MACEDONIAN THRACE BREWERY S.A.

ANNUAL FINANCIAL REPORT FOR THE FINANCIAL YEAR

From January 1st to December 31st 2023

under the Greek Accounting Standards

(according to the provisions of Law 4308/2014 as effective)

Registered Office: Industrial Area of Komotini, GR-69100

Companies Reg. No. 35100/67/B/96/003

G.E.MI. No. 014029110000

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ANNUAL BOARD OF DIRECTORS' REPORT

Dear Shareholders,

Pursuant to articles 150 of Law 4548/2018, we hereby submit for approval of the Annual General Meeting the accompanying financial statements of the Company and the Management Report for the year ended 31/12/2023.

The current report briefly describes financial information about the Company's financial position and results, the significant events occurred during the closing year, information about the main risks and uncertainties, information about management of significant financial risks faced by the Company as well as data and estimates in respect of the course of the Company's operations for the next fiscal year.

The financial statements have been prepared in compliance with the Greek Accounting Standards (GAAP) under Law 4308/2014. All items in the balance sheet and the income statement in this period are recognized on an accrual basis. The Company belongs to the category of "Medium-sized" entities under Law 4308/2014.

1. Introduction (Registered Offices - Branches - Objective – Scope of Operations)

MACEDONIAN THRACE BREWERY S.A. – hereafter referred to as "MTB S.A. or Company" under the discreet title "MACEDONIAN THRACE BREWERY S.A." - is domiciled in the Industrial Area of Komotini on a privately owned property. The Company has a branch in privately owned properties in the Industrial Area of Sindos, Thessaloniki and a branch in Pallini, Attica.

The Company's objective is preparation, production, processing and marketing of malt and beer products, aromatic plants and herbs in any form (liquid or solid), production and marketing of water, all kinds of soft drinks, beverages and similar products, of various qualities and in any packaging, production and marketing of all kinds of packaging items Brewery, Distillery. The Company mainly carries out wholesale sales in Greece and abroad.

2. External environment

At the present time there are reasonable concerns regarding the course of the global economy due to the many uncertainties surrounding the European and global economy, particularly with regard to strong inflationary pressures, which have prompted central banks to raise interest rates and exercise restrictive monetary policy.

In the year 2023, the recovery of the Greek economy continued, as the G.P.D. of the country increased by 2% compared to the year 2022. This increase is mainly due to the increase in consumer spending, but also to the increase in exports, which balanced the increase in imports. As in 2022, growth drivers were the performance of tourism and the hospitality sector in general, the increase in exports of goods, the increase in disposable income and the strengthening of private consumer spending. However, the significant increase in private consumption is due to the significant increase in the prices of goods, due to the increase in production costs.

With regard to the brewing sector in which the Company operates, 2023 was a year of continued increase in consumption volume compared to previous years. The increase came as a result from this years increased tourism in Greece, which is one of the main factors shaping the sales of the sector's traditional trade.

For the year 2024, the sector's growth prospects are favorable, as production costs have stabilized and sales rates are expected to be positive. Another positive element is that this year a reduction in the Euribor interest rate is expected after successive interest rate increases by the European Central Bank in previous years.

The Company's Management constantly monitors, evaluates and analyzes the economic and social changes and also based on the predicted short-term and long-term market conditions, is able to maintain a high level of adaptability and with coordinated movements to propose the mechanisms that will ensure its basic financial figures and the implementation of its business plans.

3. Key accounting policies

The Management is responsible for the preparation and fair presentation of these financial statements, as well as for monitoring internal controls determined as necessary to enable the preparation of financial statements free from material misstatement, whether due to fraud or error.

The following key accounting policies were applied under the preparation of the Balance Sheet and the Income Statement of the financial year from 01/01/2023 to 31/12/2023:

1. Valuation of property, plant and equipment and their depreciation: Tangible fixed assets have been valued at their acquisition value (historical cost). Depreciation of these financial statements was carried out under straight-line method with rates selected by the Company's Management based on the useful economic life of the asset.

    - Useful economic life of buildings was set at 25 years.
    - Useful economic life of machinery was set at 10 years.
    - Useful economic life of transportation means was set at 6,25 to 8,33 years.
    - Useful economic life of PCs was set at 5 years.
    - Useful economic life of other tangible assets was set at 10 years.

2. Criteria for classification of assets and liabilities into short-term and long-term: Liabilities, whose maturity at the closing date of the Balance Sheet is longer than one year, have been classified as long-term, while all the others have been classified as short-term.

4. Risk management and financial instruments

The Company is exposed to various financial risks such as market risk, credit risk and liquidity risk. The Company's risk management plan aims to reduce the adverse impact on the Company's financial results arising from the inability to make accurate provisions for the financial markets and fluctuations in cost and sales variables.

Risk management is implemented by a central cash management department, whose policies are approved by the Board of Directors. The cash management department recognizes, measures and hedges financial risks in close cooperation with the other operating departments of the Company. The Board of Directors sets principles for overall risk management as well as policies that cover specific risks, such as foreign exchange risk, interest rate risk, credit risk, using mainly non-financial instruments and excess liquidity investments.

The Company's financial instruments consist mainly of bank deposits, bank borrowing, trade debtors and creditors.

a. Market risks

(i) Price fluctuation risk in raw materials

The Company is exposed to changes in the value of raw materials, packaging materials and consumables that it processes in its production. In particular, the volatility of the price of oil products, aluminium and other raw materials, as well as fuel and energy, could adversely affect the Company's results.

To mitigate this risk as much as possible, the Company's Management closely monitors the development of prices in these materials and tries to secure agreements in periods of price recession. Moreover, it maintains a wide network of suppliers, to ensure it can purchase raw materials at the most economical price based on offers, while it also seeks signing long-term cooperation agreements to limit potentially adverse fluctuations in the acquisition costs of these materials.

(ii) Interest rate risk

The Company's interest rate risk is increased due to long-term loan liabilities. These liabilities may be subject to variable interest rates and expose the company to interest rate risk, which is largely offset by the Company's policy of issuing long-term loans with interest rates including only the floating part of Euribor, which is the minimum part of the total interest rate.

The Company systematically analyzes the interest rate exposure on a dynamic basis that simulates a variety of scenarios taking into account refinancing and renewals of existing positions. Based on these scenarios, the Management calculates the main interest-bearing positions of the Company, the effect on the result of a certain interest rate change.

(iii) Foreign Exchange risk

The Company is exposed to foreign exchange risk arising from future commercial transactions and from identified Assets and Liabilities. The Company does not have significant Assets and Liabilities in a currency other than Euro and, therefore, there is no substantial foreign exchange risk arising from these items. Regarding the future commercial transactions carried out in a foreign currency, the Company has adopted the policy of performing transactions with advance settlement in order to limit the foreign exchange differences.

b. Credit risk

Credit risk arises from credit exposures to customers, including significant receivables and transactions, and is the risk of delayed or impossible collections of receivables.

Potential credit risk is included in both cash and cash equivalents. In these cases, the risk may arise from the inability of the counterparty to meet its obligations to the Company. In order to minimize this credit risk, the Company, within the framework of policies approved by the Board of Directors, sets limits on the amount to be exposed to each separate Financial Institution.

The main credit risk is related to the possibility of the Company's customers failing to meet their financial obligations. The prolonged recession burdening the Greek Economy, in combination with the lack of liquidity observed in the market, pose a particularly high risk of generating losses arising from the inability of customers to meet their financial obligations to the Company. However, the Management considers that the Company does not have a significant concentration of credit risk, since due to significant dispersion of receivables, there is no significant revenue arising from a single customer, the wholesale sales that cover most of the sales are mainly to customers with reduced degree of uncertainty, and the retail sales are collected in cash. Moreover, the Company’s credit control department has put in place strict criteria for accepting customers and where necessary, additional insurance coverage is requested as a guarantee of the provided credit.

On 31/12/2023, no customer exceeds 10% of sales and therefore the credit risk is distributed to a large number of customers.

In addition, the Company's Management monitors on an ongoing basis collectability of its receivables and takes all the necessary measures where required.

c. <u>Liquidity risk</u>

Liquidity risk is defined as the Company’s potential inability to repay in full or on time its current and future liabilities. In particular, the Company finances its operating and investing activities with funds arising from its own cash and cash equivalents as well as from Bank loan agreements, excluding until today singing financial agreements for assignment of receivables.

According to the debt ratio of short-term liabilities to current assets, the Company's liquidity is at satisfactory levels. In addition, the Management monitors the rolling forecasts of the Company's needs for liquidity in order to ensure, on a permanent basis, the existence of the necessary liquidity for its operating needs, while maintaining the necessary margin in the unused loan financing (plafon), so that the existing available unused approved Bank credits could be sufficient to address any potentially arising cash shortages.

The Company invests potentially arising excess liquidity in interest-bearing current accounts, or if there is a need for time deposits, choosing financial instruments with the appropriate term or sufficient liquidity to provide sufficient liquidity margin as determined by the aforementioned provisions.

As at 31/12/2023 the Company held liquidity in current Bank accounts amounting to € 1.427.811,20 against € 2.650.079,25 at 31/12/2022.

d. <u>Inventory risk</u>

The Company takes all the necessary measures (insurance, security) to minimize the risk and potential losses arising from loss of inventory from natural disasters, theft and other malicious actions.

e. <u>Capital risk management</u>

The Management’s objective, when managing the Company's capital, is to secure the Going concern, bring profits to Shareholders and benefits to employees as well as to maintain a capital structure that will achieve a reduction in capital costs.

In order to maintain or restructure the capital structure, the Company implements policies on a case-by-case basis, through which it increases or decreases the dividends and capital attributed to the Shareholders, issues new shares or sells assets to reduce any excess debts.

Capital is reviewed based on a leverage ratio. The ratio is calculated as the net debt divided by the total capital. Net debt is calculated as total borrowing less cash and cash equivalents while the total capital is accounted for as equity in the statement of financial position plus net debt.

	31/12/2023	*31/12/2022*
Total Debt	5.912.358	3.922.188
Less: Cash and cash equivalents	(1.427.811)	(2.650.079)
Net Debt	**4.484.547**	**1.272.109**
Total Equity	17.519.139	14.854.656
Total capital	22.003.686	16.126.765
Leverage ratio	**20,38%**	**7,89%**

f. Macroeconomic environment risk

Developments during the year 2023 due to the pandemic occurred, keep the macroeconomic and financial domestic environment highly volatile. Numerous decisions and actions of the institutions directly affect financial stability. The Company Management constantly evaluates the conditions and possible effects, in order to secure the going concern.

5. Results for the current year

Net sales revenue stood at € 30.609.506,27 compared to € 26.191.098,34 in the previous fiscal year, recording an increase of 16,9%. The increase in turnover observed, is mainly due to the increased sales volume of beer in the current year.

Gross profit for the year amounted to € 10.336.564,09, i.e. a percentage of 33,8% on turnover and there was an increase compared to the previous year by 5.6%, which is mainly due to the reduced production costs of finished products.

The results of the closing year are positive and significantly improved compared to the previous year. They amounted to profits before taxes of 3.361.805 €, against 804.310 € in the previous fiscal year.

Profitability ratios are as follow:

	1/1 - 31/12/2023	*1/1 - 31/12/2022*
Gross profit margin	33,77%	28,19%
EBITDA margin	17,68%	10,04%
EBIT margin	11,92%	3,52%
Profit before Tax margin	10,98%	3,07%
Profit after Tax margin	8,71%	3,07%
% operating expenses on sales	52,37%	59,64%

Performance ratios are as follow:

	1/1 - 31/12/2023	1/1 - 31/12/2022
Return on capital employed	12,71%	4,42%
Return on equity	17,94%	5,72%

6. Assets, equity, loans, liabilities

The Company's financial position during the closing year is considered highly satisfactory. We are presenting below the representative financial ratios for the year ended as well as the previous year, through which the Management monitors the Company's efficiency and liquidity.

Total assets amounted to € 28.853.977, compared to € 23.826.136 in the previous year. The Company during the year made significant investments. Changes in the Company's fixed assets during the year are analytically presented in Note 5 of the accompanying Notes and briefly in the following table:

ACQUISITION OF ASSETS IN 2023	
Prim. Gen. Acc. – DESCRIPTION	**Total**
10 – LAND	0,00
11 – BUILDINGS	41.484,84
12 – MECHANICAL EQUIPMENT	268.028,57
13 – VEHICLES	85.825,00
14 – FURNITURE AND OTHER EQUIPMENT	499.327,12
15 – ASSETS UNDER CONSTRUCTION	1.772.304,13
16 – INTANGIBLE ASSETS	20.005,17
Total	**2.686.974,83**

Liquidity ratios are as follow:

	31/12/2023	31/12/2022
Current ratio	1,08	1,40
Acid-test ratio	0,59	0,83
Cash ratio	0,14	0,33
Working capital	853.865	3.274.850

Operating ratios are as follow:

	1/1 - 31/12/2023	1/1 - 31/12/2022
Receivables Turnover	7,37	7,59
Inventory Turnover	4,18	4,17

Average Receivables Collection Period (in days)	50	48
Average Inventory Liquidation Period (in days)	87	87

Capital structure ratios are as follow:

	31/12/2023	*31/12/2022*
Equity to Debt	1,55	1,66
Equity to Total Capital	0,61	0,62

7. Share Capital

The Company's share capital amounts to € 4.562.878 divided into 258.520 common anonymous voting shares, with a nominal value of seventeen Euro and sixty-five cents (€ 17,65) each.

8. Dividend Policy

According to the provisions of the Greek commercial law, every year the companies are obliged to distribute first dividend corresponding to minimum 35% of the profits after taxes following the formation of the statutory reserve. Non-distribution of dividend prerequisites the approval of 70% of the paid-up Company's share capital.

Moreover, Greek commercial law requires the existence of specific conditions for the distribution of dividends, which are as follow:

a) Distribution of dividend to Shareholders is prohibited if the Company's Equity as it appears in the statement of financial position after this distribution, is less than the Equity increased by the non-distributed reserves.

b) The amount of dividend distribution to the Shareholders shall not exceed the amount of the results of the last closing year (decreased by the amount of the credit items in the income statement that do not constitute realized profits), plus earnings arising from previous years and reserves for which their distribution is allowed and decided by the General Meeting of Shareholders, decreased by the amount of losses of previous years and the amounts that must be allocated for the formation of reserves in accordance with the law and the articles of association.

The Company's Board of Directors decided to propose to the Regular General Meeting of Shareholders, non-distribution of dividends to the Shareholders.

9. Non-financial information

The Company seeks to grow through the ongoing effort to expand and improve its products and services, in a responsible way, contributing to the well-being of its people, caring for the environment and supporting the local community where it operates.

The principles of sustainable development are a guide in the formulation of the Company's business strategy, which is implemented on the basis of economic growth, employees well - being, environmental responsibility and social sensitivity.

The Company's key principle is generating high quality products and services and protecting consumer health.

Quality and safety of the products is a key responsibility of the Top Management and is the result of good cooperation and teamwork of all the staff.

Responsibility for our people

The Company employed an average of 137 employees in the closing year, compared to 132 in the previous year.

The saying "Our people are our assets" clearly reflects the modern face of the Company. Our most significant asset is the people who have worked and are working for so many years to achieve our corporate objectives.

The Company takes care of the development of people at a professional and personal level, while it has integrated responsible labour practices in the way it manages labour issues. The working environment is characterized by meritocracy and provision of equal opportunities to all the employees.

According to the Company's policy, no discrimination of any kind is accepted on the basis of gender or other characteristics. Social or ethnic background, political or religious beliefs, age, sexual orientation, physical ability and gender are not criteria for evaluating employees, but an opportunity for new innovations and better results.

In addition, the Company is committed to maintaining a healthy and safe working environment and implements actions to eliminate the conditions that could lead to an incident. In this context, the Company employs a safety technician, who - in collaboration with the Management and the employees - ensures safety in the workplace.

Maintaining a safe working environment requires ongoing cooperation of all the employees, and, in this context, the Company significantly invests in constant provision of information and training in health and safety issues.

Finally, the Company is certified with a Quality Management System according to the FSSC 22000 standard, an Integrated Agricultural Production Management System AGRO 2.1-2.2. as well as QM CERT Organic Production Process. Within the framework of this certification, the Company informs and inspects the staff, provides appropriate clothing and, generally, takes care of sound observance of the hygiene rules.

Care for the environment

The Company recognizes the importance of its contribution to the effort aimed at combating climate change, and therefore makes everything possible to protect the environment.

The Company mainly uses "natural gas", whose consumption does not burden the environment.

In 2023, a big step to save energy and respect the environment was made by the Company at the factory in the Industrial Area of Komotini as photovoltaic panels were installed on the entire roof of the factory so that from January 13, 2023, 30% of the electricity consumed by the factory for all its needs now come from renewable energy sources (RES), dramatically reducing the financial cost of operation in the midst of an energy crisis.

The implementation of the Integrated Agricultural Production Management System AGRO 2.1-2.2. as well as the Organic production process reduces to a minimum the environmental burden of the production of barley and iron ore raw material.

The Company’s production procedure entails waste and residues, which are not included among the potentially hazardous waste, as they are determined based on the decision 2001/118 /EC. (EEL 47/2001). Waste management is carried out responsibly in cooperation with licensed collaborators and always in accordance with the provisions of applicable legislation. Analytically, waste arising during the production procedure is as follow:

- Raw unpacking material.
- Other material (soil and stones).
- Loss of raw material during the production procedure.
- Municipal waste from staff.

It is indicative of non-pollution of the environment and its non-burden during the Company's operations, that according to legislation, sampling and analysis of waste are not required. Also, part of the waste (paper packaging, cartons, etc.) is received by a specialized recycling company.

In addition, the Company submits annual statements to the "Hellenic Recycling Organization" (EON) and participates in the National Rewarding Packaging Recycling System. Finally, the Company operates a biological treatment plant, which meets all the legal requirements, carrying out regular sampling checks.

Care for the society

The Company develops programs and implements actions to support the local community, the health sector and our country's national security.

10. Significant events taking place in the closing year and their effects on the financial statements.

- On 13.01.2023, the installation of photovoltaic panels on the entire roof of the factory was completed at the Company's factory in the Industrial Area of Komotini and now 30% of the electricity consumed by the factory for all its needs now comes from renewable energy sources (RES).

Apart from the aforementioned events, no other significant event occurred during the year, whose effect has not been included in the accompanying Financial Statements and which may have a significant effect on the operations and the Company's financial position.

11. Prospects for the current year

The Company's Management maintains a positive attitude regarding the situation and developments in the financial environment. For the year 2024, the sector's growth prospects are favorable, as production costs have stabilized and sales rates are expected to be positive.

At the same time, despite the ongoing adverse effects of the non-operating of free competition, arising from the distortion of the Greek beer market caused by the long-term and systematic abuse of a dominant position of subsidiary's Heineken (Athenian Brewery) in Greece, despite the general unfavorable economic and social climate and the not so favorable macroeconomic provisions regarding the future levels of demand, the Management believes that it will achieve its objectives, through expansion and diversification of our product range, our sound management policy and especially through further improving services to its customers and the immediate and effective response to their needs. Therefore, the Company will continue to be active in the production and marketing of beer, malt products and production of aromatic plant infusions as it has done so far and in combination with the shift of the consumers to Greek products in recent years, expects a positive impact in this direction through expanding market share.

Based on the current data and the experience gained by the Management team in managing the risks and the Management's assessment is that in the year 2024 an increase in total sales and profitability will be achieved.

At the same time, the Company is proceeding with a new round of investments with the construction of a new brewing unit (brewery). The aim is to complete the construction part of the investment within the first half of 2024 and to carry out functionality tests in the third quarter of 2024 and final delivery in the last quarter of 2024. With the completion of the investment, the total capacity of the production unit will increase significantly, so that meet the increased needs of the domestic market, as well as the further development of foreign markets.

12. Significant events taking place from the end of the year until the approval date of the BoD Report

On 04.06.2024 with No. 154 of the minutes of the meeting of the Committee of Verifications/Certifications of the EFEPAE branch of Eastern Macedonia Thrace, the certification of the implementation of 100% of the physical and economic object of the investment plan of the company which was included in the program "Enhancement for the modernization-upgrade of existing businesses, as a priority in areas of the Regional Strategy of Smart Specialization (Action 3d.5-6.1)" of the Region of Eastern Macedonia and Thrace. Based on the decision, the payment of a total amount of 348.566,33 euros was approved.

In addition to the above, no significant events took place from the end of the closing year until the day of preparation of this report, that should have been reported in this report and the whole course of the Company's operations is sound. In particular:

- **Losses, which require adjustment of balance sheet items.**
  No such events.
- **Losses, which do not require adjustment of the balance sheet items but should be disclosed.**
  No such events.
- **Events indicating that the Company is facing a problem regarding its going concern.**
  No such events.
- **Contingent loss-bearing events expected to occur at the time of submission of the Report.**
  No such events.

In conclusion, after several years of successful presence in the market and having acquired a remarkable reputation in the field, the Company addresses the challenges of the future with optimism and in accordance with the expectations of its customers, staff and shareholders.

In view of the above, dear Shareholders, you are kindly requested to approve the Financial Statements and release the Board of Directors and the Certified Public Auditors from any liability for compensation.

Komotini, 5 August 2024

The Chair
of the BoD

Theodora Katsikoudi
ID Num: AM 904540

GrantThornton

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of MACEDONIAN THRACE BREWERY S.A.

Report on the Audit of Financial Statements

Opinion

We have audited the accompanying financial statements of MACEDONIAN THRACE BREWERY S.A. ("the Company"), which comprise the statement of financial position as at December 31, 2023, the income statement and the statement of changes in equity for the year then ended and notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at 31 December 2023 and its financial performance for the year then ended in accordance with the provisions of Law 4308/2014 as currently effective.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as they have been incorporated into the Greek Legislation. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company throughout our appointment, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code), as incorporated into the Greek Legislation and the ethical requirements relevant to the audit of financial statements in Greece and we have fulfilled our other ethical responsibilities in accordance with the requirements of the current legislation and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's Responsibilities for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the provisions of Law 4308/2014 as currently effective and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation or has no other realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole, are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs, as incorporated into the Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to affect the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, as incorporated into the Greek Legislation, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate to management, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

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

a) In our opinion, the Board of Directors' Report has been prepared in compliance with the applicable legal requirements of Article 150, Law 4548/2018, and its content is consistent with the accompanying financial statements for the year ended as at 31.12.2023.

b) Based on the knowledge we acquired during our audit of "MACEDONIAN THRACE BREWERY S.A." and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Thessaloniki, 6 August 2024

The Certified Public Accountant

Andreas Sofis

I.C.P.A. Reg. No 47771

GrantThornton

Chartered Accountants Management Consultants
56, Zefirou str., 175 64 Palaio Faliro, Greece
Registry Number SOEL 127

STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

(Amounts in Euro)

	Note	31/12/2023	31/12/2012
Non Current Assets			
Tangible assets			
Land - Buildings	5	6.445.940,38	6.296.971,59
Machinery	5	3.308.280,83	3.573.563,69
Other equipment	5	1.867.696,14	1.784.322,02
Total		11.621.917,35	11.654.857,30
Intangible assets			
Computer Software	5	97.751,61	112.917,37
Other Intangible Assets	5	19.661,53	23.439,54
Total		117.413,14	136.356,91
Assets under construction and prepayments for non-current assets	5	5.848.662,93	507.232,33
Financial assets			
Loans and receivables	7	76.498,14	76.498,14
Other	7	36.646,32	30.411,81
Total		113.144,46	106.909,95
Total non-current assets		**17.701.137,88**	**12.405.356,49**
Current assets			
Inventories			
Finished and WIP products		2.382.930,79	2.441.827,33
Merchandise		61.861,61	47.688,09
Raw materials and consumables		2.237.542,35	1.790.427,17
Other inventories		576.926,88	686.216,79
Prepayments for inventories		0,00	1.711,20
Provision for inventory obsolescence		(214.928,68)	(314.928,68)
Total		5.044.332,95	4.652.941,90
Financial assets and prepayments			
Trade receivables	8	4.263.699,90	4.039.186,20
Other receivable	9	366.139,67	39.368,33
Prepaid expenses		50.855,03	39.203,86
Cash and cash equivalents	10	1.427.811,20	2.650.079,25
Total		6.108.505,80	6.767.837,64
Total current assets		**11.152.838,75**	**11.420.779,54**
TOTAL ASSETS		**28.853.976,63**	**23.826.136,03**

The accompanying Notes constitute an integral part of the annual financial statements.

		Note	31/12/2023	31/12/2022
Equity				
Paid-up capital				
Share capital		11	4.562.878,00	4.562.878,00
Own shares		11	(413.764,92)	(413.764,92)
	Total		4.149.113,08	4.149.113,08
Reserves and retained earnings				
Statutory reserve		11	6.203.875,94	6.070.642,78
Tax-free reserves		11	4.688.868,45	4.461.873,15
Retained earnings		11	2.477.281,45	173.026,66
	Total		13.370.025,84	10.705.542,59
Total equity			**17.519.138,92**	**14.854.655,67**
Provisions				
Employee benefits provisions		12	157.901,54	119.877,27
	Total		157.901,54	119.877,27
Non-Current Liabilities				
Long-term bank loans		13	592.586,31	394.736,82
Other long-term liabilities		14	189.951,03	224.487,63
Government grants			95.424,67	86.448,60
	Total		877.962,01	705.673,05
Current liabilities				
Short-term bank loans		13	5.023.479,80	3.000.000,00
Current portion of long-term debt		13	296.292,00	527.451,58
Trade payables		15	1.557.370,09	1.537.842,23
Income tax payable			762.197,91	6.822,60
Other taxes and duties		17	337.987,04	383.354,56
Social security obligations		17	202.571,17	152.629,80
Other payables		16	1.696.523,69	2.145.399,47
Accrued liabilities		18	422.552,46	392.429,80
	Total		10.298.974,16	8.145.930,04
Total liabilities			**11.176.936,17**	**8.851.603,09**
TOTAL EQUITY AND LIABILITIES			**28.853.976,63**	**23.826.136,03**

The accompanying Notes constitute an integral part of the annual financial statements.

STATEMENT OF PROFIT OR LOSS

(Amounts in Euro)

	Note	1/1 - 31/12/2023	1/1 - 31/12/2022
Sales Revenue	19	30.609.506,27	26.191.098,34
Cost of sales	20,22	(20.272.942,18)	(18.808.883,81)
Gross profit/(loss)		**10.336.564,09**	**7.382.214,53**
Other operating income	21	492.889,44	359.098,48
Administrative expenses	22	(1.890.569,28)	(1.978.640,09)
Selling& Distribution expenses	22	(5.267.081,40)	(4.789.100,49)
Other operating expenses and losses	23	(147.609,05)	(201.915,13)
Other income and gains	24	129.134,55	81.094,48
Profit and loss from disposal of non-current assets		(3.652,83)	70.021,98
Profit/(loss) before interest and tax (EBIT)		**3.649.675,52**	**922.773,76**
Finance income		0,00	0,00
Finance expenses		(287.870,45)	(118.463,77)
Profit/(loss) before tax		**3.361.805,07**	**804.309,99**
Income tax expense	25	(697.141,82)	0,00
Profit/(loss) for the year after tax		**2.664.663,25**	**804.309,99**
		(1.790.302,65)	(1.729.007,42)
Depreciation and amortization for the year		27.430,28	23.472,87
EBITDA		**5.412.547,89**	**2.628.308,31**

The accompanying Notes constitute an integral part of the annual financial statements.

STATEMENT OF CHANGES IN EQUITY

(Amounts in Euro)

	Share Capital	Own shares	Legal or Statutory reserves	Tax-exempted reserves	Retained earnings	Total
Balance at 31/12/2021	4.126.040,50	(413.764,92)	6.030.427,28	4.070.291,15	237.788,52	14.050.782,52
Share capital increase	436.837,50	0,00	0,00	0,00	(437.274,34)	(436,84)
Reserve formation	0,00	0,00	40.215,50	391.582,00	(431.797,50)	0,00
Profit/(loss) for the period	0,00	0,00	0,00	0,00	804.309,99	804.309,99
Balance at 31/12/2022	4.562.878,00	(413.764,92)	6.070.642,78	4.461.873,15	173.026,66	14.854.655,67
Share capital increase	0,00	0,00	0,00	0,00	0,00	0,00
Reserve formation	0,00	0,00	133.233,16	226.995,30	(360.228,46)	0,00
Profit/(loss) for the period	0,00	0,00	0,00	0,00	2.664.663,25	2.664.663,25
Other changes	0,00	0,00	0,00	0,00	(180,00)	(180,00)
Balance at 31/12/2023	4.562.878,00	(413.764,92)	6.203.875,94	4.688.868,45	2.477.281,45	17.519.138,92

The accompanying Notes constitute an integral part of the annual financial statements.

NOTES TO THE FINANCIAL STATEMENTS
AS AT 31/12/2023
(according to the provisions of Article 29, Law 4308/2014 as effective)
MACEDONIAN THRACE BREWERY S.A.
("the Company")

1 Information about the Company (29§3)

Address: Industrial Area of Komotini, GR-69100 Komotini

General Commercial Registry (G.E.MI.): 014029110000

Entity Category: Medium-sized

	1/1 - 31/12/2023	*1/1 - 31/12/2022*
Sales revenue	30.609.506,27	26.191.098,34
Total assets	28.853.976,63	23.826.136,03
Average headcount	137	132

Reporting Period: From 1/1/2023 to 31/12/2023

The Company has prepared its financial statements for the closing year based on the going concern basis and in accordance with the provisions of Law 4308/2014.

All amounts, in the financial statements, as well as in the corresponding notes, are expressed in Euro.

Risk Factors Regarding the Company's Ability to Continue as a Going Concern (29§4)

There are no factors putting at risk the Company's ability to continue as a going concern that the Management is aware of.

2 Accounting Policies (29§5)

The accounting policies, based on which the accompanying financial statements are prepared and which are systematically applied by the Company areas follows:

2.1 Tangible Fixed Assets

Tangible fixed assets are initially recognized at acquisition cost and are subsequently measured at initial acquisition cost plus improvement costs, plus repair and maintenance costs - only if they meet the asset definition - and less depreciation and impairment.

Fixed assets include as follows:

a) Fixed assets improvement costs.

(b) Repair and maintenance expenses only when they fall within the definition of the asset. In all other cases, the related costs are recognized as an expense.

(c) Development costs are recognized as an asset when, and only when, all of the following conditions are met:

- The Company has the intention and technical ability to complete the relevant assets, so that they are available for use or disposal.
- It is estimated that these assets will bring future economic benefits.
- There is a reliable system for measuring the costs attributable to these assets.

(d) The cost of dismantlement, removal and restoration of property, plant and equipment when the related liability is incurred by the entity as a result of installation of the asset or its use during a particular period, for purposes other than production of inventories during that period. When such costs relate to production of inventories during a particular period, these costs burden the produced inventory.

2.2 Self-constructed non-current assets

Acquisition cost of a self-producer fixed asset includes as follows:

a) the total cost required for the item to reach the operating condition for which it is intended,

b) the cost of raw materials, consumables, labor and other costs directly related to the assets in question, and

c) a reasonable proportion of fixed and variable costs indirectly related to the assets in question, to the extent such costs relate to the production period.

The cost of self-produced asset with a prolonged construction or production period can be burdened with interest of interest-bearing liabilities in so far as they are attributable to it.

2.3 Semi-final self-constructed non-current assets

Such assets are measured at the cost absorbed at the balance sheet date, which includes the cost of raw materials, consumables, labor and any other costs directly attributable to that asset.

2.4 Depreciation of tangible assets

The value of tangible assets with definite useful economic life is depreciated. Depreciation is charged when the asset is ready for its intended use and is calculated based on its estimated useful economic life.

Regarding the accompanying financial statements, depreciations were conducted using the straight-line method with rates selected by the Company's Management based on the useful economic life of an asset as follows:

- Buildings: 25 years.
- Mechanical equipment: 10 years.
- Vehicles - Passenger cars: 6,25 years.
- Vehicles – Trucks : 8,33 years.
- Personal Computers: 5 years
- Other tangible fixed assets: 1-10 years.

Repairs and maintenance of fixed assets are expedited immediately. The value and accumulated depreciation of tangible fixed assets, withdrawn or disposed of, are deducted from the assets accounts at the time of disposal of withdrawal and any gain or loss is recognized in the income statement.

Tangible fixed assets are depreciated under the straight-line method over their useful economic life.

2.5 Intangible assets

Intangible assets include licenses - concessions – royalties, computer software, trade names and trademarks.

The value of licenses - concessions - royalties includes the acquisition cost of the intangible asset and any cost incurred subsequently to renew the period of its use, decreased by the amount of accumulated amortisation and any impairment losses.

The value of computer software licenses includes the costs incurred to acquire and bring to use the specific software, decreased by the amount of accumulated amortisation and any impairment losses. Significant subsequent costs are recognised as intangible assets when they increase their efficiency beyond the initial specifications.

Amortisation of licenses - concessions – royalties is calculated using the straight-line method over their estimated useful economic life. Amortisation of computer software licenses is calculated using the straight-line method in 5 years.

Trademarks are not amortised since they are considered to have an indefinite useful life but are tested annually for impairment.

The amortisation charge on all the assets as above is included in the income statement.

2.6 Impairment of Assets

Assets with indefinite useful economic life are not amortized and are subject to impairment at least annually and when certain facts indicate that the carrying amount may not be recoverable.

Depreciable assets are subject to impairment test when there is evidence that their carrying amount will not be recovered. Such indications are examined at every balance sheet date.

2.7 Inventory

Inventory is initially recognized at cost. The acquisition cost of inventory includes all the costs required for the items of the inventory at be at their present location and condition.

The cost of producing goods or services is determined applying one of the generally accepted cost methods and includes the following:

a) the cost of raw materials, consumables, labor and other costs directly related to the assets in question, and

b) a reasonable proportion of fixed and variable costs indirectly related to the assets in question, to the extent such costs relate to the production period.

Distribution and administrative costs do not burden the production costs.

Subsequent measurement. Following the initial recognition, invent is measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business of the Company, less the estimated cost of completion and the estimated cost required proceed with the disposal.

The acquisition cost of the Company's final inventory

a) was determined applying the weighted average method

b) the Company used the same method in respect of inventory of similar nature and use. Different methods can be applied in respect of the inventory of different nature or use.

2.8 Financial instruments

A financial instrument is any contract that creates a financial asset in one entity and a financial liability or equity instrument in another entity.

Financial assets and liabilities of the Balance Sheet include cash and cash equivalents, receivables, other financial instruments and short-term and long-term liabilities.

The accounting policies used under recognition and valuation of these assets and liabilities are analytically presented below as follows.

Financial products are presented as assets, liabilities or equity items based on the substance and content of the relevant contracts from which they arise.

Interest, dividends, gains and losses arising from financial products, are classified as assets or liabilities are recognized as expenses or income respectively. Distribution of dividends to shareholders is recorded directly in Equity after the date the distribution is approved by the General Meeting of the Company's shareholders.

Financial products are offset when the Company has this legal right and intends to offset them on a net basis (between them) or to recover the asset and offset the liability at the same time.

2.9 Trade receivables

Trade receivables are initially recorded at fair value, which coincides with the nominal value, and are subsequently carried at that value less any provision for potential impairment.

An impairment loss is recognized when there is objective evidence that the Company is unable to recover all amounts due under the terms of the contract. The amount of the impairment loss is recognized in the income statement when incurred.

2.10 Cash and cash equivalent

Cash and cash equivalents include cash in hand and cash at the bank as well as any high liquidity short-term investments such as repos and bank deposits.

2.11 Share capital

Direct expenses incurred for the issue of shares are recorded after the deduction of the relevant income tax as a reduction of the product of the issue.

When acquiring equity shares, the consideration paid, including related expenses, is recorded as a reduction of equity.

2.12 Income tax & deferred tax

Income taxes burdening the year include only current taxes, as the Company does not make use of an optional application of deferred tax, i.e. no tax charges or tax relief arising in the period are calculated, since they have already been charged or will be charged by the tax authorities to different tax periods.

Pursuant to the provision stated in article 23.3.6 of the accounting directive under Law 4308/2014, the Company decided not to apply deferred tax accounting for reasons of accuracy and simplification of the financial statements.

Income tax is recognized in the income statements for the year, except for the tax relating to transactions recorded directly in equity, in which case it is recognized directly in equity.

Current income taxes include short-term liabilities to and/or receivables from the financial authorities related to taxes payable on the taxable income for the year and any additional income taxes relating to prior years.

2.13 Provisions

Provisions are recognized when the Company has present legal or constructive liabilities as a result of past events, when it is probable that they will be settled through outflows and the exact amount of the liability can be estimated reliably.

Provisions are reviewed at the balance sheet date and adjusted so as to reflect the present value of the expenses, expected to be required to settle the liability.

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

Contingent assets are not recognized in the financial statements but are disclosed as long as the inflow of financial benefits is probable.

2.14 Revenue recognition

Revenue is recognized to the extent it is probable that the financial benefits will flow to the Company and the relevant amounts can be measured reliably. Revenue includes the fair value of sales of goods and services, net of Value Added Tax, discounts and rebates.

Gains from the sale of assets are accounted for as income when the right to receive payment is established and are included in the item "Other ordinary income" and "Results of disposal of non-current assets".

2.15 Expenses recognition

Expenses are recognized on an accrual basis in the income statement. Payments made under operating leases are carried forward to the income statement as an expense, whereas in the case of finance leases, expenses are carried forward to the income statement as an expense only in the part relating to interest within the year of the lease. Interest expenses are recognized on an accrual basis.

2.16 Borrowings

Loan liabilities are recorded at their current value and are classified as short-term if they are repaid within 12 months from the balance sheet date, while loan repayments over 12 months are recorded as long-term.

Borrowing costs are recognized as an expense in the period when incurred.

2.17 Distribution of dividends

Distribution of dividends to the Company's shareholders is recognized as a liability in the financial statements on the date when the distribution is approved by the General Meeting of shareholders.

2.18 Government grants

Government grants for staff training or other expenditure are recorded in revenue based on the principle of correlation between revenue and expenditure.

Government grants related to fixed assets are recorded in Liabilities as long-term liabilities and are transferred to revenue according to the useful economic life of the relevant assets.

2.19 Leases

Payments made under operating leases are recorded in the income statement as expenses within the year of the lease.

Leases are accounted for as loan agreements and, therefore, leased assets are presented as assets of the entity (subject to amortization), in line with a corresponding recognition of financial liability to the lessor or lessors. The cost of financing is recorded in the income statement as an expense when accrued.

2.20 Changes in accounting policies

The accounting principles under which the accompanying financial statements have been prepared are consistent with those applied in the previous year.

2.21 Employee benefits

The liability recognized in the financial statements for defined benefit plans is the present value of the benefits earned, taking into account adjustments for actuarial results (gains and losses) and past service costs. The amount of the liability is determined annually based on an actuarial study by an independent actuarial company using the projected unit credit method.

Its present value is determined by discounting the estimated future cash flows at the interest rate applicable to a corporate bond with a high credit rating, issued in a currency common to that in which the defined benefit is paid and has a remaining duration that is in line with the duration of the relevant obligation.

The cost from the service of past years is recognized directly in the results of the year, unless the changes in the calculation basis of the benefit depend on the employees remaining in the service for a specified period of time, in which case it is amortized using the straight-line method during this period.

2.22 Correction of prior periods' errors

Corrections of errors are recognized by retrospective correction in the financial statements of all the periods that are published together with the financial statements of the current period.

No need for such corrections has arisen within the current period.

2.23 Changes in accounting policies and methods

Changes in accounting policies and methods, are recognized by retrospective restatement of the financial statements of all the periods that are published together with the statements of the present period to facilitated comparability of the items.

No need for such changes has arisen within the current period.

2.24 Changes in accounting estimates

Changes in accounting estimates are recognized in the period when it is ascertained that they arise and affect this period and future periods, as appropriate. Such changes are not recognized retrospectively.

No need for such changes has arisen within the current period.

3 Disclosure of deviations (29§6 & 16§2)

When in exceptional circumstances, the Company deviates from the application of a law provision in order to fulfil the obligation of fair presentation of the financial statements, it discloses and sufficiently justifies the reasons for the deviation.

No need for such deviations has arisen within the current period.

4 Relation of an asset or a liability with more than one item of the balance sheet (29§7)

There are no assets or liabilities are related with more than one item of the balance sheet.

5 Analysis of property, plant & equipment and intangible fixed assets (29§8)

Changes in tangible property, plant & equipment are analysed as follows:

	Land	Buildings	Machinery	Vehicles	Other equipment	Assets under construction and prepayments for non-current assets	Total
Acquisition Cost							
Balance at 1/1/2022	1.403.699,17	9.297.305,85	24.512.991,30	1.111.614,19	6.171.031,97	59.706,77	42.556.349,25
Acquisitions/Additions	0,00	51.765,00	556.300,22	21.154,71	261.045,09	512.493,71	1.402.758,73
Disposals/Write offs	0,00	0,00	(68.247,45)	(256.052,05)	(12.785,49)	0,00	(337.084,99)
Internal transfers and other movements	0,00	0,00	255.555,71	0,00	0,00	(255.555,71)	0,00
Additions – advances to suppliers	0,00	0,00	0,00	0,00	0,00	190.587,56	190.587,56
Balance at 31/12/2022	1.403.699,17	9.349.070,85	25.256.599,78	876.716,85	6.419.291,57	507.232,33	43.812.610,55
Accumulated depreciation							
Balance at 1/1/2022	0,00	(4.181.615,86)	(20.848.920,93)	(862.980,80)	(4.382.975,48)	0,00	(30.276.493,07)
Depreciation charge for the year	0,00	(274.182,57)	(900.913,15)	(76.797,37)	(429.903,02)	0,00	(1.681.796,11)
Disposals/Write offs	0,00	0,00	66.797,99	229.997,63	10.972,64	0,00	307.768,26
Balance at 31/12/2022	0,00	(4.455.798,43)	(21.683.036,09)	(709.780,54)	(4.801.905,86)	0,00	(31.650.520,92)
Net book value at 31/12/2022	1.403.699,17	4.893.272,42	3.573.563,69	166.936,31	1.617.385,71	507.232,33	12.162.089,63
Acquisition Cost							
Balance at 1/1/2023	1.403.699,17	9.349.070,85	25.256.599,78	876.716,85	6.419.291,57	507.232,33	43.812.610,55
Acquisitions/Additions	0,00	41.484,84	268.028,57	85.825,00	499.327,12	1.772.304,13	2.666.969,66
Disposals/Write offs	0,00	0,00	(1.058,00)	(270.377,20)	(141.872,59)	0,00	(413.307,79)
Internal transfers and other movements	0,00	399.458,00	396.691,38	0,00	89.600,00	(885.749,38)	0,00
Additions – advances to suppliers	0,00	0,00	0,00	0,00	0,00	4.454.875,85	4.454.875,85
Balance at 31/12/2023	1.403.699,17	9.790.013,69	25.920.261,73	692.164,65	6.866.346,10	5.848.662,93	50.521.148,27
Accumulated depreciation							
Balance at 1/1/2023	0,00	(4.455.798,43)	(21.683.036,09)	(709.780,54)	(4.801.905,86)	0,00	(31.650.520,92)
Depreciation charge for the year	0,00	(291.974,05)	(929.694,80)	(40.331,59)	(489.353,27)	0,00	(1.751.353,71)
Disposals/Write offs	0,00	0,00	749,99	252.018,20	98.538,45	0,00	351.306,64
Balance at 31/12/2023	0,00	(4.747.772,48)	(22.611.980,90)	(498.093,93)	(5.192.720,68)	0,00	(33.050.567,99)
Net book value 31/12/2023	1.403.699,17	5.042.241,21	3.308.280,83	194.070,72	1.673.625,42	5.848.662,93	17.470.580,28

Changes in intangible assets are analysed as follows:

	Other intangible assets	Computer Software	Total
Acquisition Cost			
Balance at 1/1/2022	378.436,81	336.594,59	715.031,40
Acquisitions/Additions	240,00	0,00	240,00
Balance at 31/12/2022	378.676,81	336.594,59	715.271,40
Accumulated amortisation			
Balance at 1/1/2022	(342.377,33)	(189.325,85)	(531.703,18)
Amortisation chargefor the year	(12.859,94)	(34.351,37)	(47.211,31)
Balance at 31/12/2022	(355.237,27)	(223.677,22)	(578.914,49)
Net book value at 31/12/2022	23.439,54	112.917,37	136.356,91
Acquisition Cost			
Balance at 1/1/2023	378.676,81	336.594,59	715.271,40
Acquisitions/Additions	0,00	20.005,17	20.005,17
Disposals/Write offs	0,00	(67,50)	(67,50)
Balance at 31/12/2023	378.676,81	356.532,26	735.209,07
Accumulated amortisation			
Balance at 1/1/2023	(355.237,27)	(223.677,22)	(578.914,49)
Amortisation charge for the year	(3.778,01)	(35.170,93)	(38.948,94)
Balance at 31/12/2023	(359.015,28)	(258.780,65)	(617.795,93)
Net book value at 31/12/2023	19.661,53	97.751,61	117.413,14

6 Fair value measurement (29§10 & Article 24)

No fair value measurement was applied. Financial assets and liabilities were measured at cost, which according to Management estimates, does not differ from their fair value.

7 Financial assets

The Company's financial assets are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Loans and receivables	76.498,14	76.498,14
Guarantees given	36.646,32	30.411,81
Total	113.144,46	106.909,95

8 Analysis of trade receivables

Trade receivables are analysed as follows:

(Amounts in Euro)	31/12/2023	31/12/2022
Domestic customers	2.934.347,30	2.448.502,85
Overseas customers	1.675,53	4.002,63
Doubtful receivables from customers	1.274,25	3.074,25
Cheques receivable	1.591.402,82	1.668.606,47
Less: Provision for impairment of receivables	(265.000,00)	(85.000,00)
Total	4.263.699,90	4.039.186,20

9 Analysis of other receivables

Other receivables are analysed as follows:

(Amounts in Euro)	31/12/2023	31/12/2022
Receivables from Greek state due to tax advances	283.514,73	25.290,40
Receivables from Greek state due to other taxes withheld	3.489,14	1.823,24
V.A.T.	42.510,99	0,00
Prepayments to suppliers	15.659,14	10.745,16
Various debtors	20.965,67	1.509,53
Total	366.139,67	39.368,33

10 Analysis of cash and cash equivalents

Cash and cash equivalents are analysed as follows:

(Amounts in Euro)	31/12/2023	31/12/2022
Cash on hand	1.878,92	908,54
Time & sight deposits	1.425.932,28	2.649.170,71
Total	1.427.811,20	2.650.079,25

11 Equity (29§12 & Article 26)

- **Share capital**: The Company's share capital amounts to € 4.126.040,50, has been paid in full and is divided into 258.520 shares of nominal value € 17,65 per share.
- No new shares were issued during the closing year.
- There are no certificates of participation, convertible securities, rights to purchase securities, options or similar securities and rights.
- As at 31/12/2023 the Company does not hold treasury shares.
- The amount of difference appeared negatively in the share capital, arose from the cancellation of 51.823 treasury shares at a price higher than the nominal value standing at € 413.764,92.
- **Statutory reserves (distribution is restricted by law):** Under the Law 4548/2018, equities are obliged to transfer at least 5% of their annual net profits to staturory reserves. The purpose is to cover potentially arising losses and such reserves cannot be used for another purpose. Formation of statutory reserve ceases to be mandatory when the accumulated amount becomes at least equal

to 1/3 of the share capital. As at 31/12/2023, the Company’s statutory reserve equalsto € 743.916,69.

- **Special purpose and extraordinary reserves**: As at 31/12/2023, the Company has a balance of extraordinary reserves amounting to € 5.459.959,25,covering the same participation in the Company in investment laws.

  In the closing year, special reserves were formed covering the Company's participation, in the context of the implementation of the following investment plans:

  - Law 4399/2016 (mechanical equipment) under the code: ΠΟ2/7/00019/Ε (date of application being made: 14/12/2018) € 1.123.387,00

  - Law 4399/2016 (general entrepreneurship) with code: ΠΟ2/7/00054 /Γ (date of application being made: 09/07/2019) € 888.878,31

  - Law 3908/2011 € 3.447.693,94

- **Tax exempted reaserves:** As at 31/12/2023, the Company’s tax exempted reserves amount to € 4.688.868,45 and refer to government grants received under the requirements of Laws 3299/2004,3908/2011 and 4399/2016.

12 Provisions

12.1 Employee benefits provisions

The Company's obligation to the persons working in Greece, for the future payment of benefits according to the time of each employee's previous service, is calculated and illustrated on the basis of the expected accrued right of each employee, as of the balance sheet date, discounted in this its value, in relation to its expected payment time.

Changes in liabilities recorded in the statement of financial position are analysed as follows:

	31/12/2023	31/12/2022
Opening net liability	119.877,27	105.445,58
Past service cost	(17.724,10)	(72.532,38)
Benefits paid in the year	55.748,37	86.964,06
Total	157.901,54	119.877,27

The most important financial assumptions used during the two valuation dates are as follows:

	31/12/2023	31/12/2022
Discount rate	3,15%	3,80%
Future salary increase	3,70%	3,50%
Inflation	2,60%	3,00%

The above results depend on the assumptions (economic and demographic) of the actuarial study.

Therefore:

• If we had used a discount rate of 0.50% lower then the employee benefits provisions would have been approximately 3% higher.

• If we had used a discount rate of 0.50% higher then the employee benefits provisions would have been lower by approximately 3%.

• If we had used a salary increase rate of 0.50% lower then the employee benefits provisions would have been lower by approximately 3%.

• If we had used a salary increase rate of 0.50% higher then the employee benefits provisions would have been approximately 3% higher.

13 Analysis of loan liabilities

The Company's loan liabilities regarding Alpha Bank, National Bank of Greece and Eurobank are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Short-term bank loans	5.023.479,80	3.000.000,00
Current portion of long-term loans up to 1 year	296.292,00	527.451,58
Non-current portion payable from 1 to 5 years	592.586,31	394.736,82
Total	5.912.358,11	3.922.188,40

14 Other long-term liabilities

Other long-term liabilities include an amount of € 189.951,03 (€ 224.487,63 at 31/12/2022), referring to the receipt of a refundable advance to the Greek State which was granted in order to confront the effects of the COVID-19 pandemic.

15 Analysis of trade payables

Trade payables are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Domestic suppliers	1.009.019,84	833.986,22
Overseas suppliers	548.350,25	703.855,94
Total	1.557.370,09	1.537.842,23

16 Analysis of other payables

Other payables are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Customers' returnable package items	822.389,61	899.368,13
Advances to clients	208.121,33	184.781,43
Salaries and wages payable	106.478,02	91.205,55
Refundable advance to the Greek State	34.536,60	51.804,90
Other current liabilities	524.998,13	918.239,46
Total	1.696.523,69	2.145.399,47

17 Analysis of taxes payable and social security obligations

Taxes payable are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Value added tax	0,00	69.864,55
Excise duty	262.548,50	257.726,27
Payroll taxes and duties	57.348,05	49.491,35
Third parties taxes and duties	160,00	660,00
Other taxes and duties	17.930,49	5.612,39
Total	337.987,04	383.354,56

Social security costs are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
National unified Social Security Fund (EFKA)	201.369,58	152.296,01
Other main insurance funds	1.201,59	333,79
Total	202.571,17	152.629,80

18 Analysis of accrued liabilities

Accrued liabilities are analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Accrued fees and expenses	75.695,81	118.712,58
Utilities and other accrued expenses referring to services offered	101.528,56	102.743,09
Other accrued expenses	232.243,04	169.079,31
Accrued interests	13.085,05	1.894,82
Total	422.552,46	392.429,80

19 Analysis of sales revenue (29§24)

Sales revenue per operation is analysed as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Sales of merchandise	552.868,43	458.295,91
Sales of finished and WIP products	29.517.730,91	25.032.691,66
Sales of other inventories & scrap items	538.906,93	700.110,77
Total	30.609.506,27	26.191.098,34

Sales revenue per geographical market is analysed as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Domestic sales	29.293.437,20	24.746.495,05
EU sales	282.954,26	619.363,32
Third countries sales	1.033.114,81	825.239,97
Total	30.609.506,27	26.191.098,34

20 Determination of cost of sales

Cost of sales is analysed as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Opening inventories	4.966.159,38	4.701.642,77
Purchases (net)	10.198.817,25	8.781.882,65
Direct costs / Overheads	10.662.100,92	10.582.626,53
Closing inventories	(5.259.261,63)	(4.966.159,38)
Self consumption (net)	(294.873,74)	(291.108,76)
Total	20.272.942,18	18.808.883,81

Direct costs / Overheads include operating expenses allocated to production and are analysed in the Note "Analysis of operating expenses".

21 Other operating income

Other operating income is analysed as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Revenue related to services	60.146,72	2.335,11
Revenue from grants	1.911,00	1.742,25
Rental income	121.889,46	4.500,96
Revenue from shipping goods	99.080,88	119.740,24
Other operating income	209.861,38	230.779,92
Total	492.889,44	359.098,48

22 Analysis of operating expenses

Operating expenses and cost of sales for the closing period are analysed per kind and operation as follows:

(Amounts in Euro)	*Total*	*Cost of Sale*	*Administrative Expenses*	*Selling& Distribution Expenses*
Inventories consumption	9.905.715,00	9.905.715,00	0,00	0,00
Expenses from self-consumed stocks	(294.873,74)	(294.873,74)	0,00	0,00
Employee costs and expenses	3.500.098,83	1.557.420,61	748.861,52	1.193.816,70
Third party fees and expenses	924.527,23	37.204,26	532.226,94	355.096,03
Utilities and other expenses referring to services offered	1.941.169,94	1.473.401,23	49.508,28	418.260,43
Taxes & duties	5.722.082,72	5.692.224,23	9.170,42	20.688,07
Sundry expenses	3.710.187,16	375.526,13	300.432,65	3.034.228,38
Depreciation & amortisation	1.790.302,65	1.474.941,39	70.369,47	244.991,79
Provisions	231.383,07	51.383,07	180.000,00	0,00
Total	27.430.592,86	20.272.942,18	1.890.569,28	5.267.081,40

22.1 Production expenses

Production operating expenses constitute part of cost of sale (see Note "Determination of cost of sales") and are analysed per kind as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Employee costs and expenses	1.557.420,61	1.364.118,07
Third party fees and expenses	37.204,26	24.444,38
Utilities and other expenses referring to services offered	1.473.401,23	2.363.669,40
Taxes & -duties	5.692.224,23	5.062.307,42
Sundry expenses	375.526,13	274.937,13
Depreciation & amortization	1.474.941,39	1.406.845,87
Provisions	51.383,07	86.304,26
Total	10.662.100,92	10.582.626,53

22.2 Administrative expenses

Administrative expenses are analysed per kind as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Employee costs and expenses	748.861,52	807.436,25
Third party fees and expenses	532.226,94	576.770,77
Utilities and other expenses referring to services offered	49.508,28	41.381,75
Taxes & duties	9.170,42	29.741,73
Sundry expenses	300.432,65	346.219,08
Depreciation & amortisation	70.369,47	92.090,51
Provisions	180.000,00	85.000,00
Total	1.890.569,28	1.978.640,09

22.3 Selling& Distribution expenses

Selling& distribution expenses are analysed per kind as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Employee costs and expenses	1.193.816,70	1.188.893,96
Third party fees and expenses	355.096,03	406.929,48
Utilities and other expenses referring to services offered	418.260,43	347.818,66
Taxes & duties	20.688,07	6.218,30
Sundry expenses	3.034.228,38	2.609.169,05
Depreciation & amortization	244.991,79	230.071,04
Total	5.267.081,40	4.789.100,49

23 Analysis of other operating expenses and losses

Other operating expenses and losses are analysed as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Tax fines & surcharges	39.555,42	434,50
Losses from destruction of inventories and tangible assets	107.704,66	118.079,00
Losses from write off of trade receivables and suppliers' receivables	338,95	57.358,80
Prior period expenses	0,00	26.031,52
Other expenses	10,02	11,31
Total	147.609,05	201.915,13

24 Analysis of other income and gains

The item "Other income and gains" is analysed as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Prior period income	0,00	3.669,21
Other income	1.704,27	25.516,62
Depreciation of government grants	27.430,28	23.472,87
Income from unrealised provisions	100.000,00	28.435,78
Total	129.134,55	81.094,48

25 Income Tax

The income tax rate applicable to Greek businesses amounts to 22% based on Law 4799/2021 for the fiscal year 2021 and beyond. For the closing year, income tax arises for the Company in the amount of 924.137,12 €, which is offset by an approved tax exemption of Law 4399/2016 of 226.995,30 €.

Finally, under the provision of article 23.3.6 of the accounting directive of Law 4308/2014, the Company decided not to apply deferred tax accounting.

26 Measurement of financial instruments at cost (29§11)

The Company does not use derivative financial instruments. The acquisition value of non-current financial instruments is their estimated fair value.

27 Total debt covered by collaterals (29§13)

There is no debt covered by the Company's collaterals.

28 Long-term liabilities exceeding five year period (29§14)

The Company has no long-term liabilities exceeding five-year period.

29 Other off Balance Sheet arrangements (29§15)

There are no arrangements regarding the Company that entail significant risks or benefits, apart from those recorded in the financial statements.

30 Off Balance Sheet financial commitments, guarantees and contingencies (29§16)

a) Financial commitments

In the closing year, the Company has signed non-cancellable operating lease agreements relating to real estate and means of transportation leases, which mature until 2027.

The minimum rental payments under operating lease agreements are as follows:

(Amounts in Euro)	**1/1 - 31/12/2023**	**1/1 - 31/12/2022**
Up to 1 year	81.461,90	82.322,97
1 to 5 years	25.892,68	36.625,97
Over 5 years	0,00	0,00
Total	107.354,58	118.948,94

b) Guarantees

The Company has issued letters of guarantee to various third parties, analysed as follows:

(Amounts in Euro)	**31/12/2023**	**31/12/2022**
Other guarantees to third parties	187.584,00	179.659,00
Total	187.584,00	179.659,00

c) Contingent liabilities

In 2023, the Company was audited by Certified Public Accountants as in compliance with the provisions of article 65A of Law 4174/2013. This audit is in progress and the tax compliance report is expected to be issued following the publication of financial statements for 2023. Should additional tax liabilities arise until the completion of the tax audit, we estimate that they will not have a material effect on the financial statements.

The Company has been audited by the tax authorities until 2010. For FYs from 2011 to 2022, the Company, which meets the relevant criteria for inclusion in the tax audit of Certified Public Accountants, received Unqualified Conclusion Tax Compliance Report, according to par. 5, article 82, Law 2238/1994 and article 65A, par.1, Law 4174/2013. Under POL circular 1006/2016, companies that have been subject to the above special tax audit are not exempted from the conduct of statutory audits of the competent tax authorities.

Regarding FYs, not audited by the tax authorities, in accordance with the Greek tax legislation and the respective Ministerial Decisions, the Tax Authorities can, as a rule, issue an administrative regarding estimated or corrective tax determination within five years from the expiration of year in which the tax returns submission deadline expires. Therefore, the right of the State to issue an act of corrective determination of income tax until the year 2017 expired on 31/12/2023.

However, the Company's Management estimates that the results of such future audits of the tax authorities, if conducted, will not have a material impact on the Company's financial position.

31 Revenue or Expenses of particular volume, frequency or significance and offsetting items (29§17)

During the fiscal year no significant offset took place between income and expenses. In addition there is no element of income or expenses to be specifically treated due to their volume or significance.

32 Interest charge included in the cost of acquiring goods and services (29§18)

The cost of acquiring goods and services does not include any interest charge.

33 Dividends paid during the period (29§20)

No dividends have been paid to shareholders in 2023.

34 Analysis of human resources (29§23)

The average number of human resources per category is as follows:

	1/1 - 31/12/2023	1/1 - 31/12/2022
Salaried personnel	82	81
Wage-workers (technical personnel)	55	51
Total	137	132

Payroll expenses are analysed as follows:

(Amounts in Euro)	1/1 - 31/12/2023	1/1 - 31/12/2022
Salaries and wages	2.765.034,70	2.664.050,34
Insurance and pension fund contributions	650.281,91	620.183,07
Retirement compensation	19.987,39	72.532,38
Other personnel benefits	82.518,93	76.602,43
Total	3.517.822,93	3.433.368,22

35 Advance Payments and loans to the management or Board Members (29§25 & article 31)

For the year ended 31/12/2023 no advance payments or loans have been given to the management or Board Members.

36 Fees of administrative and supervisory bodies (29§30)

During the current fiscal year, Board of Directors' fees of a gross amount of 239.668,29 € were paid from profits of previous fiscal years.

37 Commitments for end-of-service benefits (29§30)

There are no such commitments.

38 Transactions and balances with related parties (29§27, 29, 31)

The Company's transactions with its related parties during the closing year as well as arising receivables and liabilities as at 31 December 2023 and 31 December 2022, are presented below as follows:

	01/01-31/12/2023		***01/01-31/12/2022***	
Related Companies	**Revenues& Other Income**	**Purchaces & Expenses**	**Revenues& Other Income**	**Purchaces & Expenses**
HOTEL ILISIA S.A.	8.356,94	2.542,65	7.058,24	1.156,00
NYCTEA STRATEGIC ADVISORS LLC	0,00	89.400,00	0,00	89.400,00
Total	8.356,94	91.942,65	7.058,24	90.556,00
Other related parties				
Board members compensation	0,00	305.153,55	0,00	292.679,49
Board members' fees	0,00	214.926,10	0,00	191.425,58
Employer contributions/ Social security costs	0,00	91.665,83	0,00	77.046,15
Other transactions with Board members	1.313,42	0,00	0,00	20.690,30
Total	1.313,42	611.745,48	0,00	581.841,52

	31/12/2023		***31/12/2022***	
Related Companies	**Receivables**	**Liabilities**	**Receivables**	**Liabilities**
NYCTEA STRATEGIC ADVISORS LLC	0,00	0,00	100.950,21	0,00
ΞΕΝΟΔΟΧΕΙΟ ΙΛΙΣΙΑ Α.Ε.	132,30	103.345,55	467,94	104.001,55
Total	64.452,78	103.345,55	157.536,25	104.001,55
Other related parties				
Shareholders	210.007,12	0,00	0,00	260.609,96
Board members & executives	5.999,77	26.559,41	16.121,89	41.467,71
Total	216.006,89	26.559,41	16.121,89	302.077,67

39 Participations in companies with unlimited liability of partners

For the year ended 31/12/2023 no such participations existed.

40 Data of the Company responsible for preparing consolidated financial statements of the final group of companies, to which the Company belongs as a subsidiary

The Company does not belong to a group of companies for which there is a responsibility of preparing consolidated financial statements.

41 Data of the Company responsible for preparing consolidated financial statements of the final indirect group of companies, to which the Company belongs as a subsidiary

The Company does not belong to a group of companies for which there is a responsibility of preparing consolidated financial statements.

42 Place where the consolidated financial statements are available

For the year ended 31/12/2023 the Company does not belong to a group so there is no responsibility of preparing consolidated financial statements.

43 Significant events taking place after the end of the reporting period which are not illustrated in the financial statementsend of the period, not recorded in the financial statements

On 04.06.2024 with No. 154 of the minutes of the meeting of the Committee of Verifications/Certifications of the EFEPAE branch of Eastern Macedonia Thrace, the certification of the implementation of 100% of the physical and economic object of the investment plan of the company which was included in the program "Enhancement for the modernization-upgrade of existing businesses, as a priority in areas of the Regional Strategy of Smart Specialization (Action 3d.5-6.1)" of the Region of Eastern Macedonia and Thrace. Based on the decision, the payment of a total amount of 348.566,33 euros was approved.

The Management systematically monitors the developments and takes immediate measures to deal with the risks that may arise.

Komotini, 5 August 2024

The Chair of the BoD	The Managing Director	The Chief Financial Officer
Theodora Katsikoudi Id. Num.: AM 904540	Demetri Politopoulos Id. Num.: AZ 873720	Christos Boukas Id. Num.: AI 135516 E.C.G. Licence No. 99853/A’ Class