.
He has a total experience of over 35 years in managerial positions, of which 25 years in the Company as a Factory Manager. For many years, until today, he has been Vice President of the Board of Directors of the Company.
Georgios Kotsambasis made the greatest contribution to the formulation of the Company's strategy and to the taking of business decisions, which led to its continuous expansion and development.
He speaks English and Italian.

Tsinavos Georgios, Deputy CEO, Executive member
George Tsinavos studied Business Administration at the University of Macedonia and then received a Master of Business Administration, Marketing from Pace University, Lubin School of Business in New York.
He has been working for the Company since 2009. He has been a member of the commercial management of the company and a Supply Chain Manager. He has been the Deputy CEO of the Company since the beginning of 2022.
He speaks English fluently.

Kartsani Georgia, Non-Executive Member
Georgia Kartsani is the Founder and CEO of SARGIA Partners Greece, United Kingdom and the United Arab Emirates, a provider of leadership development services in relation to business strategy. She is also the founder of the Branches of the international, non-profit organization, CEO Clubs in Greece and Romania. She is also the founder and CEO of Your Directors Club.
Her international career includes a decade in the field of executive search services and 20 years of commercial experience in the fields of consumer, industrial and technological products, in Greece, USA and the Middle East by the companies Stanton Chase, 3M, Philip Morris , TYCO and WR Grace.
She speaks English fluently.

Nendou Aikaterini – Non Executive Member

Aikaterini Nendou has been the Managing Director of the bakery company "Select bakery" since 2012. She started her career as a certified auditor at Arthur Andersen and KPMG. She is a member of the Board of the Association of Industrialists of Greece (SBE) since 2009. She is the first female member of the Administrative Committee of SBE since 2015 and the financial supervisor of SBE since 2017. She has received an entrepreneurship award at the "Hellenic Value" awards in 2015. She has attended the "Production Cycle" seminar program (Universita di Perugia- Italy) and the High Performance Leadership program -IMD Business School (2022).

She speaks English and Italian.

Kyriakidis Anastasios, Independent Non-Executive Member

Anastasios Kyriakidis is a graduate of the Department of Economics of AUTh, and holds an MBA from the University of Toledo USA.

He has many years of professional experience in some of the largest companies in Greece. He has been the General Manager of Publishing House of Northern Greece (AGELIOPHOROS) and the companies KOUIMTZIS, PYRAMIS, PEGASUS PUBLISHING (ETHNOS-EUROPE-IRIS-MEGATV), KLEEMANN, KLEFER, VIOZOKAT and senior executive of industrial companies PHILKERAM-JOHNSON and BALKAN EXPORT. Today he is the General Manager of the company PAKKETO.

He speaks English and French.

Moudios Anastasios, Independent Non-Executive Member

Anastasios Moudios holds a bachelor's degree in economics and an MSc in Financial Economics from the University of Cardiff, Wales.

He works as a certified auditor - accountant, with more than 15 years of experience in auditing. He was a partner in Baker Tilly Greece, but also in Grant Thorton, while today he is a senior partner of MaGrowth & Co. In his career he has been a member of the audit team of certified public accountants who has audited some of the largest Greek companies and many in the food processing industry.

He speaks English fluently..

Curriculum vitae of senior executives

Ioannis Kartsanis, Commercial Manager

Ioannis Kartsanis is a Chemical Engineer (B.SC University of Lowell, Massachusetts, U.S.A and M.SC from the same University).

He has worked in the commercial department of some of the largest food companies operating in the Greek market (BOUTARIS, KNORR, UNILEVER, TASTY, PEPSICO GROUP, ELBISCO) for over twenty (20) years, having in most of them the position of Director -in Sales. Since 2016 he is the Commercial Director of the Company.

He speaks English fluently.

Andreas Mylonas, Export manager

Andreas Mylonas studied Agriculture at the Aristotle University of Thessaloniki. He then obtained a Diploma in Oenology from the University of Bordeaux (Diplome National D'Oenologue, Universite de Bordeaux II) and a postgraduate degree in International Agri-Food Marketing from the University of Newcastle (MSc in International Agricultural and Food Marketing, University of Newcastle upon Tyne, UK).

He worked for the food companies MEVGAL and ZANAE for seven years, most of them as an export manager. He has been the Export Manager of the Company since 2009.

He speaks English fluently and French very well.

Dimitrios Barmpoutis, Plant Manager
Dimitrios Barboutis studied mechanical engineering at the University of West of England, Bristol, UK. He holds an M.SC in Engineering and Management of Manufacturing Systems from Cranfield University and a Master of Business Administration from the University of Macedonia.
He has been the Technical Director of the Company, while today he is the Factory Manager.
He speaks English fluently.

Konstantinos Sarmadakis, CFO
Konstantinos Sarmadakis holds a degree in Economics from the University of Macedonia and an MSc in Financial Economics from the University of Cardiff, Wales.
He started working for the Company in 2004, initially as a financial analyst. Since 2009 he holds the position of Financial Director of the Company.
He speaks English fluently.

Siskou Despina, HR Director
Despina Siskou is a graduate of Economics from the Aristotle University of Thessaloniki and holds a master's degree in Marketing (University of Stirling Scotland). He has worked in Greek and multinational companies, in the field of Sales and HR.
He took over the HR Department of the Company in May 2022.
She speaks English fluently.

(k) Other professional commitments of the Board members

The members of the Board of Directors have disclosed to the Company their following other professional commitments (including significant non-executive commitments to companies and non-profit institutions), as shown in the table below:

BoD Member	Name of entity	Professional commitment
Tsinavos Panagiotis, Chairman & CEO	MELISSA KIKIZAS SA	BoD member
Kotsambasis Georgios, Vice-Chairman, Non-Executive Member		
Tsinavos Georgios, Deputy CEO, Executive member		
Nendou Aikaterini, Non-Executive Member	Select Bakery	Shareholder percentage>3% BoD Executive member
Moudios Anastasios, Independent Non-Executive Member	MaGrowth & Co Certified Public Accountants MaGrowth & Co Greek Tastes 4 All	Shareholder percentage>3% BoD Executive Member Shareholder percentage>3% Shareholder percentage>3%
Kyriakidis Anastasios, Independent Non-Executive Member	Roda SA	Non-executive member

(l) Remuneration of members of the Board of Directors

The total salaries of the members of the Board of Directors of the Company in the year 2023 are detailed in its earnings report, which has been prepared in accordance with article 112 of Law 4548/2018 and will be posted on the Company's website, https://www.krikri.gr/corporate-governance/ within the legal deadline. The remuneration policy is posted on the Company's website https://www.krikri.gr/corporate-governance/.

(m) Procedure of Compliance with the obligations of articles 99 to 101 of law 4548/18 regarding the transactions with the related parties

The Company has adopted and applies a Compliance Procedure with the obligations of articles 99 to 101 of law 4548/18 regarding transactions with related parties. Specifically, in the context of the application of International Accounting Standards and in accordance with International Accounting Standard (IAS) 24 "Related Party Disclosures", the Company is required to disclose through its periodic financial statements, its transactions with related parties, as well as the legal entities controlled by them, in accordance with IAS 27. Also, according to the provisions of articles 99-101 of Law 4548/2018, the Company's contracts with related parties, as well as the provision of insurance and guarantees to third parties in favor of these persons, are allowed only after approval by the Board of Directors, or by the General Assembly. The information about these transactions is included in the report that accompanies the financial statements of the Company.

(n) Number of shares of the Company held by the members of the Board of Directors and the senior executives

Number of shares of the Company held by the members of the Board of Directors

The number of shares of the Company held by each member of its Board of Directors on 31/12/2023 is presented in the following table:

BoD member	Number of shares	Note
Tsinavos Panagiotis, Chairman & CEO	9.915.149	5.439.664 of them JIA
Kotsambasis Georgios, Vice-Chairman, Non-Executive Member	8.274	
Tsinavos Georgios, Deputy CEO, Executive member	5.005.074	3.789.664 of them JIA
Kartsani Georgia, Non-Executive Member	0	
Moudios Anastasios, Independent Non-Executive Member	0	
Kyriakidis Anastasios, Independent Non-Executive Member	0	

Number of shares of the Company held by senior executives

The number of shares of the Company held by each senior executive on 31/12/2023 is presented in the following table:

Name	Number of Shares
Ioannis Kartsanis, Commercial Manager	7.776
Andreas Mylonas, Export manager	4.462
Dimitrios Barmpoutis, Plant Manager	996
Konstantinos Sarmadakis, CFO	23.525
Despoina Siskou HR Director	0

(o) External evaluation of Internal Control System

According to Decision 1/891/30.09.2020 of the Board of Directors of E.K., as amended by Decision 2/917/17.06.2021 of the Board of Directors. of E.K., for the evaluation of the Internal Control System by an independent evaluator, the first evaluation of the Internal Control System had to be completed by 31.03.2023, with a reference period of 17.07.2021 – 31.12.2022. Our company actually completed the first external assessment of the Internal Control System, for the above reference period, on 31.03.2023.
Our Company collaborated for the above evaluation with the company Mazars SA - Certified Auditors, Accountants, Business Consultants.
In its Conclusion in the evaluation report, the above-mentioned evaluator stated that 'no significant weakness of the Internal Control System came to his attention, in accordance with the regulatory framework'.

The Management of the Company have taken measures on non-significant findings (which do not constitute material weaknesses), since as stated, no significant findings/material weaknesses were found.

Serres, 15 April 2024

THE PRESIDENT OF THE BOARD THE MEMBERS

Exact excerpt from the Board of Directors' book of proceeding

The Chairman &
CEO
Panagiotis Tsinavos

Independent Auditor's Report

(This report has been translated from Greek original version)

To the Shareholders of the Company “KRI-KRI MILK INDUSTRY S.A.”

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of “KRI-KRI MILK INDUSTRY S.A.” (the Company), which comprise the statement of financial position as at December 31, 2023, the statements of comprehensive income, changes in equity and cash flows for the year then ended and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company KRI-KRI MILK INDUSTRY S.A. as at December 31, 2023, its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the “Auditor’s Responsibilities for the Audit of the Financial Statements” section of our report. We are independent of the Company throughout our appointment in accordance with the International Ethics Standards Board for Accountants’ Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation, and the ethical requirements relevant to the audit of the financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the aforementioned 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 judgement, were of most significance in our audit of the financial statements of the audited period. These matters, as well as the related risks of significant misstatement, were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matter
Trade Receivables – Trade Receivables Recoverability Assessment	
As at 31.12.2023, the Company's trade receivables had a total of € 26.917.831 (31.12.2022: € 28.690.740), as referred to Note C.17 to the financial statements. Trade receivables mainly include receivables arising from sale of products, from domestic and abroad trade debtors. In order to estimate the recoverability of trade receivables, Management is based on a model of expected credit losses, which groups the receivables according to each customer's credit rating, links the rating to the probability of default and calculates the expected credit losses. Management also considers the available recent or historical data provided by the Legal Department. Given the significance of the matter and the level of judgment and estimates involved, we consider this issue to be one of the key audit matters.	Our audit procedures regarding assessment of trade receivables recoverability include among others, the following: • Assessment of assumptions and methodology used by Management in estimating recoverability of trade receivables or classifying them as bad receivables. • Examination of the attorney's confirmation letter regarding bad receivables handled within the year and identification of potential issues indicating balances of trade receivables non- recoverable in the future. • Assessment of the amount of impairment of trade receivables considering specific classification of debtors and parameters, such as the maturity of balances and high-risk debtors. • Assessment of recoverability of balances through comparing the year-end closing balances with subsequent amounts collected / settlements. • Assessment of the IFRS 9 implementation, as well as the accuracy and completeness of the data used by the Management in the calculation model. • Assessment of adequacy and appropriateness of the disclosures included in the relative Notes to financial statements.
Inventory valuation	
As at 31.12.2023, the Company's inventories had a total of € 17.288.601 (31.12.2022: € 15.299.030), as referred to Note C.16 to the financial statements. As referred to Note B.8 of the financial statements, inventories are valued at the lower of cost and net realizable value. Due to the nature of most inventories (foodstuffs with a short self-life and sensitivity to lesions), these are sensitive to impairment. Consequently, there is a risk of inventory being overstated. Therefore, the Management of the company carries out estimates for the determination of the appropriate impairments based on detailed analysis.	Our audit procedures regarding this key audit matter include, among others, the following: • Understanding and recording the procedures designed by the Company's Management for the identification of slow moving/impaired items and the determination of the net realizable value. • Assessment of assumptions and methodology used by Management in inventory's valuation • Sampling confirmation of the sound calculation of the weighted average cost valuation method. • Examination of fair valuation at the lower price between inventory cost and net realizable value, taking into account, among other factors, sales after the end of the reporting period.

We consider that valuation of the Company's inventory is one of the key audit matters since, on one hand, inventories are one of the most important items of Assets and, on the other hand, due to significant estimates and judgments that Management made in order to determine their net realizable value.	• Examination of the inventory records to identifying slowly moving items. • Participation in part of the physical counts. • Assessment of the adequacy and appropriateness of the disclosures included in the relative explanatory Notes to the financial statements.

Other Information

Management is responsible for the other information. The other information, which is included in the Annual Financial Report, includes the Board of Director's Report, reference to which is made in the "Report on Other Legal and Regulatory Requirements" section of our Report and the Statements of the Members of the Board of Directors, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the 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 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 therein, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the financial statements, Management is responsible for assessing the Company'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 or to cease operations or has no other realistic alternative but to do so.

The Company's Audit Committee (Article 44, Law 4449/2017) is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 into the 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 affect the economic decisions of users taken on the basis of these financial statements.
As part of an audit in accordance with ISAs, as incorporated into the Greek Legislation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal controls 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 internal controls.

- 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 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 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 to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 controls 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 financial statements of the audited period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

1. Board of Directors' Report

Taking into consideration the fact that Management is responsible for the preparation of the Board of Directors' Report and the Corporate Governance Statement included in this report, under the provisions of Par. 5, Article 2 (part B), Law 4336/2015, we note the following:

a. The Board of Directors' Report includes the Corporate Governance Statement that provides the information required by article 152, L. 4548/2018.

b. In our opinion, the Board of Directors' Report has been prepared in compliance with the applicable legal requirements of Articles 150-151 and Paragraph 1 (cases c' and d') of Article 152 of L. 4548/2018, and its content is consistent with the accompanying financial statements for the year ended as at 31.12.2023.

c. Based on the knowledge we acquired during our audit of "KRI-KRI MILK INDUSTRY 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 opinion on the accompanying financial statements is consistent with our Additional Report to the Company's Audit Committee, prepared in compliance with Article 11, Regulation (EU) No 537/2014.

3. Provision of Non-Audit Services

We have not provided to the company the prohibited non-audit services referred to in Article 5 of Regulation (EU) No 537/2014.

Authorized non-audit services provided by us to the Company during the year ended as at December 31, 2023 are disclosed in Note C.32 to the accompanying financial statements.

4. Auditor's Appointment

We were first appointed as auditors of the Company by the Annual General Meeting of Shareholders on 07/07/2020. Our appointment has been, since then, continuously renewed by the Annual General Meeting of the Company's shareholders for 3 years.

5. Bylaws (Internal Regulation Code)

The Company has in effect Bylaws (Internal Regulation Code) 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 "KRI-KRI MILK INDUSTRY S.A." (the Company), 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 financial statements of the Company for the year ended December 31, 2023, in XHTML format "2138001WX9OOFYWL4P68-2023-12-31-eng".

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 conformance 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 requirement that all annual financial reports shall be prepared in XHTML format.

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 financial statements of the Company for the year ended December 31, 2023, in accordance with the requirements of ESEF Regulatory Framework, and for such internal controls 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, 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 financial statements of the Company for the year ended December 31, 2023, in XHTML format "2138001WX9OOFYWL4P68-2023-12-31-eng", have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

Athens, 16 April 2024
The Certified Public Accountant

Stergios Ntetsikas

I.C.P.A. Reg. No 41961

Grant Thornton
Chartered Accountants Management Consultants
58, Katehaki Av., 115 25 Athens, Greece
Registry Number SOEL 127

KRI-KRI MILK INDUSTRY S.A.

General Commercial Registry No.: 113772252000

FINANCIAL STATEMENTS

FOR THE PERIOD

1.1.2023 – 31.12.2023

IN ACCORDANCE WITH IFRS

Statement of Comprehensive Income

	Note.	1/1-31/12/2023	1/1-31/12/2022
Sales	C1	**216.329.611**	**171.883.086**
Cost of sales	C3	(143.864.302)	(140.421.046)
Gross profit	C1	**72.465.309**	**31.462.040**
Distribution expenses	C1, C3	(28.245.330)	(24.396.871)
Administration expenses	C3	(4.545.412)	(3.722.968)
Research and development expenses	C3	(455.026)	(380.279)
Other income	C4	770.724	812.691
Other gain/(loss) net	C5	287.387	253.020
Profit before taxes, financial and investment income	C1	**40.277.652**	**4.027.632**
Financial income	C6	453.541	94.898
Financial expenses	C6	(401.343)	(263.526)
Financial cost of leasing	C6	(28.826)	(26.358)
Financial income (net)		23.373	(194.985)
Profit before taxes		**40.301.025**	**3.832.647**
Income tax	C7	(8.031.805)	(657.646)
Net profit for the period (A)		**32.269.220**	**3.175.001**
Other comprehensive income			
OCI non recycled to P&L			
Deferred taxes on actuarial gains / (losses)		1.683	11.937
Deferred taxes on actuarial gains / (losses) due to the change in tax rate		(370)	(2.626)
Other comprehensive income after tax (B)		**1.313**	**9.311**
Total comprehensive income after tax (A + B)		**32.270.532**	**3.184.312**
Net profit per share from continuous operations			
- Basic and diluted (in €)	C8	**0,9781**	**0,0964**

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

Statement of Financial Position

	Note	31/12/2023	31/12/2022
ASSETS			
Non-current assets			
Tangible assets	C11	82.007.851	73.879.559
Rights of use of assets	C12	588.763	520.111
Investment in properties	C13	10.082	10.082
Intangible assets	C14	193.614	185.147
Other non-current assets	C15	169.743	181.735
		82.970.053	**74.776.634**
Current assets			
Inventories	C16	17.288.601	15.299.030
Trade and other receivables	C17	26.917.831	28.690.740
Investments in financial assets	C18	3.984.840	0
Current income tax receivables	C28	0	2.110.152
Restricted Deposits	C19	7.600.000	0
Cash and cash equivalents	C19	21.735.612	7.221.288
		77.526.884	**53.321.210**
Total assets		**160.496.937**	**128.097.844**
EQUITY AND LIABILITIES			
Equity			
Share capital	C20	12.564.752	12.564.752
Reserves	C21	35.687.373	24.686.060
Reserve of own shares	C20	(455.051)	(541.306)
Retained earnings		56.902.229	42.192.614
Total equity		**104.699.303**	**78.902.120**
Liabilities			
Non-current liabilities			
Long term borrowings	C22	10.230.000	6.750.000
Long term portion of leasing	C23	376.253	355.857
Accrued pension and retirement obligations	C24	376.429	304.149
Deferred tax liabilities	C25	5.384.001	4.277.489
Government grants	C26	5.140.381	5.524.536
		21.507.064	**17.212.031**
Current liabilities			
Short-term borrowings	C22	1.674.236	7.945.948
Short term portion of leasing	C23	242.185	190.058
Trade and other payables	C27	25.743.242	23.847.688
Current income tax liabilities	C28	6.630.907	0
		34.290.570	**31.983.694**
Total liabilities		**55.797.634**	**49.195.725**
Total equity and liabilities		**160.496.937**	**128.097.844**

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

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 31.12.2021	**12.564.752**	**4.188.251**	**20.265.377**	**38.275**	**(60.897)**	**59.467**	**45.775.743**	**82.830.965**
Profit for the period							3.175.001	3.175.001
Actuarial gains / (losses)						11.937		11.937
Deferred taxes on actuarial gains / (losses)						(2.626)		(2.626)
Total comprehensive income for the period						**9.311**	**3.175.001**	**3.184.312**
Reserves formation			125.382				(125.382)	0
Transactions with owners in their capacity as owners								
Dividends provided for or paid							(6.613.027)	(6.613.027)
(Purchase) of own shares					(663.613)			(663.613)
Distribution of own shares					183.204			183.204
Gains / (Losses) from fair value adjustment of own shares							(19.720)	(19.720)
Balance at 31.12.2022	**12.564.752**	**4.188.251**	**20.390.759**	**38.275**	**(541.306)**	**68.778**	**42.192.614**	**78.902.120**
Balance at 31.12.2022	**12.564.752**	**4.188.251**	**20.390.759**	**38.275**	**(541.306)**	**68.778**	**42.192.614**	**78.902.120**
Profit for the period							32.269.220	32.269.220
Actuarial gains / (losses)						1.683		1.683
Deferred taxes on actuarial gains / (losses)						(370)		(370)
Total comprehensive income for the period						**1.313**	**32.269.220**	**32.270.532**
Reserves formation			11.000.000				(11.000.000)	0
Transactions with owners in their capacity as owners								
Dividends provided for or paid							(6.613.027)	(6.613.027)
(Purchase) of own shares					(161.059)			(161.059)
Distribution of own shares					247.313			247.313
Gains / (Losses) from distribution of own shares							53.423	53.423
Balance at 31.12.2023	**12.564.752**	**4.188.251**	**31.390.759**	**38.275**	**(455.051)**	**70.091**	**56.902.229**	**104.699.303**

The accompanying notes are an integral part of these financial statements

Statement of cash flows

Indirect method	1/1-31/12/2023	1/1-31/12/2022
OPERATING ACTIVITIES		
Profit before taxes	40.301.025	3.832.647
Adjustments for:		
Depreciation (C.10)	5.230.234	5.238.273
Provisions	124.017	139.547
Foreign exchange differences, net	22.000	(13.172)
Amortization of government grants relating to capital expenses	(384.154)	(402.935)
Miscellaneous items	526.028	443.768
Investment income	(579.693)	(201.792)
Interest and related expenses	385.753	254.733
	45.625.210	9.291.068
Changes in working capital:		
Decrease / (Increase) in inventories	(1.965.661)	(3.505.135)
Decrease / (Increase) in receivables	3.300.604	(6.754.197)
Decrease / (Increase) in long term receivables	11.992	(145.562)
(Decrease) / Increase in payables (except banks)	688.641	7.013.637
Less:		
Interest and related expenses paid	(385.753)	(254.733)
Taxes paid	1.815.395	(1.313.053)
Cash flow from operating activities (a)	**49.090.428**	**4.332.025**
INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	(13.730.235)	(8.793.437)
Proceeds from sales of intangibles and property, plant and equipment	54.020	107.994
Interest received	453.541	94.898
Purchase of financial instruments	(7.937.398)	0
Proceeds on disposal of financial instruments	4.000.000	0
Cash flow from investing activities (b)	**(17.160.072)**	**(8.590.545)**
FINANCING ACTIVITIES		
Proceeds from borrowings (C.22)	11.900.000	12.000.000
Repayments of loans (C.22)	(14.700.000)	(5.980.000)
Repayments of leases	(247.276)	(247.926)
Purchase of own shares	(161.059)	(663.613)
Restricted deposits	(7.600.000)	2.230.000
Dividends paid to company's shareholders	(6.607.697)	(6.608.388)
Cash flow from financing activities (c)	**(17.416.032)**	**730.073**
Change in cash and equivalents (a+b+c)	**14.514.323**	**(3.528.447)**
Cash and equivalents at beginning of period	7.221.288	10.749.735
Cash and equivalents at end of period	**21.735.612**	**7.221.288**

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

A. General information

KRI-KRI MILK INDUSTRY S.A. (hereinafter referred to as the "Company") operates in the dairy industry. Its main business activities is the production of ice cream, yogurt and fresh milk.

The Company has been founded in 1994 and its 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).

Based on the Company's Articles of Association, its life span is eighty (80) years, which may be extended following a decision of the Annual General Meeting of the Shareholders.

These financial statements have been approved by the Board of Directors on 15th of April 2024 and are subject to the approval of the Annual General Meeting of the Shareholders

B. Significant information of accounting policies & Financial risk management

B.1 Basis of preparation

These financial statements covering the period from 1.1.2023 to 31.12.2023, have been prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Committee (IASB) and their interpretations, as issued by the Committee for Interpretation of Standards (I.F.R.I.C.) and adopted by the European Union. The basis of their preparation is the historical cost and the "principle of the business continuity of the Company's activities", taking into account all macroeconomic and microeconomic factors and their impact on the smooth operation of the Company.

The accounting principles set out below have been applied on all presented periods.

The preparation of financial statements, in accordance with the generally accepted accounting principles requires the use of estimates and assumptions that can affect the balance of the accounts presented on the statement of financial position or on the statement of comprehensive income. Even though the critical accounting estimates are based on management's best judgment, actual results may, at the end, differ from these estimates.

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 01/01/2023.

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 amendments do not affect the Financial Statements. 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. The amendments affect the Financial Statements. 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 amendments do not affect the Financial Statements. 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 amendments do not affect the Financial Statements. 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 amendments do not affect the Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

Amendments to IAS 12 "Income taxes": International Tax Reform – Pillar Two Model Rules (effective immediately and for annual periods starting on or after 01/01/2023)

In May 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 12 "Income Taxes": International Tax Reform—Pillar Two Model Rules. The amendments introduced a) a temporary exception to the requirements to recognise and disclose information about deferred tax assets and liabilities related to Pillar Two income taxes and b) targeted disclosure requirements for affected entities. Companies may apply the temporary exception immediately, but disclosure requirements are required for annual periods commencing on or after 1 January 2023. The amendments do not affect the Financial Statements. The above have been adopted by the European Union with effective date of 01/01/2023.

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 been adopted by the European Union with effective date of 01/01/2024.

Amendments to IAS 1 "Classification of Liabilities as Current or Non-current" (effective for annual periods starting on or after 01/01/2024)

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. However, in October 2022, the IASB issued an additional amendment that aim to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company's ability to do so is often subject to complying with covenants. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. 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 01/01/2024.

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 IAS 7 "Statement of Cash Flows" and IFRS 7 "Financial Instruments: Disclosures": Supplier Finance Arrangements (effective for annual periods starting on or after 01/01/2024)

In May 2023, the International Accounting Standards Board (IASB) issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The IASB issued Supplier Finance Arrangements to require an entity to provide additional disclosures about its supplier finance arrangements. The amendments require additional disclosures that complement the existing disclosures in these two standards. They require entities to provide users of financial statements with information that enable them a) to assess how supplier finance arrangements affect an entity's liabilities and cash flows and to understand the effect of supplier finance arrangements on an entity's exposure to liquidity risk and how the entity might be affected if the arrangements were no longer available to it. The amendments to IAS 7 and IFRS 7 are effective for accounting periods on or after 1 January 2024.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 21 "The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (effective for annual periods starting on or after 01/01/2025)

In August 2023, the International Accounting Standards Board (IASB) issued amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates that require entities to provide more useful information in their financial statements when a currency cannot be exchanged into another currency. The amendments introduce a definition of currency exchangeability and the process by which an entity should assess this exchangeability. In addition, the amendments provide guidance on how an entity should estimate a spot exchange rate in cases where a currency is not exchangeable and require additional disclosures in cases where an entity has estimated a spot exchange rate due to a lack of exchangeability. The amendments to IAS 21 are effective for accounting periods on or after 1 January 2025. 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 Foreign currency translation

(a) Functional and presentation currency

The financial statements are presented in Euros, which is the functional and presentation currency of the Company. Items included in the financial statements are measured in the functional currency, which is the currency of the primary economic environment in which the Company operates.

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates (i.e. spot rates) prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at the end of each reporting period exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. All exchange differences resulting from the above are recognised in other comprehensive income, in line other (loss)/gain net.

B.3 Property, plant and equipment

Property, plant and equipment is stated at historical cost less accumulated depreciation and impairment losses, except for land, which is shown at cost less impairment losses. Cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The book value of the part of the replacement asset ceases to be recognized.

Borrowing costs directly attributable to the acquisition, construction or production of tangible assets are capitalized in the asset's preparation period.

All other repair and maintenance expenses are charged to the income statement for the period as incurred.

Land is not depreciated. Depreciation is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Buildings up to	40 years
Plant and machinery	5-35 years
Motor vehicles	5-10 years
Furniture and other office Equipment	4-20 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount, charging the income statement.

Gains or losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the income statement.

B.4 Investment properties

Investment property is property held for long-term rental yields or for capital appreciation or both and that is not owner-occupied. Owner-occupied properties are held for production and administrative purposes. This distinguishes owner-occupied property from investment property.

Investment property is measured initially at cost, including related transaction costs. Subsequent to initial recognition, investment properties are stated at historical cost less accumulated depreciation and impairment losses, except for land, which is shown at cost less impairment losses. Depreciation is calculated using the straight-line method to allocate the cost of the assets to their residual values over their estimated useful lives as follows:

Buildings	40 years

The residual values and useful lives of investment property are reviewed and revalued if necessary at the end of each financial year.

The carrying amount of an investment property is impaired to its recoverable amount when its carrying amount exceeds its estimated recoverable amount and the differences (impairment) are recognized as an expense in the income statement.

If an investment property becomes owner-occupied, it is reclassified as property, plant and equipment. Since both investment properties and property, plant and equipment are valued at historical cost less accumulated depreciation, any transfer of an item between them does not affect its valuation. Investment properties are derecognized when they have been disposed. Gains or losses on disposals are determined by comparing proceeds with carrying amount and are recognized in the income statement.

B.5 Intangible assets

Computer software

Computer software, acquired separately, is measured on initial recognition at cost. Cost includes expenditure that is necessary to bring to use the specific software. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. Company's computer software has a finite useful life of up to 7 years and it is amortized using the straight line method.

B.6 Financial instruments

A financial instrument is any contract that creates a financial asset in one company and a financial liability or equity in another business. Financial assets are classified into one of the following three categories, which determines their subsequent measurement:

a. In amortized cost,

b. to fair value through the other fair value values (fair value through OCI) and

c. to fair value through profit or loss.

Measurement of amortized costs

A financial asset insists on amortized costs when both of the following conditions apply:

a. the asset is held for the purpose of its retention and collection of the conventional cash flows it incorporates and

b. The contractual terms of the asset are led, on specific dates, to cash flows that are solely capital and interest payments on the balance of capital.

Measurement of fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income when both of the following conditions apply:

a. the asset is held for the purpose of both the collection of the conventional cash flows it incorporates and for sale and

b. The conventional terms of the asset lead, on specific dates, to cash flows that are solely capital and interest payments on the balance of capital. The category classifies debt instruments that meet the above two conditions.

Measurement in fair value through P&L

A financial asset insists on fair value through profit and loss statement when it is not classified in the two previous categories. That is, when the criteria required for classification in the two previous categories cannot be met.

B.7 Impairment of tangible and intangible assets (other than goodwill)

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Whenever an asset's book value, exceeds its recoverable amount, the impairment loss is recognized in the Company's income statement.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Tangible and intangible assets, other than goodwill, that suffered impairment are reviewed for possible reversal of the impairment at each reporting date. A reversal of an impairment loss is recognized immediately in the income statement.

B.8 Inventories

Inventories are stated at the lower of cost and net realizable value. Cost is determined using the weighted average cost method. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads (based on normal operating capacity) but excludes borrowing costs. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. Appropriate allowance is made for damaged, obsolete and slow moving items. Write-downs to net realizable value and inventory losses are expensed in cost of sales in the period in which the write-downs or losses occur.

B.9 Trade receivables

Trade receivables are recognized initially at their fair value, which corresponds to the currying value, less impairment losses. In accordance with IFRS 9 that is mandatory for annual periods beginning after 1 January 2018, the determination of doubtful debts is based on a model of expected loss. This model groups the trade receivables according to the credit rating of each customer, links the rating to the probability of default and calculates the expected credit losses.

B.10 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, as well other short-term high liquidity and low risk investments.

B.11 Share capital

Ordinary shares are classified as equity. Direct costs incurred for increases in share capital are recorded, net of related income taxes against the share premium reserve. Upon the acquisition of own shares, the cost of acquisition is shown as a deduction from the equity, in a separate "Reserve of own shares". The Own Shares do not incorporate voting rights.

B.12 Borrowings

Borrowings are recognized initially at fair value, net of transaction costs incurred. In subsequent periods, borrowings are measured at amortized cost using the effective interest method.

B.13 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to be prepared for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. A qualifying asset is an asset that requires an extended period of time in order to be ready for the use for which it is determined or sale.

Investment income earned on the temporary investment of specific borrowings pending their use for qualifying assets is deducted from the borrowing costs eligible for capitalization.

All other borrowing costs are expensed as part of finance costs in the period in which they are incurred.

B.14 Government grants

Government grants are recognized at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. Government grants are recognized in profit or loss on a systematic basis over the periods in which the Company recognizes as expenses the related costs for which the grants are intended to compensate. Specifically, government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized as deferred revenue in the statement of financial position and transferred to profit or loss on a systematic basis over the useful lives of the related assets.

B.15 Taxation (current and deferred)

Income tax expense represents the sum of the tax currently payable and deferred tax. Tax is recognized in the income statement, except to the extent that it relates to items recognized in other comprehensive income or directly in equity. In this case, the tax is also recognized in other comprehensive income or directly in equity, respectively.

The tax currently payable is based on taxable profit for the year. The liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases in the computation of taxable profit. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

B.16 Employee benefits

Employee benefits include defined benefit plans and termination benefits.

(a) Defined benefit plans

Usually, defined benefit plans determine the pension received by an employee. The amount depends on several factors such as age, years of experience and compensation.

The liability recognized in the balance sheet in respect of defined benefit plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. For defined benefit pension plans, pension costs are assessed using the projected unit credit method. . The defined benefit obligations are measured at the present value of the estimated future cash outflows using interest rates of corporate or government bonds, depending on whether or not there is a deep market for corporate bonds in the relevant country, which have terms to maturity approximating the terms of the related liability.

The Company's contributions to the defined contribution pension plans are charged to the income statement in the period to which the contributions relate.

Past service cost is recognized immediately in the income statement.

Net interest expense is calculated as the net amount between the defined benefit obligation and fair value of the plan assets multiplied with the discount interest rate. This cost is included in the statement of comprehensive income on staff costs.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

The Company operates a number of defined benefit and defined contribution pension plans in its territories. The defined benefit plans are made up of both funded and unfunded pension plans and employee leaving indemnities.

(b) Termination benefits

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates: a) when the Company can no longer withdraw the offer of those benefits and b) when the Company recognizes costs for a restructuring that is within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Termination benefits due 12 months after the reporting date are discounted.

B.17 Leases

(a) The Company as a Lessee

The Company evaluated on 01.07.2019, during the application of IFRS 16 "Leases" which replaced IAS 17 and its related interpretations, whether the active contracts it had concluded are a lease according to the new Standard and from now on will conduct the relevant evaluation the initial conclusion of each new contract.

A contract constitutes or contains a lease if the contract transfers the right to control the use of an identifiable asset for a specified period of time in return for consideration. In these cases the new Standard requires the lessee to recognize the right to use assets and the obligation to lease.

Under IFRS 16, the distinction between operating and finance leases is eliminated and all leases are recognized by a single model, except in the case of leases of 12 months or less, with no purchase option and low value leases. The recognition of these rents are carried out as an expense.

At the effective date of the lease, the Company recognizes the present value of future lease payments as a lease liability. Lease liabilities are divided into short-term and long-term, depending on the repayment period.

For the valuation of the lease liability are included mainly: fixed payments, variable payments based on index or rate, purchase option price if this is certain to be exercised. These payments are calculated for the duration of the contract, which is the non-cancellable lease period. Periods covered by an option on the part of the Company are included as a lease only if it is reasonable that the options will be exercised.

Future rent payments are discounted for the duration of the lease, using the imputed lease rate, or if this rate cannot be easily determined, the differential lending rate. This is the interest rate that the lessee would have to pay on the date of commencement of the lease, for a loan of similar duration and with similar security, in order to acquire an asset of similar value with the right of use, in a similar economic environment. The Company mainly uses the differential lending rate as a discount rate. The book value of lease liabilities is remeasured using a renewed discount rate, where required, in cases where there is an amendment to the contract.

The right to use the assets is initially valued at the amount of the initial measurement of the lease liability adjusted for any lease payments made at the date of the lease term or earlier, plus the initial direct cost and the estimate of the dismantling cost or removal of the asset, or its restoration, in the event of a contractual obligation, less any lease incentives received. Asset usage rights are valued at cost less accumulated depreciation which is calculated using the straight-line method over the contract, less any impairment losses and adjusted for any recalculations that occur after the start of the contract.

(b) The Company as a Lessor

When property, plant and equipment are leased under a finance lease, the present value of the leases is recognized as a receivable. The difference between the gross amount of the receivable and the present value of the receivable is recognized as deferred financial income. Rental income is recognized in profit or loss on the lease using the equity method, which represents a fixed periodic return. Leases to which the Company does not transfer substantially all the risks and rewards of the asset are classified as operating leases. The Company does not contract as a lessor.

B.18 Contingent receivables and liabilities

Provisions are recognized when the Company has present legal or presumed liabilities as a result of past events, they are likely to be settled through outflows and the estimate of the exact amount of the liability can be made reliably. Provisions are reviewed at the date of preparation of each statement of financial position and are adjusted to reflect the present value of the expenditure that is expected to be required to settle the liability.

Contingent liabilities are not recognized in the financial statements but are disclosed, unless the likelihood of an outflow of resources embodying financial benefits is minimal. Contingent assets are not recognized in the financial statements but are disclosed if an outflow of financial benefits is probable.

B.19 Revenue recognition

To recognise and measure any revenue arising from contracts with customers, IFRS 15 establishes a model consisting of the following five stages:

1. Determination of the contract with the customer.

2. Determination of performance obligations.

3. Determination of the transaction price.

4. Allocation of the transaction price to the performance obligations of the contract.

5. Recognition of the revenue when (or as) the contract performance commitments are met.

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts receivable for the sale of goods and services stated net of value-added tax, rebates and discounts. The Company recognizes revenue when the amount of revenue can be reliably measured, when it is probable that future economic benefits will flow to the Company and when certain criteria are met for each Company activity as described below. The Company bases its estimate of returns on historical data, taking into account the type of customer, the type of transaction and the characteristics of each agreement.

The Company recognizes a contractual obligation for amounts received from customers (advanced payments) which relates to performance commitments that have not been satisfied, as well as when it retains a right a partial revenue which is unconditional (deferred revenue) prior to the performance of the obligations to perform the contract and the transfer of the goods or services. The contractual obligation is derecognized when the performance commitments are performed and revenue is recognized in the Income Statement.

The Company recognizes a receivable from a customer when there is an unconditional right to receive the price for the performed performance obligations of the contract to the customer. Accordingly, the Company recognizes an asset when the performance obligations has been satisfied, prior to customer's payment or before that payment is due, for example when the goods or services are transferred to the customer before the Company is entitled to issue an invoice.

(a) Sale of goods

The Company sells ice cream and dairy products to the wholesale market. Sales of goods are recognized when the Company has delivered the products to the wholesale customer, the wholesale customer has full discretion as to the way of distribution and the selling price of the products and there is no unfulfilled obligation that could affect the acceptance of the Purchase of products on the part of the wholesale customer. Specific wholesale customers are given the right of return for products that have expired on their expiry date. Revenue is adjusted to the value of the estimated returns. Delivery is only understood when the goods have been delivered to a specific location, the risk of waste and damage being transferred to the wholesale customer and either the wholesale customer has accepted the products in accordance with the sales contract or the terms of acceptance have expired, or the Company has objective evidence that all acceptance criteria have been met.

Branded ice cream and dairy products are usually sold at discounts and customers are entitled to a refund for products that have expired on their expiry date. Sales are recorded on the basis of the contractual selling price, net of the estimate of discounts and returns at the time of sale. Historical data are used to estimate and establish a provision for discounts and returns.

(b) Sale of services

Revenue arising from services is recognized in the accounting period in which the services are rendered, by reference to stage of completion of the specific transaction and assessed on the basis of the actual service provided as a proportion of the total services to be provided.

(c) Interest income

Interest income is recognized using the effective interest method.

(d) Sale of energy

From the operation of the biogas and electricity co-production unit, the Company sells electricity, where on a monthly basis it receives self-invoicing from its customers, for the quantity that has been distributed into the system during the previous month. The income is recognized on an accrual basis in the relevant month.

B.20 Expenses

Operating expenses and interest expense are recognized in profit or loss on an accrual basis.

B.21 Profits per share

Basic earnings per share are calculated by dividing the net earnings attributable to the company shareholders by the weighted average number of common shares outstanding during each accounting period, excluding the average of common shares acquired as own shares.

The weighted average number of ordinary shares outstanding during the accounting period and for all periods presented are adjusted for events that have changed the number of ordinary shares outstanding without a corresponding change in resources.

B.22 Distribution of dividends

Dividend to the Company's shareholders is recognized in the financial statements in the period in which the Board of Directors' proposed dividend is ratified at the Shareholders' Annual General Meeting.

B.23 Extraordinary items

The extraordinary items are disclosed separately in the financial statements when it is necessary for the further understanding of the financial performance of the Company. They are items of income or expense of considerable value that are displayed separately due to the significance of the nature or amounts.

B.24 Financial risk management

Due to the nature of its operations, the Company is exposed to various financial risks such as, market risk (fluctuations of exchange rates, interest rates and of production costs), credit risk and liquidity risk. The Company's overall risk management program focuses on financial market unpredictability and aims to minimize the potential negative impact on the Company's financial performance.

Risk management is carried out by the Company's main financial department, which operates under certain rules approved by the Board. The Board of Directors provides instructions and guidelines on general risk management and special instructions on managing specific risks such as currency risk, interest rate risk and credit risk.

(a) Market risk

Risk of fluctuation of raw material prices

The Company is exposed to risk of loss of income in case of sudden changes in prices of raw materials. This is a result of the inability to roll these costs to sales prices in a timely manner.

Foreign currency risk

The main bulk of the Company's operations are conducted within the Euro zone. Company exposure to exchange rate (FX) risk derives from existing or expected cash flows in foreign currency.

Interest rate risk

The Company has not capitalized significant interest-related assets, therefore operating income and operating cash flows are substantially independent of changes in market interest rates.

The loans of the Company are related to either floating rates or fixed rates. The company does not use financial derivatives. The interest rate risk relates primarily to long-term loans. Loans with variable interest rates expose the Company to cash flow risk. Loans issued at fixed rates expose the Company to risk of changes in fair value.

A policy of retaining loans with variable interest rate is beneficial in cases of declining interest rates. On the other hand a liquidity risk appears when the interest rates rise.

From the total loans of the Company at 31.12.2023, the amount of € 6.300.000 is related to a fixed interest rate and the amount of €5.604.236 is related to a floating rate.

The loan products of the banking system are being systematically considered in order to find debt solutions with the lowest possible cost of money.

Loans sensitivity analysis on interest change

	Interest variability	Profit before taxes effect
1/1-31/12/2023	+1%	(55.090)
	-1%	55.090
1/1-31/12/2022	+1%	(45.702)
	-1%	45.702

The Management estimates that there is no material risk related to interest rates on bank deposits.

(b) Credit risk

Also, insurance contracts are made to cover sales per customer, while collateral is not required on the assets of customers. During the preparation date of the financial statements, provisions were made for doubtful debts and the Management considers that there is no other substantial credit risk that is not covered by insurance coverage or provisions, unless maybe the big Greek supermarket chains.

Wholesale sales are made to customers with appropriate credit history. The credit control department defines credit limit per customer that is continuously monitored and reviewed. Also, in some cases our receivables are secured with collaterals. For example from the company domestic customers-distributors, the Company receives personal guarantees amounting the double of two months turnover, hence consistently applying its credit policy. Finally, receivables of specific supermarket chains are credit insured with a contract covering credit losses, occurring from insolvency, up to 90%.

Receivables from foreign customers, are credit insured with a contract covering credit losses, occurring from insolvency, up to 95%. Credit limits per customer are established by the insurance company. Therefore, the credit risk exposure is limited to 5% of the insured credit limit, plus any excess.

The company's management emphasizes on reducing working capital needs. It promotes the reduction of credit limits and reduce the credit period to its customers, to enhance free cash flow.

(c) Liquidity risk

The Company manages liquidity risk by maintaining adequate cash reserves and credit lines from banks. At present, available overdraft can adequately cover any immediate cash requirement.

The table below shows present liabilities into groups by due date (non-discounted). Due date analysis of lease liabilities is conducted in Note C23. Leases.

	Within 1 year	Between 1 and 2 years	Between 2 and 5 years	Over 5 years
31 December 2023				
Debt	1.674.236	1.670.000	8.560.000	0
Trade and other payables	25.743.242	0	0	0
31 December 2022				
Debt	7.945.948	2.500.000	4.250.000	0
Trade and other payables	23.847.688	0	0	0

(d) Operating risks

Suppliers - stock

The Company has no significant dependence on certain suppliers. However, in financial year 2023, there was one supplier of raw materials, from which purchases exceeded 10% of the Company's total purchases.

The Company's senior management promotes stock management, in a way that allows the Company to meet the market demand, without excessive liquidity reservation.

Staff

The Company's management is based on a team of experienced and qualified personnel, who have full knowledge of their subject and industry market conditions. This contributes significantly to the proper functioning of the company's processes and the further development of its activities.

Company executives are working harmoniously with each other and with the company's management. Potential disruption of this relationship may affect, temporarily, its proper functioning. However, the existing staffing infrastructure company enabling the direct replenishment executives, with no significant impact on the progress of its work.

Product contamination

Risk of product contamination may result in product recall and, consequently, negative publicity that damages brand reputation. Product recall, depending on the size, can have a significant negative economic impact. The same can happen from the negative publicity that usually results from such an event, whether it is due to the fault of the Company or not.

The Company's Management estimates that the quality assurance and quality control system it applies drastically reduces this risk.

Changes in the nutritional behavior of consumers

Possible changes in the nutritional behavior of consumers can lead to the replacement of the consumption of the company's products with substitutes or competing products. The above can lead to a decrease in sales and a burden on the Company's results.

The Company tries to closely monitor market trends, in order to adapt as quickly as possible to the new conditions.

Extraordinary events

The possibility of an event occurring, which, to a large extent, is beyond the control of the Company, could potentially affect the normal conduct of its business activities. Indicatively, the following cases can be mentioned:
• Natural Disaster,
• Accidents at work, which may be related to employees of the Company, suppliers, or even third parties.
• Problems / Insufficiency in the operation of information systems,
• Significant mechanical damage, which may result in delay or even cessation of production,
• Fraud,
• Termination of contracts with customers / suppliers.

In such a case, any disruption in the conduct of the Company's business activities could have a negative effect on sales, costs and, in general, on its financial results.

The Management tries to take all the necessary actions, in order to limit, both the chances of the occurrence of the specific risk, and, in case it happens, its effects on the smooth conduct of its business activities.

B.25 Macroeconomic risks

Macroeconomic risks for 2024 are mainly related to: a) the negative effects of inflation on the real disposable income of households, b) the increased cost of borrowing, c) any geopolitical risks associated with the ongoing conflicts in Ukraine and the Middle East, d) the slowdown of the European economy, which is Greece's main trading partner.

B.26 Capital management

The objectives of the Company regarding capital management are to safeguard the Company's ability to remain a going concern in order to generate profits for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

According to common practice in the industry, the Company monitors its capital based on the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as "Total debt" (including "current and non-current borrowings' as shown on the balance sheet) less cash and cash equivalents. Total capital employed is calculated as "Total Equity" as shown in the balance sheet plus net debt.

During 2023, the Company's strategy, like 2022, was to maintain low gearing ratio. The gearing ratios at December 31, 2023 and 2022 were as follows:

	2023	**2022**
Total debt (C22)	11.904.236	14.695.948
Less: Cash and cash equivalent (C19)	21.735.612	7.221.288
Restricted deposits (C19)	7.600.000	0
Net debt	**(17.431.376)**	**7.474.660**
Equity	104.699.303	78.902.120
Total capital employed	**87.267.927**	**86.376.780**
Net gearing ratio	**0%**	**8,65%**

B.27 Fair value measurement

The Company acknowledges fair value measurement through a 3 level hierarchy.

1) Quoted prices in active markets for identical assets or liabilities that the entity can access at the measurement date. («Level 1»).

2) Other than quoted market prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. («Level 2»).

3) Unobservable inputs for the asset or liability. An entity develops unobservable inputs using the best information available in the circumstances, which might include the entity's own data, taking into account all information about market participant assumptions that is reasonably available. («Level 3»).

Fair value of financial assets and liabilities

	Level 3
Long-term loans	10.230.001

The fair value of long-term loans was measured based on discounted cashflows.

The carrying value of loans approximates fair value as the impact of discounting is not significant.

The fair value of the following financial assets and liabilities approximate their carrying amounts:

- Trade and other receivables
- Cash and cash equivalents
- Trade and other payables

Fair value of investment property

	Level 3
Investment property	15.000

The fair value of investment property is based on Management's estimations ("Level 3"), after examining the value of the properties in the area.

B.28 Significant accounting estimations and judgments of the management

The estimations and judgments of the Management are constantly assessed. They are based on historic data and expectations for future events, which are deemed as fair according to the ones in effect.

Significant accounting estimations and judgements

The Company makes estimations and assumptions regarding the development of future events. The resulting accounting estimations will, by definition, seldom equal to the related actual results. The estimations and assumptions that relate to a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next 12 months are the following:

a) Income Tax

For determining the provision of income taxes it is required from management to exercise judgment. There are many transactions and calculations for which the final tax determination is uncertain. The Company does not recognize provisions for expected tax audits as it has received a tax certification from statutory auditors until the fiscal year 2019 (as provided in par. 5 of article 82 of L.2238 / 1994 and 65a of N. 4174/2013, as in force) in the context of which no tax liabilities arose other than those recognized in the financial statements. For the current year, the tax certification procedure is in progress and it is estimated that any additional tax obligation that may arise would be immaterial.

b) Provisions for employee benefits

The present value of the liabilities for post-employment benefits depends on a number of factors defined on actuarial basis via the use of a significant number of assumptions. The assumptions used for the determination of the net cost (income) for post-employment benefits include the discount rate. Any changes in the assumptions would have material effect on the accounting measurement of the liabilities for post-employment benefits.

The Company defines the appropriate discount rate in each reporting period. It is the interest rate applicable for the calculation of the present value of the estimated future payments required for the settlement of the benefit liabilities. For the estimation of the appropriate discount rate the Company takes into consideration the interest rates prevailing in high credit rating corporate bonds denominated in the currency of the benefit payments and with maturity dates similar to the ones of the respective liabilities.

Other significant accounting assumptions for post-employment benefit liabilities are based in part on the current market conditions.

c) Inventories

Inventories are valued at the lowest price between historical cost and net realizable value. For the assessment of net realizable value, Management considers the most reliable evidence available at the time the assessment is made.

d) Useful life of depreciable items

The Company's Management examines the useful lives of depreciable assets in each year. As of 31/12/2023 the Company's Management estimates that the useful lives represent the expected usefulness of the assets.

e) Contingent events

The Company is involved in legal claims and compensations during the normal course of its operations. Management considers that any arrangements would not materially affect the Company's financial position as at 31/12/2023. However, the determination of contingent liabilities related to litigation and receivables is a complex process involving judgments regarding the possible consequences and interpretations of laws and regulations.

Significant accounting judgements in the application of accounting policies.

Trade receivables

On 31/12/2023 trade receivables of €2.403.517 appear to be impaired. Impairment losses are recognized on the basis of a model of expected losses**.** This model groups the receivables according to the credit rating of each customer, links the rating to the probability of default and calculates the expected credit losses. It is estimated that parts of these impairment losses to be recovered in the future (note C17).

B.29 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.

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 financial year 2023 and 2022 are analyzed as follows:

1/1-31/12/2023	Revenue	Gross Profit	Distribution Expenses	Operating Earnings	EBIT
Ice-Cream	**40.722.803**	**18.723.740**	**(10.264.837)**	**8.458.903**	**7.367.584**
Greece	32.343.531	16.596.949	(9.346.949)	7.250.000	6.472.929
Other countries	8.379.272	2.126.791	(917.888)	1.208.903	894.656
Dairy-Yogurt	**173.563.632**	**53.259.807**	**(17.889.026)**	**35.370.781**	**31.866.740**
Greece	76.047.435	22.707.237	(9.267.656)	13.439.581	11.780.971
Other countries	97.516.197	30.552.570	(8.621.370)	21.931.200	20.085.769
Rest	2.043.175	481.761	(91.466)	390.295	1.043.327
Total	**216.329.611**	**72.465.309**	**(28.245.330)**	**44.219.979**	**40.277.652**

1/1-31/12/2022	Revenue	Gross Profit	Distribution Expenses	Operating Earnings	EBIT
Ice-Cream	**35.827.977**	**13.522.155**	**(9.556.325)**	**3.965.830**	**2.994.933**
Greece	26.869.658	11.935.730	(8.926.385)	3.009.345	2.347.749
Other countries	8.958.319	1.586.426	(629.940)	956.486	647.184
Dairy-Yogurt	**135.014.275**	**18.627.014**	**(14.840.546)**	**3.786.468**	**1.085.728**
Greece	62.440.606	10.416.434	(8.247.340)	2.169.094	770.370
Other countries	72.573.669	8.210.580	(6.593.206)	1.617.374	315.357
Other	1.040.833	(687.130)	0	(687.130)	(53.029)
Total	**171.883.086**	**31.462.040**	**(24.396.871)**	**7.065.169**	**4.027.632**

The "Operating Earnings" index is an Alternative Performance Measure (APM) and is calculated as follows: Gross Profit minus Distribution Expenses.

From the operation of the biogas and electricity cogeneration unit, the Company sold electricity amounting to €1.451.378 (2022: €318.057). That amount is included in the "Other" sales of the above table.

C2. Earnings before interest, taxes, depreciation and amortization

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

	1/1-31/12/2023	1/1-31/12/2022
Net profit for the period	32.269.220	3.175.001
Adjustments for:		
Income tax	8.031.805	657.646
Financial income (net)	(23.373)	194.985
Depreciation and amortization	5.230.234	5.238.273
Amortization of government grants relating to capital expenses	(384.154)	(402.935)
EBITDA	**45.123.732**	**8.862.970**

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. Expenses by type

Cost of Sales, administration, distribution and R&D expenses are analyzed by type as follows:

1/1-31/12/2023	Cost of Sales	Distribution	Administration	Research& Development	Total
Raw materials and consumables used	125.331.175	654.627	2.857	24.262	126.012.921
Staff costs (C9)	8.329.137	5.850.846	2.500.360	309.178	16.989.522
Energy costs	4.001.506	1.091.886	52.141	0	5.145.533
Maintenance expenses	924.588	439.735	337.057	9.346	1.710.727
Transport & trips expenses	871.401	9.075.749	36.237	1.443	9.984.829
Advertising/marketing expenses	0	6.273.506	38.618	0	6.312.124
Services	101.449	789.729	544.557	57.690	1.493.425
Depreciation (C10)	3.214.526	1.687.870	304.858	22.980	5.230.234
Bad debt provision	0	26.538	0	0	26.538
Other expenses	1.090.519	2.354.844	728.728	30.126	4.204.217
	143.864.302	**28.245.330**	**4.545.412**	**455.026**	**177.110.070**

1/1-31/12/2022	Cost of Sales	Distribution	Administration	Research& Development	Total
Raw materials and consumables used	122.658.627	562.730	4.691	10.974	123.237.022
Staff costs (C9)	6.362.969	4.799.853	1.815.592	205.740	13.184.155
Energy costs	5.639.892	1.692.254	70.540	0	7.402.686
Maintenance expenses	662.159	449.599	296.085	507	1.408.350
Transport & trips expenses	843.359	7.775.303	18.064	997	8.637.722
Advertising/marketing expenses	0	5.356.413	0	0	5.356.413
Services	234.014	667.781	502.139	132.124	1.536.057
Depreciation (C10)	3.075.802	1.714.445	429.472	18.554	5.238.273
Bad debt provision	0	43.064	0	0	43.064
Other expenses	944.223	1.335.429	586.386	11.383	2.877.422
	140.421.046	**24.396.871**	**3.722.968**	**380.279**	**168.921.164**

C4. Other income

Other income are analyzed by type as follows:

	1/1-31/12/2023	1/1-31/12/2022
Income from subsidies	0	42.693
Income from services	365.734	357.299
Rental income	9.720	9.762
Other Income	11.116	0
Amortization of government grants relating to capital expenses	384.154	402.936
Total	**770.724**	**812.691**

C5. Other gain/(loss) net

Other gain/(loss) are analyzed by type as follows:

	1/1-31/12/2023	1/1-31/12/2022
Gains on disposal of property, plant and equipment	56.974	105.882
Other income	327.127	191.338
Losses on disposal of property, plant and equipment	(265)	(5.536)
Tax related fines and penalties	(585)	(39.368)
Foreign currency exchange differences	(22.000)	13.172
Other expenses	(73.864)	(12.468)
Total	**287.387**	**253.020**

C6. Financial income - expenses

Financial income-expenses are analyzed by type as follows:

FINANCIAL INCOME	1/1-31/12/2023	1/1-31/12/2022
Interest income	283.669	9.209
Other capital gains	114.553	85.689
Gain/ (loss) on bond valuation at fair value	23.720	0
Profits made from sale of bond	31.600	0
Total financial income	**453.541**	**94.898**
FINANCIAL EXPENSES		
Interest expense	(343.221)	(203.337)
Bank fees and charges	(58.122)	(60.189)
Total financial expenses	**(401.343)**	**(263.526)**
FINANCIAL COST OF LEASING		
Financial cot of leasing	(28.826)	(26.358)
Financial income - expenses (net)	**23.373**	**(194.985)**

C7. Income tax expense

Income tax expense is analyzed as follows

	1/1-31/12/2023	1/1-31/12/2022
Current tax	6.898.886	246.566
Deferred tax	1.106.142	469.568
Tax differences of prior fiscal years	26.777	(58.488)
Total	**8.031.805**	**657.646**

The income tax was calculated at 22% on the tax profit of both the current and previous year.

Reconciliation of income tax expense:

	1/1-31/12/2023	1/1-31/12/2022
Profit before tax	40.301.025	3.832.647
Tax calculated at the statutory tax rate of 22%	8.866.226	843.182
Nontaxable Income	53.657	(146.428)
Expenses not deductible for tax purposes	91.256	19.580
Difference from income tax finalization	26.777	(58.488)
Investment grant with tax exemption*	(1.006.110)	0
Income tax expense	**8.031.805**	**657.646**

* The management of the Company in order to minimize the tax expenses, follows a consistent tax planning that is based on the motivations provided by the tax legislation. The Company, following the approval for the implementation of its investment plan, which has been included in the provisions of Law 4399/2016, reserves the right to use a tax exemption in a future period, for a total amount of €1.006.110.

C8. Net profit per share

Basic and diluted earnings per share are calculated by dividing profit or loss attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding, excluding any holding of own shares.

	1/1-31/12/2023	1/1-31/12/2022
Net profit attributable to parent's shareholders	32.269.220	3.175.001
Weighted average number of ordinary shares	32.992.055	32.947.090
Basic and diluted earnings per share (€ per share)	**0,9781**	**0,0964**

C9. Staff costs

Staff costs are analyzed as follows:

	1/1-31/12/2023	1/1-31/12/2022
Salaries and wages	12.059.128	9.381.870
Social security costs	2.727.393	2.109.460
Retirement and termination benefits	133.749	131.485
Distribution of own shares	517.710	265.244
Other staff costs	1.045.542	816.855
Total	**16.483.522**	**12.704.914**
Board of directors remuneration	506.000	479.241
Total Staff costs	**16.989.522**	**13.184.155**

Personnel headcount:

31/12/2023	31/12/2022
511	462

Pursuant to the 05.07.2022 Program of free distribution of shares (stock awards), between 27.03.2023 and 07.06.2023 41.187 common shares were distributed to 37 beneficiaries, in the context of the execution of the 1st cycle of the Program. The relevant expense of €265.244 has been recognised in the financial year 2022.

Pursuant to the stock awards program on 05.07.2022, the Board of Directors approved on 31.01.2024 the distribution of 52.720 common shares to 58 beneficiaries, based on the annual performance review for 2023. The distribution of those shares to the beneficiaries will be processed in 2024. The expense that was recognized in P&L is €517.710 and the corresponding liability appears in the item Suppliers and other liabilities.

C10. Depreciation

Depreciation of assets, that has been recorded to the profit and loss statement, is analyzed below:

	1/1-31/12/2023	1/1-31/12/2022
Buildings	560.233	549.206
Plant and equipment	4.147.402	4.038.996
Motor vehicles	48.078	66.090
Furnitures and other assets	164.352	183.255
Rights of use of buildings	39.718	40.060
Rights of use of equipment	188.624	6.193
Rights of use of motor vehicles	6.593	179.286
Software licenses	75.234	175.186
Total	**5.230.234**	**5.238.273**

C11. Property, plant and equipment

Property, plant and equipment are analyzed as follows:

	Land	Buildings	Plant & equipment	Motor vehicles	Furniture and other Equipment	Assets under construction	Total
COST							
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	235.324	60.280	2.611.427	87.060	164.021	4.425.555	7.583.667
Disposals	0	0	(126.556)	(155.271)	(414)	0	(282.241)
Transfers	0	1.120.074	5.904.499	0	19.168	(7.043.741)	0
Interest Capitalisation	0	0	0	0	0	45.722	45.722
Write-offs	0	0	(267.044)	(5.500)	(310)	0	(272.854)
Balance at 31.12.2022	2.009.286	19.130.085	90.888.314	1.163.177	3.270.484	2.865.587	119.326.933
ACCUMULATED DEPRECIATION							
Balance at 1 January 2022	0	(4.838.166)	(33.017.882)	(1.119.417)	(2.179.390)	0	(41.154.855)
Depreciation expense	0	(549.206)	(4.038.996)	(66.090)	(183.255)	0	(4.837.547)
Disposals	0	0	126.547	145.412	414	0	272.373
Write-offs	0	0	267.044	5.500	111	0	272.655
Balance at 31.12.2022	0	(5.387.372)	(36.663.287)	(1.034.595)	(2.362.120)	0	(45.447.374)
Net book value at 31.12.2022	**2.009.286**	**13.742.713**	**54.225.027**	**128.582**	**908.365**	**2.865.587**	**73.879.559**
COST							
Balance at 1 January 2023	2.009.286	19.130.085	90.888.314	1.163.177	3.270.484	2.865.587	119.326.933
Additions	857.522	140.470	2.189.386	121.410	452.950	9.014.684	12.776.422
Write-offs	0	0	(251.877)	0	0	0	(251.877)
Transfers	0	91.331	706.570	0	0	(797.901)	0
Interest Capitalisation	0	0	0	0	0	272.205	272.205
Disposals	0	0	(430.009)	0	(730)	0	(430.739)
Balance at 31.12.2023	2.866.808	19.361.886	93.102.384	1.284.587	3.722.704	11.354.574	131.692.943
ACCUMULATED DEPRECIATION							
Balance at 1 January 2023	0	(5.387.372)	(36.663.287)	(1.034.595)	(2.362.120)	0	(45.447.374)
Depreciation expense	0	(560.233)	(4.147.402)	(48.078)	(164.352)	0	(4.920.065)
Disposals	0	0	251.871	0	466	0	252.337
Write-offs	0	0	430.009	0	0	0	430.009
Balance at 31.12.2023	0	(5.947.605)	(40.128.809)	(1.082.673)	(2.526.006)	0	(49.685.093)
Net book value at 31.12.2023	**2.866.808**	**13.414.281**	**52.973.575**	**201.914**	**1.196.699**	**11.354.574**	**82.007.851**

There are no pledges on fixed assets.

On 31.12.2023, the Company had commitments for CAPEX projects of a total amount of €4.779.981.

C12. Rights of use of assets

Investment properties are analyzed as follows:

	Buildings	Plant and Equipment	Motor Vehicles	Total
COST				
Balance at 1 January 2022	294.964	26.478	1.067.178	1.388.620
Additions	18.799	4.674	95.329	118.802
Write-offs	0	0	(542.637)	(542.637)
Balance at 31.12.2022	313.763	31.152	619.870	964.785
ACCUMULATED DEPRECIATION				
Balance at 1 January 2022	(88.832)	(3.089)	(665.602)	(757.523)
Depreciation expense	(40.060)	(6.193)	(179.286)	(225.539)
Write-offs	0	0	538.389	538.389
Balance at 31.12.2022	(128.892)	(9.282)	(306.499)	(444.673)
Net book value at 31.12.2022	**184.871**	**21.870**	**313.371**	**520.111**
COST				
Balance at 1 January 2023	313.763	31.152	619.870	964.785
Additions	0	1.121	306.502	307.623
Write-offs	(19.338)	0	(65.037)	(84.375)
Balance at 31.12.2023	294.425	32.273	861.335	1.188.033
ACCUMULATED DEPRECIATION				
Balance at 1 January 2023	(128.892)	(9.282)	(306.499)	(444.673)
Depreciation expense	(39.718)	(6.593)	(188.624)	(234.935)
Write-offs	15.833	0	64.506	80.339
Balance at 31.12.2023	(152.777)	(15.875)	(430.618)	(599.270)
Net book value at 31.12.2023	**141.648**	**16.398**	**430.717**	**588.763**

Relevant lease liabilities are presented within note C.23 Lease Liabilities.

C13. Investment properties

Investment properties are analyzed as follows:

	Land
COST	
Balance at 1 January 2022	10.082
Balance at 31.12.2022	10.082
Net book value at 31.12.2022	**10.082**
COST	
Balance at 1 January 2023	10.082
Balance at 31.12.2023	10.082
Net book value at 31.12.2023	**10.082**

The investment properties of the Company did not produce any revenue from rents. There were not any operating expenses related to the investment properties. The fair value of investment properties is estimated to €15.000. The value is based on Management's estimations ("Level 3"), after examining the value of the properties in the area.

C14. Intangible assets

Intangible assets are analyzed as follows:

	Software licenses	Trademarks	Total
COST			
Balance at 1 January 2022	1.486.463	38.405	1.524.868
Additions	60.439	0	60.439
Balance at 31.12.2022	1.546.902	38.405	1.585.307
ACCUMULATED DEPRECIATION			
Balance at 1 January 2022	(1.186.568)	(38.405)	(1.224.974)
Depreciation expense	(175.186)	0	(175.186)
Balance at 31.12.2022	(1.361.754)	(38.405)	(1.400.160)
Net book value at 31.12.2022	**185.148**	**0**	**185.147**
COST			
Balance at 1 January 2023	1.546.902	38.405	1.585.307
Additions	83.700	0	83.700
Balance at 31.12.2023	1.630.602	38.405	1.669.007
ACCUMULATED DEPRECIATION			
Balance at 1 January 2023	(1.361.754)	(38.405)	(1.400.160)
Depreciation expense	(75.234)	0	(75.234)
Balance at 31.12.2023	(1.436.988)	(38.405)	(1.475.394)
Net book value at 31.12.2023	**193.614**	**0**	**193.614**

C15. Other non-current assets

Other non-current assets are analyzed as follows:

	31/12/2023	31/12/2022
Guarantees	169.743	181.735
Total	**169.743**	**181.735**

Trade balances that have been settled in a long-term basis are calculated to present value based on market interest rate.

C16. Inventories

Inventories are analyzed as follows:

	31/12/2023	31/12/2022
Merchandise	103.474	26.582
Finished goods	4.528.543	4.549.791
Raw materials	12.801.883	10.891.863
Less: Provisions for obsolete inventory	(145.298)	(169.206)
Total	**17.288.601**	**15.299.030**

The amount of inventories recognized as expense in 2023 is €126.012.921 (2022: €123.237.022). The most important change of the item "Inventories" is in line "Raw materials". That change is due to the increase of the Company's sales.

	31/12/2023	31/12/2022
Opening balance	169.206	91.294
Additions	0	77.912
Reverse of provision	(23.908)	0
Ending balance	**145.298**	**169.206**

C17. Trade and other receivables

Trade and other receivables are analyzed as follows:

	31/12/2023	31/12/2022
Trade receivables	25.811.752	27.685.262
Less: Allowance for bad debts	(2.403.517)	(2.376.979)
	23.408.235	25.308.283
Creditors advances	187.233	203.934
VAT Receivables	3.113.690	2.963.847
Greek state -others	16.172	13.333
Other receivables	192.500	201.342
Total	**26.917.831**	**28.690.740**

The most significant change of the item "Trade and other receivables" is in line "Trade receivables" due to reduction of receivables days.

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

On 31.12.2023, €22.207.825 of those trade receivables were not overdue, €1.443.865 were overdue and €2.160.752 were related to defaulted customers.

The aging analysis of trade receivables is as follows:

	31/12/2023	Loss Percentage	Expected credit losses	31/12/2022	Loss Percentage	Expected credit losses
Not past due	22.207.825	1,01%	224.664	23.807.583	1,03%	246.339
Past due						
<30 days	863.709	1,78%	15.334	1.339.476	0,20%	2.679
30-120 days	578.641	0,34%	1.941	411.479	0,30%	1.237
>120 days	1.516	100,00%	1.516	24.880	100,00%	24.880
Default	2.160.061	100,00%	2.160.061	2.101.844	100,00%	2.101.844
Total	**25.811.752**		**2.403.517**	**27.685.262**		**2.376.979**

With the application of IFRS 9 as of 1 January 2018, the company identifies bad debts based on an expected loss model. This model groups the receivables according to the credit rating of each customer, links the rating to the probability of default and calculates the expected credit losses.

In the financial year 2023, there was recognised an additional provision for bad debts amounting to €26.538, which was allocated additionally to distribution expenses. Therefore, on 31.12.2023, trade receivables totalling €2.403.517 appear impaired. It is estimated that parts of these impairment losses to be recovered in the future.

Bad debt provision analysis:

	31/12/2023	31/12/2022
Opening balance	2.376.979	2.333.915
Additions	43.112	62.822
Reversals	(16.574)	(19.758)
Ending balance	**2.403.517**	**2.376.979**

C18. Investments in financial Assets

Investments in financial assets are analyzed as follows:

	31/12/2023	31/12/2022
Opening balance	0	0
Additions	7.929.520	0
Proceeds	(4.000.000)	0
Revaluation of the fair value	55.320	0
Ending balance	**3.984.840**	**0**

C19. Cash and cash equivalents and restricted deposits

Cash and cash equivalents are analyzed as follows:

	31/12/2023	31/12/2022
Cash at bank and in hand	8.235.612	7.221.288
Time Deposits	13.500.000	0
Total	**21.735.612**	**7.221.288**

Cash and cash equivalents refer to bank deposits and cash in the Company's treasury and can be converted into cash immediately.

The grading of cash and cash equivalents based on credit rating of Standard & Poor's Global is as follows:

External Credit Rating (S&P Global)	31/12/2023	31/12/2022
A+	17.150.182	1.836.001
BB	274.180	0
BB-	4.069.841	299.353
B+	0	2.619.823
B	0	2.344.854
Counterparties without external credit rating S&P Global	183.405	82.454
Cash at bank	**21.677.615**	**7.182.485**
Cash in hand*	57.998	38.802
Total cash and cash equivalents	**21.735.612**	**7.221.288**
Restricted deposits	7.600.000	0
Total	**29.335.612**	**7.221.288**

On 31.12.2023, the Company held restricted deposits that amount to €7.600.000, and were related to Company's borrowings.

C20. Issued capital

Issued capital on 31.12.2023 amounts €12.564.751,68 and comprises of 33.065.136 fully paid ordinary shares, which have a par value of €0,38.

	Number of shares	Par Value	Share Capital	Total
31-Dec-22	33.065.136	0,38 €	12.564.752	12.564.752
31-Dec-23	**33.065.136**	**0,38 €**	**12.564.752**	**12.564.752**

According to the decision of the Annual General Meeting of Shareholders dated 05.07.2022, there is in force a Program for the Acquisition of Own Shares of the Company which can amount to up to 5% of the respective total of its shares. On 31.12.2023, the Company held 69.201 own shares, with acquisition value of €455.051.

C21. Reserves

Reserves are analyzed as follows:

	31/12/2023	31/12/2022
Legal reserve	4.188.251	4.188.251
Contingency reserve	38.275	38.275
Tax exempt reserve L.2601/98	962.579	962.579
Tax exempt reserve L.3299/04	15.941.253	15.941.253
Tax exempt reserve from tax exempt revenues	306.949	306.949
Tax exempt reserve from revenues specially taxed	84.888	84.888
Tax exempt reserve L.4399/2016	3.095.089	3.095.089
Tax exempt reserve DPAS/7/00014	7.900.000	0
Tax exempt reserve DPAS/7/00051	3.100.000	0
Actuarial gains-losses reserve	70.091	68.776
Total	**35.687.373**	**24.686.060**

Statutory reserve

According to the Greek commercial law, companies are required to form each year a reserve equivalent to 5% of net profit until it reaches one third of the share capital. Distribution of the statutory reserve, during the life of the company is prohibited.

Tax exempt reserves under special laws

Tax exempt reserves under special laws relating to non-distributed profits that are exempt from taxation based on special provisions of incentive laws. These reserves relate primarily to investments and are not distributed. For these reserves no tax liabilities have been recognized.

Tax-free and specially taxed reserves

Tax exempt reserves and reserves taxed in a special way represent interest income and investments sales of non-listed companies, which are tax exempt or subject to retention of tax at source. Except for any tax prepayments, these reserves are subject to taxation in case of distribution. Currently the Company has no intention of distributing these reserves and therefore not accounted for in the respective tax liabilities.

Restricted reserves

Based on the decision of the Board of Directors on 02.08.2023 the Company:

(a) has established a special reserve fund of €7.900.000 to cover its own participation in the investment plan under the approved decision with approval number 1573/15-03-2019/DPA/7/00014/E/N.4399/2016. The corresponding amount was transferred and preserved from the taxed retained earnings, as shown in the Balance Sheet of 31.12.2022.

(b) has established a special reserve of €3.100.000 to cover part its own participation in the investment plan under the approved decision with approval number 1167/DPA/7/00051/G/N.4399/2016/26-02-2020. The corresponding amount was transferred and preserved from the taxed retained earnings, as shown in the Balance Sheet of 31.12.2022.

The amounts of the above two reserves cannot be distributed and must be maintained for at least seven years from the date of the completion and start of productive operation of each investment.

C22. Borrowings

Borrowings are analyzed as follows:

	31/12/2023	31/12/2022
NON-CURRENT BORROWINGS		
Bond loans	10.130.000	6.750.000
Long-term loans	100.000	0
Total non-current borrowings	**10.230.000**	**6.750.000**
CURRENT BORROWINGS		
Current liability of non-current loans	1.674.236	4.945.948
Short-term loans	0	3.000.000
Total current borrowings	**1.674.236**	**7.945.948**
Total borrowings	**11.904.236**	**14.695.948**

Maturity of non-current bank borrowings:

	31/12/2023	31/12/2022
Between 1-2 years	1.670.000	2.500.000
Between 2-5 years	8.560.000	4.250.000
Total non-current borrowings	**10.230.000**	**6.750.000**

Changes on loans balances are analyzed as follows:

Balance at 1 January 2022	8.680.628
Loans paid (cash item)	(5.980.000)
Loans receipt (cash item)	12.000.000
Financial instruments valuation (non-cash item)	(4.680)
Balance at 31 December 2022	**14.695.948**

Balance at 1 January 2023	14.695.948
Loans paid (cash item)	(14.700.000)
Loans receipt (cash item)	11.900.000
Financial instruments valuation (non-cash item)	8.288
Balance at 31 December 2023	**11.904.236**

Analysis of current long-term loans:

Lender	Type of loan	Date of agreement	Initial value	Balance at 31/12/2023
Major shareholders	Bond loan / 3year / fixed interest rate	3/4/2023	4.200.000	4.200.000
Piraeus Bank SA	Bond loan / 5year / floating interest rate	7/9/2022	6.500.000	5.501.452
Piraeus Bank SA	Long term loan / 3year / floating interest rate	18/9/2023	5.600.000	102.785
Alpha Bank	Bond loan / 5year / fixed interest rate	28/12/2023	2.100.000	2.100.000

The fair value of long-term loans is calculated to approximately €10.230.001 («Level 3»).

Effective interest rate of borrowings:

	1/1-31/12/2023	1/1-31/12/2022
Effective interest rate	1,72%	2,27%

C23. Leases

The finance lease relates to the discounted liability of lease payment, in accordance with IFRS 16:

	Rights of use of buildings	Rights of use of motor vehicles	Rights of use of equipment	Total
Balance at 1 January 2022	220.634	412.190	19.695	652.519
Lease payment	(45.480)	(199.430)	(6.855)	(251.765)
Additions/ (Removals)	18.799	95.329	4.674	118.802
Finance cost of lease	9.805	15.613	940	26.358
Balance at 31 December 2022	**203.758**	**323.703**	**18.454**	**545.915**
Lease Liabilities	**203.758**	**323.703**	**18.454**	**545.915**
Less: Current lease liability	(39.072)	(144.602)	(6.384)	(190.058)
Non-current lease liability	164.686	179.100	12.070	355.857

	Rights of use of buildings	Rights of use of motor vehicles	Rights of use of equipment	Total
Balance at 1 January 2023	203.758	323.703	18.454	545.915
Lease payment	(45.778)	(201.498)	(7.290)	(254.566)
Additions/ (Removals)	(9.374)	306.502	1.121	298.249
Finance cost of lease	8.335	19.658	846	28.839
Balance at 31 December 2023	**156.940**	**448.365**	**13.131**	**618.437**
Lease Liabilities	**156.940**	**448.365**	**13.131**	**618.437**
Less: Current lease liability	(40.414)	(195.778)	(5.993)	(242.185)
Non-current lease liability	116.526	252.587	7.138	376.253

Leases that have been exempted from IFRS 16 and have been included in the "Other" item in note C3. Expenses by type, concern either short-term leases of pallets, or low-value leases amounted to a total of €635.175 (2022: €493.975).

	Minimum payments 31/12/2022	Present Value 31/12/2022
Minimum future payments		
Within a year	210.110	190.058
Within 2 to 5 years	370.656	355.857
More than 5 years	0	0
Total minimum future payments	**580.766**	**545.915**
Less: Financing cost	(34.851)	
Present value of minimum future payments	**545.915**	

	Minimum payments 31/12/2023	Present Value 31/12/2023
Minimum future payments		
Within a year	265.806	242.185
Within 2 to 5 years	365.479	376.252
More than 5 years	0	0
Total minimum future payments	**631.285**	**618.437**
Less: Financing cost	(12.849)	
Present value of minimum future payments	**618.437**	

C24. Retirement and termination benefit obligations

According to Greek labor law, employees are entitled to compensation in the event of dismissal or retirement, the amount of which is related to employee remuneration, length of service and way of retirement (dismissal or retirement). Employees who resign or are dismissed with cause are not entitled to compensation. The compensation due in the event of retirement is equal to 40% of the amount to be paid in the event of dismissal. The provision for termination benefits is presented in the accompanying financial statements in accordance with the provisions of Law 2112/1920 and is based on an independent actuarial study using the Projected Unit Credit Method.

Liabilities recognized in the statement of financial position:

	31/12/2023	31/12/2022
Present value of defined benefit obligation	376.429	304.149
Liability recognized in the statement of financial position	**376.429**	**304.149**

Charges in income statement:

	1/1-31/12/2023	1/1-31/12/2022
Current service cost	61.479	58.440
Interest cost	11.042	1.285
Previous service cost	2.398	1.052
Effect of cutting / settlement / termination benefits	14.291	44.710
Total expense	**89.210**	**105.487**

Charges in other comprehensive income:

	1/1-31/12/2023	1/1-31/12/2022
Actuarial loss / (gain)		
Actuarial loss / (gain) in the present value of liability	(1.683)	(12.371)
- Due to a change in financial affairs	23.158	(58.632)
- Due to experience	(24.841)	46.261
- Gain/ (Loss) due to other adjustments in the present value of liability	0	434
Total charge in other comprehensive income	**(1.683)**	**(11.937)**

Changes in defined benefit obligation

	31/12/2023	31/12/2022
Opening balance	304.149	285.270
Expense recognized in P&L	87.527	93.550
Current service cost	(15.247)	(74.671)
Closing Balance	**376.429**	**304.149**

Reconciliation of the present value of defined benefit obligation:

	31/12/2023	31/12/2022
Opening balance	304.149	285.270
Current service cost	61.479	58.440
Interest cost	11.042	1.285
- (Gain)/ Loss due to other adjustments in the present value of liability	0	434
Compensation paid	(15.247)	(74.671)
Effect of cutting / settlement / termination benefits	14.291	44.710
Previous service cost	2.398	1.052
Actuarial gain/(loss)	(1.683)	(12.371)
Ending balance	**376.429**	**304.149**

The principal actuarial assumptions used are:

Mortality table	EVK 2000
Average remaining working life	20,6
Average employee tenure	7,23
Discount rate	3,08%
Future salary increases	2024: 6,00%
	2025: 4,00%
	2026: 3,00%
	2027+: 2,40%

Regarding the risks involved in the aforementioned program, this program is not funded and therefore there are no corresponding assets for this program. Consequently, risks such as volatility of assets or other similar risks (e.g. low yields, concentration of assets, etc.) do not exist. Risks to the existing project relate to the actuarial assumptions that are used to calculate the liability, which must be reflected in the financial statements and include possible changes in bond yields which are used to calculate the discount rate, and assumptions about the rate of inflation and the rate of future salary increases, which may affect the future cash flows of the programs. Inflation rate, among other factors, has been taken into account for the determination of future salary increases.

Sensitivity analysis	31/12/2023
Present value of defined benefit obligation:	376.430
Calculation with discount rate +0,25%:	373.956
Calculation with discount rate -0,25%:	378.928

C25. Deferred income taxes

Deferred tax assets are offset against deferred tax liabilities when there is legal right for such offsetting and both relate to the same tax authority jurisdiction.

The movement on the deferred income tax account after set-offs is as follows:

	31/12/2023	31/12/2022
Opening balance	(4.277.488)	(3.805.295)
Charge in income statement	(1.106.142)	(469.568)
Deferred tax on equity	(370)	(2.626)
Ending balance	**(5.384.001)**	**(4.277.489)**

The movement of the accounts of deferred tax assets and deferred tax liabilities during the year to the same tax authority, without taking into account the offsets, is as follows:

Movement of deferred tax liabilities

	Tangible assets	Intangible assets	Other	Total
Balance at 1 January 2022	(4.000.606)	(43.299)	35.604	(4.008.301)
Charge in income statement	(747.557)	19.917	(4.279)	(731.919)
Balance at 31 December 2022	**(4.748.164)**	**(23.382)**	**31.325**	**(4.740.220)**
Charge in income statement	(825.610)	934	(57.931)	(882.607)
Balance at 31 December 2023	**(5.573.773)**	**(22.448)**	**(26.606)**	**(5.622.827)**

Movement of deferred tax assets

	Retirement and termination benefits	Allowance for doubtful debts	Rights of use of assets	Income Tax Deductible	Total
Balance at 1 January 2022	57.437	141.304	4.265	0	203.006
Debit/ Credit in income statement	6.780	9.474	(458)	246.556	262.351
Change in equity	(2.626)	0	0	0	(2.626)
Balance at 31 December 2022	**61.591**	**150.778**	**3.807**	**246.556**	**462.731**
Debit/ Credit in income statement	16.272	5.838	911	(246.556)	(223.534)
Change in equity	(370)	0	0	0	(370)
Balance at 31 December 2023	**77.492**	**156.616**	**4.718**	**0**	**238.826**

The Deferred Tax Assets and Liabilities of the Company in the current financial year were calculated at a tax rate of 22% (2022: 22%).

C26. Government grants

Movement of government grants relating to capital expenses:

	31/12/2023	31/12/2022
Opening balance	5.524.536	5.927.470
Charge in income statement	(384.154)	(402.935)
Ending balance	**5.140.381**	**5.524.536**

For the government grants recognized by the Company there are no unfulfilled conditions or contingent liabilities linked to them.

C27. Trade and other payables

Trade and other payables are analyzed as follows:

	31/12/2023	31/12/2022
Trade payables	21.365.624	19.936.729
Cheques payables	507.755	301.858
Social security	559.584	476.322
Other Taxes and duties	390.565	289.864
Dividends payables	19.708	18.254
Customers' advances	590.851	557.772
Other payables	2.309.156	2.266.890
Total	**25.743.242**	**23.847.688**

C28. Income Tax receivables / liabilities

Income tax receivables / (liabilities) are analyzed as follows:

	31/12/2023	31/12/2022
Income tax	(6.898.886)	(246.566)
Advance income tax	267.978	2.356.718
Total receivables / (liabilities)	**(6.630.907)**	**2.110.152**

C29. Dividends

For the financial year 2023, the Board of Directors decided to propose to the Annual General Meeting of the shareholders the distribution of dividend of gross value €0,35 per share (2022: €0,20 per share). The distribution is subject to the approval of the Annual General Meeting of the shareholders.

For the previous fiscal year 2022, the Annual General Meeting of the shareholders on 11.07.2023 decided the distribution of gross dividend of €0,20 per share totalling €6.613.027, which has been fully paid.

C30. 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 fund 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 are not expected to have a material impact on the Company's financial position or operation.

Right to tax exemption from investment grant

The Company, following the approval for the implementation of its investment plan, which has been included in the provisions of Law 4399/2016, reserves the right to use a tax exemption in a future period, for a total amount of €1.006.110.

Income tax

From the year 2011 and onwards, the Greek Societe Anonyme and Limited Liability Companies whose annual financial statements are mandatorily (for years 2011-2015) or voluntarily (since 2016) reviewed by auditors, registered in the public register of Law. 3693/2008, are required to obtain an "Annual Certificate" as provided in par. 5 of article 82 of L.2238 / 1994 and article 65a of Law 4174/2013. The above certificate is issued following a tax audit conducted by the same statutory auditor or audit firm that audits the annual financial statements. Following the completion of a tax audit, the statutory auditor or audit firm issues the company's "Tax Compliance Report", accompanied by Appendix Analytical Element Information It is noted that, on 31.12.2023, the financial years up to 2017 were waived, in accordance with the provisions of paragraph 1 of article 36 of Law 4174/2013. For the years 2018-2022 the tax audit conducted by the audit companies, the certificate was issued, while not resulting tax liabilities beyond those recognized and reported in the financial statements.

For the year 2023 the Company has been subject to tax audit of the Auditors, as previewed from the tax provisions of Article 65a of Law 4174 / 2013 (ITC), as amended in accordance with Law 4410/2016. This audit is in progress and the related tax certificate is to be granted after publication of the financial statements for 2023. and it is estimated that any additional tax obligation that may arise would be immaterial.

Guarantees

The company on 31.12.2023 had issued letters of guarantee for a total amount of €50.016 (2022: €754.729).

C31. Related party transactions

Related party transactions are analyzed as follows:

	31/12/2023	31/12/2022
Income from rents (IEG)	0	140
Payment of interest on a bond loan*	142.205	82.575

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

	31/12/2023	31/12/2022
Receivables from related parties (IEG)	360	383
Payables to related parties*	4.200.000	2.700.000

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

COMPENSATION OF DIRECTORS	31/12/2023	31/12/2022
Remuneration of the members of the Board of Directors	511.429	483.258
Salaries of the members of the Board of Directors	27.782	41.609
Total	**539.211**	**524.867**

OTHER TRANSACTIONS WITH THE MEMBERS OF THE B.O.D. AND KEY MANAGEMENT PERSONNEL	31/12/2023	31/12/2022
Transactions with the members of the B.O.D and key management personnel	136.800	76.458
Liabilities to the members of the B.O.D and key management personnel*	2.100.000	2.500.000

* Bond loan covered by the Company's major shareholders

C32. Statutory audit and other fees

The certified auditors fees for the Company in 2023 are analyzed as follows:

	1/1-31/12/2023	% on total fees
Statutory audit fees	29.400	53,8%
Statutory audit fees (Tax Certification)	21.000	38,5%
Fees not related to statutory audit	4.210	7,7%
Total fees	**54.610**	100%

From the above amounts, within the financial year 2023, an amount of €50.400 has been invoiced, which relates fees of statutory and tax audit and is included in the administration expenses of the Company.

C33. Post balance sheet events

Purchase of own shares

During 2024, the Company acquired 25.874 common shares, with acquisition value of €282.206. As at 15.04.2024 the Company holds 95.075 treasury shares of total acquisition value of €737.257.

Pursuant to the stock awards program on 05.07.2022, the Board of Directors approved the distribution of 52.720 common shares to 58 beneficiaries, based on the performance evaluation for 2023. Upon the completion of this disposal, the number of treasury shares held by the Company will amount to 42.355.

Serres, 15 April 2024

Chairman & CEO	Vice-Chairman	Chief Financial Officer	Chief Accountant
Panagiotis Tsinavos ID AE373539	Georgios Kotsambasis ID AE376847	Konstantinos Sarmadakis ID AN389135	Evangelos Karagiannis ID AM894228