PAPERPACK
Carton Packaging Industry

PAPERPACK PRINTING BOX MANUFACTORING AND PAPER PACKAGING INDUSTRIAL SINGLE MEMBER SOCIETE ANONYME

General Commercial Registry Number: 004465901000

ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR 01/01/2021 UNTIL 31/12/2021

CONTENTS

STATEMENT BY MEMBERS OF THE BOARD

The members of the Board of Directors of the company under the name " **PAPERPACK PRINTING BOX MANUFACTORING AND PAPER PACKAGING INDUSTRIAL SINGLE MEMBER SOCIETE ANONYME** " and the distinctive title PAPERPACK SINGLE MEMBER S.A.:

1. Petros Sakkas, President of the Board of Directors and CEO

2. Ioannis Tsoukaridis, Member of the Board of Directors,

in our above capacity, hereby declare and certify that to the best of our knowledge:

(a) The accompanying annual financial statements of PAPERPACK SINGLE MEMBER S.A. for the period from January 1 to December 31, 2021, which have been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union, fairly represent the assets and liabilities, equity, cash flows

(b) the attached Annual Report of the Board of Directors of PAPERPACK SINGLE MEMBER S.A. illustrates in a true manner the development, performance and position of the Company, including a description of the main risks and uncertainties it face

(c) The attached Annual Financial Statements are those approved by the Board of Directors on 20/06/2022

Kifissia, 20/06/2022

President and CEO	**Member of the Board**
Petros Sakkas	**Ioannis Tsoukaridis**
ID No. AO 169266	**ID No. AM 644642**

Independent auditor's report

To the Shareholders of "PAPERPACK SINGLE MEMBER SA"

Report on the audit of the financial statements

Our opinion

We have audited the financial statements of PAPERPACK SINGLE MEMBER SA (Company) which comprise the statement of financial position as of 31 December 2021, the statement of comprehensive income, changes in equity and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, financial statements present fairly, in all material respects the financial position of the Company as of 31 December 2021, their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018**.**

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. 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 believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017, that are relevant to the audit of the financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, and the requirements of the IESBA Code.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information is the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Board of Directors Report, we considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the Board of Directors' Report for the year ended at 31 December 2021 is consistent with the financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the financial statements

The Board of Directors is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors 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 Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs 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 ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal 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 Board of Directors.
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

With respect to the Board of Directors Report, the procedures we performed are described in the "Other Information" section of our report.

Athens, 08 September 2022

PriceWaterhouseCoopers Anonymous Auditing Company Chartered Accountants Kifisias Avenue 268 152 32 Chalandri SOEL Reg. no 113 ELTE Reg. no 014	The Certified Public Accountant Fotios Smyrnis SOEL Reg. no 52861 ELTE Reg. no 2589

ANNUAL REPORT OF THE BOARD OF DIRECTORS
Presented to the Annual General Meeting of Shareholders of « PAPERPACK PRINTING BOX MANUFACTORING AND PAPER PACKAGING INDUSTRIAL SINGLE MEMBER SOCIETE ANONYME»
on the Financial Statements for the fiscal year
1 January 2021 to December 31, 2021

Dear Shareholders,

We issue this financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and this Directors' Report for the fiscal year from 1 January 2021 to 31 December 2021. This report was written in accordance with the relevant provisions of Article 150 paragraph 3 of Law 4548/2018, Article 4 of Law 3556/2007 and delegated the same Law Board's decisions SEC. This report accompanies the financial statements for the year 2021 (01.01.2021-31.12.2021) and contains the corporate governance statement.

A. Annual Review - Variations in financial figures of the Company

ANNUAL REVIEW

The most important events of the current fiscal year, apart from the increase in turnover, include the increase in costs due to the rapid increase in raw material prices and the increase in energy prices in the 2nd half of the year. At the same time, the increase in productivity - which is largely due to the investments in mechanical equipment made by the company in previous years - have maintained the increased competitiveness of the company while maintaining the quality of its products.

Development Activities - Variations in financial figures of the Company

The Key financials and ratios of the Company are structured as follows :

- The company's sales amounted to € 19,550 thousand compared to € 17,428 thousand of the corresponding sales of 2020, recording an increase of 12.17%.

- The EBIT of the company for the fiscal year 2021 stood at € 3,974 thousand compared to € 2,355 thousand for the fiscal year 2020, i.e. an increase of 68.71%, mainly as a result of the increase in turnover compared to last year's levels, as well as the reduction of administrative and distribution expenses. The gross profit margin is increased compared to the previous year and amounts to 32.36% (2020: 30.68%), as a result of the increase in turnover by keeping the overhead industrial expenses at similar levels to the previous year.

- The company's financial cost decreased by 3.41% and reached € 340 thousand. (2020: € 352 thousand).

- The results before tax of the company show a profit of € 3,446 thousand compared to profits of € 2,319 thousand in the previous year. The tax burden (current and deferred) on the company's results amounted to € 964 thousand compared to € 601 thousand in the previous year, forming the results after tax in profits of € 2,482 thousand against € 1,718 thousand during the previous year.

- The company's current assets, which consist of inventory, receivables and cash reserves, shows an increase of 52.46% compared to the previous year. The current assets to current liabilities ratio stands at 2.16 compared to 1.35 in the previous fiscal year. This change in the current assets to current liabilities ratio is mainly due to the increase in cash and cash equivalents and the increase in claims from customers and other commercial receivables of the company as of 31/12/2021, compared to 31/12/2020.

- The company's obligations mainly concern borrowings, including leases, amounting to € 9,301 thousand (2020: € 10,079 thousand) representing 68.01% of its total liabilities (2020:79.48%).

- The company's current liabilities, excluding loans, increased by € 1,790 thousand or -75.17%. This increase is due to the increase of current tax liabilities by € 422 thousand, with a parallel increase of liabilities to the company's suppliers, by € 1,143 thousand and the increase of other short-term liabilities by € 225 thousand compared to the previous year.

- Finally, the Company presented positive operating cash flow of € 4,126 thousand (2020: positive amounting to €2,963 thousand). The negative flows from investment activities, amounting to € 166 thousand, due to the company's investments in fixed equipment and the negative flows from financing activities amounting to € 1,446 thousand, mainly due to the repayment of loans and leases but also the distribution of dividends, resulted in total, positive cash flows for the fiscal year, totaling € 2,513 thousand.

B. Important Events

- **COVID-19 pandemic**

The continuation of the COVID-19 pandemic and the measures taken with the continuous lock downs, constituted for yet another year an unprecedented trial with an uncertain course and significant effects on the economy. The company responded with great flexibility and sensitivity, and managed to maintain a strong financial position, create free cash flow and oversubscribe the revenue losses it had in the previous year due to the pandemic. The company's liquidity as well as the supply chain were not disrupted. At the same time, the Company's management took all the necessary measures to limit the potential risks and impacts on the company's activities, ensuring both the health and safety of its employees, as well as the smooth continuous operation of its activities.

- **Supply Chain Problems due to material price increases, increase in transportation costs and lengthening of delivery time**

  Since the first quarter of the fiscal year 2021, supply chain problems have emerged, which intensified in the second half of the year. The sharp increase in global demand has led to an increase in prices and a lengthening of delivery time. At the same time, the increase in demand has led to an increase in transport costs.
  The successful actions of the management, in the management of this unprecedented situation, helped the company to cope with the difficulties and not face shortages of materials, ensuring the smooth operation of the company, while limiting costs.

- **Increase in energy costs**
  Since the second half of the year, the increase in energy costs has been another important factor in increasing costs with an impact on the results of the year. The company's management took the necessary measures to ensure the containment of energy costs to the maximum extent of its capabilities.

- **On 29/01/2021, a Mandatory Public Offer was submitted** by the shareholder ORLANDO-EQUITY HOLDING LIMITED, to the shareholders of PAPERPACK for the redemption of the remaining shares, as a result of the acquisition of 90.026% of the total shares that took place on 31/12/2020**.**

- **On 01/04/2021,** ORLANDO-EQUITY HOLDING LIMITED acquired through over-the-counter transfer of shares, shares corresponding to approximately 6,572% of the total voting rights of the Company. Following the above, ORLANDO-EQUITY HOLDING LIMITED directly holds a total of 96,598% of the voting rights of the Company (corresponding to 3,818,603 shares and voting rights).

- **On 16/07/2021,** the exercise of the right to redeem the remaining shares of the company was completed **and ORLANDO-EQUITY HOLDING LIMITED becomes the universal shareholder of 100% of the company's shares**

- **On 19/07/2021,** the Extraordinary General Meeting of the company decided **to submit an application to the Hellenic Capital Market Commission for the delisting of the Company's shares from the Athens Stock Exchange** in accordance with article 17 par. 5 of Law 3371/2005 and the provision of authorization to the members of the Company's Board of Directors and third parties for the submission of the above request and the processing of the necessary procedural acts**.**

- **On 22/07/2021,** the Board of Directors of the Hellenic Capital Market Commission decided with its 923rd meeting, the **permanent Delisting of the company's shares from the Athens Stock Exchange.**

- **On 02/09/2021,** the Extraordinary General Meeting of the company decided to provide a corporate guarantee by the Company in accordance with article 51 of Law 4548/2018 in favour of the sole shareholder **ORLANDO-EQUITY HOLDING LIMITED** for the acquisition of shares of the Company by the seller**.**

- **On 09/09/2021, the Annual General Meeting of the company decided:**

1. The Approval of the Financial Statements for the fiscal year from 01.01.2020 to 31.12.2020, following the reports of the Board of Directors and the auditors on them.
2. The Election of Auditors, regular and substitute for the audit of the financial statements for the fiscal year 01.01.2021 to 31.12.2021 and determination of their remuneration.
3. The Approval of acts and decisions of the Board of Directors for the fiscal year from 01.01.2020 to 31.12.2020
4. Approval of the overall management of the Board of Directors in accordance with article 108 of Law

4548/2018 and discharge of the auditors from any liability for the fiscal year from 01.01.2020 to 31.12.2020
5. Approval of dividend distribution from the profits of the fiscal year 01.01.2020 to 31.12.2020
6. Approval of the distribution of fees and percentages to staff or members of the Board of Directors from the profits of the fiscal year 01.01.2020 to 31.12.2020
7. Pre-approval of the remuneration of the Chairman of the Board of Directors for the fiscal year 2021 (01.01.2021 to 31.12.2021)

- **On 24/09/2021,** the Extraordinary General Meeting of the company decided to adjust the Company's Articles of Association due to the delisting of the Company's shares from the ATHEX and the election of a new Board of Directors of the company.

- **On 08/12/2021,** the Extraordinary General Meeting of the company decided to approve the creation of a special reserve account with an equal transfer from the "Remaining Profits to New" item, to cover the Company's own participation in the context of financing its investment plan.

C. Risks and uncertainties

Financial Risk Factors:

The Company's activities are exposed to a variety of financial risks including foreign exchange risk, credit risk and liquidity risk.

The Company's strategy on financial risks focuses on the effort to minimize the potential adverse effects of these and is moving away from strategic forecasts and estimates, which are used to other profit from fluctuations in factors such as currencies, interest rates, etc. For this reason, the appropriate hedging methods of these risks are being used, always to the protection of the results of the Company.

The Company does not engage any speculative transactions or transactions that are not related to its trade, investment and financial activities.

i) Foreign Exchange Risk

The Company is not exposed to high foreign exchange risk due to the fact that the majority of transactions are carried out in euros. Furthermore, the Company has no investments in foreign companies or investments foreign currency clause, as a result of that there is no foreign exchange risk relating to assets.
The possible foreign exchange risk is negligible, due to the fact that it arises from possible imports of goods invoiced in foreign currencies. This foreign exchange rate risk is created by the prospect of future transactions and the difference of the corresponding rate between the date of the transaction (export or import) and the date which the transaction is completed (recovery requirement or payment obligation). The foreign exchange risks are negligible, since they arise from low-value transactional activity.

ii) Interest rate Risk

This risk derives from the likelihood of increased short-term and long-term interest rates, since the total borrowings of the Company are in respect of floating rate loans. On a daily basis, the working capital is covered primarily by the operational cash flows of the company.

The sensitivity analysis presented in the following table includes all financial instruments affected by interest rate changes and is based on the assumption that the balance of these financial instruments at the end of the period remained unchanged throughout the year.

Sensitivity to interest rate risk has been identified in a 0.5% change in interest rates, which is the best estimate of the management for a possible change.

Year	Interest	Borrowings with floating interest rate	% Change in interest rate	Effect in profits	Effets in Equity
Year 2021	Euribor	4.715.029,16	0,50%	23.575,15	16.738,35
			-0,50%	(23.575,15)	(16.738,35)
Year 2020	Euribor	4.673.840,48	0,50%	23.369,20	16.592,13
			-0,50%	(23.369,20)	(16.592,13)

iii) Credit risk

The financial situation of clients is constantly monitored by the Company's Management which controls the size of the provision of credit and the credit limits of clients' accounts.

Where there is a probability of non-recoverable claims, provisions for doubtful debts can be made. Any further deterioration in market conditions that would lead to a general inability to collect receivables from clients, could cause liquidity problems in the Company.

The company's maximum exposure to credit risk is as follows:

Amounts in €	31/12/2021	31/12/2020
Investments in shareholdings	618.273,75	618.450,30
Trade and other receivables	4.074.448,87	2.808.548,02
Other non current assets	102.836,48	98.376,92
Cash and cash equivalents	4.419.628,07	1.906.336,85
Total	**9.215.187,17**	**5.431.712,09**

The credit risk is associated with the concentration of turnover in a small number of customers. This is related to the company's scope of activity, as the company produces personalized products upon order of its customers. In sectors active in similar sectors producing personalised products on demand of a customer, it is common to have a concentration of turnover in a small number of customers. The Management of the company closely monitors the historicity of the transactions of its customers, as well as the financial course and the transactional behavior of its customers. At the same time, the management's effort is continuous for the expansion of its clientele and the development of any new markets.

iv) Liquidity Risk

Liquidity risk is the risk that the company will be unable to meet its financial obligations when these become due. This risk is limited, as the company ensures to maintain sufficient cash and credit limits with its collaborating bank institutions.

For the prevention of liquidity risk, the company conducts a rolling cash flow forecast of six months, in order to ensure that it has sufficient cash available to meet its operating needs, including the coverage of its operational needs, including the coverage of its financial obligations. This policy does not take into account the possible impact of extreme circumstances that cannot be predicted.

The following table summarizes the maturity dates of the financial liabilities of the company, which are presented in the Balance Sheet, at discounted prices, based on payments resulting from the relevant loan agreements or agreements with suppliers.

Financial Liabilities as at 31/12/2021

Amounts in €	up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	2.676.501,96	0,00	5.569,98	-	2.682.071,94
Borrowings	29,16	940.000,00	3.775.000,00	-	4.715.029,16
Finance lease liabilities	383.592,88	437.302,13	2.839.934,65	925.144,77	4.585.974,43
Total	**3.060.124,00**	**1.377.302,13**	**6.620.504,63**	**925.144,77**	**11.983.075,53**

Financial Liabilities as at 31/12/2020

Amounts in €	up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	1.539.423,68	88,04	0,00	-	1.539.511,72
Borrowings	2.535.287,23	492.500,65	1.646.052,60	-	4.673.840,48
Finance lease liabilities	236.168,99	567.036,25	4.602.409,44	-	5.405.614,68
Total	**4.310.879,90**	**1.059.624,94**	**6.248.462,04**	**0,00**	**11.618.966,88**

The tables above illustrate the repayment of the company's existing liabilities at the date of the financial statements in accordance with the relevant agreements with the counterparties.

The amounts depicted relate to the repayment of interest and capital. For interest bearing floating rate interest, the last interest rate was been used.

v) Market Risk

Market risk is recommended to the risk of changes in raw material prices, exchange rates and interest rates that affect the Company's results.
The protracted period of instability that began in the second quarter of 2021, which intensified with the Russian Ukraine war and continues to this day, increases the risk of material shortages in the market and the risk of price increases. The company's Management, in order to limit the risk, has increased its inventories as its financial position of the company allows it. The Management estimates that there will be a gradual normalization on a global level and takes the necessary measures, prioritizing the unhindered continuation of its activity, without problems in the supply chain of both the necessary materials from company's suppliers and the deliveries to the customers of company.

D. Prospects for 2022 - Expected Evolution – Events after the reporting period

Geopolitical conflicts and global economic instability do not allow for safe and objective forecasts to be made in the medium term. The Management remains optimistic due to the performance of the closing fiscal year and the strong financial position of the company, that the performance for the next fiscal year will be proportional.

The aim of the Management is to limit as much as possible, the negative effects due to the war that broke out between Russia and Ukraine, as well as the impact of the price increases both in materials and energy, transport, services and other expenses, as the huge increase in inflation in recent months poses risks of domino increases in materials and services.

There are no other significant events subsequent to 31 December 2021 that should either be disclosed or impact published financial statements.

E. Alternative Performance Measurement Indicators

The company's management monitors the following performance measurement ratios, for decision-making regarding its financial, operational and strategic planning, as well as the evaluation and publication of its performance. Alternative Performance Indicators (APMIs) should always be taken into account in conjunction with the financial results prepared under IFRSs and, in no case, replace them:

(a) EBITDA

The EBITDA ratio refers to earnings before interest, taxes, depreciation and amortization and results from the statement of comprehensive income, by adding to the operating results before taxes, financial and investment results, the depreciation and amortization amount for the year.

The Company's EBITDA ratio reached €5,559 thousand in 2021 compared to €3,861 thousand in 2020, posting an increase of 44.00%. The increase is due to the increase in turnover but also to the significant decrease in administrative and disposal operating costs compared to the previous fiscal year.

(b) EBITDA / Total net interest expense

This ratio refers to the amount of coverage of interest payables resulting by loan obligations of the company, by earnings before interest, taxes, depreciation and amortization.

In the numerator is shown the EBITDA ratio as calculated in (a) above, while the denominator contains the interest payable resulting from bank loans and discounted interest derived from financial and operational leases due to IFRS 16 minus interest income. This ratio decreased to 16,69 in 2021, compared to 10,96 in 2020.

This ratio is presented as part of the company's liabilities to credit institutions, bondholders, and for use by the company's shareholders.

I Total net liabilities / Total equity

This ratio refers to the balance between equity and foreign capital. The numerator results if in the total liabilities shown in the Statement of Financial Position, cash and cash equivalents are removed, while the denominator results directly from the Statement of Financial Position.

This ratio amounted up to 1,10 in 2021 versus 1,67 in 2020. This ratio is presented as part of the company's liabilities to credit institutions, bondholders, and for use by the company's shareholders.

(d) Net debt liabilities / EBITDA

This ratio refers to the amount of coverage of loan liabilities by earnings before interest, taxes, depreciation and amortization. The numerator results if the sum of long and short term borrowings shown in the Statement of Financial Position is decreased by cash and cash equivalents, while the denominator arises as calculated in (a) above.

This ratio amounted to 0,88 in 2021 versus 2,11 in 2020. This ratio is presented as part of the company's liabilities to credit institutions, bondholders, and for use by the company's shareholders.

F. Branches – Research & Development – Quality Systems

Branches

The Company maintains a branch office at the address Matsa 25, Kifissia.

Research & Development

Research and Development aims at exploring new materials and technologies and applying them appropriately towards the generation of new solutions. It is powered by the on-going information provided to the Commercial Department and the Quality Department on customer requirements and issues and is based on collaboration with innovative supplier companies as well as academic institutions.

In printing, it is examined the interaction of packaging materials, inks, varnishes and printing methods with the aim of optimizing the image, but also satisfying various technical parameters such as solar radiation resistance, friction coefficient, friction factor, strength to chemical factors, OTR etc.

With regards to packaging materials (carton, PET, PP, Al), examination is mainly focused on their mechanical and physical properties to provide an appropriate solution with or without their combination.

The research and development laboratory is equipped with the appropriate tools such as spectrophotometers, densitometers, gloss meter, heat seal tester, rub tester, compression tester, crease and board stiffness tester, friction tester, precision thickness gauge, weighting scales.

Quality in PAPERPACK SINGLE MEMBER S.A.

Quality is present throughout the culture of all company's employees and it is the cornerstone of every process of the company. To this direction, the independent Quality control department is strongly involved in all productive and non-productive processes, so as to ensure the conformity of the product with all set quality specifications.

The quality checks performed by the abovementioned department begin long before a product is produced.

Indicative controls that are carried out are :
- Control of the new materials to be used
- Control of raw materials receipt and release
- Control of technical specifications, file processing and internal technical information
- Control of production and measurement data and components
- Control of the suitability of raw materials, condition of machines and production space for specific applications - HACCP control group (eg food packaging)
- Quality control of print / cut / paste / other production processes with uninterrupted presence at all production shifts
- Control of finished products, issuance of certificates and release

The well-equipped laboratory of the quality control department, with full infrastructure and staff training operates under the ISO standard of measurement, so that the measurements are reliable and consistent. It operates at all production shifts by performing relevant controls both at the beginning of production and / or during production, to ensure the quality of the production output.

Paperpack's strategic policy entails being certified on its various processes, so as to optimize implementation methodologies, to be inspected by experienced and recognized certified organizations as a self-assessment tool, and to continually improve its processes. For this reason the company is certified by:
- ISO9001:2015
- ISO14001:2015
- FSC Chain of Custody
- Ecovadis Silver

Finally, Paperpack is an officially registered member of the SEDEX organization.

G. Corporate Social Responsibility (Environment – Personnel)

The Management of "PAPERPACK SINGLE MEMBER S.A." is very sensitive to issues of corporate social responsibility regarding the protection of the environment, the responsibility towards the people of the Company and the offer to society through various sponsorships and activities. The respect for the environment and the contribution to recycling, are inherent guidelines of its strategy.

The company follows a path of sustainable development, by operating its activities in a manner that ensures environmental protection and by securing the health and the safety of its employees.

The executives of the Company are in a smooth cooperation with the General Directorate and with each other. The Company's policy is the attraction of highly skilled and experienced personnel for optimal and timely meet of its needs and the establishment of an evaluation process of recruitment based on objectivity and integrity, through transparent procedures.

Additionally, the infrastructure of the Company, its long history and the current economic situation permit the immediate replenishment of the executives, without significant impact on the course of business operations.
The Company is inseparably connected within the community it operates. It recognizes its responsibility towards society and the environment. It respects the principles and values that characterize our culture, respect for humanity, human dignity and equal opportunities, respect for the environment we have inherited, and the improvement of living standards and quality of life.

The "Footprint" of Corporate Social Responsibility concerns employees, consumers who are showing increasing interest in the social and environmental "credentials" of the companies they deal with, in local communities that want "o "share" principles and values with local companies.

It also applies to shareholders who reward responsible corporate behavior and attitude, as well as to similar businesses in Europe, seeking to operate in a single European and international framework of principles.

It is about the generations to come, who expect to receive a world of respect for man and the environment.

The Company, in line with the European practice in this field, which essentially constitutes the "volunteer" ng" of enterprises and contributes to the objectives of sustainable development, demonstrates work in the following areas:
- encourages the involvement of its staff in voluntary actions,

- ensures the safety of personnel,
- ensures the reduction of energy consumption,
- systematically applies a recycling program within workplaces and uses environmentally friendly materials,
- provides internships for universities' students, in order to gain valuable work experience in a decent work environment.
- respects internationally recognized human and labor rights as described, in the UN International Declaration of Human Rights and the ten principles of the UN Global Compact,
- treat workers fairly and meritocratic,
- attracts and selects employees with principles and values, such as integrity, dedication and professional diligence.

H. Related Party Transactions

Related parties under IAS 24 include affiliates, companies with common ownership and/or management of the company, associated companies, as well as the members of the Board and its management company. The company supplies goods and services to the related parties.

The Company's sales to related parties are primarily sales of goods. The sales prices, compared to the sales to third parties, are being set by the cost plus a minimized marginal profit.

Compensation to members of the Board relates to fees paid to the Executive Board members. The remuneration of directors, relates to fees for services relating to subordination.

Below are presented important transactions during the review by the company and related parties as defined by IAS 24:

The remuneration of directors and members of management of the Company amounted during 1.1-31.12.2021 to € 1.040.121,39 in comparison to € 695.537,13 last year.

Broken down by type of expenditure the amounts granted are as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Salaries and other compensation to key management personnel	970.350,51	512.999,23
Compensation to BoD members approved by the General Meeting	69.770,88	182.537,90
Total	**1.040.121,39**	**695.537,13**

In detail, the obligations are as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Salaries and other compensation payable	12.513,34	-
Compensation to BoD members approved by the General Meeting (liability)	-	-
Total	**12.513,34**	**0,00**

Finally, there are no claims against directors and members of the Company's management.

I. Explanatory Report of the Board

For the company "PAPERPACK SINGLE MEMBER SA" in accordance with paragraphs 7 and 8 of Article 4 of Law 3556/2007.

1. Share capital structure.

The share capital amounts to € 1.185.927,00 divided into 3.953.090 shares of nominal value 0,30 euros each.

All shares are not Listed on a regulated market for trading. The shares of the company are common registered with voting rights.

2. Restrictions on transfer of shares of the company.

The transfer of the shares is as provided by law and there is no restriction.

3. Significant direct or indirect participations within the meaning of Articles–9 - 11 of Law 3556/2007

Orlando-Equity Holding Limited, as of 31/12/2021, held directly or indirectly 100.00% of the company's share capital and is the sole shareholder of the company.

4. Holders of such shares providing special control rights.

There are no shares of the Company which provide their holders with special rights.

5. Restrictions/Veto on voting rights.

There is no provision in the statutes of limitations in the Company's voting rights.

6. Agreements between shareholders of company.

There are not known to the Company any agreements between shareholders, which imply restrictions on the transfer of shares or exercise voting rights attached to the shares.

7. Rules for appointing and replacing members of the Board and amend the statute.

The rules provided by the company' s statute for the appointment and replacement of board members and the amendment of its Articles are not deviated from the provisions of Law 4548/201

8. Responsibility of Directors of the Board of Directors or certain members to issue new shares or purchase of own shares

In accordance with paragraph c, Article 6 of the Statute of the Company by the General Assembly, under article 13 of L 4548/2018, can be assigned to the Board of Directors the right, decision to be taken by a majority of two thirds (2/3) of the total members, to increase the share capital wholly or partly, by issuing new shares until the amount of capital that is paid on the date the Board granted this power.

In accordance with the provisions of Articles 48-49 of Law 4548/2018, the companies listed on the Athens Stock Exchange may, by decision of the General Assembly of shareholders, acquire own shares through the Athens Stock Exchange up to 10% of their shares and to the specific terms and procedures of the above paragraphs of Articles 48-49 of L 4548/2018. There is no contrary provision in the statutes of the Company.

To date, no purchase of treasury shares has been made and no shares are held by the company or its associate or subsidiary.

9. Important agreement which is amended / terminated in case a change arises in the company's control following a public offer

There is no such agreement.

10. Agreement between the Company and BoD members or employees regarding the termination of their terms / employment

There is no agreement between the Company and the BoD members or staff providing for the payment of any compensation specifically for cases of resignation or dismissal without cause, or termination of their mandate or employment as a result of a Public Acquisition Offer.

J. Dividends proposal

The Board of Directors will propose to the Annual General Meeting of the Shareholders of the Company the non-distribution of dividend and the distribution of fees and percentages to staff or members of the Board of Directors from the profits of the fiscal year 1/1/2021-31/12/2021 of a total amount of € 99,019.65.

COMPOSITION AND OPERATIONS OF THE BOARD OF DIRECTORS

The Board of Directors has the management of corporate affairs, is responsible and decides on any matter relating to the management of the company, the achievement of the corporate purpose and the management of the company's property, including, by way of illustration, the issue of loans with common, convertible or convertible bonds, under the conditions laid down by law, or by any type of bond with a view to securitization of receivables or receivables from immovable property. Excluded are decisions which, in accordance with the provisions of the Law or the Articles of Association, fall under the exclusive competence of the General Meeting of Shareholders.

The company is managed by its Board of Directors, consisting of minimum three (3) and maximum nine (9) members. The members of the Board of Directors may come from shareholders or non-shareholders and are elected by the General Meeting of the shareholders of the company by an absolute majority of the votes represented there.

The members of the board of directors of the company are distinguished in executive and non-executive directors.

The term of office of the members of the Board of Directors is three years, with the exception of the time limit within which the next ordinary general meeting must be held, which may not exceed four years in each case.

The responsibilities of the executive members of the Board of Directors are determined by decision of the Board of Directors. and are persons dealing with issues of current day-to-day management of the company. Non-executive members of the Board of Directors are in charge of promoting all corporate issues, participate in boards and committees and ensure the principles of good corporate governance.

The **members of the Board of Directors** are as follows:

FULL NAME	BoD POSITION	CAPACITY
Petros Sakkas	President & CEO	Executive member
Brian Bode	Vice-President	Non-executive member
John Tsoukaridis	Member	Non-executive member

Below is a list of the members of the Board of Directors, the dates of commencement and expiration of their term of office, as well as the frequency of each member's participation in the BoD meetings that took place during the year 2021.

Τίτλος	Στοιχεία Προσώπου	Ιδιότητα Εκτελεστικού / Μη Εκτελεστικού Μέλους	Ιδιότητα Ανεξάρτητου Μέλους	Έναρξη Θητείας	Λήξη Θητείας	ΑριθμόςΣυμμετοχών σε συνεδριάσεις Δ.Σ.
President & CEO	Petros Sakkas	Executive member		31/12/2020	23/9/2024	11/11
Vice President	Brian Bode	Non-executive member		24/9/2021	23/9/2024	2/2
Member	John Tsoukaridis	Non-executive member		31/12/2020	23/9/2024	11/11
Vice President	Theodore Rakitzis	Non-executive member		31/12/2020	24/9/2021	9/9
Member	Titos Vasilopoulos	Non-executive member	Independent	31/12/2020	24/9/2021	9/9
Member	Dimitrios Antonakos	Non-executive member	Independent	31/12/2020	24/9/2021	9/9

BOD MEMBERS' CURRICULUM VITAES

Petros Sakkas, BoD President & CEO.
He holds a Bachelor degree in Business Administration and an MBA with a major in Finance and Investments from Baruch College, City University of New York. For more than five years he had been in charge of the Financial Planning and Analysis at HealthFirst, an USD 11 billion company and one of the largest HMOs in the United States

which among other he executed an M&A and expansion plan in various states. Also, had served as Chief Financial Officer, CEO and Management Consultant at various companies in Greece and abroad. Petros has significant experience in mergers and acquisitions including a successful IPO on the NASDAQ stock exchange raising USD 358 million in two rounds (Velti Plc). He is responsible for CEE Equity Partners Greece and President and Managing Director at Bernard's consulting firm.

Brian Bode, Vice Chairman of the Board of Directors - Non-Executive Member

Brian has broad experience in working as a financial executive for companies in different sectors, such as: FON (car axle manufacturing), Wprost (Weekly news magazine and internet sites), Chesapeake Packaging (light manufacturing), Pilicka Telefonia (local telecommunications operator), HBO (cable television channel), AIG (insurance), Follett bookstores (university bookstore chain), and Hines Lumber (wholesale building supplier). Brian has also served as a member of various Management Boards and currently is a member of the Board of Directors for the Fulbright Commission in Poland. Brian's background provides him with a unique perspective, which allows him to assist companies in addressing their challenges and improving their profitability and transparency. Brian studied at Northwestern University in Evanston where he received a Bachelor's degree in Economics and at Cass Business in London where he received a Master's degree in Finance.

John Tsoukaridis , Non-Executive Member

He is a graduate of Athens University of Economics and Business, Department of Economy & Commerce. He started his career in 1973 when he graduated and joined the family company. He fully undertook the company's commercial department and achieved an ongoing increase of clientele. In 1979 he took up General Manager duties and the Company's Financial Management. Since 1996 to 31/12/2020 he had been the Company's President and CEO.

Kifissia, 20/06/2022

On behalf of the BoD

President and CEO	Member of the Board
Petros Sakkas	**Ioannis Tsoukaridis**
ID No. AO 169266	**ID No. AM 644642**

FINANCIAL STATEMENTS FOR THE YEAR 2021

according to
International Financial Reporting Standards

Statement of financial position*

* Balances of Financial Position of 31.12.2020 have been restated due to the revision of the IAS 19 (see note 2.7)

Amounts in €	Note	31/12/2021	RESTATED 31/12/2020
Assets			
Non-current assets			
Goodwill	**5**	27.959,63	224.677,41
Tangible assets	**7**	3.577.769,25	4.172.552,72
Intangible assets	**6**	92.301,55	126.180,36
Investments in subsidiaries	**-**	-	-
Investment property	**-**	-	-
Investments in shareholdings	**8.1**	618.273,75	618.450,30
Non-current assets held for sale	**-**	-	-
Other non current assets	**8.2.1**	102.836,48	98.376,92
Rights to use	**9**	4.809.154,22	5.558.394,12
Long-term financial assets	**-**	-	-
Deferred tax assets	**22.2**	95.678,01	70.340,37
Total		**9.323.972,89**	**10.868.972,20**
Current assets			
Inventory	**10**	3.522.016,38	3.386.237,18
Trade and other receivables	**8.2.2**	4.074.448,87	2.808.548,02
Other short-term financial assets	**-**	-	-
Other current assets	**11**	769.366,22	284.841,58
Cash and cash equivalents	**8.2.3**	4.419.628,07	1.906.336,85
Total		**12.785.459,54**	**8.385.963,63**
Total assets		**22.109.432,43**	**19.254.935,83**
Equity and liabilities			
Equity			
Share Capital	**12**	1.185.927,00	1.185.927,00
Share premium	**13**	1.187.780,32	1.187.780,32
Capital Reserves	**14**	1.735.560,15	705.917,29
Retained earnings	**-**	4.324.339,52	3.494.086,35
Total		**8.433.606,99**	**6.573.710,96**
Long-term liabilities			
Employee benefit obligations due to exit from the service	**15**	125.735,00	128.389,00
Future income from government grants	**-**	-	-
Long-term debt liabilities	**16.1.1**	3.775.000,00	1.646.052,60
Long term leases	**16.1.2**	3.765.079,39	4.602.409,44
Long-term forecasts	**-**	-	-
Other long-term liabilities	**16.1.4**	77.797,46	92.065,80
Deferred tax liabilities	**-**	-	-
Total		**7.743.611,85**	**6.468.916,84**
Short-term liabilities			
Trade and other payables	**16.1.3**	2.682.071,94	1.539.511,72
Short-term loans	**16.1.1**	940.029,16	3.027.787,88
Current portion of long term liabilities	**16.1.2**	820.895,04	803.205,24
Current tax liabilities	**22.1**	880.296,60	457.982,80
Other short-term liabilities	**17**	608.920,85	383.820,39
Total		**5.932.213,59**	**6.212.308,03**
Total equity and liabilities		**22.109.432,43**	**19.254.935,83**

The notes on pages 26 to 62 form an integral part of these financial statements.

Statement of comprehensive income*

* Balances of Comprehensive Income of 31.12.2020 have been restated due to the revision of the IAS 19 (see note 2.7)

Amounts in €	Note	1/1/2021 - 31/12/2021	RESTATED 1/1/2020 - 31/12/2020
Revenue	18	19.549.971,66	17.428.243,01
Cost of Sales	19	(13.223.998,40)	(12.080.654,91)
Gross profit		**6.325.973,26**	**5.347.588,10**
Other Operating income	20	158.904,65	247.788,01
Administrative expenses	19	(1.900.107,61)	(2.403.297,82)
Distribution Expenses	19	(515.729,78)	(829.925,31)
Other operating expenses	20	(95.470,62)	(6.839,16)
Operating results		**3.973.569,90**	**2.355.313,82**
Financial expenses	21	(340.199,52)	(352.192,45)
Financial income	21	7.180,76	220,55
Other Financial Results	21	(194.648,35)	315.310,33
Profit before tax		**3.445.902,79**	**2.318.652,25**
Income taxes	22.3	(963.956,81)	(600.271,31)
Profit after tax (a)		**2.481.945,98**	**1.718.380,94**
Other comprehensive income			
Actuarial gains and losses	15	7.587,00	(2.406,00)
Tax recognised in other revenue	22.3	(1.669,14)	577,44
Other comprehensive income after tax (b)		**5.917,86**	**(1.828,56)**
Total comprehensive income after tax (a) + (b)		**2.487.863,84**	**1.716.552,38**
Earnings / (losses) per share			
Basic (€ / share)	**23**	**0,63**	**0,44**
Weighted average number of shares		**3.953.090,00**	**3.953.090,00**

The notes on pages 26 to 62 form an integral part of these financial statements.

Statement of changes in Equity

Amounts in €	Share Capital	Share Premium	Capital reserves	Retained earnings	Total
Balance at 31/12/2019	**1.185.927,00**	**1.187.780,32**	**699.395,56**	**3.573.149,10**	**6.646.251,98**
Results of the year	-	-	-	1.725.471,69	1.725.471,69
Dividends	-	-	-	(1.976.545,00)	(1.976.545,00)
Actuarial Revaluation	-	-	6.521,73	-	6.521,73
Balance at 31/12/2020	**1.185.927,00**	**1.187.780,32**	**705.917,29**	**3.322.075,79**	**6.401.700,40**
Results of the year	-	-	-	2.481.945,98	2.481.945,98
Dividends	-	-	-	(632.494,40)	(632.494,40)
Actuarial Revaluation	-	-	5.917,86	176.537,15	182.455,01
Other reserves	-	-	1.023.725,00	(1.023.725,00)	-
Balance at 31/12/2021	**1.185.927,00**	**1.187.780,32**	**1.735.560,15**	**4.324.339,52**	**8.433.606,99**

The notes on pages 26 to 62 form an integral part of these financial statements.

Cash flow statement

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Cash flows from operations		
Profit / (Loss) before tax	3.445.902,79	2.324.511,44
Adjustments to profit / (loss)	**2.104.876,11**	**1.521.964,08**
	5.550.778,90	**3.846.475,52**
Movement Capital Changes		
(increase)/decrease in inventories	(135.779,20)	(176.887,21)
(increase)/decrease in receivables	(1.754.958,64)	704.857,50
Increase/(decrease) in liabilities	1.284.294,34	(536.236,80)
Cash flows from operating activities	**4.944.335,40**	**3.838.209,01**
Minus: Income tax payments	(478.860,53)	(524.453,72)
Interest paid	(339.429,52)	(350.935,45)
Net cash flows from operating activities	**4.126.045,35**	**2.962.819,84**
Cash flows from investing activities		
Purchases of tangible fixed assets	(167.301,98)	(1.730.793,60)
Purchases of intangible assets	(6.181,45)	(87.614,45)
Sales of tangible fixed assets	0,00	21.649,86
Proceed from interest income	7.180,76	220,55
Net cash flows from investment activities	**(166.302,67)**	**(1.796.537,64)**
Cash flows from financing activities		
Proceeds from new borrowings	2.128.947,40	2.285.131,47
Repayment of loans	(2.087.758,72)	(736.987,41)
Repayment of leases	(854.119,82)	(877.440,47)
Dividends paid	(633.520,32)	(1.974.376,63)
Net cash flows from financing activities	**(1.446.451,46)**	**(1.303.673,04)**
Net increase/(decrease) in Cash and cash equivalents	**2.513.291,22**	**(137.390,84)**
Cash and cash equivalents at the beginning of the period	1.906.336,85	2.043.727,69
Cash equivalents at the end of the period	**4.419.628,07**	**1.906.336,85**

The notes on pages 26 to 62 form an integral part of these financial statements.

Adjustments to profit / (losses) are analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Cash flows from operating activities		
Profit before tax	3.445.902,79	2.324.511,44
Adjustments to the results for:		
Depreciation of tangible fixed assets	762.085,45	637.118,08
Depreciation of intangible assets	40.060,26	41.262,39
Depreciation of right of use assets	783.719,47	827.101,26
Depreciation of grants	(23.960,16)	(44.251,45)
(earnings)/losses from sale of tangible fixed assets	0,00	(21.649,86)
Cost of retirement benefits to staff	13.058,00	26.718,31
(Gains)/losses from Goodwill Impairment	196.717,78	7.983,58
Provision/ (Reverse) from Impairment of customers	0,00	18.276,12
Interest income	(7.180,76)	(220,55)
Interest expense	340.199,52	354.862,20
Impairment/(Revaluation) of investments	176,55	(325.236,00)
Total Adjustments to profits	**2.104.876,11**	**1.521.964,08**
Operating results before changes in working capital	**5.550.778,90**	**3.846.475,52**

The notes on pages 26 to 62 form an integral part of these financial statements.

Notes to the financial statements

1 General information for the Company

1.1 The company

The Company "PAPERPACK SINGLE MEMBER S.A." is registered in the Ministry of Development and its General Commercial Registry (G.E.M.I.) number is 004465901000.

The company's headquarters of both administrative services and the productive activity of the company is located in the Municipality of Kifissia, on road 24, Viltanioti str and Menexedon, 145 64.

The company's shares are unlisted.

1.2 Nature of activities

The company's activity is printing, paper and box board packaging, supplying mainly industrial units with carton boxes and pharmaceutical inserts & outserts, on the packaging to promote their products, such as Pharmaceutical products, cosmetics, foods, beverages, cigarettes, and General packages.

More specifically, the Company PAPERPACK SINGLE MEMBER S.A. operates a fully integrated plant in which they realize the design, printing and production of cardboard boxes and documents with specific quality requirements with regard to raw materials and processing. The printing of products made with modern type offset machines. These activities belong in the Carton Packaging.

According to the bulletin of the Statistical Classification of Economic Activities 2008 (STAKOD '08) of the National Statistical Service of Greece (NSSG) , the main object of activity of the Company within the category of firms in " Manufacture of corrugated paper and paperboard and packaging of paper and cardboard "(No. 17.21).

Additionally, through the absorbed PROMOCARTON SA has expanded its activity and trade paper propellants (sector propellants), as displays, stands, etc. , so penetrating and commercial customers with a portfolio of primarily consumer products.

These activities are in the field of propellants .
The main activities of the Company have not been changed from the previous year.

2 Basis of preparation

2.1 Compliance with IFRS

The financial statements of "PAPERPACK SINGLE MEMBER S.A." comply with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and the interpretations issued by the Interpretations Committee (IFRIC) of the IASB, effective for annual periods ending 31 December 2021 and adopted by the European Union.

2.2 Basis of preparation of the financial statements

The financial statements PAPERPACK SINGLE MEMBER S.A. have been prepared based on the principle of ongoing concern and the historical cost convention, except the financial assets at fair value through P&L, that according IFRS are measured at fair value.

2.3 Approval of the Financial Statements

These annual financial statements were approved by the Board of Directors on 20/06/2022 and are subject to final approval of the Annual General Meeting.

2.4 Period covered

These financial statements cover the period from 1 January 2021 and December 31, 2021.

2.5 Presentation of the Financial Statements

These financial statements are presented in €, which is the functional currency of the Company, the currency of the primary economic market in which the company operates. All amounts are presented in Euro (€) unless otherwise stated.

Please note that due to rounding, the actual sum of the amounts in the published summary data and the information may differ from the totals presented in these financial statements.

2.6 New standards, amendments to standards and interpretations

In note 2.6.1 are presented the new or revised standards and interpretations to existing standards adopted in the current period and endorsed by the European Union.

In note 2.6.2 are presented the new or revised standards and interpretations to existing standards that have not yet been adopted and endorsed by the EU.

2.6.1 New standards, amendments and interpretations to existing standards that are mandatory for the current year

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after January 01, 2021. The Company's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

Standards and Interpretations for the current fiscal year

IFRS 16 (Amendment) "Concessions on COVID-19 Related Rents"

The amendment provides tenants (but not landlords) with the option of opting out of the assessment of whether the concession to a RENT related to COVID-19 is a modification of the lease. Tenants may choose to account for concessions on rents in the same way they would for changes that are not lease modifications.

This modification does not significantly affect the Company's financial statements.

IFRS 4 (Amendment) 'Extension of provisional exemption from the application of IFRS 9'

The amendment changes the specified maturity date for the temporary exemption in IFRS 4 "Insurance Contracts" from the application of IFRS 9 Financial Instruments so that entities are required to apply IFRS 9 for annual periods starting on or after 1 January 2023.

This modification does not significantly affect the Company's financial statements**.**

IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Revision of reference rates – Phase 2'

The amendments complement those issued in 2019 and focus on the impact on financial statements when a company replaces the old reference rate with an alternative reference rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how to account for changes in its counterpart relationships and the information it needs to disclose.

This modification does not significantly affect the Company's financial statements.

Standards and Interpretations effective for subsequent periods

The following new standards, amendments to standards and interpretations have been issued and have entered into force for subsequent periods and have not been implemented in the preparation of these financial statements and have not been adopted by the Company earlier.

IFRS 16 (Amendment) «Concessions on RENTS related to COVID-19 – Extension of the implementation period (applicable to annual accounting periods starting on or after 1 April 2021)

The amendment extends the application of the practical facility given for rent concessions by one year to cover reductions in rents due to or until 30 June 2022.

IFRS 17 Insurance Contracts and Amendments to IFRS 17 (applicable to annual accounting periods starting on or after 1 January 2023)

IFRS 17 was issued in May 2017 and, together with the Amendments to IFRS 17 issued in June 2020, replaces IFRS 4. IFRS 17 establishes the principles for the recognition, measurement and presentation of insurance policies within the scope of the standard as well as the relevant disclosures. The purpose of the standard is to ensure that an entity provides relevant information that presents a reasonable picture of those contracts. The new standard solves the comparability problems created by IFRS 4 as it requires all insurance contracts to be accounted for in a consistent manner. Insurance liabilities will be measured at current values and not at historical cost.

IAS 16 (Amendment) 'Tangible fixed assets – Revenue before the intended fiscal year' (applicable to annual accounting periods starting on or after 1 January 2022)

The amendment prohibits the entity from deducting from the cost of a tangible asset any revenues obtained from the sale of items produced while the entity prepares the asset for its intended use. It also requires entities to disclose separately the amounts of revenues and expenses associated with such produced items that are not the result of the entity's normal activity.

IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract' (effective for annual periods beginning on or after 1 January 2022)

The amendment clarifies that 'costs to fulfil a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated

IFRS 3 (Amendment) 'Reference to the Conceptual Framework' (effective for annual periods beginning on or after 1 January 2022)

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognise contingent assets, as defined in IAS 37, at the acquisition date.

IAS 1 (Amendment) 'Classification of liabilities as current or non-current' <u>(effective for annual periods beginning on or after 1 January 2023)</u>

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies' <u>(effective for annual periods beginning on or after 1 January 2023)</u>

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' (effective for annual periods beginning on or after 1 January 2023)

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction' (effective for annual periods beginning on or after 1 January 2023)

The amendments require companies to recognise deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning obligations. The amendments have not yet been endorsed by the EU.

IFRS 17 (Amendment) 'Initial Application of IFRS 17 and IFRS 9 – Comparative Information' (effective for annual periods beginning on or after 1 January 2023)

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. The amendment has not yet been endorsed by the EU.

2.6.2 Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after January 1, 2022):

The amendments set out below describe the key changes to certain IFRSs. The amendments have not yet been endorsed by the EU.

IFRS 9 "Financial instruments":

The amendment addresses which fees should be included in the 10% test for derecognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test. •

IFRS 16 "Leases":

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

2.7 Change in Accounting Policy due to a revision of International Accounting Standard (IAS) 19

The IFRS Interpretations Committee issued in May 2021 the final agenda decision under the title "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material on how benefits are distributed in periods of service under a specific defined benefit plan similar to that set out in article 8 of Law 3198/1955 regarding the provision of pension compensation (the "Plan 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 is differentiated, and consequently, in accordance with what is set out in the "IASB Due Process Handbook(para. 8.6)", entities that prepare their financial statements in accordance with IFRSs are required to amend their accounting policy in this regard accordingly.

The Company, until the issuance of the agenda decision, 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 in the period from recruitment to the completion of 16 years of employment following the scale of Law 4093/2012.

The application of this final decision to the attached financial statements, results in the distribution of benefits in the last [16] years until the date of retirement of the 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, i.e. 1/1/2020-31/12/2020, in accordance with paragraphs 19 - 22 of IAS 8.

The impact of the revision on the financial statements is presented in detail in the following tables:

Amounts in €	Note	31/12/2020	RESTATED 31/12/2020
Assets			
Non-current assets			
Deferred tax assets	**22.2**	124.659,49	70.340,37
Total		**124.659,49**	**70.340,37**
Equity and liabilities			
Equity			
Retained earnings	-	3.322.075,78	3.494.086,34
Total		**3.322.075,78**	**3.494.086,34**
Long-term liabilities			
Employee benefit obligations due to exit from the service	**15**	354.718,68	128.389,00
Total		**354.718,68**	**128.389,00**

Amounts in €	Note	1/1/2020 - 31/12/2020	RESTATED 1/1/2020 - 31/12/2020
Administrative expenses	**19**	(2.394.768,90)	(2.403.297,82)
Financial expenses	**21**	(354.862,20)	(352.192,45)
Income taxes	**22.3**	(599.040,58)	(600.271,31)
Profit after tax (a)		**(3.348.671,68)**	**(3.355.761,58)**
Other comprehensive income			
Actuarial gains and losses	**15**	8.581,23	(2.406,00)
Tax recognised in other revenue	**22.3**	(2.059,50)	577,44
Other comprehensive income after tax (b)		**6.521,73**	**(1.828,56)**
Total comprehensive income after tax (a) + (b)		**(3.342.149,95)**	**(3.357.590,14)**

2.8 Significant accounting judgments and Management's estimations

The preparation of financial statements requires estimates and assumptions by the management that affect the values of assets, liabilities, income, expenses and disclosures for contingent assets and liabilities that are included in the financial statements.

Management on a continuing basis, assesses these estimates and assumptions, which mainly include impairment of goodwill and other assets, provision for doubtful debts, and outstanding legal affairs. These estimates and assumptions are based on existing experience and on various other factors that are considered reasonable. These estimates and assumptions are the basis for making decisions about the carrying amounts of assets and liabilities that are not readily available from other sources. Actual results may differ from the above estimates under different assumptions or conditions.

Significant accounting estimates and assumptions relating to future and other major sources of uncertainty at the date of preparation of the financial statements that present a significant risk of causing material adjustments to the carrying amounts of assets and liabilities in the next fiscal year are as follows:

Impairment of goodwill

The company assesses whether there is impairment of goodwill at least on an annual basis. Therefore, it is necessary to estimate the value in use of each cash-generating unit to which a goodwill has been allocated. Estimated value in use requires the Company to estimate the future cash flows of the cash-generating unit and to choose the appropriate discount rate, based on which the present value of the future cash flows will be determined.

Impairment of other assets

Determining impairment of other assets requires estimates to be made that relate, but are not limited to, to the cause, time and amount of the impairment. Impairment is based on a large number of factors, such as changes in current competitive conditions, expectations of growth in the paper packaging market, rising capital costs, future funding opportunities, technology depreciation, amounts paid for comparable transactions and other changes conditions indicating that there is an impairment.

The recoverable amount is usually determined using the discounted cash flow method.
The determination of impairment indicators, as well as the estimation of future cash flows and the determination of the fair values of assets, requires management to make significant estimates about the determination and measurement of impairment indicators, expected cash flows, discount rates to be implemented.

Provisions for bad debts

The Company has formed a provision for bad debts in order to adequately cover the loss that can be measured reliably and derives from these receivables. Customer requirements are reviewed and evaluated for each customer individually. The provision formed is adjusted for impairment of the results for each year. Any write-offs of receivables from accounts receivable are made through the provision made.

Determination of fair value of unlisted equity instruments

The value is determined based on management's estimates of expected future profitability of unlisted securities, taking into account comparable assets of similar securities.

Contingent liabilities

In the context of its activities, the Company may be involved in various disputes and legal proceedings. The Company reviews the status of each significant case on a periodic basis and assesses the potential financial risk, based on the views of its legal advisers. If the potential loss from any litigation and legal affairs is considered probable and the amount can be estimated reliably, the Company estimates a provision for the estimated loss. Both the determination of the probability and the determination of whether the risk can be estimated reliably requires the management's judgment to be significant. When additional information becomes available, the Company reviews the probable liability for pending litigation and legal affairs, and it is possible to review estimates of the probability of an adverse effect and the related estimate of potential loss. Such revisions to the estimates of the potential liability may have a material effect on the Company's financial position and results.

3 Summary of accounting policies

The significant accounting policies that have been adopted by the Company for the preparation of financial statements are summarized below.

3.1 Foreign currency translation

Transactions in foreign currencies are translated into the functional currency, by using the exchange rates at the transaction date.

Gains and losses from foreign exchange differences arising from the settlement of such transactions during the period, from the conversion of monetary items denominated in foreign currency by using the exchange rates at the balance sheet date, are recognized in the results.

Foreign currency translation differences on non-monetary items measured at fair value are considered as part of the fair value and thus are recorded the same way as the fair value differences, if applicable.

3.2 Segment reporting

As an operating segment is defined a Company activity from where the Company:

- ✓ Earns revenues and expenses
- ✓ whose results are reviewed regularly by the Company
- ✓ and for which there is available sufficient financial data.

Functions identified and reported on the internal classification assessed by the management Company. Functions used to evaluate the progress of the Company are:

- Carton Packaging
- Promotional Materials

3.3 Goodwill

Goodwill acquired in a business combination is initially recognized at cost, which is the excess of the cost of the combination over the Company's proportion in the fair value of net assets acquired.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. The Company tests goodwill for impairment annually or more frequently if events or changes in circumstances indicate that goodwill might be impaired.

3.4 Intangible assets (excluding goodwill)

Intangible assets include the acquired software used in the production or administration.

The acquired licenses related to software capitalized on the basis of costs incurred for the acquisition and installation of the software.

The costs associated with maintenance of computer software costs are recognized in the period in which they occur.

The costs capitalized, are amortized on a straight-line method over the estimated useful lives (three to five years). In addition, the acquired software is reviewed for impairment.

3.5 Tangible assets

Fixed assets are reported in the financial statements at acquisition cost or deemed cost, less accumulated depreciations and any impairment suffered by the assets.

The acquisition cost and the related accumulated depreciation of tangible assets retired or sold, is transferred from these accounts at the time of sale or retirement, and any possible gain or loss is included in the results.

The mechanical equipment and other tangible assets are reported at acquisition cost less accumulated depreciation and any impairment losses.

The acquisition cost includes all the directly attributable expenses for the acquisition of the assets. Subsequent expenditure is added to the carrying value of the tangible fixed assets or is booked as a separate fixed asset only if it is probable that future economic benefits will flow to the Company and their cost can be accurately and reliably measured. The repair and maintenance cost is booked in the results when such is realized.

Self-constructed tangible assets constitute an addition to the acquisition cost of tangible assets at values that include the direct cost of personnel participating in their construction, cost of materials and other general costs.

Depreciation of tangible fixed assets is calculated using the straight line method over their useful life, as follows:

Plant buildings and structures	5 – 25 years
Machinery	5 - 12,50 years
Transportation	6,67 – 10 years
Other equipment	3 – 10 years

The residual values and useful lives of tangible assets are subject to review at each balance sheet date. If the residual values, expected useful lives, or the expected rate of consumption of the future economic benefits embodied in an asset have changed, the changes are accounted for as changes in accounting estimates. In the sale of tangible assets, the differences between the consideration received and their book value are recorded as gains or losses in profit or loss.

The carrying amount of tangible assets is tested for impairment when there are indications, i.e. events or changes in circumstances indicate that the book value may not be recoverable. If there is such an indication and the carrying amount exceeds the estimated recoverable amount, the assets or cash generating units are impaired to the recoverable amount. The recoverable amount of property, plant and equipment is the largest of their net selling price and value in use. For the purpose of calculating the value of use, the expected future cash flows are redeemed at their present value using a pre-tax discount rate that reflects current market assessments of the time value of the money and the associated risks to the asset.

When the carrying values of tangible assets exceed their recoverable amount, the difference (impairment) is recognized immediately as an expense in the income statement.

3.6 Non-current assets held for sale

The assets available for sale also include other assets (including Goodwill) and tangible fixed assets that the Company intends to sell within one year from the date they are classified as "Held for sale". These elements can form an integral part of the company, a group of assets and liabilities or an independent non-current asset.

The assets classified as "Held for sale" are valued at the lowest value between their book value and their fair value less the sale cost. Assets classified as "Held for sale" are not subject to depreciation. The profit or loss that results from the sale or the reassessment of assets "Held for sale" is included in "other income" and "other expenses" respectively, in the statement of comprehensive income.

3.7 Financial assets

3.7.1 Initial Recognition

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

3.7.2 Initial Measurement

The Company measures financial assets at initial recognition at fair value plus / minus transaction costs, associated with the acquisition of financial assets, respectively (other than financial assets and liabilities in FVPL).

The Company initially recognizes the trade receivables where no significant part of the finance is included in their transaction price.

3.7.3 Classification and Measurement of financial assets

3.7.3.1 Commercial claims and Debt securities

All financial assets that are within the scope of IFRS 9 are measured after their initial recognition at amortized cost or at fair value. The basis for their measurement depends both on the Company's business model for the management of its financial assets and on the characteristics of their contractual cash flows. The Company's assessment of its business model is determined at the portfolio level, reflecting how groups of financial assets held in the same portfolio are managed together to achieve the Company's business objective instead of each individual asset.

Cash-generating financial assets, consisting exclusively of capital and interest payments, are classified by taking into account the business model of holding these instruments. Financial assets held under a business model for the purpose of holding them to maturity and collecting the contractual cash flows are measured at amortized cost. If the business model is intended to hold the financial assets in order to collect the contractual cash flows but is expected to be sold when necessary (e.g. to meet a specific liquidity need), then these instruments are measured at FVOCI. Financial assets held in a business model other than the above are measured at FVPL.

The company has a business model in which it manages the financial assets, which reflects the way the Company manages them to generate cash flows.

Specifically, the Company's financial assets are held within a business model that is intended to hold the financial assets for the collection of the contractual cash flows. According to this, the financial assets of the Company are held until their maturity and their contractual cash flows are collected.

The Company, for the purpose of assessing whether the cash flows will be realized by collecting the corresponding payments during the life of the financial asset, examines the frequency, value and timing of sales of previous periods, the ratio of such sales and expectations of the Company regarding future sales.

In addition to the above, the Company examines all relevant information to evaluate the business model.

Upon initial recognition of a financial asset, the Company determines whether it is part of the existing business model or whether it represents a new business model.

The Company re-evaluates the business model in each reporting period to determine whether the business model has changed since the previous reporting period. For the current reporting periods of the current year, the Company has not identified any change in its business model

3.7.3.2 Shares

Financial instruments that meet the definition of shares, as provided by IAS 32, are measured subsequent to initial recognition in the FVPL. The Company may irrevocably choose to disclose fair value changes in other comprehensive income provided that the shares are not held for trading and are not a consideration recognized by the Company in a business combination to which IFRS 3 applies.

The Company makes the above irrevocable option individually for each asset that meets the definition of a share in accordance with IAS 32.

3.7.3.3 Reclassifications

If the business model under which the Company holds its financial assets changes due to external or internal changes that are considered material to the Company's business and is demonstrably reclassified to all the financial assets that have been affected. Reclassification is applied prospectively to the reclassification date, which is the first day of the first quarterly reporting period after the business model change. Reclassifications are expected to be very rare. Investments in shares in respect of which the Company has irrevocably selected the FVOCI and any financial asset identified in the FVPL at initial recognition cannot be reclassified as their determination at the initial recognition is irrevocable.

3.7.4 Measurement of impairment of financial assets

The Company measures the provision for impairment of receivables from customers as an estimate of the present value of cash flow lags over the life of receivables from customers. Cash flow hazards are the difference between the cash flows attributable to the Company as conventionally stated and the cash flows that the Company expects to receive.

The Company adopted a simplified approach to assessing ECLs for customer requirements. The Company at each reporting date measures the provision for impairment of receivables from customers at the amount equal to the credit losses over the lifetime. Therefore, all receivables from Company customers are classified in the following two categories:

Stage 2: Lifetime ECL measurement - no credit impairment. If the financial asset has a significant credit risk increase since initial recognition but has not yet been impaired, it is classified in Stage 2 and is measured in the ECL of total life, defined as the expected credit loss due to all possible credit events during the of his expected life.

Stage 3: Measuring the ECL for the overall life of the items - with credit impairment. If the financial asset is designated as a credit impairment, it is transferred to Stage 3 and measured in ECL for its total life. An objective presumption for a credit-impaired financial asset is the delay of more than 180 days, as well as other information about significant financial difficulties of the debtor.

The key data taken into account for the implementation of the Company's accounting policy as regards ECL estimates are as follows:

• "EAD": represents the amount of the exposure at the reporting date.
• Probability of Defeat ("PD"): The probability of default is an estimate of probability within the specified time horizon. The Company calculates the default probabilities using the risk model of the ICAP base.

On 31.12.2021 the Company did not hold any receivables from customers for which no LAG has been recognized due to the effect of any collateral.

The Company measures ECLs per customer and where this is not possible on a collective basis for client portfolios of customers with similar credit characteristics. In particular, the Company estimates the ECLs by grouping the claims based on the common risk characteristics and the delay days.
The Company recognizes the related loss provision at each reporting date.

3.8 Financial liabilities

Financial liabilities are classified either as financial liabilities in the FVPL or as other financial liabilities (i.e. amortized cost). The Company has not assigned any of its financial obligations to FVPL.

3.8.1 Financial liabilities (excluding loans)

The Company's financial liabilities (excluding loans) are reflected in the balance sheet in the items "Long term financial liabilities" and "Other trading liabilities. "Financial liabilities are recognized when the Company is engaged in a contractual agreement of the instrument and are de-recognized when the Company is exempted from the agreement or the agreement is canceled or expires.

Trade payables are recognized initially at fair value and are measured subsequently at amortized cost.

Gains and losses are recognized in the income statement when the liabilities are de-recognized as well as with the implementation of the effective interest method.

Dividends to shareholders are recognized in the item "Other current financial liabilities", when they are approved by the General Assembly.

3.8.2 Loans

The bank loans provide long-term financing of the operations of the Company. All loans are initially recognized at cost being the fair value of the amount received, excluding direct costs of issuance.

After initial recognition, borrowings are measured at amortized cost using the effective interest rate method and any difference is recognized in the income statement, during the period of the borrowings.

3.8.3 Ordinary shares

The share capital issued by the company is identified as the product of recovery reduced the direct costs of issue, after the calculation of income tax attributable to them.

When the Company acquires its own equity securities, those securities (the "treasury shares) are deducted from equity. During the purchase, sale, issue or cancellation of own equity instruments of the entity, no gain or loss is recognized in the income statement.

3.9 Inventories

Inventories include raw materials, equipment and other assets acquired for future sale.

The cost of inventories is determined using the weighted average basis and includes all costs incurred in bringing the inventories to their present location and condition and which are directly attributable to the production process, and some overhead costs associated with production , which is absorbed in the normal capacity of production facilities.

The cost of inventories does not include financing costs.

At the balance sheet date, inventories are valued at the lower between the acquisition cost and net realizable value.

3.10 Deferred income tax

3.10.1 The current tax asset

The current tax asset / liability includes those obligations or claims by tax authorities relating to current or previous reporting period and not paid up the balance sheet date. Taxes are calculated according to tax rates and laws that were applicable on the taxable income of each year. All changes to current tax assets or liabilities are recognized as expense in the income tax.

3.10.2 Deferred income tax

Deferred income tax is calculated using the liability method which focuses on temporary differences. This involves comparing the book value of assets and liabilities on the financial statements with their respective tax bases.

Deferred tax assets are recognized to the extent that is likely to be offset against future income taxes.

The Company recognizes a previously unrecognized deferred tax asset to the extent that it is probable that future taxable profit will allow the recovery of the deferred tax asset.

Deferred tax assets are reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of this deferred tax asset.

Deferred tax liabilities are recognized for all taxable temporary differences.

Tax losses can be transferred to subsequent periods are recognized as deferred tax assets.

Deferred tax assets and liabilities are measured at tax rates expected to apply to the period during which settled the claim or liability, based on tax rates (and tax laws) that have come into force or substantively enacted at the date of Balance Sheet.

Changes in deferred tax assets or liabilities are recognized as a component of income tax in the income statement, except those resulting from specific changes in the assets or liabilities that are recognized directly in equity Company as a revaluation the property and result in the relative change in deferred tax assets or liabilities being charged / credited to the relevant equity account.

3.11 Government grants

The Company recognizes government grants, which cumulatively meet the following criteria:

- there is reasonable certainty that the company has complied or will comply with the terms of the grant and
- probable that the amount of the grant will be received.

Government grants relating to acquisition of fixed assets are shown as deferred income and liabilities are recognized in comprehensive income in the account "other income" during the life of the assets concerned.

3.12 Retirement benefits and short-term employee benefits

3.12.1 Short-term benefits

Short term employee benefits (other than termination benefits of employment) in cash and in kind are recognized as an expense when accrued. Any unpaid amount is recorded as a liability and if the amount already paid exceeds the amount of benefits, the company recognizes the excess as an asset (prepaid expense) only to the extent that the prepayment will reduce future payments or return.

3.12.2 Retirement Benefits

The Company has both defined benefit and defined contribution plans.

3.12.2.1 Defined benefit plans

The liability in the balance sheet for defined benefit plans is the present value of the liability for the defined benefit under the Law 2112/20 and changes resulting from any actuarial gains or losses and past service costs. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method unit (projected unit credit method).

Actuarial gains and losses arising from experience adjustments and changes in proportional cases charged or credited with any deferred tax that relates to other comprehensive income.

Past service cost is recognized immediately in profit or loss unless the changes in pension plans are dependent on the retention of employees in service for a specified period of time (vesting date). In this case, past service cost is amortized on a consistent basis until the date of vesting of benefits.

3.12.2.2 Defined contribution plans

The staff Company is mainly covered by the main National Insurance Agency in relation to the private sector (IKA), which provides retirement and medical benefits. Each employee is required to contribute part of their monthly salary to the fund, part of the overall contribution is paid by the Company. Upon retirement, the pension fund responsible for paying pension benefits to employees. Consequently, the Company has no legal or constructive obligation to pay future benefits under this program.

Under the defined contribution plan, the Company's obligation (legal or constructive) shall be limited to the amount agreed to contribute to the organization (eg fund) that manages contributions and provides benefits. Thus the amount of benefits the employee will receive is determined by the amount paid by the Company (or the employee) and paid by the investment of those contributions.

The contribution payable by the Company in a defined contribution plan is recognized as a liability after deduction of the contribution paid and the corresponding output.

3.13 Other provisions

Provisions are recognized when a present obligation is likely to lead to an outflow of economic resources for the Company and can be reliably estimated. The timing or the amount of output can be elusive. A present obligation arising from the presence of a legal or constructive obligation resulting from past events.

Each formed provision is used only for expenses which were originally formed. Provisions are reviewed at each balance sheet date and adjusted to reflect current best estimate.

Provisions are valued at anticipated costs required to settle the present obligation, based on the best evidence available at the balance sheet date, including the risks and uncertainties associated with this commitment.

When the effect of the time value of money is significant, the amount of the provision is the present value of expenses expected to be required to settle the obligation.

When using the method of discounting, the carrying amount of a provision increases each period to reflect the passage of time. This increase is recognized as interest expense in the results. When there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the probability of an outflow component included in the category of commitments is low.

If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, provision is reversed.

3.14 Contingent liabilities

Contingent liabilities are not recognized in financial statements but are disclosed unless the probability of outflow of resources embodying economic benefits are minimal.

3.15 Contingent assets

Possible inputs from economic benefits to the Company not yet met the criteria of an asset are considered contingent assets and disclosed in the notes to financial statements.

3.16 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a fee.

<u>Accounting by the lessee</u>
The Company applies a single recognition and measurement approach for all leases (including short-term leases and leases of low-value assets). The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognize right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the lease term.

If ownership of the leased asset is transferred to the Company at the end of the lease term or its cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

The Company has lease contracts for buildings and land(used as offices, warehouses). The lease contracts may contain both lease and non-lease components. The Company has elected not to separate non-lease components from lease components, and instead to account for each lease component and any associated non-lease components as a single combined lease component.

The right-of-use assets are also subject to impairment, as described in the accounting policy Impairment of Non - Financial Assets .

ii. Lease liabilities

At the commencement date of the lease, the Company recognize lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expenses in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company use the Company's incremental borrowing rate (5%) because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced through the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a reassessment or modification of the lease contract.

Accounting by lessor

Leases in which the lessor does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Lease income on operating leases is recognized over the term of the lease on a straight-line basis.

A lease that transfers substantially all of the risks and rewards incidental to ownership of the leased item is classified as finance lease.
The lessor in a finance lease derecognizes the leased asset and recognizes a receivable in the amount of the net investment in the lease. The lease receivable is discounted using the effective interest method and the carrying amount is adjusted accordingly. Lease receivable is increased to reflect the accretion of interest and reduced through the lease proceeds made.

3.17 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and the revenue can be reliably measured. Revenues are net of value added tax, discounts and rebates.

In accordance with IFRS 15, a five-step model is established to substantiate revenue from contracts with customers:

1. Determination of the contract (s) with the client.
2. Determination of performance obligations.
3. Determination of the transaction price.
4. Allocation of the transaction price to the separate performance obligations.
5. Revenue recognition when (or as) the company fulfills its performance obligations.

Revenue is recognized at the amount the company expects to receive in exchange for the transfer of goods or services to a counterparty. With the award of a contract, the accounting for the additional costs and direct costs required to complete the contract shall be also specified.

Revenue is the amount that the company expects to be entitled to in return for the goods or services it has transferred to a customer/client. If the contractual price includes a variable amount, the entity assesses the amount that will be entitled to against the transfer of the promised goods or services to the customer. The price may vary due to discounts, price subsidies, refunds, credits, price reductions, incentives, additional performance benefits, penalties or the like. The contractual price may also vary if the right of an entity to the price depends on the occurrence or non-occurrence of a future event. For example, a price will be variable if the product has been sold with a refund or a fixed amount pledge as an additional performance benefit to achieve a particular milestone.

The volatility associated with the price that a customer agrees to may be explicitly stated in the contract. The Company estimates the amount of the variable price using one of the following methods, whichever it considers that will better predict the amount that the company will be entitled to:

(a) Estimated value - the estimated value is the sum of weighted based on probabilities amounts over a range of possible prices. The estimated value is an appropriate approximation of a variable price if the entity has a large number of contracts with similar characteristics.

b) The most probable amount - the most probable amount is the only most probable amount in a range of possible amounts (ie, the only probable outcome of the contract). The most probable amount is an appropriate estimate of the variable price if the contract has only two possible outcomes (for example, the entity provides an additional yield or not).

The Company recognizes revenue when the execution of the contractual obligation is satisfied i.e by transferring the goods or services under that obligation. The customer has control over the goods or services transferred when the customer is able to direct the use and derive all the financial benefits of this good or service. The control is transferred over a period or at a specific time. Revenue from the sale of goods is recognized when control of the good is transferred to the customer, usually upon delivery to the customer, and there is no obligation that could affect the customer's acceptance of the good.

Implementation commitments that are fulfilled over time

The Company recognizes revenue for a contractual commitment that is fulfilled over time only if it can reasonably measure its progress in fulfilling that commitment in full. The Company is not capable of reasonably measuring progress in the fulfillment of a commitment when it does not have the reliable information needed to apply the appropriate method for measuring progress. In some cases (eg during the initial stages of a contract), the company may not be able to reasonably measure the progress of a commitment, but expects to recover at least the costs incurred in fulfilling it.

In such cases, the Company shall recognize revenue only to the amount of the costs incurred, until it is capable of reasonably measuring the effect of the commitment.

A contractual asset is recognized when the company has fulfilled its obligations towards the counterparty before payment or before payment is due, for example when the goods or services are transferred to the customer prior to the company's right to issue an invoice.

A contractual liability is recognized when the Company receives an amount from the counterparty as an advance payment or when it retains the right to a price that is deferred before the execution of the contract obligations and the transfer of the goods or services. The contractual liability is recognized when the contractual obligations are executed and the income is recorded in the income statement.

Implementation commitments fulfilled at a specific time

When a performance commitment is not fulfilled over time (as stated above), then the company fulfills the performance commitment at a specific point in time. To determine the time when the customer acquires control of a promised asset and the entity fulfills a performance obligation, the Company examines the requirements for acquiring control in accordance with the provisions of IFRS 15.

The company’s main income categories are:

Sale of goods

Revenue from the sale of goods, after deducting turnover discounts, sales incentives and the associated VAT, is recognized when the significant risks and rewards of ownership of the goods are transferred to the buyer.

Revenue from the provision of services

Revenue from the provision of services is recognized in the accounting period in which the services are rendered and is measured according to the nature of the services. The related receivable is recognized when there is an unconditional right for the entity to receive the fee for the provided contractual services to the customer.

Interest

Interest income is recognized on an accrual basis.

Income from Dividends

Dividend income is recognized in the income statement when the right to receive it is guaranteed.

4.18 Borrowing Costs

Borrowing costs are recognized as an expense in the period incurred, except if related to an asset that is under construction.

4.19 Fair Values

The Company provides the necessary disclosures about the measurement of fair value through a three-level hierarchy.

- Financial assets that are traded in active markets whose fair value is determined on the basis of the published market prices applicable at the reporting date for similar assets and liabilities ("Level 1").

- Financial assets that are not negotiable in active markets whose fair value is determined using valuation techniques and assumptions based either directly or indirectly on market data at the reporting date ("Level 2").

- Financial assets that are not negotiable in active markets, the fair value of which is determined using valuation techniques and assumptions, not basically based on market data ("Level 3").

At the 31st of December 2021 and 31st of December 2020, the carrying amount of financial assets (Other long-term receivables, Receivables from customers and other trade receivables, Other receivables and Cash and cash equivalents) and financial liabilities (Long-term and Short-term borrowings, Suppliers and related liabilities as well as other short-term liabilities) approximated fair value.

The Company did not hold assets valued at fair value as of December 31, 2021 and December 31, 2020.

4 Segment Reporting

4.1 Determination of functional segments

The company's main activity is the sale of various types of paper packaging and promotional products (propellants). As operating segment is a group of activities from which

- the company earns revenue and expenditure
- the results are regularly reviewed by the company and
- for which there are available sufficient financial data

Operating segments are recognized and presented on the basis of internal reporting which is evaluated by the company's management.

Operating segments are used to evaluate the company's progress are:
- Paper packing
- Promotional Instruments

Financial data for the company's operating segments are presented below.

4.2 Segmental results

The results of each operating segment are as follows:

Amounts are expresses in € ' Results per segment for the period 1/1-31/12/2021	Carton Packaging	Promotionals Materials	Unallocated	Total
Sales to external customers	19.401.224,23	148.747,43	-	19.549.971,66
Sales to other segments	-	-	-	-
Net sales	**19.401.224,23**	**148.747,43**	-	**19.549.971,66**
Earnings before taxes, financial and investing activities	**3.964.759,34**	**8.810,56**	-	**3.973.569,90**
Financial results	(527.667,11)	-	-	(527.667,11)
Share of profit / (loss) from associates	-	-	-	-
Profit / (Loss) before tax	**3.437.092,23**	**8.810,56**	-	**3.445.902,79**
Income Tax	(962.018,49)	(1.938,32)	-	(963.956,81)
Net profit / (loss)	**2.475.073,74**	**6.872,24**	-	**2.481.945,98**

Results per segment for the period 1/1-31/12/2020	Carton Packaging	Promotionals Materials	Unallocated	Total
Sales to external customers	17.211.086,21	217.156,80	-	17.428.243,01
Sales to other segments	0,00	-	-	-
Net sales	**17.211.086,21**	**217.156,80**	-	**17.428.243,01**
Earnings before taxes, financial and investing activities	**2.328.531,48**	**26.782,34**	-	**2.355.313,82**
Financial results	(36.661,57)	-	-	(36.661,57)
Share of profit / (loss) from associates	-	-	-	-
Profit / (Loss) before tax	**2.291.869,91**	**26.782,34**	-	**2.318.652,25**
Income Tax	(593.843,55)	(6.427,76)	-	(600.271,31)
Net profit / (loss)	**1.698.026,36**	**20.354,58**	-	**1.718.380,94**

The accounting policies adopted for each operating segment are consistent with the accounting policies described in Note 3 Summary of accounting policies.

4.3 Assets and liabilities by operating segment

The assets and liabilities by operating segment are as follows:

Amounts are expresses in € ' Assets and Liabilities as at 31/12/2021	Carton Packaging	Promotionals Materials	Unallocated	Total
Segment Assets	22.012.417,14	97.015,29	-	22.109.432,43
Assets of associates	-	0,00	-	0,00
Total assets	**22.012.417,14**	**97.015,29**	-	**22.109.432,43**
Segment Liabilities	13.662.345,53	13.479,91	-	13.675.825,44
Liabilities to associates	-	0,00	-	0,00
Total liabilities	**13.662.345,53**	**13.479,91**	-	**13.675.825,44**

Assets and Liabilities as at 31/12/2020	Carton Packaging	Promotionals Materials	Unallocated	Total
Segment Assets	18.990.052,38	319.202,57	-	19.309.254,95
Assets of associates	-	-	-	-
Total assets	**18.990.052,38**	**319.202,57**	-	**19.309.254,95**
Segment Liabilities	12.882.039,32	25.515,23	-	12.907.554,55
Liabilities to associates	-	-	-	-
Total liabilities	**12.882.039,32**	**25.515,23**	-	**12.907.554,55**

For monitoring the operating segments and the allocation of resources in each area:

I. assets working together in functional areas are allocated to each sector according to income made.

II. obligations concerning joint operating segments are allocated to each sector according to the assets of each sector.

4.4 Other information by operating segment

Other items by operating segment are listed below:

1/1- 31/12/2021

Amounts are expresses in € '	Carton Packaging	Promotionals Materials	Unallocated	Total
Depreciation	762.085,45	-	-	**762.085,45**
Amortization	40.060,26	-	-	**40.060,26**
Additions in tangibles	167.304,47	-	-	**167.304,47**
Additions in intangibles	6.181,45	-	-	**6.181,45**
Impairment in Goodwill	-	196.717,78	-	**196.717,78**

1/1- 31/12/2020

Amounts are expresses in € '	Carton Packaging	Promotionals Materials	Unallocated	Total
Depreciation	637.118,08	-	-	**637.118,08**
Amortization	41.262,39	-	-	**41.262,39**
Additions in tangibles	1.730.793,75	-	-	**1.730.793,75**
Additions in intangibles	87.614,45	-	-	**87.614,45**
Impairment in Goodwill	-	7.983,58	-	**7.983,58**

4.5 Sales per product and service category

The Company's sales per category of products and services are described in the table below:

Amounts are expresses in € '	1/1- 31/12/2021	1/1- 31/12/2020
Resale of goods	128.538,74	225.878,69
Sale of products	18.421.084,30	16.407.128,95
Sale of raw materials	569.317,72	374.773,69
Revenues from services	431.030,90	420.461,68
Total Turnover	**19.549.971,66**	**17.428.243,01**

4.6 Geographical Information

The segmental information below is based on the segment revenue from external customers by region and segment assets were based on the geographic location of the assets.

Sales per region

Amounts are expresses in € '	1/1- 31/12/2021	1/1- 31/12/2020
Greece	19.251.949,49	17.103.507,41
European Union	220.108,43	138.321,91
Other	77.913,74	186.413,69
Total	**19.549.971,66**	**17.428.243,01**

Assets per region

Amounts are expresses in € '	31/12/2021	31/12/2020
Greece	21.772.393,53	18.949.470,98
European Union	248.924,78	153.250,85
Other	88.114,12	206.533,12
Total	**22.109.432,43**	**19.309.254,95**

5 Goodwill

The carrying amount of goodwill arises from the activity of the Promotion carried out by the former subsidiary PROMOCARTON S.A.. The goodwill movement and its breakdown into cash generating units is analyzed as follows:

Amounts in €	Promocarton S.A.	Total
Net book value as at 01/01/2020	**265.128,99**	**265.128,99**
Amortization	(7.983,58)	(7.983,58)
Gross book value as at 31/12/2020	265.128,99	265.128,99
minus: Accumulated amortization	(40.451,58)	(40.451,58)
Net book value as at 31/12/2020	**224.677,41**	**224.677,41**
Amortization	(196.717,78)	(196.717,78)
Gross book value as at 31/12/2021	265.128,99	265.128,99
minus: Accumulated amortization	(237.169,36)	(237.169,36)
Net book value as at 31/12/2021	**27.959,63**	**27.959,63**

The Goodwill is subjected to periodic impairment test and, in case impairment loss is recognized, this is included in the result line "Other financial results".

During the current and the previous fiscal year, impairment of goodwill has been recognized, amounting to € 196.717,58 (2020: €7.983,58). The underlying assumptions used in the impairment test are as follows:

Cash Generating Unit Promotional materials	2021	2020
Discount rate	10,75%	9,12%
% EBITDA	5,92%	12,33%

The key assumptions used by the management in the calculation of the cash flow forecasts in the context of the annual impairment assessment of goodwill are as follows:

- Zero risk rate: The zero risk rate was determined on the basis of the zero risk bond yields.
- Budget margins: Operating profit margins before financial and investing activities and operating profits before financial and investing activities, depreciation and amortization were calculated based on the actual data for the current year.

The key assumptions used are consistent with independent external sources of information.

6 Intangible assets

The intangible assets of the Company are mainly software licenses and software. The analysis of the carrying amounts of intangible assets of the Company is shown in the tables below:

Amounts in €	Software	Total
Acquisition cost on 1/1/2020	488.486,25	488.486,25
Minus: Accumulated depreciation	(408.657,95)	(408.657,95)
Net book value on 1/1/2020	**79.828,30**	**79.828,30**
Additions	87.614,45	87.614,45
Depreciation	(41.262,39)	(41.262,39)
Acquisition cost on 31/12/2020	576.100,70	576.100,70
Minus: Accumulated depreciation	(449.920,34)	(449.920,34)
Net book value on 31/12/2020	**126.180,36**	**126.180,36**
Additions	6.181,45	6.181,45
Depreciation	(40.060,26)	(40.060,26)
Acquisition cost on 31/12/2021	582.282,15	582.282,15
Minus: Accumulated depreciation	(489.980,60)	(489.980,60)
Net book value on 31/12/2021	**92.301,55**	**92.301,55**

The amortization of intangible assets is recognized in the income statement (note 18). There are no mortgages or pledges recorded in favor of the intangible assets.

7 Tangible assets

The book values of tangible assets for the periods presented are as follows:

Amounts in €	Land	Buildings	Machinery	Transportation means	Furniture & other equipment	Total
Acquisition cost on 1/1/2020	6.796,76	1.406.189,77	9.819.114,31	248.450,98	976.557,84	12.457.109,66
Minus: Accumulated depreciation	-	(1.036.761,09)	(7.408.670,38)	(152.025,02)	(780.775,97)	(9.378.232,46)
Net book value on 1/1/2020	**6.796,76**	**369.428,68**	**2.410.443,93**	**96.425,96**	**195.781,87**	**3.078.877,20**
Additions	-	77.665,65	1.594.082,29	6.165,00	52.880,81	1.730.793,75
Adjustment due to IFRS 16	-	-	-	-	-	-
Disposals / Reductions	-		(664.930,20)		(3.950,00)	(668.880,20)
Depreciation	-	(40.508,34)	(510.024,44)	(16.663,57)	(69.921,73)	(637.118,08)
Adjustment due to IFRS 16	-		664.930,05		3.949,99	668.880,04
Depreciation of disposals / reductions	-					-
Acquisition cost on 31/12/2020	6.796,76	1.483.855,42	10.748.266,40	254.615,98	1.025.488,65	13.519.023,21
Minus: Accumulated depreciation	-	(1.077.269,43)	(7.253.764,77)	(168.688,59)	(846.747,70)	(9.346.470,49)
Net book value on 31/12/2020	**6.796,76**	**406.585,99**	**3.494.501,63**	**85.927,39**	**178.740,95**	**4.172.552,72**
Additions		200,00	122.112,02	0,00	44.992,45	167.304,47
Disposals / Reductions			-		(18.816,03)	(18.816,03)
Depreciation		(42.390,12)	(628.126,46)	(15.796,46)	(75.772,41)	(762.085,45)
Depreciation of disposals / reductions					18.813,54	18.813,54
Acquisition cost on 31/12/2021	6.796,76	1.484.055,42	10.870.378,42	254.615,98	1.051.665,07	13.667.511,65
Minus: Accumulated depreciation	-	(1.119.659,54)	(7.881.891,23)	(184.485,05)	(903.706,58)	(10.089.742,40)
Net book value on 31/12/2021	**6.796,76**	**364.395,88**	**2.988.487,19**	**70.130,93**	**147.958,49**	**3.577.769,25**

Depreciation of tangible fixed assets is recognized in the income statement (note 18). There are no mortgages on land and buildings.

There is a collateral on equipment owned by the company, worth € 927.000,00, in order to secure a bank loan.

8 Financial Assets

The financial assets of the Company are classified as follows:

Amounts in €	31/12/2021	31/12/2020
Loans and receivables (8.2)	8.596.913,42	4.813.261,79
Available for sale financial assets (8.1)	618.273,75	618.450,30
Total	**9.215.187,17**	**5.431.712,09**

8.1 Available for sale financial assets

The financial assets included in this category relate to the company's participation at 6.18% in the share capital of the company Vlachos Bros SA based in Koropi and the participation at 35.00% in the share capital of the company Fokas Bros SA for which there is no relevant audit capability. The analysis of the value of available-for-sale financial instruments is as follows:

Amounts in €	VLAHOU BROS AVEE	FOKA BROS AVEE	Total
Balance as at 01/01/2020	**293.214,30**	**0,00**	**293.214,30**
Value Impairment	325.236,00	-	325.236,00
Balance as at 31/12/2020	**618.450,30**	**0,00**	**618.450,30**
Value Impairment	(176,55)	-	(176,55)
Balance as at 31/12/2021	**618.273,75**	**0,00**	**618.273,75**

Both companies, Vlachos Bros SA and Fokas Bros SA are not traded on any active market.

Investments in Vlachos Bros SA and Fokas Bros SA are monitored at fair value through profit or loss and recognized in the income statement as they arise.

During the current year, there was a positive adjustment of the value of the company Vlachos Bros SA in the amount of € 176,55. The amount of the revaluation was attributed to the item "Other financial results (note 21).

The underlying assumptions used in the impairment test are as follows:

	VLAHOU BROS AVEE	FOKA BROS AVEE
Discount rate	8,58%	7,36%
Average growth during next 5 years	-1,00%	4,00%
Growth after 5 years	0,00%	1,00%
% EBITDA	10,43%	-0,26%

8.2 Loans and receivables

This category includes the following financial assets:

Amounts in €	31/12/2021	31/12/2020
Other non current assets	102.836,48	98.376,92
Trade and other receivables	4.074.448,87	2.808.548,02
Cash and cash equivalents	4.419.628,07	1.906.336,85
Total	**8.596.913,42**	**4.813.261,79**

8.2.1 Other non-current assets

Amounts in €	31/12/2021	31/12/2020
Guaranteed rents	102.836,48	98.376,92
Total	**102.836,48**	**98.376,92**

These guarantees include guaranteed rents. As the balance is not important for the fair presentation of financial statements of the Company, it has not been adjusted to the value of these guarantees to the real interest rate.

8.2.2 Trade and other receivables

Trade and other receivables are analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Domestic customers	3.636.082,16	2.418.534,56
Customers abroad	64.361,50	34.284,52
Prepayments to suppliers	24.716,23	11.087,91
Portfolio receivable Cheques	378.973,90	325.956,59
Cheques in third parties as collateral	114.043,42	67.654,10
Gross book value of trade receivables	**4.218.177,21**	**2.857.517,68**
Anticipating customer precarities	(143.728,34)	(48.969,66)
Total	**4.074.448,87**	**2.808.548,02**

All of these amounts are considered as short term. The fair value of short-term financial assets is not determined separately as the book value is considered to approximate their fair value.

The aging analysis of the Company's trade receivables and the corresponding expected credit losses is as follows:

Amounts in €	31/12/2021		
Days		**% of Losses**	**Amount of Losses**
0-90	3.892.192,43	3,47%	(134.939,24)
90-120	299.394,76	2,76%	(8.264,86)
120-180	1.618,13	16,60%	(268,67)
180-365	255,65	99,97%	(255,57)
>365	0,00	0,00%	-
Total Receivables	**4.193.460,97**		**(143.728,34)**

Amounts in €	31/12/2020		
Days		% of Losses	Amount of Losses
0-90	2.783.725,41	1,74%	(48.518,10)
90-120	60.206,84	0,67%	(405,85)
120-180	2.237,09	0,68%	(15,20)
180-365	260,43	11,71%	(30,51)
>365	0,00	0,00%	-
Total Receivables	**2.846.429,77**		**(48.969,66)**

For all of the company's requirements, an estimate of the potential impairment losses included in distribution costs (note 19) has been made:

The movement of the provision is as follows:

Amounts in €	31/12/2021	31/12/2020
Opening Balance	**48.969,66**	**134.360,68**
New Provision/(reversal)	94.758,68	18.276,12
Receivables write-offs	-	(103.667,14)
Total	**143.728,34**	**48.969,66**

The Company applies the simplified approach of IFRS 9 for the calculation of the expected credit losses of customers and other short-term receivables that are classified either in the Stage 1, or in Stage 2.

Amounts in €	31/12/2021	31/12/2020
Balance of receivables	**4.193.460,97**	**2.846.429,77**
Stage 1	4.193.205,32	2.846.169,34
Stage 2	255,65	260,43
Expected Credit Loss	**143.728,34**	**48.969,66**
Stage 1	143.472,77	48.939,15
Stage 2	255,57	30,51
Expected % of Credit Loss		
Stage 1	3,42%	1,72%
Stage 2	99,97%	11,71%

8.2.3 Cash and cash equivalents

Cash equivalents include the following elements:

Amounts in €	31/12/2021	31/12/2020
Cash in hand	1.181,54	20.793,80
Bank deposits	4.381.768,55	1.851.689,67
Foreign currency deposits	36.677,98	33.853,38
Total cash and cash equivalents	**4.419.628,07**	**1.906.336,85**

There are no commitments on the Company's treasury.

9 Right of Use Assets

The item is analyzed as follows:

Amounts in €	Warehouse	Factory	Buildings	Machinery	Transportation means	Furniture & other equipment	Total
Acquisition cost on 1/1/2019	1.123.754,42	1.370.073,55	2.493.827,97	2.630.292,16	278.371,45	2.300,00	5.404.791,58
Minus: Accumulated depreciation	(201.269,45)	(283.463,49)	(484.732,94)	(569.210,06)	(84.563,93)	(1.150,00)	(1.139.656,93)
Net book value on 31/12/2019	**922.484,97**	**1.086.610,06**	**2.009.095,03**	**2.061.082,10**	**193.807,52**	**1.150,00**	**4.265.134,65**
Additions	656.968,13	1.482.595,84	2.139.563,97	-	45.546,06	-	2.185.110,03
Derecognition of rights due to termination of contract					(20.317,38)		(20.317,38)
Early termination of contracts					(142.157,97)		(142.157,97)
Depreciation	(185.818,01)	(292.866,41)	(478.684,42)	(263.029,23)	(84.927,61)	(460,00)	(827.101,26)
Depreciation of derecognised assets					20.317,38		20.317,38
Depreciation of early terminationed contracts					77.408,69		77.408,69
Acquisition cost on 31/12/2020	1.780.722,55	2.852.669,37	4.633.391,92	2.630.292,16	161.442,16	2.300,00	7.427.426,24
Minus: Accumulated depreciation	(387.087,46)	(576.329,90)	(963.417,36)	(832.239,29)	(71.765,47)	(1.610,00)	(1.869.032,12)
Net book value on 31/12/2020	**1.393.635,09**	**2.276.339,47**	**3.669.974,56**	**1.798.052,87**	**89.676,69**	**690,00**	**5.558.394,12**
Additions	-	-	-	-	34.479,57	-	34.479,57
Derecognition of rights due to termination of contract	-	-	-	-	-	-	-
Early termination of contracts	-	-	-	-	-	-	-
Depreciation	(185.818,01)	(293.721,23)	(479.539,24)	(263.029,23)	(40.691,01)	(460,00)	(783.719,48)
Depreciation of derecognised assets	-	-	-	-	-	-	-
Depreciation of early terminationed contracts	-	-	-	-	-	-	-
Acquisition cost on 31/12/2021	1.780.722,55	2.852.669,37	4.633.391,92	2.630.292,16	195.921,73	2.300,00	7.461.905,81
Minus: Accumulated depreciation	(572.905,47)	(870.051,12)	(1.442.956,59)	(1.095.268,52)	(112.456,48)	(2.070,00)	(2.652.751,59)
Net book value on 31/12/2021	**1.207.817,08**	**1.982.618,25**	**3.190.435,33**	**1.535.023,64**	**83.465,25**	**230,00**	**4.809.154,22**

10 Inventories

Inventories are analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Goods for resale	5.350,54	10.330,65
Products ready and unfinished	913.114,10	905.057,84
Raw and auxiliary materials	2.603.551,74	2.470.848,69
Total	**3.522.016,38**	**3.386.237,18**

The amount of inventories recognized as an expense during the year included in cost of sales (Note 19).

There is a lien on inventories up to € 1 million.

11 Other current assets

Other current assets are analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Staff loans	-	1.800,00
Income tax Advance	(73,59)	-
Other Withholding taxes	73,59	19,08
Greek public	1.110,04	1.110,04
Other debtors	311.497,79	3.107,82
Prepaid costs	109.882,89	56.003,25
Prepaid purchases of materials	346.875,50	222.801,39
Total	**769.366,22**	**284.841,58**

12 Share capital

The company's share capital consists of 3.953.090 ordinary shares of nominal value € 0,30. All shares carry the same rights to receive dividends and the repayment of capital and represent a vote in the General Assembly of shareholders.

Amounts in €	31/12/2021		31/12/2020	
	Number of shares	Nominal value	Number of shares	Nominal value
Number of shares authorised				
Common shares	3.953.090,00	0,30 €	3.953.090,00	0,30 €

There has been no change in the share capital during the last two fiscal years:

Amounts in €	31/12/2021	31/12/2020
Share capital at the beginning of the year	**1.185.927,00**	**1.185.927,00**
Increase in share capital	-	-
Capital decrease	-	-
Share capital at the end of the year	**1.185.927,00**	**1.185.927,00**

The share capital of the company amounts to one million, one hundred eighty five thousand and nine hundred twenty seven euros (1.185.927,00) divided into three million, nine hundred fifty three thousand and ninety (3.953.090) ordinary shares of nominal value of thirty cents (0,30) Euro each.

13 Share premium

Movement in share premium is analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Share premium at the beginning of the year	**1.187.780,32**	**1.187.780,32**
Increase in share premium	-	-
Share premium at the end of the year	**1.187.780,32**	**1.187.780,32**

The amounts received, additional to the par value of shares issued during the year are included in equity under the heading "Share premium", after deduction of registration fees, legal fees and other related tax benefits.

14 Reserves

Movement in other reserves is analyzed as follows:

Amounts in €	Legal Reserve	Extraordinary	Tax Free	Other reserves	Total
Balance as at 1/1/2019	**422.226,03**	**2.219,00**	**335.221,00**	**(34.613,98)**	**725.052,05**
Actuarial reserve	0,00	-	-	(25.656,49)	(25.656,49)
Balance as at 31/12/2019	**422.226,03**	**2.219,00**	**335.221,00**	**(60.270,47)**	**699.395,56**
Actuarial reserve	-	-	-	6.521,73	6.521,73
Balance as at 31/12/2020	**422.226,03**	**2.219,00**	**335.221,00**	**(53.748,74)**	**705.917,29**
Reserves from profits	0,00	-	-	1.023.725,00	1.023.725,00
Actuarial reserve	-	-	-	5.917,86	5.917,86
Balance as at 31/12/2021	**422.226,03**	**2.219,00**	**335.221,00**	**975.894,12**	**1.735.560,15**

Legal reserves
Under Greek corporate law, companies are required to form the 5% of their annual profits, as legal reserve, until it reaches one third of the outstanding share capital. During the life of the company, the distribution of this reserve is prohibited.

Tax-free reserves:
The tax-free reserves concern reserves derived from investment laws and reserves from tax-exempt income for which tax has been withheld tax at source.

Other Reserves:
The amount of € 1.000.000 concerns the formation of a reserve in order to cover a guarantee provided in favor of the sole shareholder. Furthermore, the amount of € 23.725 concerns the formation of a reserve in order to cover the own participation in the investment under Law 4399/2016.

15 Employees defined benefit liability

The Company recognizes a liability for employee benefits due to retirement, the present value of the legal commitment of the lump sum compensation to staff retiring. The liability was calculated on an actuarial study conducted by an independent actuary. Specifically , the study involved the examination and calculation of actuarial methods required by the standards set by the International Accounting Standards (IAS 19) and must be recorded on the balance sheet and income statement for each company.

The Company companies have not been activated, either formally or informally, no specific benefit plan for employees, which is committed to withdrawing benefits employees. The only program that is in force is a contractual obligation under applicable law and N.2112/1920 3198/1955 to provide a lump sum in case of retirement plan.

The liability of the Company is as follows:

		New Account Policy	Previous Account Policy
Amounts in €	31/12/2021	31/12/2020	31/12/2020
Present value of non-financed liabilities	125.735,00	128.389,00	354.719,00
Total	**125.735,00**	**128.389,00**	**354.719,00**

Movement in the present value of the obligation is as follows:

		New Account Policy	Previous Account Policy
Amounts in €	31/12/2021	31/12/2020	31/12/2020
Opening balance of defined benefit obligation	**128.389,00**	**109.267,00**	**341.456,00**
Current employment Cost	-	18.533,00	26.214,00
Dismissal allowances	13.058,00	5.727,00	505,00
Benefits paid	(8.895,00)	(8.801,00)	(8.801,00)
Interest on the obligation (staff)	770,00	1.257,00	3.927,00
Actuarial Revaluation	(7.587,00)	2.406,00	(8.582,00)
Total	**125.735,00**	**128.389,00**	**354.719,00**

Movement in defined benefit liability recognized in Statement of Financial Position is as follows:

		New Account Policy	Previous Account Policy
Amounts in €	31/12/2021	31/12/2020	31/12/2020
Net defined benefit liability at the end of the year	125.735,00	128.389,00	354.719,00
Net defined benefit liability at the end of the year	**125.735,00**	**128.389,00**	**354.719,00**

The amounts recognized in the income statement are as follows:

		New Account Policy	Previous Account Policy
Amounts in €	31/12/2021	31/12/2020	31/12/2020
Current employment Cost	-	18.533,00	26.214,00
Cost of cuts/settlements/termination of service	13.058,00	5.727,00	505,00
Benefits paid	-		
Interest on the obligation (staff)	770,00	1.257,00	3.927,00
Total	**13.828,00**	**25.517,00**	**30.646,00**

The amounts recognized in the statement of "Other Comprehensive Income" are as follows:

		New Account Policy	Previous Account Policy
Movements in Other Comprehensive Income	31/12/2021	31/12/2020	31/12/2020
Amount recognized in OCI	7.587,00	(2.406,00)	8.582,00
Accumulated amount recognized in	7.587,00	-	-

Interest expenses are included in the item "Financial Expenses" in the Income Statement (note 21). All other expenses related with employee benefits included in the income statement.

The main actuarial assumptions used for accounting purposes these are:

	31/12/2021	31/12/2020
Discount rate	0,60%	0,60%
Future wage increases	2,00%	2,00%
Inflation rate	1,80%	1,50%

Demographic Assumptions:

I.Mortality

The Swiss EAE 2012 mortality table has been used for men and women.

II.Percentage departures (Turnover)

The percentage of exits (turnover), based on years of service, is analyzed as follows:

Years of service	Percentage of exits
From 0 to 1 year	4,5%
From 1 to 5 years	4,0%
From 5 to 10 years	0,5%
From 10 years and over	0,0%

III.Normal retirement ages

Based on the withdrawal terms of the Social Security Funds where each worker is registered, as they have been shaped with current legislation.

Below is the sensitivity analysis of the results of the actuarial liability, per scenario of change on the discount rate and the expected salary increases:

	Actuarial Liability	Diff %
Discount rate increase by 0,5%	122.074,00	-3%
Discount rate decrease by 0,5%	129.592,00	3%
Increase on expected salary increase by 0,5%	128.829,00	2%
Decrease on expected salary increase by 0,5%	122.455,00	-3%

16 Financial liabilities

16.1 Financial liabilities at amortized cost

This category includes:

Amounts in €	note	31/12/2021	31/12/2020
Borrowings & Linance lease liabilities	16.1.1	4.715.029,16	4.673.840,48
Lease Liabilities	16.1.2	4.585.974,43	5.405.614,68
Trade and other payables	16.1.3	2.682.071,94	1.539.511,72
Total		**11.983.075,53**	**11.618.966,88**

16.1.1 Borrowings

Borrowings are analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Bond loans	3.775.000,00	1.646.052,60
Total long term loans	**3.775.000,00**	**1.646.052,60**

Amounts in €	31/12/2021	31/12/2020
Corporate bonds (short term portion)	940.000,00	742.500,65
Factoring	29,16	759.640,99
Bank loans (working capital)	-	1.525.646,24
Total short term loans	**940.029,16**	**3.027.787,88**
Total borrowings	**4.715.029,16**	**4.673.840,48**

The total debt of the company is analyzed as follows:

Borrowings as at 31/12/2021

Amounts are expressed in € '	Corporate Bond	Other	Total
1 year and less	940.029,16	-	940.029,16
Between 1 and 5 years	3.775.000,00	-	3.775.000,00
More than 5 years	-	-	-
Total	**4.715.029,16**	-	**4.715.029,16**

Borrowings as at 31/12/2020

Amounts are expressed in € '	Corporate Bond	Other	Total
1 year and less	1.502.141,64	1.525.646,24	3.027.787,88
Between 1 and 5 years	1.646.052,60	-	1.646.052,60
More than 5 years	-	-	-
Total	**3.148.194,24**	**1.525.646,24**	**4.673.840,48**

Interest rates are analyzed as follows:

Amounts are expressed in € '	31/12/2021	31/12/2020
Euribor 3m+2,40%	2.625.000,00	1.625.000,00
Euribor 3m+2,55%	-	763.553,25
Euribor 3m+2,60%	29,16	759.624,25
Euribor 3m+2,80%	-	16,74
Euribor 3m+2,50%	2.090.000,00	-
Euribor 3m+3,20%	-	-
Euribor 3m+3,40%	-	1.525.646,24
Total borrowings	**4.715.029,16**	**4.673.840,48**

Below is presented a sensitivity analysis of the results in a change of Euribor by 50bps.

Borrowings as at 31/12/2021	Total Borrowings	Interest charge	Euribor increase + 0,5%	Euribor decrease - 0,5%
Borrowings using 3months Euribor	4.715.029,16	218.410,25	241.985,40	194.835,10
Total	**4.715.029,16**	**218.410,25**	**241.985,40**	**194.835,10**

Borrowings as at 31/12/2020	Total Borrowings	Interest charge	Euribor increase + 0,5%	Euribor decrease - 0,5%
Borrowings using 3months Euribor	4.673.840,48	218.410,25	241.779,45	195.041,05
Total	**4.673.840,48**	**218.410,25**	**241.779,45**	**195.041,05**

To secure the bank loans between the company and the Bondholders, the Company has set up a pledge:

- On paper stock owned by the company, at least equal to 1.000.000,00 euros throughout the duration of the loan,
- On equipment owned by the company, worth at least 927.000,00 euros, namely on the following and, finally,
- On the receivables of the Company of the policy holders of these stocks and machinery.

In addition to the above, the company has granted the following guarantees:

- a guarantee of good payment in favor of the sole shareholder ORLANDO – EQUITY HOLDING LIMITED, amounting to € 1.000.000, for the payment of the obligations of the shareholder for the purchase of the shares by the previous main shareholder of the company.
- Bank's letter of guarantee, in favor of the sole shareholder ORLANDO – EQUITY HOLDING LIMITED, amounting to € 31.624,72, to the Tax Office of Athens, regarding the exemption of dividend tax in

accordance with article 63 of Law 4172/2013.

Besides the above there are no mortgages or any other encumbrances on the company's assets.

For long-term debt of the company there is an obligation to comply with specific financial terms which they are met entirely.

16.1.2 Leases

Long Term Lease Liability	
Balance on 1/1/2021	4.602.409,45
Transfer to short-term lease Liabilities	(837.330,04)
Balance of Long Term Lease Liability on 31/12/2021	**3.765.079,40**
Short Term Lease Liability	
Balance on 1/1/2021	803.205,24
Transfer from long-term lease Liabilities	837.330,04
Interests	121.019,27
Payments for leases	(940.659,51)
Balance of Short Term Lease Liability on 31/12/2021	**820.895,04**

Long Term Lease Liability	
Balance on 1/1/2020	3.305.871,67
Additions	2.099.743,02
Transfer to short-term lease Liabilities	(803.205,24)
Balance of Long Term Lease Liability on 31/12/2020	**4.602.409,44**
Short Term Lease Liability	
Balance on 1/1/2020	856.822,76
Transfer from long-term lease Liabilities	803.205,24
Interests	134.781,91
Payments for leases	(991.604,67)
Balance of Short Term Lease Liability on 31/12/2020	**803.205,24**

The maturity of the funds "Long-term lease liabilities" and "Long-term liabilities payable in the next year", is analyzed below:

Amounts in €	31/12/2021	31/12/2020
up to 6 months	383.592,88	236.168,99
6 months to 1 year	437.302,13	567.036,46
1 to 5 years	2.839.934,65	4.602.409,23
Over 5 years	925.144,77	-
Total	**4.585.974,43**	**5.405.614,68**

16.1.3 Trade and other payable

Trade and other payables are analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Domestic Suppliers	1.330.159,98	955.315,83
International Suppliers	836.035,07	526.036,70
Advances to customers	5.588,14	6.152,89
Notes payable	492.288,75	34.006,30
Cheques payable	18.000,00	18.000,00
Total	**2.682.071,94**	**1.539.511,72**

All of the above liabilities are considered to be short term. The fair value of short-term financial liabilities is considered to approximate their carrying value.

16.1.4 Other long term liabilities

Other long term liabilities are analyzed as follows:

Amounts in €	31/12/2021	31/12/2020
Guaranties received	-	1.060,00
Asset grants	77.797,46	91.005,80
Total	**77.797,46**	**92.065,80**

17 Other current liabilities

Other current liabilities include:

Amounts in €	31/12/2021	31/12/2020
Staff remuneration payable	161.326,82	914,88
Dividends payable	5.679,36	6.705,28
Other bracelet liabilities in €	131.022,72	159.120,37
Liabilities in Ika	147.777,61	162.477,41
Debts to other insurance funds	144,00	144,00
Accrued expenses	162.970,34	54.344,11
Accrued interest	-	114,34
Total	**608.920,85**	**383.820,39**

18 Turnover

Turnover is analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Sales of goods	128.538,74	225.878,69
Sales of products	18.421.084,30	16.407.128,95
Sales of other inventories	569.317,72	374.773,69
Revenue from services	431.030,90	420.461,68
Total	**19.549.971,66**	**17.428.243,01**

19 Expense analysis

Operating expenses are analyzed as follows:

1/1/2021 - 31/12/2021

Amounts in €	Cost of Sales	Distribution Expenses	Administrative expenses	Total
Cost of raw materials and goods for resale	8.197.873,36	-	-	8.197.873,36
Self-use of raw materials and goods for resale	(9.244,54)	-	-	(9.244,54)
Bad debt provision	-	-	-	-
Depreciation	1.448.237,16	9.126,69	88.441,07	1.545.804,92
Amortization	22.197,39	893,34	16.969,53	40.060,26
Payroll and related expenses	2.771.119,96	254.836,89	1.101.698,89	4.127.655,73
Third parties fees	5.635,87	8.574,00	350.368,56	364.578,43
Repairs and maintenance	202.085,42	33.654,84	79.871,23	315.611,49
Insurance premiums	27.176,73	36.849,99	45.029,18	109.055,90
Heat, electricity, telecommunications, etc	386.444,42	25.350,30	27.444,34	439.239,05
Duties and taxes	70.786,96	9.382,25	24.522,51	104.691,72
Sundry expenses	101.685,68	137.061,48	165.762,30	404.509,47
Total	**13.223.998,40**	**515.729,78**	**1.900.107,61**	**15.639.835,79**

1/1/2020 - 31/12/2020

Amounts in €	Cost of Sales	Distribution Expenses	Administrative expenses	Total
Cost of raw materials and goods for resale	7.281.687,43	-	-	7.281.687,43
Self-use of raw materials and goods for resale	(5.637,11)	-	-	(5.637,11)
Bad debt provision	-	18.276,12	-	18.276,12
Depreciation	1.348.206,34	7.503,45	133.939,55	1.489.649,34
Amortization	0,00	953,16	14.879,22	15.832,38
Payroll and related expenses	2.781.391,90	243.391,39	812.743,94	3.837.527,23
Third parties fees	18.344,77	323.017,00	1.145.511,50	1.486.873,27
Operating leases and rents	0,00	0,00	-	0,00
Repairs and maintenance	221.378,27	41.289,22	84.592,54	347.260,03
Insurance premiums	25.360,10	34.127,11	30.987,63	90.474,84
Heat, electricity, telecommunications, etc	233.447,45	20.250,82	20.817,19	274.515,46
Duties and taxes	66.889,26	9.810,39	37.509,25	114.208,89
Sundry expenses	109.586,50	131.306,66	113.788,06	354.681,22
Total	**12.080.654,91**	**829.925,31**	**2.394.768,88**	**15.305.349,10**

Employee benefits recognized in profit and loss statement are as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Remuneration of salaried staff	1.237.951,26	1.349.630,22
Daily staff Fees	1.543.595,62	1.497.372,77
Employer's staff contributions	662.822,71	743.453,50
Current service cost	-	26.213,31
Dismisal costs	21.953,08	9.306,40
Interest charge on defined benefit plans	770,00	3.926,75
Other expenses	661.333,07	211.551,03
Total	**4.128.425,74**	**3.841.453,98**

The number of employees for both periods presented is as follows:

	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
White collar	53	54
Blue collar	109	108
Total	**162**	**162**

20 Other income and expenses

Other income is analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Grants	23.960,16	44.251,45
Revenue from rentals	2.325,00	6.990,00
Revenue from ancillary activities	40.001,13	18.690,00
Other extraordinary income	92.608,37	156.206,70
Profit from the sale of machinery	-	21.649,86
Gains on sale of tangible assets	9,99	-
Total	**158.904,65**	**247.788,01**

Other expenses are analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Tax fines and surcharges	204,80	1.127,11
Other Extraordinary expenses	95.265,82	5.712,05
Total	**95.265,82**	**5.712,05**

21 Financial results

Financial expenses are analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Interest expenses	218.410,25	216.153,54
Interest on the obligation (staff)	770,00	3.926,75
Interest on right of use assets	121.019,27	134.781,91
Total	**340.199,52**	**354.862,20**

The bank interest expenses derive from company's loans, from factoring agreements and from finance leases of fixed equipment.

Financial income is analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Interest received	7.180,76	220,55
Total	**7.180,76**	**220,55**

Other financial results include the effect of measuring participation in affiliated companies (VLACHOS BROS SA) in the income statement:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Measurement of investments in participations in other companies	176,55	(325.236,00)
Foreign exchange costs	(2.245,98)	1.942,09
Impairment of Goodwill	196.717,78	7.983,58
Total	**194.648,35**	**(315.310,33)**

The amount of Goodwill mainly includes the effect of measuring the value of Goodwill on the results of the fiscal year.

22 Income taxes

22.1 Current tax liabilities

Current tax liabilities are analyzed as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Tax on income payable	607.377,72	149.667,37
Credit VAT	77.123,09	104.979,94
Other Withholding taxes	195.795,79	203.226,66
Other taxes	-	108,83
Total	**880.296,60**	**457.982,80**

22.2 Deferred tax assets and liabilities

Deferred tax arising from temporary differences and tax losses recognized, is as follows:

Amounts are expressed in € '	31/12/2021		31/12/2020		31/12/2021	31/12/2020
	Assets	Liabilities	Assets	Liabilities	Income / (Expense)	Income / (Expense)
Intangible assets	(3.709,65)	3.709,65	(3.709,65)	3.709,65	-	0,00
Tangible assets	(104,67)	33.324,38	(104,67)	25.005,64	5.818,20	14.879,25
Inventory	-	-	-	-	-	-
Bad debt receivables	1.266,17	28.308,33	1.266,17	8.254,84	19.260,07	1.503,39
Defined benefit liability	30.813,29	(3.151,66)	30.813,29	-	(4.384,29)	4.588,45
Recognition of tax loss	(548,93)	548,93	(548,93)	-	548,93	-
Non-current assets held for sale	-	5.222,17	-	5.654,03	(431,86)	(78.056,64)
Impact of future tax rate changes		-	-	-	-	(998,69)
Total	**27.716,21**	**67.961,80**	**27.716,21**	**42.624,16**	**20.811,05**	**(58.084,24)**
Offseting	**67.961,80**	**(67.961,80)**	**42.624,16**	**(42.624,16)**	-	-
Deferred tax receivable / (payable)	**95.678,01**	**0,00**	**70.340,37**	**0,00**		
Tax on equity					**0,00**	**0,00**
Tax in other revenues					**0,00**	**0,00**
Tax presented in the statement of comprehensive income (n.22.3)					**20.811,05**	**(58.084,24)**

Deferred tax assets are recognized for tax losses carried forward to the extent possible the realization of related tax benefit through future taxable profits. For the calculation of deferred tax a 22% rate has been applied.

22.3 Income tax recognized in income statement

The tax which recognized in income statement was as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Tax for the year	(986.437,00)	(541.609,63)
Total	**(986.437,00)**	**(541.609,63)**
Deferred tax		
From temporary differences	22.480,19	(58.661,68)
From temporary differences to Other Comprehensive Income	(1.669,14)	577,44
Total	**20.811,05**	**(58.084,24)**
Grand total	**(965.625,95)**	**(599.693,87)**
Tax rate	**22%**	**24%**
Profit / (Loss) before tax	**3.453.489,79**	**2.316.246,25**
Tax based on tax rate (1)	**(759.768,00)**	**(555.899,00)**
Tax amounts are distributed among:		
Permanent differences on expenses	(21.659,09)	(20.322,33)
Non taxable revenues	-	12.763,52
Impact of Tax Rate change	(10.387,62)	-
Non recognised deferred Tax differences	(173.811,24)	(36.236,06)
Total (2)	**(205.857,95)**	**(43.794,87)**
Grand total (1+2)	**(965.625,95)**	**(599.693,87)**

23 Earnings per share

Earnings per share are calculated as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Profit / (loss) of the period	2.487.863,84	1.731.993,42
Weighted average of shares	3.953.090,00	3.953.090,00
Basic (€ / share)	**0,63**	**0,44**

Weighted average of shares outstanding have been calculated as follows:

Weighted average of shares outstanding	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Number of shares as at 1/1	3.953.090	3.953.090
Number of shares as at 31/12	3.953.090	3.953.090
Weighted average of shares outstanding	**3.953.090**	**3.953.090**

24 Dividends

Dividends to shareholders are proposed by Board of Directors at each year end and are subject to approval by the Annual General Meeting. During the fiscal year 2021, the Board of Directors proposed and the Ordinary General Meeting of 09/09/2021 also approved, the distribution of a dividend of € 632.494,40 i.e. € 0,16 per share.

25 Risk management policies

The Company's activities generate a variety of financial risks, including risks and interest rate, credit and liquidity risks. The overall risk management program of Company's movements focuses in financial markets and seeks to minimize potential adverse effects of these fluctuations on the financial performance of the Company.

The risk management policy is handled by the Finance Division in cooperation with other departments directly involved in the Company. Through this policy, the access is coordinate to domestic and international stock markets and managed the financial risks, associated with the activities of the Company. The Company does not perform speculative transactions or transactions is not related to trade, investment and lending activities of the Company.

The financial instruments used by the Company consist mainly of deposits in banks, transactions in foreign currency or current prices or commodity futures, bank overdrafts, accounts receivable and payable, loans to and from subsidiaries, investments in securities, dividends payable and obligations arising from financial leases.

25.1 Risk of changes in exchange rates

The Company's exposure to foreign exchange risk mainly arises from actual or anticipated cash flows in foreign currency (import / export). This risk is managed within approved policy.

The book values of assets and liabilities in foreign currency, included in the statement of financial position are:

Amounts in €	31/12/2021	31/12/2020
	USD	USD
Cash and cash equivalents	41.541,48	41.541,48
Total	**41.541,48**	**41.541,48**

Currency risk that Company facing stems from the exchange rates of USD.

In table that follows, present the sensitivity of the results and equity of the Company, in a variation of 10% of these exchange rates. This change is the best estimate of the administration in changing of the above rates.

		% Change in exchange rate	Effect in profits	Effect in equity
Year 2021	**USD**	10%	3.667,80	2.604,14
		-10%	-3.667,80	(2.604,14)
Year 2020	**USD**	10%	3.385,34	2.403,59
		-10%	-3.385,34	(2.403,59)

The sensitivity analysis includes only the balances of assets and liabilities at the date of financial statements and adjust the rest been measured at +/-10%

25.2 Risk of changes in interest rates

The operating results and cash flows from operating activities of the Company are sensitive to fluctuations in interest rates.

Exposure to interest rate risk on liabilities and investments is monitored on a proactive basis. The finance Company has been formed in accordance with a predetermined combination of fixed and floating interest rates to mitigate the risk of changing interest rates. The financial management forms the index fixed-floating rate net debt of the Company according to market conditions, strategy and financial needs. It can also be used occasionally, interest rate derivatives, only as a means to mitigate this risk and to change the above combination of stable - fluctuating interest rates, if necessary. In 2021, the Company has not used any interest rate derivatives.

Company policy is to constantly monitor the trends in interest rates and term financial needs. Thus, decisions about the course and the relationship between fixed and variable costs of a new loan for each individual case. Therefore, all short term borrowings are at floating rates. The medium-term loans have been either fixed or floating rates.

The sensitivity analysis presented in the following table include all financial instruments affected by interest rate changes based on the assumption that the balance of these financial instruments at the end of the period remained unchanged throughout the period of use.

The sensitivity to interest rate risk has been identified in a 0.5% change in interest rates, which is the best estimate of management for the possible change.

Year	Interest	Borrowings with floating interest rate	% Change in interest rate	Effect in profits	Effets in Equity
Year 2021	Euribor	4.715.029,16	0,50%	23.575,15	16.738,35
			-0,50%	(23.575,15)	(16.738,35)
Year 2020	Euribor	4.673.840,48	0,50%	23.369,20	16.592,13
			-0,50%	(23.369,20)	(16.592,13)

25.3 Credit Risk Analysis

The Company has no significant credit risk. Receivables from customers mainly come from a broad customer base. The financial situation of clients is constantly monitored by the Company.

Where necessary, additional insurance coverage as a credit guarantee. Special computer application controls the size of the provision of credit and the credit limits of accounts. For specific credit risk provisions made for possible impairment losses. At year end, the administration found that there is no significant credit risk, which is not already covered by insurance as credit guarantee or doubtful debt provision.

Potential credit risk exists in cash and cash equivalents and investments. In these cases, the risk may arise from failure of counterparty to meet its obligations to the Company. To minimize this credit risk, the Company deals only with recognized financial institutions of high credit rating.

The Company's maximum exposure to credit risk is as follows:

Amounts in €	31/12/2021	31/12/2020
Investments in shareholdings	618.273,75	618.450,30
Trade and other receivables	4.074.448,87	2.808.548,02
Other non current assets	102.836,48	98.376,92
Cash and cash equivalents	4.419.628,07	1.906.336,85
Total	**9.215.187,17**	**5.431.712,09**

The commercial risk which is associated with the concentration of turnover in a small number of clients, is addressed through the effort of the company's management to expand its customer list and to develop its activities to new markets.

25.4 Liquidity risk analysis

Prudent liquidity management is achieved by an appropriate mix of cash and bank credit.

The Company manages the risks that may arise from lack of adequate liquidity by ensuring that there is always secured bank credit to use. The existing available bank loans approved in the Company are sufficient to meet any potential shortfall in cash.

The following table summarizes the maturity profile of financial liabilities of the Company shown in the balance sheet at discounted prices, based on its payments under the relevant loan contracts or agreements with suppliers.

Financial Liabilities as at 31/12/2021

Amounts in €	up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	2.676.501,96	0,00	5.569,98	-	2.682.071,94
Borrowings	29,16	940.000,00	3.775.000,00	-	4.715.029,16
Finance lease labilities	383.592,88	437.302,13	2.839.934,65	925.144,77	4.585.974,43
Total	**3.060.124,00**	**1.377.302,13**	**6.620.504,63**	**925.144,77**	**11.983.075,53**

Financial Liabilities as at 31/12/2020

Amounts in €	up to 6 months	6 months to 1 year	1 to 5 years	Over 5 years	Total
Trade and other payables	1.539.423,68	88,04	0,00	-	1.539.511,72
Borrowings	2.535.287,23	492.500,65	1.646.052,60	-	4.673.840,48
Finance lease labilities	236.168,99	567.036,25	4.602.409,44	-	5.405.614,68
Total	**4.310.879,90**	**1.059.624,94**	**6.248.462,04**	**0,00**	**11.618.966,88**

These tables reflect the repayment of existing liabilities of the Company the date of financial statements, in accordance with relevant agreements with the contractors. The amounts reported on the interest and capital repayment. For interest-bearing liabilities with floating interest rate was used the last compounding rate used.

26 Policies and procedures for capital management

The Company manages its capital to ensure smooth operation, while ensuring an adequate return to shareholders through the optimization of the relationship between foreign and equity.

The Company monitors capital using the ratio of net total liabilities (total liabilities minus cash) to equity.

Amounts in €	31/12/2021	31/12/2020
Total net liabilities	9.256.197,37	11.001.217,70
Shareholders' equity (sharoholders of the parent)	8.433.606,99	6.573.710,96
Total Debt / Equity	**1,10**	**1,67**

The Board of Directors periodically examines the capital structure of the Company and takes into account the cost of capital and the risks associated with it to determine the follow up strategy to follow.

27 Transactions and balances with related parties

27.1 Balances with related parties

There are no balances with related parties from commercial activity.

27.2 Compensation to key management personnel

The benefits to key management Company and company are as follows:

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Salaries and other compensation to key management personnel	970.350,51	512.999,23
Compensation to BoD memebers approoved by the General Meeting	69.770,88	182.537,90
Total	**1.040.121,39**	**695.537,13**

27.3 Receivables and payables to key management personnel

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Loans to related parties	-	-
Total	**0,00**	**0,00**

Amounts in €	1/1/2021 - 31/12/2021	1/1/2020 - 31/12/2020
Salaries and other compensation (liability)	12.513,34	-
Compensation to BoD members approved by the General Meeting (liability)	-	-
Total	**12.513,34**	**0,00**

28 Liens on the property and pledges

To secure the bank loans between the company and the Bondholders ,the Company has set up a pledge:

o On raw materials owned by the company, at least equal to EUR 1.000.000 throughout the duration of the loan,

- On equipment owned by the company, worth at least 927.000,00 Euros, namely on the following and, finally,
- On the receivables of the Company of the policyholders of these stocks and machinery.

No liens and guarantees granted to secure the obligations of the Company to its creditors

29 Contingent assets and liabilities

29.1 Contingent Liabilities

29.1.1 Litigations

There are no pending cases that may have a significant impact on the financial statements of the Company.

29.1.2 Tax audits

The Company has been audited for the years 2011 until 2013, in certificates of tax compliance, with an unqualified opinion in accordance with Article 82 par.5 of Law 2238/1994. For the years 2014 until 2020, the company has been audited by its statutory auditors, in certificate of tax compliance, with an unqualified opinion, in accordance with the provisions of the Article 65A of Law 4174/2013.

For the year 2021, the tax audit is in progress and the relevant tax certificate to be granted after the publication of the financial statements year 2021. Upon the completion of the audit, the company's management does not expect any significant liabilities, other than those already recorded and disclosed in the financial statements.

29.2 Contingent Assets

There are requirements that are not shown in the Financial Statements or should be disclosed otherwise.

30 Audit fees

The total fees charged during the fiscal year 2021, by the statutory audit firm are as follows:

Type of fees (amounts in €’)	
Fees for statutory audit of financial Statements	20.000,00
Fees for other audit procedures	13.000,00
Total	**33.000,00**

31 Subsequent events

The company is not directly exposed to the effects of the war that outbroke between Russia and Ukraine. Management is aiming to limit as much as possible the negative effects of this war that affects directly the costs of raw materials, energy as well as transportation costs, etc. There are no other significant events, subsequent to December 31, 2021, which should be publicized or could differentiate the items of the published financial statements.

Kifissia, 20/06/2022

President and CEO	Member of the Board	Chief Financial Officer
Petros Sakkas	**Ioannis Tsoukaridis**	**Nikolaos Zetos**
ID No. AO 169266	**ID No. AM 644642**	**ID No. AE 519511**