

**ETPA PACKAGING S.A.**

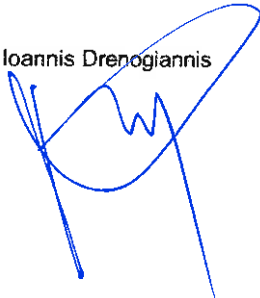
**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

**ETPA PACKAGING S.A.  
SEPARATE FINANCIAL STATEMENTS  
FOR FINANCIAL YEAR ENDED AS AT DECEMBER 31, 2021  
UNDER THE INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS),  
ADOPTED BY THE EUROPEAN UNION**

The accompanying Financial Statements were approved by the Board of Directors of ETPA PACKAGING S.A. as of March 31<sup>st</sup>, 2022 and have been published on the Company's website [www.etpapakaging.com](http://www.etpapakaging.com). It is noted that the published financial items and information arising from the financial statements aim at providing the reader with a general view on the Company's financial position and results, but do not provide the reader with a complete picture of the financial position, the financial performance as well as cash flows of the Company, according to the International Financial Reporting Standards.

**THE CHAIRMAN OF THE BoD  
& CHIEF EXECUTIVE OFFICER**

Ioannis Drenogiannis



**THE CHIEF FINANCIAL OFFICER**

Vasilis Kefalas



**THE CHIEF ACCOUNTANT**

Agamemnon Stavropoulos



**ETPA PACKAGING S.A.**

**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

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**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

**Independent Auditor's Report**

To the Shareholders of ETPA PACKAGING S.A.

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the accompanying financial statements of **ETPA PACKAGING S.A.** (the Company), which comprise the statement of financial position as at 31 December 2021, income statement and statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of **ETPA PACKAGING S.A.** as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union

**Basis for Opinion**

We conducted our audit in accordance with International Standards on Auditing (ISAs) as 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 that are 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 above-mentioned IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the Board of Directors' Report for which reference is made to the "Report on Other Legal and Regulatory Requirements", 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 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 of this other information, we are required to report that fact. We have nothing to report in this regard, (further to what is referred to on the Board of Directors' Report in the "Report on Other Legal and Regulatory Requirements" below, as long as such matters are referred).

**Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRSs, as adopted by the European Union, and for such internal control 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 realistic alternative but to do so.

**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 influence the economic decisions of users taken on the basis of

## **ETPA PACKAGING S.A.**

### **NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

these financial statements.

As part of an audit in accordance with ISAs as incorporated into the Greek Legislation, we exercise professional judgement and maintain professional skepticism 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 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's 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 management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

#### **Report on Other Legal and Regulatory Requirements**

Taking into consideration that management is responsible for the preparation of the Board of Directors' Report, according to the provisions of paragraph 5 of article 2 (part B') of L. 4336/2015, we note that:

- a) In our opinion the Board of Directors' Report has (or has not) been prepared in accordance with the applicable legal requirements of the of Article 150, Law 4548/2018 and its content corresponds with the accompanying financial statements for the year ended 31/12/2021.
- b) Based on the knowledge we obtained during our audit of **ETPA PACKAGING S.A.** and its environment, we have not identified any material misstatements in the Board of Directors' Report.

**Athens, 14.04.2022**



**ΣΟΛ**  **Crowe**

#### **Gkogkos Nikolaos**

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**ETPA PACKAGING S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

**Annual Report of the Board of Directors of ETPA PACKAGING S.A. for financial year 1/1-31/12/2021**

Dear Shareholders,

According to the provisions of Law 4548/2018 we are submitting the current Annual Report of the Board of Directors for the 24th fiscal year of the Company ETPA PACKAGING S.A. (1/1/2021-31/12/2021). The present financial year is the sixth year when the Company publishes the financial statements in accordance with the International Financial Reporting Standards (IFRS).

The current Report provides a summary of financial information in respect of the financial position and results of the Company ETPA PACKAGING S.A., a description of the significant events that took place during the closing financial year, a description of significant events that occurred after the date of preparation of the statement of financial position, a description of the projected course of the Company's operations, information regarding the management of significant financial risks faced by the Company, a presentation of significant transactions between the Company and its related parties as well as other information about the Company.

**A. Summary financial information about the Company**

The development of the Company's operations for financial year 2021 and the summarized financial results are as follows::

**Sales:** In 2021, the Company's sales stood at € 17.1 m versus € 15.3 m in 2020, increased by 12%.

**Gross Profit:** In 2021, the Company's gross profit stood at € 4.60 m versus € 4.38 m in 2021 increased by 5%.

**Administrative expenses:** In 2021, the Company's administrative expenses stood at € 1.17 m versus € 2.29 m in the previous year, decreased by 51%.

**Distribution expenses:** Distribution expenses were increased by 5% from € 968 k in 2020 to € 1.01 m in 2021.

**EBITDA:** In 2021, the Company's earnings before interest, taxes, depreciation and amortization stood at € 4.2 m, versus € 1.42 m in the previous year.

**EBT:** In 2021 profit before tax stood at € 2.5 m versus € 43 k in the previous year.

**Net earnings after tax:** In 2021, the Company recorded profit after tax amounting to € 2 m versus losses after tax of € 195 k in 2020.

**Other financial ratios**

The following tables present the Company's key financial ratios:

	31/12/2021	31/12/2020	31/12/2019	31/12/2018
<b>LIQUIDITY RATIOS</b>				
Current Ratio	1,45	1,16	0,97	0,94
Average Collection Period (days)	142,59	138,16	134,02	136,71
Average payment period (days)	-86,09	-68,87	-68,17	-67,50
Inventory turnover (days)	-80,52	-69,99	-62,73	-66,97
Asset Turnover	0,54	0,59	0,64	0,57
<b>EFFICIENCY RATIOS</b>				
Gross Margin	26,91%	28,60%	28,14%	29,94%
Profit Margin	11,76%	-1,27%	0,83%	3,76%
Return on equity	26,64%	-3,91%	1,99%	7,98%
<b>Capital Structure</b>				
Equity to Total Assets	24,05%	19,07%	26,59%	26,88%
Debt to Equity	31,67%	23,57%	36,22%	36,76%
Equity to Assets	58,31%	40,52%	46,86%	44,56%

## **ETPA PACKAGING S.A.**

### **NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

Finally, it is noted that the Company in the context of its operation, in addition to its registered office in Metamorphosi Attica and the factory in Komotini, maintains a branch in Thessaloniki and an office in Chania.

#### **B. Environmental Issues**

The Company believes in the co-existence of entrepreneurship with human and natural environment. We fully understand our responsibilities towards environmental protection and the local society. Therefore, our main priority is to refrain from environmental pollution wherever is possible, reduction of the environmental impact of our activities and the continuous improvement of our environmental performance.

For the application of our environmental policy our Company develops and applies Environmental Management System according to the requirements of ISO 14001: 2004 cor. 2009 with Certificate Number EM-0253/2017 TUV HELLAS (TUV NORD) S.A. and is committed to continuously improving environmental performance through the following:

- comply with applicable legislation and all regulatory requirements governing the company's environmental aspects,
- invest economically effectively in applying of the best available technologies and practices in order to save energy and natural resources and minimize waste production and emissions,
- recycle internally or recycle all recyclable by-products, residues and residues of its activities, committing to pollution prevention,
- develop and provide environmentally-friendly products using new materials that substitute environmentally dangerous materials
- assess in advance the environmental impact of new activities, products and methods of production,
- examine any environmental non-compliance, accident and complaints in order to ascertain the causes
- take appropriate corrective and preventive measures to avoid repetition,
- set measurable targets for controlling compliance with its environmental policy
- implement procedures for monitoring and controlling their achievement; and
- control the environmental impact and practices of its suppliers.

#### **C. Labor & Social Issues**

It is the company's policy to operate at all levels in a way that protects workers, society and the environment. To comply with this policy, the company operates on the basis of the following:

- Minimizing pollution in Air, Water and Earth
- Recognizing and responding to the demands of society and customers in relation to products and operations.
- Complying with all relevant Greek and European laws and requirements of the SMETA ver.6 standard for Occupational Health and Safety and the Environment.
- Controlling and observing working hours in accordance with Greek law
- Informing and advise customers about the proper and safe use of its products
- Is a member of SEDEX under the number S000000062198 to promote Ethical Business.
- Selecting suppliers that comply with and comply with applicable laws and regulations.

Moreover, in compliance with the Handbook of Ethical and Behavior Policies, the Company bases its operation on an equal opportunities policy for all workers and does not accept any form of discrimination based on race, colour, gender, religion, nationality, disability, age, marital status, sexual orientation or seniority.

The company respects human rights and is committed to identifying and preventing any action that is contrary to human rights in relation to business activities, through due diligence and preventive compliance procedures.

Furthermore, the Company recognizes its influence on the communities, in which it operates. It is committed to collaborating with partners in these societies to ensure that their views are taken into account, learning from them as the Company conducts its business. Where necessary, it is committed to engaging in dialogue with partners on human rights issues related to its activities. The Company believes that local issues are more appropriately addressed locally. It is also committed to creating economic opportunities and promoting a climate of goodwill in the societies in which it operates.

#### **D. Significant events that occurred during the closing year**

##### **D.1. Extraordinary income from the Ministry of Labor and Social Affairs**

An expenditure of one million, two hundred and twelve thousand, seven hundred and fifty-five euros and twenty-two cents (€ 1,212,755.22) was approved at the expense of the expenditure budget of the Ministry of Labor and Social Affairs, special body 1033-208-0000000 and of issue (ALE) 2520101001 for the financial year 2021 for the period 01/07/2010-31/12/2015 based on the settlement decision 9830 /20.09.21 and the settlement decision 13383 /10.12.2021 and a payment order was issued in the name of " ETPA PACKAGING S.A. " with Tax Identification Number 094421814, Tax Office. FAE ATHENS for the offset of an amount equal to the requirement of the tax

## **ETPA PACKAGING S.A.**

### **NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

administration. The above amount was recorded in other income in the income statement

By 31.12.2021, an amount of € 1,002 million had been offset against the company's debts to the Tax Administration. Until 31.03.2022 an amount of € 126 k had been offset, leaving open a receivable balance amount € 85 k.

#### **D.2. COVID 19 effects and projected course of the Company**

The effects of the pandemic regarding Revenues lie in the inability to increase utilization of the generating unit and the investment program in production equipment completed in 2018, in order to achieve the objective of increasing turnover compared to 2019 by 10%, however, turnover increased by only 3% in 2020 compared to 2019, from 14.9 million to 15.3 million euro. In 2021 the goal of increasing the turnover compared to 2020 was achieved and the turnover increased by 12% compared to 2020

The open balances of customers showed an increase of 30% due to the increase in the company's turnover. More specifically, the balances of customers amount to 6.73 million euros in 2021 compared to 5.16 million euros in 2020. In During 2021 the company formed a provision for doubtful receivables amounting to € 176 k.

Due to the special conditions of the pandemic and due to the increase of the turnover, the Company decided to increase the amount of inventory in order to facilitate supplying the production with raw materials. This resulted in an increase in the Company's inventories in 2021 by 219 k euro from 2.4 million euro in 2020 to 3.3 million euro in 2021.

In 2021, the Company, in order to strengthen its cash position due to the special conditions of the and for the development of a new production line in Komotini and the purchase of new mechanical equipment, received 2 new loans. An amount of 300 k euro from the Piraeus Bank and an amount of € 3.575 million in bond bonds from an investor who also bought a minority stake in the share capital of the company.

Within the framework of the beneficial provisions of the legislation addressing support of entrepreneurship, the Company received amounts of 19 k euro for subsidizing interest on short-term loans.

The Company, respecting health protocols for the protection of its staff and society as a whole, covered the expenses to its staff for conducting preventive covid tests as well as the supply of protective masks. The total cost is estimated at 5 k and 15 k euro respectively.

#### **D.3. Proposal for Statutory Reserves**

The Company's Board of Directors proposes generating Statutory Reserves from profits of the year ended December 31, 2021. The amount, calculated for generating Statutory Reserves, is 100.087.76 euro. The Regular General Meeting of shareholders will make the final decision on generating Statutory Reserves.

#### **E. Prospects and objectives for 2022**

The Company estimates that in 2022 sales will continue to increase, as in the previous years. Regarding 2022, it estimates a 7% increase in sales from 17.1 million euro in 2020 to 19.3 million euro in 2022, with a corresponding increase in profitability and liquidity.

Moreover, health conditions permitting, the Company will reconsider the financing received in order to repay a part of it and limit its financial costs for 2022.

In 26/01/22, the construction works of the new unit for the production of printed Laminate type pipes within the INDUSTRY began in Komotini. This investment is estimated to amount to approximately 5.5 million euros and has already been subject to the provisions of development law 4399/2016. Its completion is expected at the end of September 2022 and will significantly strengthen the financial figures of the company.

#### **F. Risks and uncertainties**

##### **Financial risk management**

The Company is exposed to various financial risks, the main of which is the price fluctuation risk, credit risk, liquidity risk and cash flows risk. The relevant risk management policies of the company aim at minimizing the negative effects such risks may have on the company's financial position and performance.

Risk management is carried out by the Finance Department of the Company and the relevant policies are approved by the Board of Directors. The financial risk management involves recognition, assessment and hedging financial

## ETPA PACKAGING S.A.

### NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021

risks in close cooperation with the operating units of the Company.

#### Price fluctuation risk:

There are contracts with customers and suppliers of 1-1,5 years maturity.

Changes in the suppliers price can be directly passed on to customers as long as the differences in basic Raw Material are substantial, such as the global oil prices.

#### Credit risk:

New clients credit rating is examined, while as far as the existing clients are concerned, their credit ranking is periodically assessed in cooperation with Tiresias and ICAP. Moreover, the Company collaborates with the lawyers regarding the issues of large customers' past due balances.

#### Liquidity risk

Liquidity risk is linked to the need for adequate financing of the Company's activity and growth. The relevant liquidity needs are managed through careful monitoring of daily transactions.

#### Cash flows risk:

The company liquidates its assets earlier in respect of customers cheques in the context of financing lines for working capital, assigning invoices to a factoring company under a respective agreement.

### G. Related Parties transactions

Significant transactions between the Company and related parties within the meaning of IAS 24 during the current year are as follows:

<b>Liability accounts</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Other liabilities	2.687	1.189.632
<b>Total</b>	<b>2.687</b>	<b>1.189.632</b>

	<b>1/1-31/12/2021</b>	<b>1/1-31/12/2020</b>
Salaries and Social security costs	170.496	172.992
Fees to members of the BoD	23.149	1.310.603
Bond loan interest	71.500	-
<b>Total</b>	<b>265.145</b>	<b>1.483.595</b>

All kinds of remuneration of members of the Management and the Company's Key Executives during financial year 1/1-31/12/2021 amounted to € 193.645 and the interests on loans amounted to € 71.500. As at 31/12/2021, the Company has no receivables from the members of the Board of Directors and the Key Executives.

Metamorphosi, 31 March 2022

As and on behalf of the Boar of Directors,  
The Chairman and Chief Executive Officer

Ioannis Drenogiannis

**ETPA PACKAGING S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**

**Statement of Financial Position**

<b>Assets</b>	<b>Notes</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
<b>Non-Current Assets</b>			
Tangible assets	3	12.950.316	12.298.061
Other Intangible Assets	4	18.992	879
Other non current assets	5	118.315	197.337
Deferred tax asset	12	419.718	489.200
<b>Non-Current Assets</b>		<b>13.507.341</b>	<b>12.985.477</b>
<b>Current Assets</b>			
Inventories	6	3.111.562	2.404.554
Trade and other receivables	7	7.569.272	5.796.424
Other current assets	8	1.200.585	593.312
Cash, cash equivalents & restricted cash	9	6.011.419	4.350.953
<b>Current Assets</b>		<b>17.892.838</b>	<b>13.145.242</b>
<b>Total Assets</b>		<b>31.400.179</b>	<b>26.130.719</b>
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	10	2.531.060	2.434.070
Share premium	10	1.027.614	724.644
Other reserves	11	1.327.960	1.444.630
Retained earnings		653.060	574.926
Profit for the period		2.012.172	(194.813)
<b>Equity attributable to owners of the Parent</b>		<b>7.551.866</b>	<b>4.983.456</b>
Non-controlling interests			
<b>Total Equity</b>		<b>7.551.866</b>	<b>4.983.456</b>
<b>Non-current liabilities</b>			
Deferred tax liability	12	876.548	904.666
Accrued pension and retirement obligations	13	122.644	340.912
Government grants	14	844.932	981.800
Long-term borrowings	16	9.625.424	6.961.635
Non-Current Provisions	17	55.000	55.000
Other long-term liabilities	15	-	552.074
<b>Non-current liabilities</b>		<b>11.524.548</b>	<b>9.796.087</b>
<b>Current Liabilities</b>			
Trade and other payables	18	3.874.572	2.023.294
Tax payable		560.295	198.542
Short-term debt	16	7.182.346	5.997.696
Other current liabilities	19	706.552	3.131.645
<b>Current Liabilities</b>		<b>12.323.765</b>	<b>11.351.176</b>
<b>Total Liabilities</b>		<b>23.848.313</b>	<b>21.147.263</b>
<b>Total Equity and Liabilities</b>		<b>31.400.179</b>	<b>26.130.719</b>

Notes on pp. 14 - 40 constitute an integral part of these financial statements.

**ETPA PACKAGING S.A.****NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021****Income Statement**

	<b>Note</b>	<b>1/1-31/12/2021</b>	<b>1/1-31/12/2020</b>
-			
Sales	20	17.106.299	15.319.066
Cost of sales	21	(12.502.915)	(10.937.064)
<b>Gross profit</b>		<b>4.603.383</b>	<b>4.382.002</b>
Administrative expenses	21	(1.116.645)	(2.286.686)
Distribution expenses	21	(1.016.859)	(968.323)
Other income	23	1.388.993	195.816
Other expenses	24	(451.261)	(659.398)
<b>Operating profit</b>		<b>3.407.611</b>	<b>663.412</b>
Other financial results	25	(830)	(3.520)
Financial expenses	26	(837.892)	(617.430)
Financial income	26	111	160
<b>Profit before income tax</b>		<b>2.569.001</b>	<b>42.622</b>
Income tax	27	(556.829)	(237.435)
<b>Profit for the period from continuing operations</b>		<b>2.012.172</b>	<b>(194.813)</b>

Notes on pp. 14 - 40 constitute an integral part of these financial statements.

**ETPA PACKAGING S.A.****NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021****Statement of Other Comprehensive Income**

	Note	1/1-31/12/2021	1/1-31/12/2020
<b>Net profit for the period</b>		<u>2.012.172</u>	<u>(194.813)</u>
<b>Other comprehensive income:</b>			
<b>Amounts that will not be reclassified in the Income Statement</b>			
Remeasurements of defined benefit pension plans	13	203.772	(24.732)
Deferred tax on revaluation of accrued pensions	12	(44.830)	5.936
		<b>158.942</b>	<b>(18.796)</b>
<b>Amounts that may be reclassified in the Income Statement</b>			
<b>Other comprehensive income for the period after tax</b>		<u>158.942</u>	<u>(18.796)</u>
<b>Total comprehensive income for the period after tax</b>		<u>2.171.114</u>	<u>(213.610)</u>

Notes on pp. 14 - 40 constitute an integral part of these financial statements.

**ETPA PACKAGING S.A.**  
**NOTES TO THE FINANCIAL STATEMENTS AS OF DECEMBER 31, 2021**  
**Statement of Changes in Equity**

	Number of shares	Share capital	Share premium	Other reserves	Retained earnings	Total Equity
<b>Balance as at 31/12/2019</b>	83.645	2.434.070	724.644	1.463.426	1.574.926	6.197.066
Dividends				(276.297)	(723.703)	(1.000.000)
<b>Result for the period</b>					(194.813)	(194.813)
<b>Other comprehensive income:</b>						
Remeasurements of defined benefit pension plans	13			(24.732)		(24.732)
Deferred tax on revaluation of accrued pensions	12			5.936		5.936
<b>Other comprehensive income after tax</b>				(18.796)	-	(18.796)
<b>Total comprehensive income for the period after tax</b>				(18.796)	(194.813)	(213.610)
<b>Balance as at 31/12/2020</b>	83.645	2.434.070	724.644	1.168.333	656.410	4.983.456
<b>Balance at 31/12/2020</b>	83.645	2.434.070	724.644	1.444.630	380.113	4.983.456
Issue of share capital	3.333	96.990	302.970	(363.548)	363.548	399.960
Transfers between reserves and retained earnings	10				(2.664)	(2.664)
Changes directly in equity	11			87.937	(87.937)	
Κράτηση Τακτικού αποθεματικού						
<b>Transactions with owners</b>	3.333	96.990	302.970	(275.611)	272.947	397.296
<b>Profit for the period</b>					2.012.172	2.012.172
<b>Other comprehensive income:</b>						
Remeasurements of defined benefit pension plans	13			203.772		203.772
Deferred tax on revaluation of accrued pensions	12			(44.830)		(44.830)
<b>Other comprehensive income after tax</b>				158.942	-	158.942
<b>Total comprehensive income for the period after tax</b>				158.942	2.012.172	2.171.114
<b>Balance at 31/12/2021</b>	86.978	2.531.060	1.027.614	1.327.961	2.665.232	7.551.866

Notes on pp. 14 - 40 constitute an integral part of these financial statements.

## Statement of Cash Flows

	Note	1/1- 31/12/2021	1/1- 31/12/2020
<b>Cash flows from operating activities</b>			
<b>Profit (loss) before tax from continuing operation</b>		<b>2.569.001</b>	<b>42.622</b>
<b>Adjustments for:</b>			
Depreciation	3,4	802.663	761.213
Changes in pension obligations	13	(14.496)	10.064
Provisions	6	111.846	-
(Profit) loss on sale of property, plant and equipment	3,4	804	217.653
Grants amortization	14	(136.868)	(132.245)
Interest and similar income	26	(111)	(160)
Interest similar expenses	26	178.865	617.430
<b>Total Adjustments</b>		<b>942.703</b>	<b>1.473.956</b>
<b>Cash flows from operating activities before working capital changes</b>		<b>3.511.704</b>	<b>1.516.578</b>
<b>Changes in Working Capital</b>			
(Increase) / Decrease in inventories		(818.854)	(614.901)
(Increase)/Decrease in trade receivables		(1.760.856)	25.913
(Increase)/Decrease in other receivables		(607.273)	(19.632)
Increase / (Decrease) in liabilities (excluding banks)		(2.981.108)	619.230
Net (Increase) / Decrease of trading portfolio		1.851.278	(80.583)
		<b>(4.316.813)</b>	<b>(69.973)</b>
<b>Cash flows operating activities</b>		<b>(805.109)</b>	<b>1.446.605</b>
Interest paid		(178.865)	(618.617)
Income tax paid		(198.542)	(144.544)
<b>Net Cash flows operating activities</b>		<b>(1.182.517)</b>	<b>683.443</b>
<b>Cash flows from investing activities</b>			
Purchase of property, plant and equipment	3,4	(1.477.669)	(97.509)
Purchase of intangible assets	3,4	(22.170)	-
Proceeds from disposal of property, plant and equipment	3,4	1.350	93.800
Interest received		111	160
Grants received		92.962	89.724
<b>Net Cash flow from investing activities</b>		<b>(1.405.415)</b>	<b>86.174</b>
<b>Cash flow from financing activities</b>			
Proceeds from issuance of ordinary shares	10	399.960	-
Proceeds from borrowings	16	14.656.559	12.697.420
Payments for borrowings	16	(9.932.319)	(9.600.751)
Payment of finance lease liabilities	16	(875.801)	(591.202)
<b>Net Cash flow financing activities</b>		<b>4.248.399</b>	<b>2.505.468</b>
<b>Net (decrease) / increase in cash, cash equivalents and restricted cash</b>		<b>1.660.468</b>	<b>3.275.085</b>
Cash, cash equivalents and restricted cash at beginning of the period from continuing operations		4.350.952	1.075.867
<b>Net cash, cash equivalents and restricted cash at the end of the period from continuing operations</b>		<b>6.011.419</b>	<b>4.350.952</b>

Notes on pp. 14 - 40 constitute an integral part of these financial statements.

## 1. Brief Description of the Company

ETPA Packaging is the largest Greek company in the field of self-adhesive labels and one of the major companies operating in the field of flexible packaging materials.

The Company operates offices in Athens and Thessaloniki and its production unit is located in the INDUSTRIAL AREA of Komotini. Thus, the Company stays in constant contact with new international trends and technologies in the packaging and printing sector.

The products bearing ETPA PACKAGING prints can be found on the shelves of the largest stores not only in Greek but also in the wider European market.

Each member of the company staff is specialized in his/her field and aims at providing the best possible service to the customers, from the initial conception of a proposal for packaging, to final implementation and after sales support.

Feasibility studies for achieving the best packing costs, creating printed images, prepressed tips and updates to avoid problems during printing, information about various printing methods and analysis of the respective materials, after sales service are some of the benefits enjoyed by the customer of ETPA PACKAGING. The main goal of the company's executives is to achieve close cooperation with the respective departments of its customers in order to create attractive packaging products, which will improve the final product and increase sales.

The continuous development of staff and close monitoring of advanced technologies ensure continued progress and development of the company and make it the major player in its domain.

### Significant Dates

#### 1982

The company began its course of development in 1982 in Patras, where it started as a small adhesive label production manufacturer. Restless spirit and creative abilities of its founder led the company to continuously develop, thus surpassing the narrow boundaries of a provincial city like Patras.

#### 1992

Thus, in 1992, the company was transferred to Athens and established its production facility in Kryoneri. The growth continued at a fast pace and the company quickly stood out and gained a leading position in the field.

#### 1995

In 1995, the associate PROMOTION LABELS S.A. was founded in Komotini and a parallel course of the two companies started, lasting for almost 6 years.

#### 2001

The need to reduce operating costs and improve the control of production processes has led to the merger of the two previously mentioned companies during the summer of 2001. Thus the company ETPA – PROVOLI has been created, a company that absolutely dominated in the domain of self-adhesive labels sector and has recorded an on-going upward development till currently.

#### 2011

In 2007, the Company entered the wider area of printed packaging materials, and the rapid empowerment in this area led to its being renamed into ETPA PACKAGING in September 2011.

In its current format, the Company continues its development and remains strong and sound within the currently difficult business environment.

### BOARD OF DIRECTORS

The Board of Directors of ETPA PACKAGING S.A. comprises the following members:

Ioannis Georgios Drenogiannis	Chairman & CEO
Dimosthenis Ioannis Harakidas	BoD Member
Nikolaos Antonios Chatziantoniou	BoD Member
Georgios Ioannis Oikonomou	BoD Member
Lykourgos Ioannis Galanopoulos	BoD Member

### KEY EXECUTIVES

The Company's Key Executives are as follows:

1. Ioannis Drenogiannis, BoD Chairman, CEO, General manager, Legal Representative
2. Dimosthenis Harakidas, BoD Member
3. Nikolaos Chatziantoniou, BoD Member
4. Georgios Oikonomou, BoD Member, Sales Director
5. Lykourgos Galanopoulos, BoD Member,
6. Vasilis Kefalas, Chief Financial Officer

### Quality

Quality is ingrained in the culture of ETPA PACKAGING and ensures its compliance with new and constantly evolving methodologies and standards.

Values such as cooperation and mutual trust regarding all our customers define and express the way the Company operates.

The company is certified to implement a Quality Management System according to the International Standard EN ISO 9001: 2008, Environmental Management according to EN ISO 14001: 2004 + Cor 2009 and is a member of SEDEX for social responsibility, committed through its operating system to provide:

- Traceability throughout the range of prepress, production and distribution.
- Quality Control Procedures defined , executed and controlled by highly qualified personnel 24 hours a day.
- Attention to detail.
- Strict compliance with standards.
- Automatic 100% control of the characteristics of printed products through system Automatic Vision Control, which detects any possible deviation from the standard sample while giving full report on the individual qualities of each work.
- Environmentally friendly production processes and operations to reduce the environmental footprint.
- The only company in Greece with certified packaging products for the German market in compliance with Deutsche Pfand System (DPG).
- Safe and pleasant workplace and strict observance of safety rules in the workplace.
- Fully equipped packaging materials testing laboratory.
- Special process for labels and medical packaging materials in accordance with GMP and GHP regulations, and
- Separate isolated production site for the primary medical materials packaging.

Research and Development department is one of the major advantages of ETPA PACKAGING. Its operation makes it possible for the Company to meet every need of its customers and help them design and develop innovative packaging using specific materials so that the product could gain both - significant competitive advantage and market share.

### **Services**

Apart from printing the visuals delivered ready-made to the customers, ETPA PACKAGING highly specialized staff offers a range of other services, such as:

Guiding customers during the visuals creation, collaborating with them, correcting potential errors, optimizing models and thus, paving the way for perfect printed final product.

Creating models from the very beginning, always in cooperation with the customers.

Amending the existing visuals in a fast, flexible and cost effective way.

Implementing the ideas and meeting the customer needs through proposing new improved packaging products.

Monitoring the developments in the packaging sector in Europe, informing and guiding its customers.

ETPA PACKAGING always stands by its customer during the and after sale procedures, monitoring the sound application of labels and other packaging materials and directly providing solutions when necessary.

### **Products**

- Adhesive basic packaging labels
- Booklet Labels
- Multilevel labels
- Security Labels
- Labels Open-close
- Tags without glue rolls
- Shrink sleeves on rolls or pieces
- Flexible packaging
- Aluminum caps and aluminum foil

### **Facilities**

#### Central Management

Samou Str., 22  
Metamorfoosi, 144 51  
Athens, Greece

#### Thessaloniki Branch

P . Karolidis str. 36  
Kalamaria , 551 33  
Thessaloniki, Greece

#### Chania Branch

Markou Botsari 121  
Chania, 73135, Greece

#### Factory of Komotini

14TH Block  
Industrial Area Komotini 69 100  
Komotini, Greece

## **2. Framework for the preparation of the Financial Statements**

### **2.1 Basis for Preparation**

The present annual separate financial statements of ETPA PACKAGING S.A. as of 31/12/2021, covering the period 1.1.2021 – 31.12.2021, have been prepared in accordance with the International Financial Reporting Standards (IFRS) which have been issued by the International Accounting Standards Board (IASB) and the interpretations which have been issued by the International Financial Reporting Interpretations Committee (IFRIC), which are related to the operations of the Company and are valid on the date of preparation of the Financial Statements, as adopted by the Commission of the European Union.

The Financial Statements have been prepared in accordance with the principle of historical or deemed cost, accrual accounting, uniformity, presentation, materiality of the items and the principle of accrued income and expenses.

Moreover, the financial statements have been prepared in accordance with the going concern principle.

All reviewed or newly issued Standards and interpretations that are applicable to the Company and are effective on 31/12/2021 were taken into account for the preparation of the financial statements of the current year to the extent they were applicable.

The preparation of the Financial Statements in accordance with the Generally Accepted Accounting Principles requires conduct of estimates and assumptions, which may affect both the accounting balances of the assets and liabilities, as well as the required disclosures for contingent assets and liabilities at the date of preparation of the Financial Statements, as well as the amount of income and expenses recognized during the reporting period. The use of adequate information and the application of subjective judgment are integral elements in conducting asset valuations, classifying financial instruments, impairing receivables, providing income tax and pending litigation. Actual future results may differ from the aforementioned estimates.

The accompanying financial statements of the Company were approved by the Company's Board of Directors on March 31, 2022.

### **2.2 Estimates of COVID-19 pandemic effects**

The effects of the pandemic regarding Revenues lie in the inability to increase utilization of the generating unit and the investment program in production equipment completed in 2018, in order to achieve the objective of increasing turnover compared to 2019 by 10%, however, turnover increased by only 3% in 2020 compared to 2019, from 14.9 million to 15.3 million euro. In 2021 the goal of increasing the turnover compared to 2020 was achieved and the turnover increased by 12% compared to 2020

The open balances of customers showed an increase of 30% due to the increase in the company's turnover. More specifically, the balances of customers amount to 6.73 million euros in 2021 compared to 5.16 million euros in 2020. In 2021 the company formed a provision for doubtful receivables amounting to € 176 k.

Due to the special conditions of the pandemic and due to the increase of the turnover, the Company decided to increase the amount of inventory in order to facilitate supplying the production with raw materials. This resulted in an increase in the Company's inventories in 2021 by 219 k euro from 2.4 million euro in 2020 to 3.3 million euro in 2021.

In 2021, the Company, in order to strengthen its cash position due to the special conditions of the and for the development of a new production line in Komotini and the purchase of new mechanical equipment, received 2 new loans. An amount of 300 k euro from the Piraeus Bank and an amount of € 3.575 million in bond bonds from an investor who also bought a minority stake in the share capital of the company.

Within the framework of the beneficial provisions of the legislation addressing support of entrepreneurship, the Company received amounts of 19 k euro for subsidizing interest on short-term loans.

The Company, respecting health protocols for the protection of its staff and society as a whole, covered the expenses to its staff for conducting preventive covid tests as well as the supply of protective masks. The total cost is estimated at 5 k and 15 k euro respectively.

### **2.3 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 01/01/2021.

#### **IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendment) - "Reference Rate Reform" Phase 2**

On August 27, 2020, the International Accounting Standards Board issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 as part of the second phase of the project to address issues that may affect the financial statements following a reform of the IAS interest rate benchmark, including its replacement by alternative benchmark interest rates. The basic powers (or exceptions to the application of the accounting provisions of the individual standards) provided by these amendments relate to the following:

- Changes in contractual cash flows: When changing the basis for calculating the cash flows of financial receivables and liabilities (including leasehold liabilities), changes required by interest rate reform will not result in the recognition of profit or loss in the statement. results but the recalculation of the interest rate. The above also applies to insurance companies that make use of the temporary exemption from the application of IFRS 9.
- Hedge accounting: According to the amending provisions, changes in the hedging documentation resulting from interest rate reform will not result in the termination of the hedging relationship or the beginning of a new relationship, provided that they relate to changes allowed by phase 2 amendments. . These changes include the redefinition of hedged risk to refer to a zero risk interest rate and the redefinition of hedging items or hedged items to reflect the zero risk interest rate. However, any additional inefficiencies should be recognized in the results..

The amendment applies to annual accounting periods beginning on or after 1 January 2021.  
The amendments do not affect the Financial Statements.

#### **IAS 19 Employee Benefits - Transitional provisions for the implementation of the final agenda item entitled "Distribution of service periods"**

In May 2021, the Interpretation Committee of International Financial Reporting Standards issued the final decision on the agenda entitled "Attributing Benefits to Periods of Service (IAS 19)". , which includes explanatory material regarding the manner of distribution of benefits in periods of service on a specific program of defined benefits analogous to that defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement (the "Program of Defined Benefits of Labor Law" »).

Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past in this regard, and consequently, according to what is defined in the IASB Due Process Handbook (par. 8.6) is differentiated. "Entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policies accordingly.

Until the issuance of the agenda decision, the Company applied IAS 19 by distributing the benefits defined by article 8 of Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 in the period from the recruitment until the completion of 16 years of work following the scale of Law 4093/2012 or until the date of retirement of the employees.

The application of this final Decision to the attached financial statements, has as a result the distribution of benefits in the last sixteen (16) years until the date of retirement of employees following the scale of Law 4093/2012.

In view of the above, the application of the above final Decision has been treated as a change in accounting policy, applying the change retroactively from the beginning of the first comparative period, in accordance with paragraphs 19 - 22 of IAS 8, the effect of which is presented in note 2.6 of attached financial statements.

#### **IFRS 16 Leases (Amendment) - "Lease concessions related to the coronavirus epidemic beyond 30 June 2021"**

In response to the effects of the pandemic, the International Accounting Standards Board first issued an amendment to IFRS 16 "Leases" on 28 May 2020 and then on 31 March 2021 to enable tenants not to account for rent reductions as a lease change if it is a direct consequence. of COVID-19 and provided that all of the following conditions are met:

- (a) the revised rent was the same or less than the original;
- (b) the reduction was related to rents due before or until 30 June 2021;
- (c) no other substantial changes have been made to its terms

The amendment does not affect landlords. The Council extended the period of the facility from 30 June 2021 to 30 June 2022. The amendment applies to annual accounting periods beginning on or after 1 April 2021. Early application is permitted, including interim or annual financial statements which did not have approved for publication on March 31, 2021. The amendments have no effect on the Financial Statements.

#### **IFRS 4 Insurance Contracts (Amendment) - "Extension of the Temporary Exemption from the Application of IFRS 9"**

This amendment, issued on 25 June 2020, extended the implementation date by two years, to annual reference periods beginning on or after 1 January 2023, in order to allow time for the smooth adoption of the amended IFRS 17 by jurisdictions. worldwide. This will allow more insurers to apply the new Standard at the same time. In addition, IFRS 4 has been amended so that insurance entities can apply IFRS 9 Financial Instruments in parallel with IFRS 17.

The amendment applies to annual accounting periods beginning on or after 1 January 2021.  
The amendments have no effect on the Financial Statements.

## **2.4 Standards and Interpretations mandatory for subsequent periods that have not been applied earlier by the Company (or the Group) and have been adopted by the EU.**

The following amendments are not expected to have a material impact on the financial statements of the Company (or the Group) unless otherwise stated.

Annual improvements International Financial Reporting Standards 2018-2020

On 14 May 2020, the International Accounting Standards Board issued the annual improvements containing the following amendments to the following International Financial Reporting Standards, which apply to annual periods beginning on or after 1 January 2022:

### **IFRS 1 First-time Adoption of International Financial Reporting Standards - First-time application of IFRS to a subsidiary**

The amendment allows the subsidiary to apply paragraph D16 (a) of the IFRS Appendix 1 to measure cumulative exchange differences using the amounts reported by its parent, which are based on the parent's transition date to IFRS.

### **IFRS 9 Financial Instruments - Fees and 10% test for write-off of financial liabilities**

The amendment specifies what fees an entity should include when applying the 10% test in paragraph B.3.3.6 of IFRS 9 to determine whether it should write off a financial liability. An entity includes fees paid or received between the entity (borrower) and the lender, including fees paid or received either by the entity or the lender on behalf of another party.

### **IFRS 16 Leases - Lease Incentives**

The amendment removed the example of landlord payments for rental improvements in the Explanatory Example 13 of the template, in order to avoid any confusion about the accounting treatment of lease incentives that may arise from the way lease incentives are presented in the example. .

### **IAS 41 Agriculture - Taxation at Fair Value Measurements**

The amendment removes the requirement in paragraph 22 of IAS 41 that entities should not include taxable cash flows when measuring biological assets using the present value technique. This amendment ensures consistency with IFRS requirements 13.

### **IAS 16 Property, Plant and Equipment (Amendment) - "Receipts before the forecast year"**

The amendment changes the way in which the cost of asset performance tests and the net proceeds of the sale are recorded from sales of items produced in the process of placing the asset in that location and condition. The income and production costs of these products will now be recorded in the income statement instead of appearing as a reduction in the acquisition cost of the fixed assets. It also requires entities to disclose separately the amounts of revenue and expenditure associated with such items produced that are not the result of the entity's ordinary business.

The amendment applies to annual accounting periods beginning on or after 1 January 2022.

### **IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment) - "Onerous Contracts - Cost of Performing a Contract"**

The amendment specifies what costs an entity should include in determining the cost of performing a contract in order to assess whether the contract is onerous. The amendment clarifies that "the cost of fulfilling a contract" includes the directly related costs of fulfilling that contract and the allocation of other costs directly related to its performance. The amendment also clarifies that, before recognizing a separate provision for a onerous contract, an entity recognizes an impairment loss on the assets used to perform the contract, rather than on assets that were solely committed to that contract.

The amendment applies to annual accounting periods beginning on or after 1 January 2022.

### **IFRS 3 Business Joins (Amendment) - "Reference to the Conceptual Framework"**

On 14 May 2020, the IASB issued the "Reference to Conceptual Framework (Amendments to IFRS 3)" with amendments to IFRS 3 "Business Combinations". The amendment updated the template to refer to the Conceptual Framework for the Financial Report issued in 2018, when it should be determined what constitutes an asset or liability in a business combination. In addition, an exemption was added for certain types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize any assets, as defined in IAS 37, at the acquisition date.

The amendment applies to annual accounting periods beginning on or after 1 January 2022.

### **IFRS 17 Insurance Contracts**

On 18 May 2017 IASB issued IFRS 17, which, together with the amendments issued on 25 June 2020, replaces the existing IFRS 4.

IFRS 17 establishes the principles for the registration, valuation, presentation and disclosure of insurance policies in order to provide a more uniform valuation and presentation approach for all insurance policies.

IFRS 17 requires that valuation of insurance liabilities not be carried out at historical cost but at present value in a consistent manner.:

- unbiased expected weighted estimates of future cash flows based on updated assumptions;
- discounted interest rates that reflect the cash flow characteristics of the contracts; and
- estimates of the financial and non-financial risks arising from the issuance of insurance policies.

The new standard applies to annual accounting periods beginning on or after 1 January 2023.

## **2.5 Standards and Interpretations mandatory for subsequent periods that have not been applied earlier by the Company (or the Group) and have not been adopted by the EU.**

The following amendments are not expected to have a significant impact on the Company's financial statements

### **IAS 1 Presentation of Financial Statements (Amendment) - "Liabilities to short-term or long-term"**

The amendment only affects the presentation of liabilities in the statement of financial position. The amendment clarifies that the classification of liabilities should be based on existing rights at the end of the reporting period. The amendment also clarified that the Management's expectations for the events that are expected to occur after the balance sheet date should not be taken into account and clarified the cases that constitute a settlement of the obligation.

The amendment applies to annual accounting periods beginning on or after 1 January 2023.

### **IAS 1 Presentation of Financial Statements and IFRS Practice Directive No. 2: Disclosures of Accounting Policies (Amendments)**

On 12 February 2021 the International Accounting Standards Board issued an amendment to IAS 1 stating that: The definition of accounting policies is given in paragraph 5 of IAS 8.

The entity should disclose significant accounting policies. Accounting policies are important when, together with the other information contained in the financial statements, they can influence the decisions made by the principal users of the financial statements.

- Accounting policies for non-significant transactions are considered non-significant and should not be disclosed. Accounting policies, however, can be significant depending on the nature of some transactions, even if the amounts involved are insignificant. Accounting policies related to significant transactions and events are not always significant in their entirety.

Accounting policies are important when users of financial statements need them in order to understand other important information in the financial statements.

- Information on how the entity has implemented an accounting policy is more useful to users of financial statements than standard information or a summary of IFRS provisions.

- In the event that the entity chooses to include non-material information about accounting policies, that information should not interfere with material information relevant to accounting policies.

Guidelines and illustrative examples are also added to the second Practice Statement to assist in applying the concept of essential to accounting policy disclosures.

The amendments apply to annual accounting periods beginning on or after 1 January 2023.

### **IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors (Amendment) - "Definition of Accounting Estimates"**

On February 12, 2021, the International Accounting Standards Board issued an amendment to IAS 8 which:

- Defined accounting estimates as monetary amounts in financial statements that are subject to measurement uncertainty.

- Clarified that an accounting policy may require that the items in the financial statements be valued in such a way as to create uncertainty. In this case, the entity develops an accounting estimate. The development of accounting estimates involves the use of judgments and assumptions.

The entity uses valuation techniques and data when developing accounting estimates.

The entity may be required to change its accounting estimates. This fact by its nature is not related to previous uses nor is it a correction of an error. Changes in data or valuation techniques are changes in accounting estimates unless they are related to error correction.

The amendment applies to annual accounting periods beginning on or after 1 January 2023..

### **IAS 12 Income Taxes (Amendment) - "Deferred Tax Related to Assets and Liabilities Arising from a Specific Transaction"**

On May 7, 2021, the International Accounting Standards Board issued an amendment to IAS 12 limiting the scope of the recognition exemption under which companies in certain cases were exempt from the obligation to recognize deferred tax upon initial recognition of assets or liabilities. The amendment clarifies that this exemption no longer applies to transactions which, upon initial recognition, result in the creation of equal taxable and deductible temporary differences, such as leases for tenants and recovery obligations.

The amendment applies to annual accounting periods beginning on or after 1 January 2023.

## IFRS 17 Insurance Contracts (Amendment) - "Initial Application IFRS 17 and IFRS 9 - Comparative Information"

On December 9, 2021, the International Accounting Standards Board issued an amendment to IFRS, which adds a new option to transition to IFRS 17 to smooth out accounting discrepancies arising in the comparative information between insurance contract liabilities and related financial instruments. in the initial application of IFRS 17, and therefore improve the usefulness of comparative information for users of financial statements. Allows the presentation of comparative information on financial assets in a way that is more consistent with IFRS 9.

The amendment applies to annual accounting periods beginning on or after 1 January 2023.

### 2.6 Change in accounting policy due to IAS 19

The Company proceeded to the adoption of IAS 19 "Employee Benefits" from January 1, 2021

In May 2021, the Interpretation Committee of International Financial Reporting Standards issued the final decision on the agenda entitled "Attributing Benefits to Periods of Service (IAS 19)". , which includes explanatory material regarding the manner of distribution of benefits in periods of service on a specific program of defined benefits analogous to that defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement (the "Program of Defined Benefits of Labor Law" »).

Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past in this regard, and consequently, according to what is defined in the IASB Due Process Handbook (par. 8.6) is differentiated. "Entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policies accordingly.

Until the issuance of the agenda decision, the Company applied IAS 19 by distributing the benefits defined by article 8 of Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 in the period from the recruitment until the completion of 16 years of work following the scale of Law 4093/2012 or until the date of retirement of the employees.

The application of this final Decision to the attached financial statements, has as a result the distribution of benefits in the last sixteen (16) years until the date of retirement of employees following the scale of Law 4093/2012.

### Impacts from the adoption of IAS 19 during the transition

The effect of the adjustments on the financial figures of the company from the application of the IAS Standard 19 are analyzed below:

#### Accrued pension and retirement obligations

	Defined benefit obligation	Total
Cost of valuation at 1/1/2021	340.912	340.912
Effect from the first application of IAS 19 1/1/2021	-202.653	-202.653
<b>Cost of valuation at 1/1/2021</b>	<b>138.259</b>	<b>138.259</b>

	Defined benefit obligation	Total
<b>Cost of valuation at 1/1/2021</b>	<b>138.259</b>	<b>138.259</b>
Current Service cost	-15.326	-15.326
Interest expense	830	830
Remeasurement - Actuarial losses (gains) from changes in experience	-1.119	-1.119
<b>Cost of valuation at 31/12/2021</b>	<b>122.644</b>	<b>122.644</b>

### 2.7 Functional and Presentation Currency and Foreign Currency Translation

The functional and presentation currency of the Company is Euro (€). Transactions involving other currencies are converted into Euro using the exchange rates applicable at the time of the transactions. At the financial statements preparation date, all monetary assets, equity and liabilities, which are denominated in other currencies, are adjusted to reflect the current exchange rates.

Any gains or losses arising from transactions in foreign currency, as well as from translation of monetary assets denominated in foreign currency are recognized in the accompanying statement of comprehensive income.

### 2.8 Property, plant and equipment

Tangible Fixed Assets are recorded in the financial statements at their acquisition values.

The initial cost of property, plant or equipment consists of its acquisition cost, including import duties and non-refundable purchase taxes, as well as any necessary costs for rendering the asset operational and ready for its intended use.

Subsequent expenses incurred in relation to property, plant or equipment are capitalized only when they increase the future economic benefits expected to arise from the operation of the affected assets. All other repair and maintenance expenses etc. are charged to expenses for the year when incurred.

Upon withdrawal or disposal of an asset, the related cost and accumulated depreciation are eliminated from the corresponding accounts at the time of withdrawal or disposal and the related gains or losses are recognized in the statement of comprehensive income.

Depreciation is charged to the statement of comprehensive income using the straight-line depreciation method throughout the entire estimated useful life of fixed assets. Land is not depreciated. The estimated useful life of every category of assets is presented below as follows:

Buildings	Up to 40 years
Machinery	12 - 29 years
Vehicles	10 - 15 years
Furniture and other equipment	5 - 10 years

Residual values and useful lives of tangible assets are annually reviewed at every date of preparation of the Statement of Financial Position. When the book value of tangible assets exceeds their recoverable value, the difference (impairment) is recognized as an expense in the statement of comprehensive income.

**2.9 Intangible fixed assets**

**Software**

Computer software pertains to the cost of purchase or self production of software, such as wages, materials, services, and all expenses incurred during the development of software in order for it to be operational. Expenses that enhance or extend the performance of computer software programs beyond their original specifications are recognized as capital expenditure and are added to the initial cost of the software. Amortization expenses of software burden the statement of comprehensive income under the straight-line depreciation method throughout their useful life. The estimated useful life is presented below as follows:

Computer software	5 - 10 years
-------------------	--------------

**2.10 Impairment of assets**

Tangible and intangible assets and other non-current assets are tested for potential impairment loss whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Whenever the carrying amount of an asset exceeds its recoverable amount, the corresponding impairment loss is recognized in the statement of comprehensive income. The recoverable amount of an asset is the higher amount between its net selling price and its value in use. Net selling price is the amount obtainable from the sale of an asset at an arm's length transaction between fully knowledgeable parties acting voluntarily, after deducting any direct incremental disposal costs. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. If it is not possible to estimate the recoverable amount of an asset for which there is evidence of impairment, then the recoverable amount of the unit generating cash flows to which the asset belongs, is estimated.

Impairment losses of assets accounted for in previous years are reversed only when there are sufficient indications that the impairment no longer exists or has been decreased. In these cases, the reversal is recognized as income.

**2.11 Inventory**

Inventory is stated at the lower of acquisition cost or production cost and net realizable value. The cost of inventory is calculated based on the weighted average method and contains all the necessary costs incurred in bringing inventory to their current location and state of manufacture and comprises cost of goods, acquisition cost of raw materials, overheads and packaging costs. The net realizable value of goods, finished and unfinished products is their estimated selling price in the ordinary course of business, less the costs of completion and the estimated costs necessary for their sale. The net realizable value of raw materials is the estimated replacement cost in the ordinary course of the Company's operations. Provision for slow moving or obsolete inventories is made when necessary. As at 31/12/2020, no inventory items were valued at their net realizable value.

**2.12 Financial instruments**

**i) Initial recognition**

A financial asset or financial liability is recognized in the statement of financial position of the Company when it arises or when the Company becomes part of the contractual terms of the financial instrument.

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

Initially, the Company measures financial assets at fair value. Trade receivables (which do not contain significant financial assets) are carried at transaction price.

If a financial asset is to be classified and measured at amortized cost or at fair value through comprehensive income, it shall generate cash flows exclusively pertaining to capital and interest repayments of the initial capital. The business model applied by the Company for the purposes of managing financial assets refers to the way in which it manages its financial capabilities in order to generate cash flows. The business model determines whether cash flows will arise from collecting contractual cash flows, disposal of financial assets, or both. Acquisition or disposal of financial assets that require delivery

of assets within a timeframe specified by a regulation or a contract is recognized as at the transaction date, i.e. as at the date when the Company makes a commitment to acquire or to dispose of the asset.

#### **ii) Classification and subsequent measurement**

To facilitate subsequent measurement purposes, financial assets are classified into the following categories:

##### **a) Financial assets at fair value through profit and loss**

Financial assets at fair value through profit or loss include financial assets held for sale, financial assets designated at initial recognition at fair value through profit or loss, or financial assets that are required to be measured at fair value. Financial assets are classified as held for sale if they are acquired for sale or repurchase in the near future. Derivatives, including embedded derivatives, are also classified as held for trading, unless they are defined as effective hedging instruments.

Financial assets with cash flows referring not only to capital and interest payments are classified and measured at fair value through profit or loss, irrespective of the business model.

##### **b) Financial assets at amortized cost**

The Company measures financial assets at amortized cost if both of the following conditions are met: (1) the financial asset is held in order to maintain financial assets for the purposes of collecting contractual cash flows; and (2) the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortized cost, subsequently apply the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

##### **c) Financial assets at fair value through total comprehensive income**

Upon initial recognition, the Company may decide to irrevocably classify its investment participations as equity instruments designated at fair value through total comprehensive income when they meet the definition of equity and are not held for trading. Classification is determined per financial instrument. Profits and losses from these financial assets are never recycled to profits or losses. Equity instruments designated at fair value through total comprehensive income are not subject to impairment test.

#### **iii) Derecognition**

A financial asset is derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

#### **iv) Impairment**

The Company recognizes provision for impairment for expected credit losses regarding all financial assets not measured at fair value through profit or loss. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the Company expects to receive.

Regarding trade receivables, the Company applies simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk.

### **2.13 Cash available**

Cash available also includes cash equivalents such as sight and short term deposits. Bank overdrafts that are repayable on demand and form an integral part of the management of the company's cash are included, for the purposes of the preparation of the statement of cash flows, as a component of cash available.

### **2.14 Share Capital**

Common shares are classified as capital. Incremental costs directly attributable to the issue of new shares are recorded in equity as a deduction from the proceeds.

During the acquisition of equity shares, the consideration paid, including relevant expenses, is deducted from equity.

### **2.15 Leases**

**As a Lessee:** Finance lease is leasing fixed assets according to which, all risks and benefits related to the ownership of an asset, are transferred to the Company, regardless of the ultimate transfer or not of that asset. Such leases are capitalized upon the beginning of the lease at their lower value between the fair value of the fixed asset or the current value of the minimum number of rentals. Each lease is allocated between the liability and the financial expenses to attain a fixed interest rate in the remaining financial liability. The respective liabilities from leases, net of financial expenses, are recorded into liabilities. The part of a financial expense regarding finance leases is recognized in the income statement during the term of the lease. Assets acquired under finance lease are depreciated over the shorter period of the useful lives of the assets and the term of the lease.

Lease agreements in which the lessor transfers the right-of-use asset for an agreed-upon period of time, without, however, transferring the risks and rewards of ownership of the fixed asset, are classified as operating leases. Payments made under operating leases (net of any incentives offered by the lessor) are recognized in the income statement on a pro rata basis over the term of the lease.

**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. Lease income is recognized in profit or loss on the lease using the net investment method, which represents a fixed periodic return.

Fixed assets leased under operating lease are included in property, plant and equipment account of the statement of

financial position. They are impaired during their expected useful life on a basis consistent with similar owned tangible assets. The income from the rent (net of any incentives offered to the lessees) is recorded by applying the straight line method during the term of the lease.

#### **2.16 Income & Deferred Tax**

Current and deferred income tax is calculated based on the relevant financial statements in accordance with the tax laws effective in Greece. Current income tax refers to the tax on the taxable profits of the company as adjusted according to the provisions of tax legislation and is calculated using the current tax rate.

Deferred tax is calculated using the liability method on all temporary tax differences at the date of preparation of the statement of financial position between the tax base and the book value of assets and liabilities.

The expected tax consequences from the temporary tax differences are determined and presented either as future (deferred) tax liabilities or as deferred tax assets.

Deferred tax assets for all deductible temporary differences and tax losses, are carried forward to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilized.

The carrying amount of deferred tax assets is reviewed at each date of preparation of the statement of financial position and is reduced to the extent where it is not probable that there will be sufficient taxable profits against which part or all of the deferred tax assets will be used.

Current tax assets and liabilities for the current and prior periods are measured as the amount expected to be paid to the tax authorities (or recovered from the tax authorities), using tax rates (and tax legislation) that have been enacted or substantively enacted by the date of preparation of the statement of financial position.

#### **2.17 Dividends**

Payable dividends are recognized as a liability at the time of their approval by the General Meeting of Shareholders.

#### **2.18 Provisions for employee benefits**

The Company's obligations towards employees in respect of the future payment of benefits depending on the length of service of every employee is calculated and recorded based on the expected vested benefit of every employee at the date of preparation of the statement of financial position, discounted to present value, in relation to the anticipated time of payment.

The relative liability is calculated based on the financial and actuarial assumptions analytically presented in Note 16 and is determined under the Projected Unit Method. Net pension costs for the period are included in payroll in the accompanying statement of comprehensive income and include the present value of the benefits earned during the period, interest cost on the benefit obligation, past service cost, actuarial gains or losses and any other additional retirement costs. Past service costs are recognized on a consistent basis over the average period until the benefits become vested. Actuarial gains or losses are recognized directly in the total comprehensive income of the period in which they occur and are not transferred to the income statement in subsequent periods. Retirement obligations are not financed.

#### **2.19 State insurance plans**

Company's employees are covered by the main State Social Insurance Organization of the private sector that provides pension and medical benefits. Every employee is required to contribute part of his/her monthly salary to the fund, while part of the total contribution is covered by the Company. Upon retirement, the pension fund is responsible for paying retirement benefits to the employees. Consequently, the Company has no legal or constructive obligation to pay future benefits under this plan.

#### **2.20 Government grants**

Government grants are recognized initially at their nominal value when there is reasonable assurance that the grant will be received and that the Company will comply with all the effective terms. Government grants relating to costs are recognized in the statement of comprehensive income over the period necessary to match them with the costs they are intended to compensate. Government grants pertaining to the acquisition of property, plant and equipment are included in current liabilities as deferred income and are recognized as income and transferred to the statement of comprehensive income during the useful life of the subsidized asset.

#### **2.21 Provisions and contingent assets and liabilities**

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources and the liabilities can be estimated reliably. Provisions are reviewed at each statement of financial position preparation date and are adjusted so that they should reflect the present value of the expenditure expected to be disbursed to settle the obligation. Regarding the provisions that are expected to be settled in the long term, when the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pretax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

#### **2.22 Revenue recognition**

**Income:** Income includes the fair value of goods and services sold, net of Value Added Tax, discounts and returns. Revenue is recognized as follows:

- **Sale of goods:** Revenue is measured at the fair value of the consideration received or receivable and represents amounts receivable for goods sold and services provided in the normal course of the Company's operations, net of discounts, VAT and other taxes related to sales. The Company recognizes in the income statement the sale of the goods at the moment

when the benefits and risks associated with the ownership of those goods are transferred to the client.

- **Provision of services:** Income from provision of services is accounted for in the period during which the services are rendered, based on the stage of completion of the service in relation to the total services to be rendered.

- **Interest Income:** Interest income is recognized on a time proportion basis using the effective interest rate. When there is impairment of assets, their book value is reduced to their recoverable amount which is the present value of the expected future cash flows discounted using the initial real interest rate. Interest is then booked using the same interest rate calculated on the impaired (new book) value.

### **2.23 Significant accounting judgements, estimates and assumptions**

The preparation of financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may ultimately differ from those estimates.

Judgments and estimates are periodically reviewed and are based on the management prior experience as well as on other factors, including future expectations deemed reasonable under the particular circumstances.

#### **Judgements**

Under applying accounting principles, judgments of the management, apart from those involving estimations, which are determined by the management and have the most significant effect on the amounts recognized in the financial statements mainly relate to:

- **recoverability of receivables**

Allowances for doubtful receivables are based on historical data on recoverability of receivables and take into account the expected credit risk. The method, applied by Company, facilitates calculating the expected credit losses over the life of its receivables. The method is used on past experience, but is adapted in order to reflect projections for the future financial condition of customers and economic environment. Balancing historical data and future financial conditions with the expected credit losses requires applying significant estimates. The amount of the allowance is recognized as an expense in other operating expenses in the income statement.

- **inventory obsolescence**

Appropriate provisions are made for damaged, obsolete and slow moving inventory. Decrease in the value of inventory in the net realizable value and other losses from inventories are expensed in the period when they occur.

#### **Estimates and assumptions**

Certain amounts included in or affecting the financial statements and related disclosures shall be estimated through making assumptions with respect to values or conditions which cannot be known with certainty at the time of preparation of the financial statements. Significant accounting estimates are defined as the estimates significant to the financial position and results of the company and those requiring the management's most difficult, subjective or complex judgments, often as a result of the need to make estimates regarding the effect of matters that are uncertain. The company assesses such estimates on an ongoing basis, based upon historical results and experience, consultation with experts, trends and other methods considered reasonable in the particular circumstances, as well as the projections for the future changes.

- **Income Tax**

The Company is subject to income tax applied in various tax regimes. Significant estimates are required under determining provisions for income tax. There are a lot of transactions and calculations for which the accurate tax determination is uncertain in the ordinary course of business. The Company recognizes liabilities for expected tax audit issues based on the regarding the extent to which additional taxes will be due. When the final tax outcome of these matters is different from the amounts that had been initially recorded, such differences will affect the income tax and deferred tax provisions in the period in which such amounts have been determined.

- **Contingent assets and contingent liabilities**

The company is involved in litigations and compensation claims in the ordinary course of its business. The Management estimates that no resulting settlements would materially affect the financial position of the Company on December 31, 2021. However, determination of contingent liabilities relating to litigation and claims is a complex process that involves judgments related to the outcomes and interpretation of laws and regulations.

Changes in judgments or interpretations may result in an increase or a decrease in the Company's contingent liabilities in the future.

3. Property, plant and equipment  
3.1. The Company's tangible fixed assets

The Company's tangible fixed assets are analyzed as follows:

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Cost of valuation at1/1/2020	1.029.693	8.688.537	11.400.525	340.736	936.419	22.395.910
Accumulated depreciation	-	(2.615.585)	(5.633.421)	(172.566)	(749.079)	(9.170.650)
<b>Net book value1/1/2020</b>	<b>1.029.693</b>	<b>6.072.952</b>	<b>5.767.105</b>	<b>168.171</b>	<b>187.340</b>	<b>13.225.260</b>
Additions	-	7.000	-	121.590	19.509	148.099
Disposals	-	-	(303.545)	(12.865)	-	(316.410)
Depreciation charge	-	(223.782)	(427.678)	(49.915)	(57.513)	(758.888)
Cost of valuation at31/12/2020	1.029.693	8.695.537	11.096.980	449.462	955.928	22.227.599
Accumulated depreciation	-	(2.839.367)	(6.061.098)	(222.481)	(806.592)	(9.929.538)
<b>Net book value31/12/2020</b>	<b>1.029.693</b>	<b>5.856.170</b>	<b>5.035.882</b>	<b>226.981</b>	<b>149.336</b>	<b>12.298.061</b>

	Land	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Cost of valuation at1/1/2021	1.029.693	8.695.537	11.096.980	449.462	955.928	22.227.599
Accumulated depreciation	-	(2.839.367)	(6.061.098)	(222.481)	(806.592)	(9.929.538)
<b>Net book value1/1/2021</b>	<b>1.029.693</b>	<b>5.856.170</b>	<b>5.035.882</b>	<b>226.981</b>	<b>149.336</b>	<b>12.298.061</b>
Additions	230.641	22.381	1.121.853	24.409	78.385	1.477.669
Disposals	-	-	(2.154)	-	-	(2.154)
Revaluation of assets	-	2.913	438	(9.727)	-	(6.376)
Depreciation charge	-	(224.561)	(454.371)	(60.354)	(59.319)	(798.605)
Revaluation of depreciation	-	(1.073)	-	(17.205)	-	(18.278)
Cost of valuation at31/12/2021	1.260.333	8.720.831	12.217.117	464.143	1.034.313	23.696.738
Accumulated depreciation	-	(3.065.001)	(6.515.470)	(300.040)	(865.911)	(10.746.422)
<b>Net book value31/12/2021</b>	<b>1.260.333</b>	<b>5.655.830</b>	<b>5.701.647</b>	<b>164.103</b>	<b>168.402</b>	<b>12.950.316</b>

### 3.2. Property, plant and equipment under finance lease

The Company's tangible fixed assets are analyzed as follows:

	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Cost of valuation at 1/1/2020	31.403	4.346.665	134.781	4.711	4.517.560
Accumulated depreciation	(5.234)	(584.449)	(34.981)	(3.272)	(627.936)
<b>Net book value 1/1/2020</b>	<b>26.169</b>	<b>3.762.215</b>	<b>99.800</b>	<b>1.440</b>	<b>3.889.624</b>
Additions	-	-	50.590	-	50.590
Depreciation charge	(7.344)	(266.967)	(35.856)	(1.440)	(311.577)
<b>Cost of valuation at 31/12/2020</b>	<b>31.403</b>	<b>4.346.665</b>	<b>185.371</b>	<b>4.711</b>	<b>4.568.150</b>
Accumulated depreciation	(12.577)	(851.416)	(70.837)	(4.711)	(939.513)
<b>Net book value 31/12/2020</b>	<b>18.826</b>	<b>3.495.249</b>	<b>114.563</b>	<b>-</b>	<b>3.628.637</b>

	Buildings	Machinery	Vehicles	Furniture & Fittings	Total
Cost of valuation at 1/1/2021	31.403	4.346.665	185.371	4.711	4.568.150
Accumulated depreciation	(12.577)	(851.416)	(70.837)	(4.711)	(939.542)
<b>Net book value 1/1/2021</b>	<b>18.826</b>	<b>3.495.249</b>	<b>114.534</b>	<b>-</b>	<b>3.628.608</b>
Additions	-	1.121.853	24.409	-	1.146.262
Revaluation of assets	2.911	-	(9.287)	-	(6.376)
Depreciation charge	(7.931)	(308.101)	(45.017)	-	(361.050)
Revaluation of depreciation	(1.073)	-	(17.205)	-	(18.278)
<b>Cost of valuation at 31/12/2021</b>	<b>34.314</b>	<b>5.468.518</b>	<b>200.493</b>	<b>4.711</b>	<b>5.708.036</b>
Accumulated depreciation	(21.582)	(1.159.517)	(133.060)	(4.711)	(1.318.870)
<b>Net book value 31/12/2021</b>	<b>12.732</b>	<b>4.309.000</b>	<b>67.434</b>	<b>-</b>	<b>4.389.166</b>

The Company's fixed assets are burdened with liens amounting to € 6 million.

### 4. Intangible assets

	Computer Software	Total
Cost of valuation at 1/1/2020	32.546	32.546
Accumulated depreciation	(29.369)	(29.369)
<b>Net book value 1/1/2020</b>	<b>3.177</b>	<b>3.177</b>
Additions	-	-
Depreciation charge	(2.298)	(2.298)
<b>Cost of valuation at 31/12/2020</b>	<b>32.546</b>	<b>32.546</b>
Accumulated depreciation	(31.667)	(31.667)
<b>Net book value 31/12/2020</b>	<b>879</b>	<b>879</b>

	Computer Software	Total
Cost of valuation at 1/1/2021	32.546	32.546
Accumulated depreciation	(31.667)	(31.667)
<b>Net book value 1/1/2021</b>	<b>879</b>	<b>879</b>
Additions	22.170	22.170
Depreciation charge	(4.057)	(4.057)
<b>Cost of valuation at 31/12/2021</b>	<b>54.716</b>	<b>54.716</b>
Accumulated depreciation	(35.724)	(35.724)
<b>Net book value 31/12/2021</b>	<b>18.992</b>	<b>18.992</b>

## 5. Other long-term receivables

The Company's long-term receivables mainly concern the PPC and operating leases guarantees.

	31/12/2021	31/12/2020
Guarantees	28.659	29.098
Government Grants	89.657	119.935
Others	(0)	48.305
<b>Net book value</b>	<b>118.315</b>	<b>197.337</b>

## 6. Inventory

The Company's inventory is analyzed as follows:

	31/12/2021	31/12/2020
Merchandise	5.018	3.981
Finished goods	563.438	419.869
Semi-finished products	-	-
Raw materials and other consumables	2.561.828	1.924.745
Work in process	176.582	139.744
Packaging Materials	11.934	11.607
<b>Total</b>	<b>3.318.800</b>	<b>2.499.946</b>
Less: Provisions for scrap, slow moving and/or destroyed inventories for the period	(207.238)	(95.392)
<b>Net book value</b>	<b>3.111.562</b>	<b>2.404.554</b>

## 7. Trade receivables

The Company's total trade receivables are analyzed as follows:

	31/12/2021	31/12/2020
Trade receivables	6.733.571	5.168.125
Checks receivable	2.288.275	1.905.009
Less: Impairment Provisions	(1.452.574)	(1.276.711)
<b>Total</b>	<b>7.569.272</b>	<b>5.796.424</b>

## 8. Other current assets

The Company's total other assets are analyzed as follows:

	31/12/2021	31/12/2020
Receivables from the State	207.729	252.752
Advances and loans to personnel	264.291	58.102
Prepaid expenses	722.014	281.944
Other Receivables	6.551	513
<b>Total</b>	<b>1.200.585</b>	<b>593.312</b>

## 9. Cash Available

Cash available includes cash in hand and the Company's readily available bank deposits analyzed as follows:

	<b>Company</b>	
	<b>31/12/2021</b>	<b>31/12/2020</b>
Cash in hand	17.400	20.733
Cash equivalent balance in bank	5.994.019	4.330.220
<b>Total cash, cash equivalents and restricted cash</b>	<b>6.011.419</b>	<b>4.350.953</b>
Cash, cash equivalents and restricted cash in €	6.007.573	4.347.107
Cash, cash equivalents and restricted cash in foreign currency	3.846	3.846
<b>Total cash and cash equivalents</b>	<b>6.011.419</b>	<b>4.350.953</b>

#### 10. Share Capital

As at 31/12/2020, the Company's share capital amounted to € 2.434.070 and consisted of 83.645 common nominal shares of nominal value 29.10 Euro each and Share premium amounted to € 724,644.00 . In this year 2021, 3,333 new common nominal shares worth 29.10 euros each were issued with an offering price of 120 euros each. Thus, the share capital of the company as at 31/12/2021 amounts to € 2,531,059.80 and consists of 86.978 common registered shares. shares, with a nominal value of 29.10 euros each and Share premium amounted of € 1,027,614.00

#### 11. Other Reserves

The Company's reserves are analyzed as follows:

	<b>Statutory Reserve</b>	<b>Tax-free reserves</b>	<b>Other reserves</b>	<b>Total</b>
<b>Balance as of 1/1/2020</b>	<b>77.727</b>	<b>1.553.084</b>	<b>(167.385)</b>	<b>1.463.426</b>
Period variation				-
Deffred Tax			5.936	5.936
Remeasurements of defined benefit pension plans			(24.732)	(24.732)
<b>Balance as of 31/12/2020</b>	<b>77.727</b>	<b>1.553.084</b>	<b>(186.181)</b>	<b>1.444.630</b>
	<b>Statutory Reserve</b>	<b>Tax-free reserves</b>	<b>Other reserves</b>	<b>Total</b>
<b>Balance as of 1/1/2021</b>	<b>77.727</b>	<b>1.553.084</b>	<b>(186.181)</b>	<b>1.444.630</b>
Transfers between reserves and retained earnings		(363.549)		(363.549)
Period variation	87.937			87.937
Deffred Tax			(44.830)	(44.830)
Remeasurements of defined benefit pension plans			203.772	203.772
<b>Balance as of 31/12/2021</b>	<b>165.664</b>	<b>1.189.535</b>	<b>(27.239)</b>	<b>1.327.960</b>

#### 12. Deferred tax assets/liabilities

	Balance as of 1/1/2020	(Debit)/Credit to P&L of continuing operations	(Debit)/Credit to equity	Balance as of 31/12/2020
<b>Non-Current Assets</b>				
Tangible assets	(918.033)	13.367		(904.666)
Other Intangible Assets	1.496	(636)		860
<b>Current Assets</b>				-
Inventories	27.217	(4.323)		22.894
Trade and other receivables	134.335	(20.445)		113.890
<b>Non-current liabilities</b>				
Accrued pension and retirement obligations	73.468	11.478	(3.127)	81.819
Government grants	267.371	(31.739)		235.632
Long-term borrowings	(236.520)	(115.671)		(352.191)
Debt	268.157	118.139		386.296
<b>Net deferred tax asset / (liability)</b>	<b>(382.509)</b>	<b>(29.831)</b>	<b>(3.127)</b>	<b>(415.466)</b>

	Balance as of 1/1/2021	(Debit)/Credit to P&L of continuing operations	(Debit)/Credit to equity	Balance as of 31/12/2021
<b>Non-Current Assets</b>				
Tangible assets	(904.666)	28.118		(876.548)
Other Intangible Assets	860	(27)		834
<b>Current Assets</b>				-
Inventories	22.894	22.698		45.592
Trade and other receivables	113.890	27.203		141.093
<b>Non-current liabilities</b>				
Accrued pension and retirement obligations	81.819	(99.667)	44.830	26.982
Government grants	235.632	(49.747)		185.885
Long-term borrowings	(352.191)	(148.221)		(500.413)
Debt	386.296	133.449		519.745
<b>Net deferred tax asset / (liability)</b>	<b>(415.466)</b>	<b>(86.194)</b>	<b>44.830</b>	<b>(456.830)</b>

	31/12/2021		31/12/2020	
	Deferred Tax Asset	Deferred Tax Liability	Deferred Tax Asset	Deferred Tax Liability
Tangible assets	-	876.548	-	904.666
Other Intangible Assets	834	-	860	-
Inventories	45.592	-	22.894	-
Trade and other receivables	141.093	-	113.890	-
Accrued pension and retirement obligations	26.982	-	81.819	-
Government grants	185.885	-	235.632	-
Debt	519.745	-	386.296	-
<b>Total</b>	<b>419.718</b>	<b>876.548</b>	<b>489.200</b>	<b>904.666</b>
<b>Offsetting deferred tax assets and liabilities</b>				
<b>Total</b>	<b>419.718</b>	<b>876.548</b>	<b>489.200</b>	<b>904.666</b>

### 13. Employee end of service benefit obligations

Changes in the net pension obligation as at 31.12.2021 and 31.12.2020 are as follows:

	31/12/2021		31/12/2020	
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed)	Total
Defined benefit obligation	122.644	122.644	340.912	340.912
	<b>122.644</b>	<b>122.644</b>	<b>340.912</b>	<b>340.912</b>

Changes in the present value of the defined benefit obligation are as follows:

	31/12/2021		31/12/2020		31/12/2020	
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed) New policy	Total	Defined benefit plans (Non financed) Old policy	Total
<b>Defined benefit obligation 1 January</b>	<b>138.258,96</b>	<b>138.258,96</b>	<b>119.914,50</b>	<b>119.914,50</b>	<b>306.115,63</b>	<b>306.115,63</b>
Current Service cost	-15.325,00	-15.325,00	12.101,00	12.101,00	6.544,00	6.544,00
Interest expense	829,55	829,55	1.379,02	1.379,02	3.520,34	3.520,34
Remeasurement - Actuarial losses (gains) from changes in demographic assumptions	0,00	0,00		0,00	0,00	0,00
Remeasurement - Actuarial losses (gains) from changes in experience	-1.119,00	-1.119,00		0,00	-9.292,60	-9.292,60
Remeasurement - actuarial losses (gains) from changes in financial assumptions	0,00	0,00	4.864,44	4.864,44	34.024,40	34.024,40
<b>Defined benefit obligation 31 December</b>	<b>122.644,51</b>	<b>122.644,51</b>	<b>138.258,96</b>	<b>138.258,96</b>	<b>340.911,76</b>	<b>340.911,76</b>

Significant accounting estimates used under valuation are as follows:

	31/12/2021	31/12/2020
Discount rate at 31 December	0,60%	0,60%
Expected rate of salary increases	2,00%	2,00%
Inflation	1,80%	1,50%
Average life expectancy	EVK 2000	EVK 2000

The amounts recognized in the Income Statements are as follows:

	31/12/2021	31/12/2020	31/12/2020
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	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed) New policy	Total	Defined benefit plans (Non financed) Old policy	Total
Current service costs	(15.325)	(15.325)	12.101	12.101	6.544	6.544
Net Interest on the defined obligation	830	830	1.379	1.379	3.520	3.520
<b>Total expenses recognized in profit or loss</b>	<b>(14.495)</b>	<b>(14.495)</b>	<b>13.480</b>	<b>13.480</b>	<b>10.064</b>	<b>10.064</b>

The amounts recognized in other comprehensive income of the Statement of Total Comprehensive Income are as follows:

	31/12/2021	31/12/2020	31/12/2020	31/12/2020	31/12/2020
	Defined benefit plans (Non financed)	Total	Defined benefit plans (Non financed) New policy	Total	Defined benefit plans (Non financed) Old policy
Actuarial gains /(losses) from changes in demographic assumptions	-	-	-	-	-
Remeasurement - Actuarial losses (gains) from changes in experience	(1.119)	-	-	-	-
Actuarial gains /(losses) from changes in financial assumptions	-	-	4.864	4.864	34.024
<b>Total income /(expenses) recognized in other comprehensive income</b>	<b>(1.119)</b>	<b>-</b>	<b>4.864</b>	<b>4.864</b>	<b>34.024</b>

The effect of changes in significant accounting assumptions is as follows:

	Discount rate 0,5%	Discount rate 0,5%
Increase (decrease) in the defined liability	(3.637)	(31.112)
	Expected rate of salary increases 0,5%	Expected rate of salary increases 0,5%
Increase (decrease) in the defined liability	3.759	32.573

#### 14. Grants

	Investment grants	Total
<b>Balance as of 1/1/2020</b>	<b>1.114.044</b>	<b>1.114.044</b>
Amortization	(132.245)	(132.245)
<b>Balance as of 31/12/2020</b>	<b>981.800</b>	<b>981.800</b>
<b>Balance as of 1/1/2021</b>	<b>981.800</b>	<b>981.800</b>
Amortization	(136.868)	(136.868)
<b>Balance as of 31/12/2021</b>	<b>844.932</b>	<b>844.932</b>

#### 15. Other Long-term Liabilities

	31/12/2021	31/12/2020
Other liabilities	-	552.074
Social security insurance	-	-
<b>Total</b>	<b>-</b>	<b>552.074</b>

#### 16. Long-term/Short-term loan liabilities

	31/12/2021	31/12/2020
<b>Long-term borrowings</b>		
Obligations under finance lease	1.663.559	1.495.502
Bank loans with securities	6.051.722	6.458.561
Bond loans with securities	3.575.000	-
Less: Long-term loans payable in next 12 months	(1.664.858)	(992.429)
<b>Total of long-term loans</b>	<b>9.625.424</b>	<b>6.961.635</b>

	31/12/2021	31/12/2020
<b>Short-term debt</b>		
Obligations under finance lease	697.620	617.137
Bank Overdrafts	4.819.868	4.388.130
More: Long-term loans payable in next 12 months	1.664.858	992.429
<b>Total of short-term loans</b>	<b>7.182.346</b>	<b>5.997.696</b>

The Company received two loans within the current year:

An amount of € 300 thousand from Piraeus Bank and an amount of € 3.575 million in a bond loan from an investor who also bought a minority interest in the share capital of the company.

Loan of 300 thousand euros from Piraeus Bank. The loan is issued exclusively to cover working capital needs arising due to COVID 19. The date of issue of the loan is December 5, 2021 ending on February 5, 2026 and 6-month Euribor interest rate plus 4.60%

Bond Loan of 3.75 million euros from an investor who also bought during the year a minority share capital package. The loan is issued to meet the needs of working capital as well as for the construction of a new production unit and the purchase of appropriate equipment. The date of issue of the loan is September 30, 2021 with ending on September 30, 2026 and an annual interest rate of 8%.

<b>Borrowings</b>	<b>31/12/2021</b>	<b>31/12/2020</b>
Within 1year	7.182.346	5.997.696
After 1year but not more than 2 years	1.855.324	1.841.561
After 2 years but not more than 3 years	1.577.236	1.683.731
After 3 years but not more than 4 years	1.310.953	1.441.334
After 4 years but not more than 5 years	3.985.405	1.039.716
More than five years	896.506	955.293
	<b>16.807.769</b>	<b>12.959.331</b>

31/12/2021

31/12/2020

	Future minimum lease payments	Present value of future minimum lease payments	Future minimum lease payments	Present value of future minimum lease payments
Within 1year	697.620	620.035	617.137	539.551
After 1year but not more than 5 years	1.663.559	1.520.986	1.495.502	1.372.639
More than five years	-	-	-	-
<b>Total of Future minimum lease payments</b>	<b>2.361.179</b>	<b>2.141.021</b>	<b>2.112.639</b>	<b>1.912.190</b>
Less: Interest expenses	130.654	-	146.926	-
<b>Total of Present value of future minimum lease payments</b>	<b>2.491.833</b>	<b>2.141.021</b>	<b>2.259.565</b>	<b>1.912.190</b>

Changes in loan liabilities are presented bellows as follows:

	Long-term borrowings	Short-term debt	Total
<b>31/12/2019</b>	<b>4.845.946</b>	<b>5.558.514</b>	<b>10.404.459</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings	2.500.000	10.197.420	12.697.420
Payments for borrowings	(332.218)	(9.268.533)	(9.600.751)
Payment of finance lease liabilities	(591.202)		(591.202)
Interest paid	(268.248)	(350.370)	(618.617)
<b>Non-monetary changes</b>	50.590		50.590
Effect from IFRS 16	177.167	(177.167)	-
Off-setting	579.599	37.831	617.430
<b>31/12/2020</b>	<b>6.961.635</b>	<b>5.997.696</b>	<b>12.959.330</b>
	<b>Long-term borrowings</b>	<b>Short-term debt</b>	<b>long-term liabilities payed next year</b>
<b>31/12/2020</b>	<b>6.961.635</b>	<b>5.997.696</b>	<b>12.959.330</b>
<b>Cash flow from financing activities</b>			
Proceeds from borrowings	4.994.770	9.661.790	14.656.560
Payments for borrowings	(712.896)	(9.219.423)	(9.932.319)
Payment of finance lease liabilities	(875.801)		(875.801)
Interest paid	(567.908)	(270.814)	(838.722)
<b>Non-monetary changes</b>			
Off-setting	(834.232)	834.232	-
Financial expenses	659.856	178.865	838.722
<b>31/12/2021</b>	<b>9.625.424</b>	<b>7.182.346</b>	<b>16.807.770</b>

## 17. Long-term/Short-term provisions

	Provision for Tax expense for unaudited fiscal years	Total
<b>Balance as of 1/1/2020</b>	55.000	55.000
Additional provisions		-
<b>Balance as of 31/12/2020</b>	<b>55.000</b>	<b>55.000</b>

Short Term Provisions		-
Long Term Provisions	55.000	55.000
	<b>55.000</b>	<b>55.000</b>

	Provision for Tax expense for unaudited fiscal years	Total
<b>Balance as of 1/1/2021</b>	55.000	55.000
Additional provisions		-
<b>Balance as of 31/12/2021</b>	<b>55.000</b>	<b>55.000</b>

Short Term Provisions		-
Long Term Provisions	55.000	55.000
	<b>55.000</b>	<b>55.000</b>

#### 18. Suppliers and other liabilities

The Company's total liabilities to suppliers and other third parties are analyzed as follows:

	31/12/2021	31/12/2020
Suppliers	3.666.893	1.893.653
Checks Payable	207.679	129.641
<b>Total</b>	<b>3.874.572</b>	<b>2.023.294</b>

#### 19. Other short-term liabilities

Accrued and other short-term liabilities are analyzed as follows:

	31/12/2021	31/12/2020
Social security insurance	158.368	180.591
Other Tax liabilities	153.868	1.618.482
Dividends payable	-	1.187.500
Salaries and wages payable	90.451	86.449
Accrued expenses	281.868	32.185
Others Liabilities	15.840	16.015
Accrued Interest expenses	6.156	10.423
<b>Total</b>	<b>706.552</b>	<b>3.131.645</b>

#### 20. Sales

	1/1-31/12/2021	1/1-31/12/2020
Sales of goods	16.093.236	14.334.225
Income from services provided	1.013.063	984.841
<b>Total</b>	<b>17.106.299</b>	<b>15.319.066</b>

	1/1-31/12/2021	1/1-31/12/2020
Greece	15.992.872	14.225.530
Other Countries	1.113.426	1.093.536
<b>Total</b>	<b>17.106.299</b>	<b>15.319.066</b>

## 21. Analysis of expenses

	Company							Total
	Cost of sales	1/1-31/12/2021 Administrative expenses	1/1-31/12/2021 Distribution expenses	Total	Cost of sales	1/1-31/12/2020 Administrative expenses	1/1-31/12/2020 Distribution expenses	
Wages and Other employee benefits	2.734.103	549.529	421.763	<b>3.705.396</b>	2.789.042	568.897	461.367	<b>3.819.305</b>
Inventory cost	8.189.216	-	-	<b>8.189.216</b>	6.844.915	-	-	<b>6.844.915</b>
Tangible Assets depreciation	573.881	107.032	117.694	<b>798.606</b>	513.964	159.933	85.103	<b>759.000</b>
Intangible Assets depreciation	-	4.057	-	<b>4.057</b>	-	2.344	-	<b>2.344</b>
Third party expenses	2.918	231.520	78.046	<b>312.484</b>	19.143	1.348.040	13.012	<b>1.380.196</b>
Third party benefits	788.455	134.442	72.943	<b>995.839</b>	562.053	93.532	120.113	<b>775.698</b>
Taxes & Duties	2.283	29.233	8.260	<b>39.776</b>	1.292	39.832	8.109	<b>49.233</b>
Transportation and Other Expenses	212.059	60.833	318.154	<b>591.046</b>	206.655	74.108	280.619	<b>561.382</b>
<b>Total</b>	<b>12.502.915</b>	<b>1.116.645</b>	<b>1.016.859</b>	<b>14.636.419</b>	<b>10.937.064</b>	<b>2.286.686</b>	<b>968.323</b>	<b>14.192.072</b>

## 22. Employee cost

	Company	
	1/1-31/12/2021	1/1-31/12/2020
Wages and salaries	2.912.196	2.831.092
Social security costs	681.592	772.081
Post employment benefits: defined benefit plans	(15.326)	6.544
Other staff costs	111.899	163.521
Termination indemnities	15.035	46.067
<b>Total Staff Costs</b>	<b>3.705.396</b>	<b>3.819.305</b>

Number of employees	Company	
	1/1-31/12/2021	1/1-31/12/2020
workers	103	102
employees	51	51
<b>Total</b>	<b>154</b>	<b>153</b>

## 23. Other income

1/1-31/12/2021	1/1-31/12/2020
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Grants amortization	136.868	132.245
Other income	1.252.125	63.572
<b>Total other operating income</b>	<b>1.388.993</b>	<b>195.816</b>

#### 24. Other expenses

	1/1-31/12/2021	1/1-31/12/2020
Other fines & augmentation	45.703	124.395
Inventory Disposal	181.713	245.868
Provisions	175.863	71.896
Other Expenses	47.982	217.240
<b>Total other operating expenses</b>	<b>451.261</b>	<b>659.398</b>

#### 25. Other financial results

	1/1-31/12/2021	1/1-31/12/2020
Other financial results	830	3.520
<b>Total other financial results</b>	<b>830</b>	<b>3.520</b>

#### 26. Financial income / (expenses)

Financial income/expenses are analyzed as follows:

	1/1-31/12/2021	1/1-31/12/2020
Bank interest	111	160
<b>Total financial income</b>	<b>111</b>	<b>160</b>

	1/1-31/12/2021	1/1-31/12/2020
Interest expenses from long-term loans	442.284	126.356
interest expenses from short-term loans	91.949	173.723
Finance charges payable under finance leases and hire purchase contracts	125.624	117.861
Other interest related expenses	178.036	199.490
<b>Total financial expenses</b>	<b>837.892</b>	<b>617.430</b>

#### 27. Income Tax

Under the effective tax legislation, the tax rate applicable to Greek entities for financial year 2021 is 22%.

	1/1-31/12/2021	1/1-31/12/2020
Current income tax	560.295	198.542
Deferred income tax	(3.466)	38.893
Income tax from previous financial years	-	-
<b>Total income tax</b>	<b>556.829</b>	<b>237.435</b>
Profit before income tax	2.569.001	42.622
Nominal Tax rate	22%	24%
<b>Presumed Tax on Income</b>	<b>565.180</b>	<b>10.229</b>

#### Adjustments for non deductible expenses for tax purposes

- Goodwill impairment		
- Non tax deductible expenses	19.405	42.062

- Effect on opening deferred income tax of reduction in income tax rates	-	
- Tax differences of preceding financial years		
- Tax pertaining to distribution of reserves	-	87.252
- Other expenses non deductible for tax purposes	-	
- Additional taxes and surcharges	(27.756)	97.892
- Stock options granted to employees		
- Additional property tax		
- Special contribution		
- Change due to revaluation of property		
- Effect from differences in tax coefficients of foreign subsidiaries		
- Other		
<b>Total tax</b>	<b>556.830</b>	<b>237.435</b>

## 28. Key executives' benefits

	1/1-31/12/2021	1/1-31/12/2020
Salaries & other employees benefits	158.284	138.417
Social security costs	34.610	34.575
B.O.D. Remuneration	23.149	1.310.603
<b>Total</b>	<b>216.043</b>	<b>1.483.595</b>

	Company	
	1/1-31/12/2021	1/1-31/12/2020
Number of key management personnel	6	5

## 29. Related parties transactions

Significant transactions between the Company and its related parties within the meaning of IAS 24, recorded in the closing year, are as follows (amounts in euro):

Expenses	31/12/2021	31/12/2020
Third party expenses	193.645	1.483.595
Loans interest	71.500	-
<b>Total</b>	<b>265.145</b>	<b>1.483.595</b>

Liability accounts	31/12/2021	31/12/2020
Other liabilities	2.687	1.189.632
<b>Total</b>	<b>2.687</b>	<b>1.189.632</b>

There are guarantees of the key shareholder regarding the Company's loans amounting to € 960.000,00.

## 30. Contingent assets, liabilities and commitments

### A) Contingent liabilities from legal cases or arbitration differences

For financial years from 2011 to 2014 inclusively, the Company, under the provisions of § 5, Article 82, Law 2238/1994, was subject to tax inspection of Certified Public Accountants, while since 1/1/2014, Article 65A § 1, Law 4174/2013, has been effective. The Company has not been tax inspected only for financial year 2010.

For financial years 2015 and 2016 the company was subject to tax inspection of Certified Public Accountants under the provisions of Article 65A § 1, Law 4174/2013, as amended following Law 4262/2014. Tax audit was completed during financial year 2016 and 2017 respectively and tax certificates were distributed by statutory auditors. For financial years 2017 – 2020, the Company was audited in accordance with the provisions of article 65A par. 1 Law 4174/2013 and received an Unmodified Tax Compliance Certificate.

For the financial year 2021, the company is not tax inspected. The Company has estimated contingent liabilities that are expected to arise from the audit of the year and made the corresponding provisions where necessary. The management considers that in addition to the already made provisions, any amounts of taxes that may arise will not have a significant effect on the Company's equity, income statement and cash flows.

## B) Commitments, guarantees and liens

	1/1-31/12/2021	1/1-31/12/2020
<b>Finance lease commitments</b>		
Within one year	697.620	617.137
After one year but not more than five years	1.663.559	1.495.502
More than five years	-	-
<b>Total finance lease commitments</b>	<b>2.361.179</b>	<b>2.112.639</b>
<b>Encumbrances</b>		
Mortgages on tangible assets	6.000.000	6.000.000
<b>Total encumbrances</b>	<b>6.000.000</b>	<b>6.000.000</b>

### 31. Risk Management Policy

#### Financial risk management

The Company is exposed to various financial risks, the main of which have to do with the price fluctuation risk, credit risk, liquidity risk and cash flows risk. The relevant risk management policies of the Company aim at minimizing the negative effects that such risks may have on the company's financial position and performance.

Risk management is carried out by the Finance Department of the Company and the relevant policies are approved by the Board of Directors. The financial risk management involves recognition, assessment and hedging financial risks in close cooperation with the operating units of the Company.

#### Price fluctuation risk:

There are contracts with customers and suppliers of 1-1,5 years maturity.

Changes in the suppliers price can be directly passed on to customers as long as the differences in basic Raw Material are substantial, such as the global oil prices.

#### Cash flows risk:

The company liquidates its assets earlier in respect of customers cheques in the context of financing lines for working capital and by assigning invoices to a factoring company under the relative contract.

#### Interest rate sensitivity

The Company faces the risk arising from interest rate fluctuations as far as its loan liabilities are concerned. As at 31/12/2021, total loan liabilities pertain to floating rate loans. The Management constantly monitors interest rates fluctuations and the Company's financial needs and assesses, on case basis, the term of loans and the balance between fixed and adjusted interest rates.

#### Credit risk:

Credit risk, to which the Company is exposed, arises from cash available and bank deposits as well as from credit exposures to the clients, including significant receivables and transactions.

New clients credit rating is examined, while as far as the existing clients are concerned, their credit ranking is periodically assessed in cooperation with Tiresias and ICAP. Moreover, the Company collaborates with the lawyers regarding the issues of large customers' past due balances.

	1/1-31/12/2021	1/1-31/12/2020
<i>Financial Assets</i>		
Cash, cash equivalents & restricted cash	6.011.419	4.350.953
Trade and other receivables	7.569.272	5.796.424
<b>Total</b>	<b>13.580.692</b>	<b>10.147.377</b>

#### Financial assets past due but not impaired

Not more than 3 months	4.595.342	3.557.970
More than 3 months but not more than 6 months	3.211.787	2.275.446
More than 6 months but not more than 1 year	47.000	64.038
More than 1 year	(284.857)	(101.031)
<b>Total</b>	<b>7.569.272</b>	<b>5.796.424</b>

Moreover, the Company allocates part of its receivables (factoring) to ensure immediate liquidity through risk reduction and without it.

### Liquidity Risk

Liquidity risk is linked to the need for adequate financing of the Company's activity and growth. The relevant liquidity needs are managed through careful monitoring daily transactions.

The working capital of the company is positive by € 5.6 million.

The following table presents maturity of financial liabilities as at December 31, 2021 and 2020 respectively.

	1/1-31/12/2021				1/1-31/12/2020			
	Short-term		Long-term		Short-term		Long-term	
	Less than 6months	6 -12 months	1-5 years	Over 5 years	Less than 6months	6 -12 months	1-5 years	Over 5 years
Long-term borrowing	832.429	832.429	7.245.393	716.471	496.214	496.214	5.466.135	-
Liabilities relating to operating lease agreements	348.810	348.810	1.663.559	-	308.568	308.568	1.495.502	-
Trade payables	3.874.572	-	-	-	2.023.294	-	-	-
Other short-term-long-term liabilities	706.552	-	-	-	2.738.276	393.368	552.074	-
Sort-term borrowing	4.819.868	-	-	-	4.388.130	-	-	-
<b>Total</b>	<b>10.582.231</b>	<b>1.181.239</b>	<b>8.908.952</b>	<b>716.471</b>	<b>9.954.482</b>	<b>1.198.150</b>	<b>7.513.711</b>	<b>-</b>

### Equity management policies and procedures

The Company's objectives in respect of equity management are as follows:

- to facilitate the Company's ability to continue as a going concern,
- to ensure satisfactory return for its shareholders
- to apply pricing policies proportionally to the risk level.

The Company monitors equity based on the amounts of equity plus subordinated loans less cash and cash equivalents, as presented in the Statement of Financial Position. Regarding financial years 2020 and 2021, equity is analyzed as follows:

	1/1-31/12/2021	1/1-31/12/2020
Total equity	7.551.866	4.983.456
Subordinated loans	-	-
Less: Cash and cash equivalents	(6.011.419)	(4.350.953)
<b>Capital</b>	<b>1.540.447</b>	<b>632.503</b>
Total equity	7.551.866	4.983.456
Plus Total Debt	16.807.770	12.959.330
<b>Total Funds</b>	<b>24.359.636</b>	<b>17.942.786</b>
Capital to Funds	15,81	28,37

### 32. Post Financial Statements Events

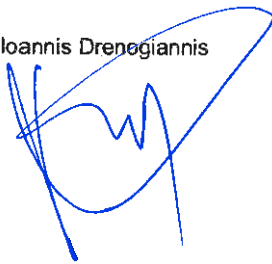
In 26/01/22, the construction works of the new unit for the production of printed Laminate type pipes within the INDUSTRY began in Komotini. This investment is estimated to amount to approximately 5.5 million euros and has already been subject to the provisions of development law 4399/2016. Its completion is expected at the end of September 2022 and will significantly strengthen the financial figures of the company.

Apart from the aforementioned, there are no other events regarding the Company, subsequent to the financial statements that should be reported under the International Financial Reporting Standards.

**Metamorphosi, March 31, 2022**

**THE CHAIRMAN OF THE BoD  
& CHIEF EXECUTIVE OFFICER**

Ioannis Drenogiannis



**THE CHIEF FINANCIAL OFFICER**

Vasilis Kefalas



**THE CHIEF ACCOUNTANT**

Agamemnon Stavropoulos

