"STELIOS KANAKIS INDUSTRIAL AND COMMERCIAL S.A., RAW MATERIALS FOR CONFECTIONARY, BAKERY AND ICE-CREAM"

Financial Statements

For the closing fiscal year that ended on the 31st of December 2022

According to the International Financial Reporting Standards ("IFRS")

G.C.R. Registration Number: 1422601000: 1422601000
4, ANEMONIS STR. – ACHARNES, ATTICA

Contents

Independent Auditor's Report

To the Shareholders of the company "STELIOS KANAKIS S.A."

Audit Report on the Financial Statements

Opinion

We have audited the accompanying financial statements of "STELIOS KANAKIS S.A." (the Company), which comprise the statement of financial position as of December 31, 2022, the statements of comprehensive income, changes in equity and cash flows for the year then ended, as well as a summary of significant accounting policies and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of "STELIOS KANAKIS S.A." as of December 31, 2022, its financial performance and its cash flows for the year then ended, in accordance with the International Financial Reporting Standards (IFRSs) as adopted by the European Union.

Basis of 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 Code of Ethics for Professional Auditors of the International Standards Board of Auditors (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.

Responsibilities of the Management for the Financial Statements

The Management is responsible for the preparation and fair presentation of the statements in accordance with the IFRSs, as adopted by the European Union, and for such internal control as the 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, the Management is responsible for assessing the Company's ability to continue its activity, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the 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 the 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 these financial statements.

As part of an audit in accordance with the ISAs as incorporated into 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 the Management.

- Conclude on the appropriateness of the 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 the 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 the 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 Law 4336/2015 we note that:

a) In our opinion the Board of Directors' Report has been prepared in accordance with the applicable legal requirements of article 150 of Law 4548/2018 and its content corresponds with the accompanying financial statements for the year ended on 31.12.2022.

b) Based on the knowledge we obtained during our audit of "STELIOS KANAKIS S.A." and its environment, we have not identified any material misstatements in the Board of Directors' Report.

Athens, May 8, 2023
Makris D. Serafeim
Auditor
S.O.E.L Registration Number 16311

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3 Fok. Negri Str., 11 257 Athens
S.O.E.L Registration Number 125

Statement of Financial Position

		As of	
ASSETS	**Note**	**31.12.2022**	**31.12.2021**
Non-current assets			
Property, plant and equipment	**5**	5.501.397,10	5.501.243,08
Rights to use fixed assets	**6**	119.398,96	167.994,03
Intangible assets		17.994,16	28.875,82
Loans, advances and long-term assets		7.485,42	7.485,42
		5.646.275,64	**5.705.598,35**
Current assets			
Inventories	**7**	4.497.743,57	4.119.472,65
Trade receivables	**8**	7.838.524,03	6.276.833,61
Other receivables	**9**	54.919,29	51.716,28
Cash and cash equivalents	**10**	2.036.484,51	3.465.312,56
		14.427.671,40	**13.913.335,10**
Total assets		**20.073.947,04**	**19.618.933,45**
Share capital	**11**	2.475.000,00	2.475.000,00
Share premium		458.596,86	458.596,86
Reserves		1.509.214,35	1.509.214,35
Retained Earnings		11.169.609,53	10.579.998,97
Total equity		**15.612.420,74**	**15.022.810,18**
LIABILITIES			
Long-term liabilities			
Non-current leasing liabilities	**6**	86.631,89	122.398,88
Deferred income tax liabilities	**12**	226.631,98	247.279,74
Retirement benefit obligations	**13**	180.478,34	168.948,27
		493.742,21	**538.626,89**
Short-term liabilities			
Trade payables	**14**	2.859.194,69	3.255.241,27
Other payables and provisions		136.311,16	30.094,28
Current leasing liabilities	**6**	35.766,97	47.608,11
Other taxes payable and insurance liabilities	**15**	936.511,27	724.552,72
Total current liabilities		**3.967.784,09**	**4.057.496,38**
Total equity and liabilities		**20.073.947,04**	**19.618.933,45**

We note that the comparative figures for the fiscal year 2021 have been revised pursuant to the amendment in accounting policy in accordance with the International Accounting Standard IAS 19 (see note 13.1).

Statement of Comprehensive Income

	Note	For the year ended in 31.12.2022	31.12.2021
Turnover (net)	**4**	25.849.585,88	20.962.215,03
Cost of sales	**4**	- 17.924.010,55	-14.170.934,76
Gross profit	**4**	**7.925.575,33**	**6.791.280,27**
Sales Operating Activities expenses	**16**	-3.398.695,06	-3.129.607,29
Administrative expenses	**16**	-1.341.604,45	-1.287.534,67
Other Distribution expenses	**17**	150.197,57	144.799,76
Distribution Results		**3.335.473,39**	**2.518.938,07**
Finance income		71,51	2.112,68
Finance expenses	**16**	-19.458,90	-17.586,83
Profit before tax		**3.316.086,00**	**2.503.463,92**
Income tax	**18**	-745.016,23	-565.520,03
Profit after tax	**(A)**	**2.571.069,77**	**1.937.943,89**
Other comprehensive income/(loss):			
Items that will not be classified prospectively in the income statement:			
Actuarial losses from pension plans		**18.540,79**	**-4.858,49**
Total	**(B)**	**18.540,79**	**-4.858,49**
Total Comprehensive Income after taxes (A + B)		**2.589.610,55**	**1.933.085,40**
Revenues per Share (in Euros per Share)	**19**	**0,3453**	**0,2577**

Statement of Changes in Equity

	Share capital	Share premium	Capital Reserves	Retained earnings	Total equity
Balance on January 1, 2022	**2.475.000,00**	**458.596,86**	**1.509.214,35**	**10.396.567,05**	**14.839.378,26**
Amendment in accounting policy (IAS 19)	0,00	0,00	0,00	183.431,92	183.431,92
Adjusted balance o n 01.01.2022	**2.475.000,00**	**458.596,86**	**1.509.214,35**	**10.579.998,97**	**15.022.810,18**
Actuarial losses from pension plans	0,00	0,00	0,00	18.540,79	18.540,79
Reduce of share capital	0,00	0,00	0,00	0,00	0,00
Dividends	0,00	0,00	0,00	-2.000.000,00	-2.000.000,00
Transfers to / from reserves	0,00	0,00	0,00	0,00	0,00
Profits for the year	0,00	0,00	0,00	2.571.069,77	2.571.069,77
Balance on December 31, 2022	**2.475.000,00**	**458.596,86**	**1.509.214,35**	**11.169.609,53**	**15.612.420,74**

	Share capital	Share premium	Capital Reserves	Retained earnings	Total equity
Balance on 1 January 1, 2021	**2.475.000,00**	**458.596,86**	**1.509.214,35**	**10.964.258,65**	**15.407.069,86**
Actuarial losses from pension plans	0,00	0,00	0,00	-5.635,49	-5.635,49
Amendment pursuant to IAS 19 on actuarial losses from pension plans	0,00	0,00	0,00	183.431,92	183.431,92
Reduction of share capital	0,00	0,00	0,00	0,00	0,00
Dividends	0,00	0,00	0,00	-2.500.000,00	-2.500.000,00
Transfers to / from reserves	0,00	0,00	0,00	0,00	0,00
Profits for the year	0,00	0,00	0,00	1.937.943,89	1.937.943,89
Balance on December 31, 2021	**2.475.000,00**	**458.596,86**	**1.509.214,35**	**10.579.998,97**	**15.022.810,18**

Statement of cash flows

	For the year ended in	
	31.12.2022	**31.12.2021**
Profit before tax	**3.316.086,00**	**2.503.463,92**
Adjustments for:		
Depreciation of fixed and tangible assets	165.704,51	157.923,04
Financial expenses / (income) - net	19.458,90	17.586,83
Predictions and valuation differences	254.395,69	254.371,64
	3.755.645,10	**2.933.345,43**
Decrease / (increase) in stock	-378.270,92	-1.142.230,19
Decrease / (increase) in claims	-1.820.770,33	-918.136,44
Financial expenses / (income) - net	-19.458,90	-17.586,83
(Decrease) / increase in liabilities	-278.797,38	893.982,03
Income tax payments	-582.275,02	-379.310,72
Net cash flows from operating activities	**676.072,55**	**1.370.063,28**
Cash flows from investing activities		
Purchases of tangible and intangible assets	-106.381,80	-57.478,16
Revenue from the sale of tangible and intangible assets	1.409,69	2.000,00
Interest received	71,51	2.112,68
Net cash flows from investing activities	**-104.900,60**	**-53.365,48**
Cash flows from funding activities		
Dividends paid to the Company’s shareholders	-2.000.000,00	-2.500.000,00
Net cash flows from funding activities	**-2.000.000,00**	**-2.500.000,00**
Net increase / (decrease) in available cash	-1.428.828,05	-1.183.302,20
Cash and cash equivalents at the beginning of the year	3.465.312,56	4.648.614,76
Cash and cash equivalents at the end of the year	**2.036.484,51**	**3.465.312,56**

Notes to the financial statements

1. General Information

The company with the name "STELIOS KANAKIS SA" (hereinafter referred to for brevity as the "Company" or "STELIOS KANAKIS") is a purely commercial company, which is active mainly in the field of marketing and promotion of confectionery, bakery and ice cream raw materials. All of the products it represents, distributes and trades are mainly imported from Western European countries and especially from France, Belgium, Germany, Denmark and Italy. The Company's facilities and headquarters are located in the Municipality of Acharnon, Attica, 4 Anemonis Street, Postal Code 13678 and its branch office is located in the Industrial Area of Sindos, Thessaloniki, Phase C, Block 38, Postal Code 57022. The Company has the legal form of a Limited Company, the General Commercial Registry number it uses in all its transactions is 1422601000, while the website (company website) that has been legally registered in the General Commercial Registry is www.stelioskanakis.gr.

It is noted that as of 09.10.2019 the Company's shares were excluded from the trading systems of the Athens Stock Exchange, in accordance with the provisions of article 17 par. 5 of Law 3371/2005 (and consequently ceased to be traded on a regulated market), following the decision of the Board of Directors of the Hellenic Capital Market Commission (number 4/854/08.10.2019), after the foreign (Norwegian) private limited liability company with the name "ORKLA FOOD INGREDIENTS AS" (hereinafter the "Proposer") submitted, on 29.03.2019, a voluntary public offer in accordance with Law 3461/2006, for the acquisition of all of the Company's shares, i.e. 7,500,000 ordinary, registered, dematerialised, voting shares of the Company, with a nominal value of €0.33 each, and the successful completion of the exercise of the right to acquire the remaining shares of the Company not already acquired by the Proposer.

2. Summary of Significant Accounting Policies

The principal accounting policies adopted in the preparation of these financial statements are set out below. These policies have been consistently applied to all the years presented unless otherwise stated.

2.1 Basis of preparation of Financial Statements

The financial statements for the year ended 31 December 2022 have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board ("IASB"), as endorsed by the European Union ("EU") and present the financial position, results of operations and cash flows on a going concern basis. The Management believes that the going concern principle is the appropriate basis for the preparation of this financial information.

The financial statements have been prepared according to the historical cost principle. Significant accounting estimates are discussed in paragraph 3 herein.

2.1.1 Factors endangering the Company’s ability to continue as a going concern

The company's financial statements have been prepared on a going concern basis. The Management has made an assessment and has not identified any factors that pose a risk to its prospects as a going concern.

In addition, taking into account the new global economic data resulting from the spread of Covid-19 and the intense inflationary pressures created by the energy crisis, the Management considers that the principle of continuing the company's activity is strong as it is a given that the main activity, which concerns the sale of goods, will continue. This fact is confirmed both by the course of sales in the current year and by the strong profitability it achieved.

2.1.2 Standards and Interpretations mandatory for the fiscal year ended

Adoption of New and Revised International Standards

New standards, amendments to standards and interpretations have been issued, which are mandatory for accounting periods beginning on January 1, 2022 or afterwards.
Unless otherwise stated, amendments and interpretations effective for the first time in fiscal year 2022 have no effect on the Group's (Company's) financial statements. The Group (the Company) did not prematurely adopt standards, interpretations or amendments issued by the IASB and adopted by the European Union but do not have mandatory application in the fiscal year 2022.

Standards and Interpretations mandatory for the current fiscal year 2022

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendment) - "Reform of Benchmark Interest Rates" Phase 2

The International Accounting Standards Board issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 on August 27, 2020, as part of its Phase 2 project to address issues that may affect financial reporting following the reform of an interest rate benchmark, including its replacement with alternative benchmark interest rates.
The main flexibilities (or exemptions from the application of the accounting provisions of individual standards) provided by these amendments are as follows:
- Changes to contractual cash flows: When changing the basis of calculating the cash flows of financial assets and liabilities (including lease obligations), the changes required by the interest rate reform will not result in the recognition of a gain or loss in the income statement, but rather a recalculation of the interest rate. The above also applies to insurance companies using the temporary exemption from the application of IFRS 9.

- Hedge accounting: under the amendment provisions, changes in hedge accounting documentation resulting from the interest rate reform will not result in the termination of the hedging relationship or the establishment of a new relationship provided that they relate to changes permitted by the Phase 2 amendments. These changes include redefining the hedged risk to reference a zero risk rate and redefining the hedging elements and/or hedged items to reflect the zero risk rate. However, any additional ineffectiveness should be recognised in the results.
The amendment applies to annual accounting periods beginning on or after January 1, 2021.

IAS 19 Employee Benefits - Transitional provisions implementing the final item of the daily agenda under "Allocation of benefits over periods of service"

The Interpretations Committee of the International Accounting Standards Board issued, in May 2021, the final agenda decision under the title "Attributing Benefits to Periods of Service (IAS 19)", which includes explanatory material on how to attribute benefits to periods of service on a specific defined benefit plan similar to the one defined in article 8 of Law 3198 /1955 as regards the provision of retirement benefits (the "Defined Benefit Plan of Labour Law")

Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past is different in this respect, and consequently, in accordance with what is set out in the "IASB Due Process Handbook (paragraph 8.6)", entities that prepare their financial statements in accordance with the IFRS are required to amend their accounting policies accordingly.
The Group (The Company), up until the adoption of the agenda resolution, applied IAS 19 by allocating the benefits defined by article 8 of Law 3198/1955, Law 2112/1920, and its amendment by Law 4093/2012 to the period starting from the date of employment until the completion of 16 years of service, by following the scale of Law 4093/2012, or until the date of retirement of employees.
The application of this final resolution to the attached financial statements has the effect of now allocating benefits to the last sixteen (16) years until the employees' retirement date following the scale of Law 4093/2012.
Based on the above, the application of the above final resolution has been treated as a change in accounting policy, applying the change retrospectively 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 13 of the accompanying financial statements.

IFRS 16 Leases (Amendment) - "Lease assignments related to the coronavirus epidemic beyond June 30, 2021"
The International Accounting Standards Board in response to the impact of the pandemic issued, first on May 28, 2020 and then on March 31, 2021, an amendment to IFRS 16 "Leases" to allow lessees not to account for rent reductions as a lease modification if they are a direct consequence of COVID-19 and if all of the following conditions are met:
(a) the revised rent was the same or less than the original rent,
(b) the reduction was related to rents due before or until June 30, 2021; (c) no other material changes in the terms of the lease have occurred.

The amendment does not affect the lessors. The Council has extended the period of validity of the relevant facility from June 30, 2021 to June 30, 2022.
The amendment is effective for annual accounting periods beginning on or after April 1, 2021. Early adoption is permitted, including interim or annual financial statements that were not authorized for issue as on March 31, 2021.

On September 22, 2022, the International Accounting Standards Board issued amendments to IFRS 16 regarding the subsequent measurement of lease obligations arising from sale and leaseback contracts when there are variable leases that do not depend on an index or interest rate.
The amendment applies to annual accounting periods beginning on or after January 1, 2024.

Annual improvements on the International Financial Reporting Standards 2018-2020
On May 14, 2020, the International Accounting Standards Board issued annual improvements containing the following amendments to the following International Financial Reporting Standards, which apply to annual accounting periods beginning on or after 1 January 2022:

IFRS 1 First-time adoption of the International Financial Reporting Standards - First-time adoption of the IFRS in a subsidiary company
The amendment allows a subsidiary to apply paragraph D16(a) of the Appendix to IFRS 1 in order to measure cumulative exchange differences using the amounts reported by its parent company, which are based on the parent company's date of transition to the IFRS.

IFRS 9 Financial Instruments - Remuneration and the 10% test for the derecognition of financial liabilities
The amendment clarifies which fees an entity should include when applying the 10% test of paragraph B.3.3.6 of IFRS 9 to determine whether it should derecognize a financial liability. The entity shall include fees paid or received between the entity (borrower) and the lender, including fees paid or received by either the entity or the lender on behalf of another party.

IFRS 16 Leases - Lease incentives
The amendment removed the example of payments by the lessor for lease improvements in illustrative Example 13 of the standard, in order to prevent any confusion about the accounting treatment of lease incentives that might arise from the way lease incentives are presented in the example.

IAS 16 Tangible Assets (Amendment) - "Receipts of amounts prior to the intended use"
The amendment changes the way in which the cost of the asset's well-functioning tests and the net sale proceeds are recorded from sales of assets generated in the process of placing the asset in that location and condition. The revenue and production costs of these products will now be recorded in profit or loss instead of being deducted from the cost of fixed assets. It also requires entities to disclose separately the amounts of revenue and costs associated with such manufactured items that are not the result of the entity's ordinary activities.
The amendment applies to annual accounting periods beginning on or after January 1, 2022.

IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment) - "Onerous Contracts – Contract fulfillment cost"

The amendment specifies which costs an entity should include in determining the cost of fulfilling a contract for the purpose of assessing whether the contract is onerous. The amendment clarifies that "the cost of fulfilling a contract" includes the directly attributable costs of fulfilling that contract and an allocation of other costs directly related to its performance. The amendment also clarifies that, before recognizing a separate provision for an onerous contract, an entity recognizes any impairment loss on the assets used to fulfil the contract, rather than on assets that were dedicated solely to that contract.

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

IFRS 3 Business Mergers (Amendment) – "Reference to the Conceptual Framework"

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

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

Standards and Interpretations mandatory for later 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 (or the Group's) financial statements unless otherwise stated.

IFRS 17 Insurance Contracts

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

IFRS 17 establishes principles for the recognition, measurement, presentation and disclosures of insurance contracts with the objective of providing a more uniform measurement and presentation approach for all insurance contracts.

IFRS 17 requires that insurance liabilities should be measured not at a historical cost but at current value in a manner consistent with the use of:

- unbiased expected weighted estimates of future cash flows based on updated assumptions,
- discount 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 contracts.

The new standard is effective for annual accounting periods beginning on or after January 1, 2023.

IAS 1 Presentation of financial statements (Amendment) - "Classification of liabilities as short-term or long-term"

On January 23, 2020, the International Accounting Standards Board issued an amendment to IAS 1

regarding the classification of short-term and long-term liabilities. The amendment affects only the presentation of liabilities in the statement of financial position. The amendment clarifies that the classification of obligations should be based on existing rights at the end of the reporting period. In addition, the amendment clarified that the Management's expectations of events expected to occur after the balance sheet date should not be taken into account and clarified the circumstances that constitute settlement of the liability.
The amendment applies to annual accounting periods beginning on or after January 1, 2024.

IAS 1 Presentation of the Financial Statements and of IFRS 2: Disclosures of Accounting Policies (Amendments)
On February 12, 2021, the International Accounting Standards Board issued an amendment to IAS 1 clarifying that:
- The definition of accounting policies is given in paragraph 5 of IAS 8.
- A financial entity must disclose significant accounting policies. Accounting policies are significant when, along with the other information in the financial statements, they are likely to influence the decisions of the primary users of the financial statements.
- Accounting policies for transactions that are not significant are not considered significant and should not be disclosed. However, accounting policies may be significant depending on the nature of some transactions even if the amounts involved are not material. Accounting policies relating to significant transactions and events are not always significant in their entirety.
- Accounting policies are significant when the users of financial statements need them in order to understand other significant information in the financial statements.
- Information on how a financial entity has applied an accounting policy is more useful to users of financial statements than standardized information or a summary of the provisions of IFRSs.
- If a financial entity chooses to include insignificant information regarding accounting policies, that information should not interfere with significant information regarding accounting policies.

Guidance and illustrative examples are also added to the second Practice Statement to assist in applying the concept of materiality in making judgments in accounting policy disclosures.

The amendments apply to annual accounting periods beginning on or after January 1, 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 in which:
- It defined accounting estimates as monetary amounts in the financial statements that are subject to uncertainty in regards to their measurement.
- It clarified that an accounting policy may require items in financial statements to be measured in a manner that creates uncertainty. In that case, the financial entity develops an accounting estimate. The development of accounting estimates includes the use of judgements and assumptions.
- In developing accounting estimates, a financial entity uses valuation techniques and data.

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

The amendment is effective for annual accounting periods beginning on or after January 1, 2023.

IAS 12 Income Taxes (Amendment) - "Deferred tax relating to assets and liabilities arising from a specific transaction"

On May 7, 2021, the International Accounting Standards Board issued an amendment to IAS 12 which limited the scope of the recognition exemption according to which companies, in certain cases, were exempted from the obligation to recognize deferred tax on the initial recognition of assets or liabilities. The amendment clarifies that this exception no longer applies to transactions that upon initial recognition result in the creation of equal amounts of taxable and deductible temporary differences, such as leases to lessees and remediation obligations.
The amendment applies to annual accounting periods beginning on or after January 1, 2023.

IFRS 17 Insurance Contracts (Amendment) – "Initial application of 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 for the transition to IFRS 17 in order to smooth out the accounting mismatches that arise in the comparative information between insurance contract liabilities and the related financial assets upon initial application of IFRS 17, and thereby improve the usefulness of comparative information for users of financial statements. It allows the presentation of comparative information about financial assets in a way that is more consistent with IFRS 9.

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

2.2 Currency Conversions

(a) Functional and Reference Currency.

Items included in the financial statements are measured using the main currency of the economic environment in which the entity operates ("functional currency"). The financial statements are presented in Euros, which is the Company's functional and reference currency.

(b) Transactions and balances

Transactions in foreign currencies are converted to the functional currency based on the exchange rates prevailing on the date of the transactions. Profits and losses from exchange differences arising from the settlement of such transactions or from the conversion of the monetary elements of assets and liabilities expressed in foreign currency at the exchange rates in force on the balance sheet date (31.12), are recognized in the results.

2.3 Tangible assets

Tangible assets mainly include land, buildings, mechanical equipment, means of transport and furniture and fixtures. Tangible assets are valued at the acquisition cost, minus the accumulated depreciation. The cost of acquisition includes all direct costs for the acquisition of the assets.
Plots of land are not subject to depreciation. Depreciation of tangible assets is calculated using the straight-line method during their useful life as follows:

- Buildings 66 years
- Machinery 6-10 years
- Vehicles 8-10 years
- Other equipment 3-10 years

The residual values and useful lives of tangible assets are subject to review at each annual balance sheet. The additions, in the Company's books, are recorded at the acquisition cost, which includes all directly attributable costs for the acquisition of the assets.
Subsequent costs are recorded as an increase in the logistical value of the tangible assets only if it is probable that future economic benefits will flow to the Company and their cost can be reliably estimated. Repairs and maintenance, when done, are recorded at the expense of the profit and loss results.

2.4 Intangible assets

Computer software

Software costs include the purchase and installation costs. The cost of licenses to use software is capitalized on the basis of the cost of acquiring and developing that software until it is ready for use. These costs are amortized over their estimated useful life (3 to 5 years) using the straight-line method.

2.5 Impairment of non-financial assets

At each balance sheet date, the Company assesses whether there are any indications of impairment. If there are indications of impairment or if an annual impairment test of the fixed asset is required, then its recoverable value is calculated. Assets that have an indefinite useful life are not depreciated and are subject to an impairment test annually or more frequently if there are specific events and indications that indicate a possible impairment of the assets. Depreciable assets are subject to impairment testing when there are indications that their carrying value will not be recovered. An impairment loss is recognized for the amount by which the carrying value of the asset exceeds its recoverable value.

2.6 Government grants

Government grants are recognized at their fair value when there is sufficient certainty that the grant will be collected and that the Company will comply with the relevant requirements. Grants related to fixed assets are initially recognized as government grants in subsequent periods and are included in "Supplier and other long-term liabilities". Subsequently, they are credited to the statement of comprehensive income over the useful lives of the related assets in direct relationship to the depreciation charged on such assets.

2.7 Inventories

Inventories are valued at the lowest value between acquisition value and net realizable value. The acquisition cost is determined by the weighted average method. The borrowing cost is not included in the acquisition value of the inventories. The net realizable value is estimated on the basis of the current selling prices of the inventories in the ordinary course of business, minus any selling expenses where applicable.

2.8 Trade receivables

Trade receivables, which generally have 1-120 days terms, are initially recognized at fair value and subsequently measured at τηε amortized cost using the effective interest method, minus the impairment provisions. Trade receivables include bills of exchange and promissory notes from customers. Regarding non-secured trade receivables, the Company applies the simplified approach, in accordance with IFRS 9 and calculates the expected credit losses throughout the lifetime of the receivables. To this end, it uses a table that calculates relevant forecasts in a way that reflects experience from past events as well as projections of the future financial position of customers and the economic environment. Bad debts are assessed on a one-to-one basis to calculate the relevant provision. The amount of the provision is recognized in the statement of comprehensive income.

2.9 Cash and cash equivalents.

Cash and cash equivalents include cash, demand and time deposits, as well as other short-term investments that are liquidable within a period not exceeding three months.

2.10 Share capital

The share capital includes common shares of the Company. Direct expenses for the issue of shares, appear after deduction of the relevant income tax, and are reduced by the issuance costs.

2.11 Lending

Loans are initially recorded at their fair value, minus any direct costs arising from the transaction. They are subsequently valued at an amortized cost. Any difference between the amount received (minus the related expenses) and the repayment value is recognized in the results over the term of the loan based on the effective interest method.

2.12 Trade payables and other liabilities

Trade payables and other liabilities are initially recognized at fair value. Subsequently they are measured at depreciated cost where the actual interest rate method is used. Liabilities are classified as short-term if the payment is due within a year or less. If not, they are presented at long-term obligations.

2.13 Current and deferred income tax

Income tax for the period consists of current and deferred tax. The tax expense/income for the period is the tax calculated on the taxable result for the period based on the applicable tax rate in each country/jurisdiction in which the Company is present, adjusted for changes in the deferred tax asset or liability relating to temporary differences or unused tax losses, as well as additional taxes of previous years. ax is recognized in the Statement of Comprehensive Income unless it relates to amounts recognized directly in Equity. In this case, the tax is also recognized in Equity.
Current tax assets and liabilities are measured at the amount expected to be recovered or paid to the tax authorities.

2.14 Employee benefits

Defined benefit pension plan
As provided for by the current provisions of labour legislation, employees and workers are entitled on retirement to receive an amount determined on the basis of their earnings and their length of service. Such plans are considered defined benefit plans. The liability recognized in the balance sheet for defined benefit plans is the present value of the defined benefit obligation at the balance sheet date less the fair value of the plan assets. The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method (projected unit credit method).

The present value of the defined benefit obligation is calculated by discounting the future cash outflows at a discount rate equal to the interest rate of long-term highly rated corporate bonds denominated in the same currency as the contribution payments and with a maturity approximately equal to the pension plan.

The current service cost of the defined benefit plan, recognised in the statement of profit or loss in employee benefit expense (except if it was included in the cost of an asset), reflects the increase in the defined benefit obligation resulting from employee service in the current year, benefit changes curtailments and settlements. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. Past-service costs are recognised immediately in the statement of comprehensive income.

2.15 Provisions

Provisions for restructuring costs and legal claims are recognised when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognised for future operating losses.
Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value reflects current market assessments of the time value of money and the increases related to the liability.

2.16 Revenue recognition

The revenue is recognised as follows:

(a) Sales of goods – wholesale

The Company recognizes as revenue when it settles a contractual obligation to a customer upon delivery of goods (which is the time when control of the goods passes to the customer). If a contract includes more than one contractual obligation, the total contract value is allocated to the individual obligations based on the individual sales values. The amount of revenue recognized is the amount allocated to the relevant contractual obligation that has been settled, based on the consideration expected to be received under the terms of the contract.

Provision of services

Revenue from services is recognized in the period in which the service is provided, over the period in which the service is provided to the customer and in relation to the extent to which the service is completed as a percentage of the total agreed services.

Variable consideration

If the consideration agreed under the contract includes a variable element, the Company recognises that amount as revenue to the extent that it is not significantly more likely than not that the amount will be offset in the future.

Volume discounts

The Company provides discounts to customers based on thresholds specified in the respective contracts. Options for volume related discounts are assessed by the Company to determine whether they constitute a material right that the customer would not receive without entering into that contract. For all such options that are considered as material rights, the Company assesses the likelihood of its exercise and then the portion of the transaction price allocated to the option is deferred and recognized when it is either exercised or lapsed. Under the new requirements, the Company concluded that volume discounts constitute a material right which should be recognized over time up to the point it is either exercised or lapsed. The Company provides customers with discounts on sales volume based on the limits set out in their contracts. All such discounts are accrued within the financial year.

(b) Interest income

Interest income is recognized using the effective interest method. When a receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at original effective interest rate of the instrument and continues unwinding the discount as interest income.

(c) Dividend income

Dividend income is recognised when the right to receive payment is established.

2.17 Leases

Based on IFRS 16, the classification of leases into operating leases and finance leases is abolished for the lessee and all leases are recognized in accounting as elements of the "Statement of Financial Position", through the recognition of a "right to use" assets and a "lease obligation".

2.18 Dividend distribution

Dividend distribution to the Company’s shareholders is recognized as a liability in the Company’s financial statements in the period in which the dividends are declared and appropriately authorized, or approved by the Company’s Shareholders’ General Meeting. Interim dividends proposed by the Board of Directors are recognized as liabilities upon proposal.

3. Accounting estimates and uncertainties

The management’s estimates and assumptions that are significant for the application of account policies are addressed below:

Useful economic life of depreciable assets

The Company periodically reviews/ checks the useful economic life of depreciable assets in order to evaluate the appropriates of the initial estimations. On the 31st of December 2022 the management concluded that the useful lifespan represents the estimated usefulness of the assets.

Impaired inventory provisions
The company, in each reporting period, carries out a valuation of the stocks at the lower price between the acquisition cost and the net realizable value. The realizable value is calculated based on the best available information which reflects current market conditions.

Estimation over the decreasing financial assets.

The Company estimates the impairment loss concerning the expected credit losses on every financial asset, except from those whose estimation will be based on the fair value according to the results.

The purpose of the impairment loss according to the IFRS 9 is to recognize the expected credit losses for the total economic lifespan of a financial asset, whose credit risk is increased after the initial estimations despite the basis on which the recognition was performed either on a collective or a disjointed basis, while using all the information available based upon both historical and current evidence, as well as reasonable future estimations.

The Company applies the simplified approach of the Standard for the contractual assets, the trade payables, and the lease payables while calculating the expected credit damages for the whole lifespan of the assets mentioned above. In that case, the expected credit losses constitute the expected deficiencies in the contractual cash flows, while taking into consideration the possibility of default at any point of the financial asset's lifespan. During the calculation of the expected credit losses the Company uses an estimation table. Prior to that the Company organized the above financial instruments based upon the nature and the aging of the rest financial assets as well as the historical data available about the debtors with all the necessary adjustments-provisions for future factors about them and the financial environment.

4. Information per segment

The Company is active in Greece, Cyprus and the Balkans. The company allocates its merchandises through its own distribution network for the district of Attica and Thessaloniki, and through dealers for the rest of Greece. The sales of the company, through its own network and wholesalers are as follows:

For the fiscal year 2022	Sales	Cost	Gross profit	Percentage
Wholesalers	5.494.564,77	3.792.249,77	1.702.315,00	31,0%
Network sales	20.345.021,11	14.121.760,78	6.223.260,33	30,6%
Service sales	10.000,00	10.000,00	0,00	0,0%
Total	**25.849.585,88**	**17.924.010,55**	**7.925.575,33**	**30,7%**

For the fiscal year 2021	Sales	Cost	Gross profit	Percentage
Wholesalers	4.672.545,70	3.157.037,79	1.515.507,91	32,4%
Network sales	16.289.669,33	11.013.896,97	5.275.772,36	32,4%
Total	**20.962.215,03**	**14.170.934,76**	**6.791.280,27**	**32,4%**

The sales per geographical territory are as follows:

	For the year ended	
	31/12/2022	**31/12/2021**
Export sales	1.322.813,75	1.076.689,34
Sales in Greece	24.526.772,13	19.885.525,69
Total	**25.849.585,88**	**20.962.215,03**

5. Tangible fixed assets in use.

The changes in tangible fixed assets in use are noted below:

Cost	Land	Buildings	Machinery	Motor vehicles	Furniture and fixtures	Under Construction	Total
As of January 1, 2021	**2.802.669,07**	**2.471.549,40**	**616.222,14**	**993.588,61**	**1.008.424,28**	**108.611,66**	**8.001.065,16**
Additions	0,00	0,00	0,00	42.288,16	15.190,01	0,00	57.478,17
Decrease	0,00	0,00	0,00	-20.519,82	0,00	0,00	-20.519,82
As of December 31, 2021	**2.802.669,07**	**2.471.549,40**	**616.222,14**	**1.015.356,95**	**1.023.614,29**	**108.611,66**	**8.038.023,51**
Accumulated DepreciationAs of January 1, 2021	**0,00**	**98.297,60**	**604.540,01**	**802.791,34**	**954.842,75**	**0,00**	**2.460.471,70**
Depreciation	0,00	37.312,06	4.068,90	39.723,79	15.723,79	0,00	96.828,54
Decrease	0,00	0,00	0,00	-20.519,81	0,00	0,00	-20.519,81
As of December 31, 2021	**0,00**	**135.609,66**	**608.608,91**	**821.995,32**	**970.566,54**	**0,00**	**2.536.780,43**
Net Book Value on December 31, 2021	**2.802.669,07**	**2.335.939,74**	**7.613,23**	**193.361,63**	**53.047,75**	**108.611,66**	**5.501.243,08**
Cost							
As at 1 January 2022	**2.802.669,07**	**2.471.549,40**	**616.222,14**	**1.015.356,95**	**1.023.614,29**	**108.611,66**	**8.038.023,51**
Additions	0,00	0,00	5.410,42	47.305,22	29.416,17	24.250,00	106.381,81
Transfers and other statements	0,00	0,00	0,00	0,00	-0,01	0,00	-0,01
Decrease	0,00	0,00	0,00	-41.168,62	0,00	0,00	-41.168,62
As at 31 December 2022	**2.802.669,07**	**2.471.549,40**	**621.632,56**	**1.021.493,55**	**1.053.030,45**	**132.861,66**	**8.103.236,69**
Accumulated DepreciationAs at 1 January 2022	**0,00**	**135.609,66**	**608.608,91**	**821.995,32**	**970.566,54**	**0,00**	**2.536.780,43**
Depreciation	0,00	37.312,06	4.095,98	43.621,47	21.198,24	0,00	106.227,75
Decrease	0,00	0,00	0,00	-41.168,59	0,00	0,00	-41.168,59
As at 31 December 2022	**0,00**	**172.921,72**	**612.704,89**	**824.448,20**	**991.764,78**	**0,00**	**2.601.839,59**
Net Book Value at 31 December 2022	**2.802.669,07**	**2.298.627,67**	**8.927,67**	**197.045,35**	**61.265,67**	**132.861,66**	**5.501.397,10**

There are no encumbrances or other types of commitments and restrictions on the Company's fixed assets.

6. Rights to use fixed assets

Below are presented the rights of use of fixed assets that have been recognized by lease contracts, in accordance with the requirements of IFRS 16.

Right to use fixed assets

The Company recognizes the right to use fixed assets at the commencement of the lease (the date the asset is available for use). The rights to use fixed assets are measured at their cost, minus the accumulated depreciation and impairment, adjusted when measuring the corresponding lease liabilities. The rights to use fixed assets are subject to impairment testing.

Rights to use

	Motor vehicles	Total
Costs		
Balance on 01.01.2021	191.851,62	191.851,62
Additions	131.617,33	131.617,33
Modification	-84,131,06	-84,131,06
Balance on 31.12.2021	**239.337,89**	**239.337,89**
Depreciations		
Balance on 01.01.2021	97.388,36	97.388,36
Depreciation for the period	49.979,50	49.979,50
Modification	-76.024,00	-76.024,00
Balance on 31.12.2021	71.343,86	71.343,86
Net Value on December 31, 2021	**167.994,03**	**167.994,03**
Costs		
Balance on 01.01.2022	239.337,89	239.337,89
Balance on 31.12.2022	**239.337,89**	**239.337,89**
Depreciations		
Balance on 01.01.2022	71.343,86	71.343,86
Depreciation for the period	48.595,07	48.595,07
Balance on 31.12.2022	119.938,93	119.938,93
Net Book Value on December 31, 2022	**119.398,96**	**119.398,96**

Lease liability	**Motor vehicles**	**Total**
Long-term lease liabilities		
Balance on 01.01.2021	51.812,00	51.812,00
Period payments	-32.271,12	-32.271,12
Additions	96.366,71	96.366,71
Modifications	6.491,29	6.491,29
Balance on 31.12.2021	**122.398,88**	**122.398,88**
Short-term lease liabilities		
Balance on 01.01.2021	43.512,00	43.512,00
Period interest	4.056,41	4.056,41
Period payments	-21.153,63	-21.153,63
Additions	35.250,62	35.250,62
Modifications	-14.057,29	-14.057,29
Balance on 31.12.2021	**47.608,11**	**47.608,11**
Long-term lease liabilities		
Balance on 01.01.2022	122.398,88	122.398,88
Period payments	-35.766,99	-35.766,99
Balance on 31.12.2022	**86.631,89**	**86.631,89**
Short-term lease liabilities		
Balance on 01.01.2022	47.608,11	47.608,11
Period interest	5.370,86	5.370,86

Period payments	-17.212,00	-17.212,00
Balance on 31.12.2022	**35.766,97**	**35.766,97**

7. Inventories

The balances of inventories on 31/12/2022 and 31/12/2021 respectively are noted below:

	As of	
	31.12.2022	**31.12.2021**
Inventories	3.974.442,26	3.512.521,96
Purchases under delivery	523.301,31	606.950,69
Total	**4.497.743,57**	**4.119.472,65**

The cost of inventories recognized as an expense and included in "Cost of sales" amounted to € 17.924.010,55 (2021 € 14.170.934,76).

8. Trade receivables

The balances from trade receivables are analyzed as follows:

	As of	
	31.12.2022	**31.12.2021**
Trade receivables	9.468.524,02	7.786.386,63
Minus: Provisions for impairment of Receivables	-1.629.999,99	-1.509.553,02
Total	**7.838.524,03**	**6.276.833,61**

The table below analyses total trade receivables based on their maturity.

	As of	
	31.12.2022	**31.12.2021**
Not past due balance	6.599.768,00	5.366.388,91
Past due balance	2.868.756,02	2.419.997,72
Total trade receivables	**9.468.524,02**	**7.786.386,63**

Past due trade receivables are analysed as follows:

	As of	
	31.12.2022	**31.12.2021**
Up to 30 days	647.007,86	437.530,57
30 - 90 days	594.540,35	447.164,64
Over 90 days	1.627.207,81	1.535.302,51
Total past due trade receivables	**2.868.756,02**	**2.419.997,72**

It is noted that the Company applies the simplified approach of IFRS 9 and calculates expected credit losses over the life of its receivables. At each balance sheet date, the Company checks if there is a trade receivables impairment by using a table based on which the expected credit losses are calculated. The movement in the provision for impairment of trade receivables is set out below:

	As of	
	31.12.2022	**31.12.2021**
Balance on January 1st	1.509.553,02	1.398.520,69
- Additional provisions	120.446,97	111.032,33
Balance on December 31st	**1.629.999,99**	**1.509.553,02**

9. Other receivables

The balances from other receivables are analyzed below:

	As of	
	31.12.2022	**31.12.2021**
Income tax - prepayment	4.280,04	10.523,17
Prepaid expenses and accrued income	12.902,29	30.859,57
Other receivables	37.736,96	10.333,54
Total	**54.919,29**	**51.716,28**

10. Cash and cash equivalents

The balances of cash and cash equivalents are analyzed as follows:

	As of	
	31.12.2022	**31.12.2021**
Cash at the bank	1.967.148,61	3.443.881,45
Cash on hand	69.335,90	21.431,11
Total	**2.036.484,51**	**3.465.312,56**

11. Share capital

The share capital of the Company is analyzed below:

	Shares	**Share capital**	**Total**
December 31, 2021	**7.500.000,00**	**2.475.000,00**	**2.475.000,00**
December 31, 2022	**7.500.000,00**	**2.475.000,00**	**2.475.000,00**

During the current financial year there was no change in the share capital of the Company. The fully paid-up share capital amounts to € 2,475,000.00 and is divided into 7,500,000 shares with a nominal value of € 0.33 each.

12. Deferred income tax liabilities

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes relate to the same taxation authority. The change in the deferred tax asset/(liability) is as follows:

	As of	
	31.12.2022	**31.12.2021**
Balance at the beginning of the year	247.279,74	172.925,76
Change in accounting policy	0,00	51,737,21
Fiscal year results	-25.877,21	36.853,94
Other income statement movements	0,00	-18.845,68
Movements in the net position	5.229,45	4.608,51
Balance at the end of the fiscal year	**226.631,98**	**247.279,74**

Deferred tax relates to the following categories:

	As of	
	31.12.2022	**31.12.2021**
Intangible and tangible fixed assets	374.398,38	351.411,50
Employee benefits provisions	-39.310,18	-88.510,77
Provisions for bad debts	-85.811,77	-66.930,86
Other provisions	-22.000,00	0,00
Change in accounting policy (IAS 19)	0,00	51.737,21
Other differences	-644,46	-427,34
Total	**226.631,98**	**247.279,74**

13. Obligations of personnel benefits due to leaving the service

The company employs personnel for whom there is a potential obligation to provide compensation due to leaving the service.

Employee benefits (employment termination benefits) in cash and in kind are recognized as an expense when they become accrued. The Company has not officially or unofficially activated any special benefit program for its employees. The only program that is valid and has been activated in the past is the contractual obligation (based on the current legislation defined by article 8 of Law 3198/1955, Law 2112/20 and its amendment by Law 4093/2012) for providing a lump sum. For the above amount, the Company makes a provision based on an actuarial study.

In the current fiscal year, the Company adjusted the provision for severance pay by modifying its accounting policy accordingly and adjusting the previous period's amounts accordingly.

We refer to note 13.1 hereof, related to the effects of the change in accounting policy.
The following table analyzes how the amounts related to the Company's pension benefits have been recorded in the financial statements.

	As of	
	31.12.2022	**31.12.2021**
Balance on January 1	**168.948,27**	**463.349,96**
Actuarial losses	-23.770,24	1.026,98
Cost of current occupation	33.948,72	143.339,31
Personnel compensation	0,00	-205.452,25
Financial expenses	1.351,59	1.853,40
Change in accounting policy (IAS 19)	0,00	-235.169,13
End of the year	**180.478,34**	**168.948,27**

The principal actuarial assumptions used were as follows:

	As of	
	31.12.2022	**31.12.2021**
Discount rate	3,10%	0,90%
Future pay rise	2,50%	2,00%
Inflation	2,20%	1,70%

13.1 Changes in accounting policies within fiscal year 2022

The IFRS Interpretations Committee issued, in May 2021, the final agenda decision under the title "Allocation of benefits to periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material regarding the method of allocation of benefits to periods of service on a specific defined benefit program similar to that defined in article 8 of Law 3198/1955 regarding the provision of compensation due to retirement (the "Labor Law Defined Benefit Program").

Based on the above Decision, the way in which the basic principles of IAS 19 were applied in Greece in the past regarding this issue is differentiated, and consequently, in accordance with what is defined in the "IASB Due Process Handbook (par. 8.6)", financial entities that prepare their financial statements in accordance with the IFRS are required to modify their accounting policy 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 recruitment until the completion of 16 years of work following the scale of Law 4093/2012 or until the employees' retirement date.

The application of said final Decision to the attached financial statements has the result that benefits are now distributed over the last [16] years until the retirement date of the employees following the scale of Law 4093/2012.

In the current fiscal year, the Company adjusted the provision for severance pay by modifying its accounting policy accordingly and adjusting the amounts of the previous period accordingly, restating the financial statements as follows:

	31/12/2021		
Restatement of fiscal year 2021 data due to accounting policy change (IAS 19)	Previous publication on 31.12.2021	Results of accounting policy change (IAS 19)	Reformed on 31.12.2021
EQUITY,PROVISIONS AND LIABILITY			
Equity			
Retained results	10.396.567,05	183.431,92	10.579.998,97
Total equity	**14.839.378,26**	**183.431,92**	**15.022.810,18**
Provisions			
Provisions for employee benefits	404.117,40	-235.169,13	168.948,27
Total of retirement benefit obligations	**404.117,40**	**-235.169,13**	**168.948,27**
Long-term liabilities			
Deferred taxes	195.542,53	51.737,21	247.279,47
Total of long-term liabilities	**722.058,81**	**-183.431,92**	**538.626,89**
Total of net value and liabilities	**19.618.933,45**	**0,00**	**19.618.933,45**

	31/12/2020		
Restatement of fiscal year 2021 data due to accounting policy change (IAS 19)	Previous publication on 31.12.2020	Results of accounting policy change (IAS 19)	Reformed on 31.12.2020
EQUITY,PROVISIONS AND LIABILITY			
Equity			
Retained results	10.964.258,65	196.591,87	11.160.850,52
Total equity	**14.407.069,86**	**196.591,87**	**14.603.661,73**
Provisions			
Provisions for employee benefits	463.349,96	-252.040,52	211.309,44
Total of retirement benefit obligations	**463.349,96**	**-252.040,52**	**211.309,44**
Long-term liabilities			
Deferred taxes	172.925,76	55.448,65	228.374,41
Total of long-term liabilities	**723.087,72**	**-196.591,87**	**526.495,85**
Total of net value and liabilities	**18.969.180,89**	**0,00**	**18.969.180,89**

	31/12/2021		
Restatement of fiscal year 2021 data due to accounting policy change (IAS 19)	Previous publication on 31.12.2021	Results of accounting policy change (IAS 19)	Reformed on 31.12.2021
Information not to be classified in the statement of income in the future:			
Profits/(Losses) after recalculation of defined benefit plans	-1.026,98	996,15	-30,83
Plus/(minus): Deferred tax	225,93	-219,15	6,78
Plus/(minus):Correction of actuarial loss deferred tax duo to tax rate change	-4.834,44	0,00	-4.834,44
Plus/(minus): Actuarial profits/(losses) modification	0,00	0,00	0,00
Plus/(minus): Deferred tax	0,00	0,00	0,00
Other total incomes	-5.635,49	777,00	-4.858,49

14. Suppliers

Vendor balances are analysed as follows:

	As of	
	31.12.2022	**31.12.2021**
Suppliers	1.831.129,32	2.373.346,72
Payable cheques and bills	1.028.065,37	881.894,55
Total	**2.859.194,69**	**3.255.241,27**

15. Obligations for other taxes – contributions

The balances of other taxes and contributions are analyzed as follows:

	As of	
	31.12.2022	**31.12.2021**
Income tax liabilities	353.041,67	209.487,21
Other tax liabilities	466.425,71	408.107,03
Insurance organizations	117.043,89	106.958,48
Total	**936.511,27**	**724.552,72**

16. Expenses per category.

The analysis of the Company’s expenses and the allocation to the operations are as follows:

For the year ended on 31.12.2022	Cost of sales	Administrative expenses	Selling and distribution expenses	Financial expenses	Total
Personnel fees and expenses	0,00	918.156,42	2.326.511,85	0,00	**3.244.668,27**
Third party fees and expenses	0,00	35.310,70	57.665,22	0,00	**92.975,92**
Third party benefits	0,00	129.061,69	314.014,44	0,00	**443.076,13**
Fees - Taxes	0,00	1.909,03	51.170,44	0,00	**53.079,47**
Miscellaneous expenses	10.000,00	105.548,24	501.298,25	0,00	**616.846,49**
Interest and relevant expenses	0,00	0,00	0,00	19.458,90	**19.458,90**
Depreciations from assets	0,00	46.445,58	119.258,93	0,00	**165.704,51**
Provisions	0,00	105.172,79	28.775,93	0,00	**133.948,72**
Cost of inventories	17.914.010,55	0,00	0,00	0,00	**17.914.010,55**
Total	**17.924.010,55**	**1.341.604,45**	**3.398.695,06**	**19.458,90**	**22.683.768,96**

For the year ended on 31.12.2021	Cost of sales	Administrative expenses	Selling and distribution expenses	Financial expenses	Total
Personnel fees and expenses	0,00	878.105,56	2.166.919,85	0,00	**3.045.025,41**
Third party fees and expenses	0,00	93.260,62	10.100,00	0,00	**103.360,62**
Third party benefits	0,00	116.685,01	289.376,39	0,00	**406.061,40**
Fees - Taxes	0,00	1.600,00	51.170,44	0,00	**52.770,44**
Miscellaneous expenses	0,00	84.130,07	424.531,67	0,00	**508.661,74**
Interest and relevant expenses	0,00	0,00	0,00	17.586,83	**17.586,83**
Depreciation	0,00	36.718,09	121.204,95	0,00	**157.923,04**
Provisions	0,00	77.035,32	66.303,99	0,00	**143.339,31**
Cost of inventories	14.170.934,76	0,00	0,00	0,00	**14.170.934,76**
Total	**14.170.934,76**	**1.287.534,67**	**3.129.607,29**	**17.586,83**	**18.605.663,55**

The provisions have not included the effect of the change in accounting policies in the amount of 17,867.54 euros which was entered directly in Equity.

17. Other operating income / (expenses)

The other operating income / (expenses) of the company are analysed below:

	For the year ending	
	31.12.2022	**31.12.2021**
Revenue from purchase discounts - commissions	84.431,99	80.718,06
Discounts due to one-time payment of foreign companies	139.132,28	128.868,87
Involvement of foreign companies in advertising costs	27.539,30	18.431,75
Involvement of foreign companies in the cost of samples	30.562,46	31.142,72
Miscellaneous income	15.895,20	25.776,24
Other operating income	**297.561,23**	**284.937,64**
Losses on accounts receivables	-120.446,97	-111.032,33
Losses from expired and destroyed inventories	-15.156,41	-10.891,19
Miscellaneous expenses	-11.760,28	-18.214,36
Other operating (expenses)	**-147.363,66**	**-140.137,88**
Other income	**150.197,57**	**144.799,76**

18. Income tax

The tax attributable to the results of the year is as follows:

	For the year ending	
	31.12.2022	**31.12.2021**
Current tax	767.296,13	524.468,12
Prior year tax	3.597,31	23.043,65
Deferred tax	-25.877,21	18.008,26
Other tax differences	0,00	0,00
Total	**745.016,23**	**565.520,03**

The corporate income tax rate for Greece is set at 22% (22% in 2021). In accordance with the applicable tax provisions, tax audits are conducted as follows:

Audits by Certified Auditors – Tax Compliance Report

From the fiscal year 2011 onwards, Greek S.A. Companies and Limited Liability Companies whose annual financial statements are mandatorily audited by statutory auditors and audit firms registered in the public registries of Law 3693/2008, are obliged (and are now able) to receive an "Annual Certificate" now provided for in article 65A of Law 4174/2013, which is issued after a tax audit carried out by the same Statutory Auditor or audit office that audits the annual financial statements.
In this context, the Company was tax audited for the years 2011 to 2021 in accordance with the above provisions and the relevant tax certificates were granted to the Company with a conclusion without reservation. In addition, during fiscal year 2021, the company was subject to a tax audit by the Independent Authority of Public Revenue (AADE) for fiscal years 2015 and 2016 and the tax resulting from this audit burdened the results of the fiscal year.
For the fiscal year 2022, the Company has been subject to the tax audit of the Certified Public Accountants, and the relevant tax certificate is expected to be granted within the fourth quarter of 2023. The Management does not expect any tax liabilities to arise beyond those registered and illustrated in the said statements.
Finally, it is noted that the State's right to levy tax for years up to and including 2016 is time-barred until 31.12.2022, subject to special or exceptional provisions that may provide for a longer time-limit and under the conditions they specify.
The agreement of the nominal with the actual tax rate is as follows:

	For the year ending	
	31.12.2022	**31.12.2021**
Profit / (loss) before Tax	**3.316.086,00**	**2.503.463,92**
Tax rate	**22%**	**22%**
Income tax calculated based on the applicable tax rates	-729.538,92	-550.762,06
Tax on logistical differences	-11.880,00	-10.560,00

Adjustments due to changes in tax rate	0,00	18.845,68
Prior year tax	-3.597,31	-23.043,65
Fiscal year tax	**-745.016,23**	**-565.520,03**
Effective tax rate	**-22,5%**	**-22,6%**

19. Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period, excluding the weighted average number of treasury shares.

	For the year ending	
	31.12.2022	31.12.2021
Net earnings attributable to ordinary shares	2.589.610,55	1.933.085,40
Weighted average number of ordinary shares	7.500.000,00	7.500.000,00
Earnings per share (in Euros per share)	**0,345**	**0,258**

20. Dividends per share

During the fiscal year 2022, dividends of a total amount of €2.000.000,00 were paid to the shareholders derived from profits of previous fiscal years.

21. Proposed Disposition of Profits

The proposal of the Board of Directors is to not distribute this dividend to the shareholders in order to improve the capital adequacy of the Company so that it can finance its future investment activities.

22. Contingent Claims – Obligations

Information about contingent liabilities

There are no disputes pending or under arbitration by judicial or arbitral bodies or decisions of judicial or arbitral bodies that have or may have a significant impact on the financial condition or operation of the Company.

Information about potential claims

There are no potential claims that require special reporting in the Company's financial statements.

23. Related Party Transactions

The statement of comprehensive income includes revenues, costs and expenses, which arise from the transactions between the Company and related parties. Such transactions mainly include sales and purchases of goods and services in the normal course of the Company's operations.

	For the year ending	
Sales of goods and services	**31.12.2022**	**31.12.2021**
To Group entities	200.676,98	157.672,56
Total	**200.676,98**	**157.672,56**
Purchases of goods and services		
From Group entities	4.971.065,36	4.180.451,09
Total	**4.971.065,36**	**4.180.451,09**

The statement of financial position includes balances, which derive from sales / purchases of goods and services during the ordinary course of business.

	As of	
Liabilities	**31.12.2022**	**31.12.2021**
To group entities	1.482.617,52	1.887.577,73
Total	**1.482.617,52**	**1.887.577,73**
Receivables		
From group entities	102.658,48	85.659,04
Total	**102.658,48**	**85.659,04**

The Company is managed by members of the Board of Directors and by General Managers. The remuneration paid or accounted for amounted to:

	For the year ending	
Payments to the management and Company executives	**31.12.2022**	**31.12.2021**
Transactions and remuneration for Directors and members of the management	491.037,58	413.962,48
Contributions of Directors and members of the management	40.636,81	41.022,80
Total	**531.674,39**	**454.985,28**

No loans have been granted to members of the Board, or to any Management personnel (and/or their families).

24. Personnel employed

Company staff employed on 31/12/2022: 72 people.
Company staff employed on 31/12/2021: 69 people.

25. Events after the Balance Sheet Date

After the financial statements, there are no events that concern the company beyond the events that have occupied the world stage and are related to the effects of Covid-19, as well as the developments regarding the war conflicts taking place in Ukraine and have resulted in the creation of intense inflationary pressures originating mainly from the energy crisis.

Although at the present time no conclusions can be drawn with certainty regarding the risks, the impact and the possible effects of these events on its activity and financial results, the Company is carefully monitoring the developments regarding the continued escalation of inflation and in particular of food prices in order to adapt to the special conditions that arise if this is needed. It has a plan for the smooth operation of its activities in compliance with the applicable legislation. In addition, it closely monitors the developments and makes sure of taking the procedures and in particular the measures and policies deemed appropriate and necessary in order to ensure its business continuity, its smooth operation and the limitation of negative consequences to the smallest possible extent.

Given that the phenomenon of continued product price increases is in full swing, the quantitative and qualitative effects on the company's operation are constantly under evaluation. However, according to the data to date, the Management does not consider that this matter creates conditions of substantial uncertainty for the continuation of the Company's activity and lists in detail assumptions and facts that lead to this conclusion.

- Sales, in the current period of 2023, continue normally with an increase in them.
- Possible losses of the gross profit margin due to the continued increase in international production prices, will be offset by the expected increase in sales.
- The company's Management continues to closely monitor the developments related to the pandemic crisis and continues to maintain in place a plan to ensure the health and safety of the staff and the uninterrupted business continuity of the company, now adapted to the revised health protocols, as defined by the local competent health authorities.

The persons responsible for the preparation of the annual Financial Report

Acharnes, May 2, 2023

Stylianos Kanakis	**Eleftheria Kanaki**	**Xenofon Katopodis**
Vice-President & Managing Director **ID. No AI 647976**	**Deputy Managing Director** **ID. No AP 143849**	**Chief Financial Officer** **ID. No AM 136793** **A' Signatory right 33943**