



MAKIOS LOGISTICS SA
S.A. Reg. Num. 8595/62/B/86/430
General Electronic Commercial Registry (G.E.M.I.) 57249304000
Annual Financial Report

for the fiscal year from January 1st to December 31st, 2022

In accordance with the International Financial Reporting Standards (IFRS)

as adopted by the European Union



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MANAGEMENT REPORT OF THE BOARD OF DIRECTORS

of the Société Anonyme under the title MAKIOS LOGISTICS S.A. on the Separate and Consolidated Financial Statements for the fiscal year 2022 (1/1/2022 - 31/12/2022)

To the Regular General Meeting of Shareholders

This Annual Report of the Board of Directors pertains to the fiscal year 2022 (1.1.2022 - 31.12.2022), was prepared pursuant to and fully converges with the relevant provisions of Articles 150 and 153 of Law 4548/2018, given that MAKIOS LOGISTICS SA (hereinafter referred to as the "Company") prepares separate and consolidated financial statements.

The report includes all the necessary information regarding the financial position of the Company. In view of the fact that the Company prepares consolidated financial statements, this Report is of unified nature and pertains to the consolidated financial data of the Company and the consolidated companies (hereinafter referred to as the "Group"). Particular reference is made to the separate data of the companies, where necessary for more comprehensive information purposes. The Report also includes information on the Company's projected course of development for the next fiscal year, non-financial information required by law and a description of the main risks and uncertainties that the Group and the Company may face in the next fiscal year.

The Group, and consequently the consolidated financial statements, apart from the Company, include the subsidiaries MAKIOS LOGISTICS EOOD, established in Sofia, Bulgaria, with a shareholding of 100%, 96% of which was initially acquired on 31.03.2015 and the remaining 4% on 18.11.2019 and MAKIOS LOGISTICS SRL, in Bucharest, Romania, with a shareholding of 100%, established on 08.08.2017.

A. THE GROUP AND THE COMPANY COURSE OF DEVELOPMENT

The sizes of the financial statements of 31.12.2022 record that the Group's and the Company's turnover increased by 17.71% and 15.18% respectively, compared to the previous year. The increase in sales is due to the implementation of the Company's new development strategy, aimed at investing in operational development.

The Group's and the Company's EBITDA increased by 34,10% and 31,21% respectively. Profit before tax for the Group and the Company stood at 2.283.246,55 Euro and 2.335.930,93 Euro respectively - decreased by 10,44% for the Group and increased by 6,38% for the Company compared to the previous year.

2022 was a very special year. While the spread of the pandemic in the first half of the year could be easily projected, no one could have possibly have foreseen such developments in energy and fuel market. The new data highlighted the first priority for the Group's executives - either to start renegotiation of the commercial agreements with the customers, in order to pass on part of the unforeseen increases, or to continue negotiations with the suppliers in order to restrain the costs. Finally, the Group succeeded in increasing its operating profitability of the Group.

For the first time, it was a real challenge to prepare the 2023 budget. The Management seeks to accurately assess the course of the Group's financial sizes, guided by our new development strategy, while taking into account the all increasing uncertainty regarding the cost of energy and fuel as a limitation. In the first two months, profit or loss is in line with the provisions.

Once again, the investment program for the closing year exceeded 7 million Euro. The main volume of investments concerns construction of the Biogas and Electricity Production Unit, which we have been planning for the last two years, and expansion of the Kalochori facilities, where an extension to the cooling facilities was built. The Biogas Unit started operating in May 2021 and in a twelve-month operation phase it will add approximately 600,000 Euro to the Company's operating profitability. There was also a significant increase in the fleet of refrigerated trucks and milk collecting trucks.

In 2023, an expansion of the facilities at Gefyra Thessaloniki is expected, with the construction of 10,000 sq.m. warehouses. Also, the development of the Storage and Distribution Center is expected to begin in the property purchased by the Company in 2020 in Aspropyrgos, Attica. Further investment program is also planned regarding the transportation departments as new means of transportation are to be acquired in order to expand our fleet.

The Group's and the Company's results were as follows:

		Group		Company	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue	3	66.195.910,65	49.364.835,29	56.235.309,96	42.858.710,72
Cost of Sales	4	(59.822.290,93)	(43.926.543,38)	(51.086.337,63)	(38.417.087,11)
Gross profit		6.373.619,72	5.438.291,90	5.148.972,33	4.441.623,61
Other operating income	5	1.320.566,90	1.945.797,14	1.313.170,16	1.954.454,90
Distribution Expenses	4	(487.269,44)	(284.133,56)	(487.269,44)	(284.133,56)
Administrative Expenses	4	(1.906.304,77)	(1.423.010,42)	(1.645.412,07)	(1.237.416,98)
Other expenses and losses	5	(1.504.105,47)	(2.044.901,67)	(1.502.910,71)	(2.006.311,72)
Profit (loss) from operating activities		3.796.506,95	3.632.043,40	2.826.550,28	2.868.216,25
Financial Income	6	8.492,19	4.314,30	1.007.661,09	702.378,60
Financial Expenses	7	(1.521.752,59)	(1.086.861,04)	(1.498.280,44)	(1.075.576,42)
Profit (loss) before tax		2.283.246,55	2.549.496,65	2.335.930,93	2.495.018,43
Income Tax	8	(431.734,22)	(213.091,47)	(314.515,07)	(128.151,92)
Profit (loss) after tax (a)		1.851.512,33	2.336.405,18	2.021.415,86	2.366.866,51
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		(244,79)	(412,06)	-	-
Items that will not be reclassified subsequently to profit or loss:		-	-	-	-
Actuarial gain/(losses) on defined benefit plans		(3.918,92)	(1.155,80)	(4.764,60)	(1.437,01)
Income tax of actuarial gain/(losses)		963,64	344,26	1.048,21	316,14
Fair value gain arising on fixed assets		-	6.094.318,32	-	6.094.318,32
Income tax on fair value of fixed assets		0,00	(1.333.338,32)	-	(1.340.750,03)
Net other comprehensive income (b)		(3.200,07)	4.759.756,40	(3.716,39)	4.752.447,42
Total comprehensive income (a+b)		1.848.312,26	7.096.161,58	2.017.699,47	7.119.313,93

Total income attributable to:
Shareholders of the parent company
Non-controlling interests

Profit (loss) from operating activities	3.796.506,95	3.632.043,40	2.826.550,28	2.868.216,25
Plus: Other income and profits - Other expenses / Other gains - loss	830.709,22	442.370,19	829.514,46	403.780,24
Plus: Depreciation/Amortization	3.395.726,35	2.620.197,73	3.195.028,18	2.427.821,40
EBITDA	8.022.942,52	6.694.611,32	6.851.092,92	5.699.817,89

The Group's and the Company's financial performance arises from the following financial ratios, which over time present the change in the most significant financial sizes.

	Group		Company	
	31/12/2022	31/12/2021	31/12/2022	31/12/2021
1. Ratios Financial Structure				
1.1 Current Assets/ Total assets	16,90%	16,58%	15,41%	14,98%
1.2 Total Equity/ Total liabilities	39,14%	43,88%	40,30%	44,54%
1.3 Total Equity/ Total Non Current Assets	33,85%	36,56%	33,95%	36,24%
1.4 Total Current Assets/ Total current liabilities	97,69%	115,36%	95,05%	111,20%
2. Ratios efficiency				
2.1 Profit (loss) before tax/ Total Equity	9,50%	11,30%	9,67%	11,08%
2.2 Net profit for the year (before interest taxes & depreciation)/ Total Equity	33,37%	29,68%	28,35%	25,32%
2.3 Gross profit/ Revenue	9,63%	11,02%	9,16%	10,36%
2.4 Revenue / Total Equity	275,36%	218,88%	232,72%	190,39%
2.5 Net debt / Operating profit (EBITDA)	5,18	4,92	6,14	5,85
2.6 Total liabilities / Total Equity	2,55	2,28	2,48	2,25
2.7 Operating profit (EBITDA) / Interest charges	5,66	7,18	4,83	6,11

B. PROJECTED COURSE OF DEVELOPMENT IN 2023

At the end of 2022, we very carefully projected the course of the Company's financial sizes for 2023, taking into account the unprecedented conditions prevailing in the energy market. The sizes recorded for the first two months confirmed our estimates of a steady improvement in our sizes, while it is difficult to predict the effects arising in the following months given the developments in the war in Ukraine. The pandemic has made it obvious to us that a major global crisis brought us an opportunity to further strengthen our sizes.

In the closing year 2022 (01.01-31.12.2022), taking into account the established technical and financial conditions in the segment of logistics services, the Group's and the Company's efforts resulted in proper and smooth conduct of their operations, so that their business objective be satisfactorily fulfilled and, in particular, gratifying results be achieved in relation to the financial balance between services produced and those provided to the clients of the Group and the Company.

Prospects for the following year

The Management estimates that the Group and the Company should mainly focus on further dynamic growth, increasing the market share - both domestically and abroad. More specifically, we hope that a targeted organic as well as inorganic development program will further increase the Company's activities in Greece and the Balkans in the packaged food

transport sector, the development of the department in Attica and abroad in the storage sector, and the significant further development of our activities in liquid and bulk products transportation, through our subsidiaries.

C. RESEARCH AND DEVELOPMENT EXPENSES

The Group and the Company did not incur any research and development expenses in the closing year.

D. SECURITIES

On 21.12.2022, the Group and the Company held securities measured at fair value through profit or loss of initial value Euro 409.999,64 following participation in the share capital increase of Piraeus Bank. The Company's Management decided not to liquidate the securities in 2022, due to low prices traded throughout the year. Financial assets measurement at fair value through profit or loss on 31.12.2022 stood at Euro 6.183,22 and recorded valuation gains of Euro 597,43 in 2022.

E. LABOUR ISSUES – HEALTH AND SAFETY

No labor issues have arisen regarding the Company. On December 31, 2022 the number of headcount was 188 people for the Group and to 175 people for the Company (December 31, 2021: Group 162, Company 152 people). On 31.12.2022, the headcount also included associates on contracts for provision of independent services, covering the needs of specialized consultants in matters of safety, health, quality, taxation, customs clearance and labor legislation.

The working environment of the Company is structured in the manner that provides equal opportunities for work and development to all the employees without any distinction of gender, religion, minority or any other aspect. Clear provisions for these specific issues are included in the Company's Rules of Procedure and the Code of Ethics.

The Company Management makes no discriminations in recruitment of staff, remuneration, training, assignment of work duties or any other activities. The factors exclusively taken into account are every person's experience, personality, theoretical training, qualifications, efficiency and abilities.

The Company recommends and encourages its staff to respect the diversity of each and every employee or supplier or client of the Company and not to accept any behavior that may give rise to discrimination of any kind. The Company's policy in this domain is based on the guiding principles of the OECD or the International Labor Organization (ILO).

The relations of the Company with its staff are excellent and there are no labor issues, while complaints can be filled anonymously to better ensure the rights of employees. The Company respects the rights of the employees and complies with the labor legislation.

There is no organized trade union in the Company.

The Company has a safety technician contractor and an occupational doctor, who ensure observance of hygiene and safety regulations. The management has been clearly committed to safety at work and has been investing in the development of an in-company culture around this issue, through ongoing actions and trainings.

In the closing year, the Company has continued a year old tradition and undertook the cost of insurance coverage of the protected members of all its employees, including them in the group insurance premium. Once again, it organized a health week in order to raise awareness of its employees regarding their health issues.

Our priority always was and has been in the closing year to focus on health and well-being of our staff and associates. As it was impossible to completely isolate our people, due to the nature of our services, we had to ensure that our employees would be working under safe and secure conditions and that the Group would continue to operate smoothly in the food logistics sector at these particularly demanding times.

F. ENVIRONMENT

The Company acknowledges the need for continuous improvement of its environmental performance based on the principles of sustainable development pursuant to the relevant legislation and the ethical standards.

Following the above principles, the Company performs its operations in the matter that ensures protection of the environment through:

- Collecting recyclable waste.
- Complying with the Alternative Management System of the Hellenic Recycling Agency, for oils and batteries.
- Investing in next generation LED lighting in all its facilities, thus resulting in an 80% drop in consumption for lighting needs.
- Investing in the replacement of medium voltage converters with new modern technology ones in its facilities, in order to reduce electric energy loss.
- Investing in a new SCADA system to control its refrigeration facilities that allow energy saving during operation.
- Investing in photovoltaic panels on the roofs of its facilities for the production and self-consumption of power.
- Investing 4,500,000 Euros in a Biogas and Power Generation Station, a Renewable Energy Source.
- Investing in the modernization of the truck fleet, aim at improving the environmental footprint and saving fuel.

G. TREASURY SHARES

The Group and the Company hold no treasury shares.

H. BRANCHES – FACILITIES Σ

The Company owns the following branches-facilities:

1. Gefyra Branch: 26th km Thessaloniki - Nea Chalkidona, 570 11 Gefyra, Thessaloniki
2. Mavrodendri Branch: 11th km National Road Kozani - Prolemaida, 502 00 Mavrodendri, Kozani
3. Kalochori Branch: Olimpou & Anatoliki Romilias, 570 09 Kalochori, Thessaloniki

I. MAIN RISKS AND UNCERTAINTIES

Financial risk factors

The Company and the Group are exposed to various financial risks in the course of their operations, such as market risks (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. The overall risk management plan of the Company and the Group aims to minimize the potential adverse effects of these fluctuations on their financial performance.

The risk management policy is applied by the Company and the Group Management, which evaluates the risks related to its activities and operations and designs the methodology by selecting the appropriate financial products to reduce risks. The Management does not perform profit-making transactions or transactions that are not related to the commercial, investment or borrowing activities of the Group.

The financial products used by the Company and the Group consist mainly of bond loans, bank deposits, bank overdrafts via factoring, accounts receivable and payable.

The Group and the Company do not use financial derivatives in order to hedge risk undertaking. The Group and the Company do not participate in financial instruments that could expose them to fluctuations in foreign exchange rates and interest rates.

Foreign currency risk

All the Company and the Group transactions are performed in Euro or in Bulgarian Leva, whose exchange rates are of fixed rat against Euro, or in Romanian LEI, which does not show significant deviations over time and therefore the foreign exchange risk is limited.

The Company and the Group do not pre-purchase foreign currency on a regular basis and do not enter into foreign currency futures contracts with external contractors.

The exchange rate differences arising under the minimum transactions in other currencies are negligible and therefore any fluctuations in the foreign exchange market would not affect the result.

Price risk

The Company and the Group are mainly exposed to changes in the value of tradable goods supplied (oil) and therefore their inventory and commercial policy are adjusted accordingly. The Group and the Company transfer to their customers any changes in the market prices of oil (through price increases over a reasonable period of time) in the medium term and, therefore, no long-term risk arises from changes in market prices.

There is no significant commercial reliance on suppliers.

The Company and the Group carry out an inventory impairment test and analyze the net realizable value of the inventories; should there be any reasons for depreciation, they establish adequate provisions so that their value in the financial statements is identical to the real one.

The Company and the Group hold low risk stock exchange listed shares and therefore are not exposed to the risk of significant change in stock exchange price of securities. However, as the above investments in securities arise when there are sufficient funds, under the repayment schedule of the Group and the Company's liabilities, the total risk is limited.

Interest rate risk

Operating profits and cash flows of the Company and the Group are partially affected by changes in interest rates. This risk is limited, as all long-term and short-term loans of the Group and the Company have been issued under Euribor floating interest rates, i.e. at very favorable levels and are expected to remain low for a long time.

Therefore, depending on the respective levels of net debt, the change to the base interest rates (EURIBOR) has a proportional impact on the results of the Company and the Group. The risk of change is presented in the table below with a calculated change in interest rates by one unit:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Borrowings	41.082.460,96	32.575.704,46	40.923.400,43	32.575.704,46
Lease liabilities	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41
Total	42.562.849,85	33.688.826,87	42.223.717,73	33.688.826,87
Interest rate variation (+)	1%	1%	1%	1%
Interest Amount	425.628,50	336.888,27	422.237,18	336.888,27
Interest rate variation (-)	-1%	-1%	-1%	-1%
Interest Amount	-425.628,50	-336.888,27	-422.237,18	-336.888,27

Careful, ongoing monitoring of interest rate trends significantly reduces the adverse impact on gains from potential short-term interest rate fluctuations.

Credit risk

The Company and the Group provide services exclusively to counterparties of a reliable credit record. The Company and the Group policy is to conduct credit audit procedures (either through an independent authority or an intra-company audit) regarding all the clients provided with goods and services on credit, taking into account their financial status, previous transactions and other parameters by checking the amount of credit provided. In addition, trade receivables are monitored on an ongoing basis to minimize the risk of non-collectable receivables. At the end of the year, the management assumed that there is no substantial credit risk not covered by any security or provision for impairment.

As regards the credit risk arising from other financial assets of the Company and the Group consisting of cash and cash equivalents, the risk arises from the counterparty's non-compliance with the contractual terms, with a maximum exposure equaling the book value of the financial instruments. However, such a risk is considered quite limited because - according to the cash management strategy - the Company and the Group use the cash available on a daily basis to reduce short-term borrowings through factoring contracts and trade only with well-established financial institutions of high credit standing.

Liquidity risk

The Company and the Group do not face any liquidity risks, since they ensure that cash and cash equivalents are always available and there are sufficient credit facilities with the cooperating banks to cover their business needs. The Management makes sure that there are always extended credit lines to meet its needs.

Capital management

The Company and the Group's objective regarding capital management is to ensure its high credit rating and sound capital ratios, so that their activities can be supported and expanded and the value of their shares be maximized.

The aim of capital risk management is to ensure the Company and the Group's ability to continue as a going concern so that there can be an adequate return to shareholders, maintain an ideal capital structure and reduce capital costs.

The capital structure may be maintained or adjusted through adjusting the amount of dividends paid to shareholders, the return of share capital to shareholders, issuance of new shares or the sale of assets to reduce borrowing.

The Group and the Company monitor capital adequacy on the basis of net borrowing to operating profit ratio and total loan to overall capital employed. Net borrowing includes interest-bearing long-term and short-term bank loans in addition to lease liabilities minus cash and cash equivalents. The overall capital employed is calculated as equity and is recorded in the statement of financial position plus net borrowing.

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Borrowings	41.082.460,96	32.575.704,46	40.923.400,43	32.575.704,46
Lease liabilities	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41
Less: Cash and cash equivalents	-1.009.120,24	-727.526,11	-177.663,96	-320.585,86
Net debt	41.553.729,61	32.961.300,76	42.046.053,77	33.368.241,01
Total Equity	24.040.016,10	22.553.251,97	24.164.810,23	22.510.973,91
Total capital employed	65.593.745,71	55.514.552,73	66.210.864,00	55.879.214,92
Leverage Factor	63,35%	59,37%	63,50%	59,71%

Other operational risks

The Company and the Group Management has set a reliable intra-company inspection and control system to detect malfunctions and exceptions in the context of its operation. It provides adequate insurance coverage for property and other risks and, therefore, there appear to be no clearly foreseeable risks in the short term. The specialized know-how of the Company and the Group, the ongoing investment in highly specialized human resources and the strong infrastructures in combination with the development of new products help and support the Company and the Group so that they can be constantly competitive and access new markets, limiting the risks of competition.

Moreover, the constantly-adapting-to-the-new-business-environment structures of the Company and the Group, in combination with our existing commercial agreements, enable us to achieve efficiency and meet the qualitative needs of the Company and the Group for the following year.

J. CONTINGENT LIABILITIES IN THE NEAR FUTURE

No events took place between the balance sheet date and the Report submission date, nor do we expect that the events, which could cause potential liabilities or losses to the Group and the Company could occur in the near future and indicate the need for adjustments of assets and liabilities of the Statement of Financial Position or require their disclosure in the closing year financial statements.

Moreover, the Group and the Company are insured against natural disasters and other risks, as well as civil liability regarding the operation of their means of transportation and facilities.

Kalochori, Thessaloniki, 13 March 2023

THE CHAIRMAN OF THE BoD

THRASYVOULOS E. MAKIOS
ID CARD No: AN 213331

THE VICE-CHAIRMAN OF THE BoD & CEO

THRASYVOULOS TH. MAKIOS
ID CARD No: AN 180024

Independent Auditor's Report

To the Shareholders of the Company MAKIOS LOGISTICS SA

Report on the Audit of the Separate and Consolidated Financial Statements

Opinion

We have audited the accompanying separate and consolidated financial statements of the company "MAKIOS LOGISTICS SA" (the Company), which comprise the separate and consolidated statement of financial position as at December 31st, 2022, the separate and consolidated statements of comprehensive income, changes in equity and cash flow for the year then ended, as well as a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying separate and consolidated financial statements present fairly, in all material respects, the financial position of the Company "MAKIOS LOGISTICS SA" and its subsidiaries (the Group) as of December 31st, 2022, and of their financial performance and their cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS) as endorsed by the European Union.

Basis for opinion

We conducted our audit in accordance with the International Standards on Auditing (ISAs) as they have been transposed in Greek Legislation. Our responsibilities under those standards are described in the "Auditor's responsibilities for the audit of the separate and consolidated financial statements" section of our report. During our audit, we remained independent of the Company and the Group within our entire engagement, in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as transposed in Greek legislation and the ethical requirements relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our responsibilities in accordance with the provisions of the currently enacted law and the requirements of 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 separate and consolidated financial statements

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

In preparing the separate and consolidated financial statements, management is responsible for assessing the Company's and the Group'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 the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and the consolidated 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 they have been transposed in Greek Legislation, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs as they have been transposed in Greek Legislation, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated 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 and the Group'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 and the Group'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 separate and consolidated 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 and the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the separate and consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the Company and the Group. We remain solely responsible for our audit opinion.

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

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

- a) In our opinion the Board of Directors' Report has been prepared in accordance with the effective legal requirements of articles 150 and 153, Law 4548/2018 and the content of the Board of Directors' report is consistent with the accompanying separate and consolidated financial statements for the year ended 31.12.2022.
- b) Based on the knowledge we obtained during our audit about the Company "MAKIOS LOGISTICS SA" and its environment, we have not identified any material inconsistencies in the Board of Directors' Report.

Athens, March 23, 2023

Certified Public Accountant



Andreas Sofis

Registry Number SOEL 47771

**Grant Thornton**

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

STATEMENT OF PROFIT AND LOSS AND OTHER COMPREHENSIVE INCOME as of 31.12.2022
(all the amounts are recorded in Euro)

		Group		Company	
		31/12/2022	31/12/2021	31/12/2022	31/12/2021
Revenue	3	66.195.910,65	49.364.835,29	56.235.309,96	42.858.710,72
Cost of Sales	4	(59.822.290,93)	(43.926.543,38)	(51.086.337,63)	(38.417.087,11)
Gross profit		6.373.619,72	5.438.291,90	5.148.972,33	4.441.623,61
Other operating income	5	1.320.566,90	1.945.797,14	1.313.170,16	1.954.454,90
Distribution Expenses	4	(487.269,44)	(284.133,56)	(487.269,44)	(284.133,56)
Administrative Expenses	4	(1.906.304,77)	(1.423.010,42)	(1.645.412,07)	(1.237.416,98)
Other expenses and losses	5	(1.504.105,47)	(2.044.901,67)	(1.502.910,71)	(2.006.311,72)
Profit (loss) from operating activities		3.796.506,95	3.632.043,40	2.826.550,28	2.868.216,25
Financial Income	6	8.492,19	4.314,30	1.007.661,09	702.378,60
Financial Expenses	7	(1.521.752,59)	(1.086.861,04)	(1.498.280,44)	(1.075.576,42)
Profit (loss) before tax		2.283.246,55	2.549.496,65	2.335.930,93	2.495.018,43
Income Tax	8	(431.734,22)	(213.091,47)	(314.515,07)	(128.151,92)
Profit (loss) after tax (a)		1.851.512,33	2.336.405,18	2.021.415,86	2.366.866,51
Other comprehensive income					
Items that may be reclassified subsequently to profit or loss:					
Exchange differences on translating foreign operations		(244,79)	(412,06)	-	-
Items that will not be reclassified subsequently to profit or loss:					
Actuarial gain/(losses) on defined benefit plans		(3.918,92)	(1.155,80)	(4.764,60)	(1.437,01)
Income tax of actuarial gain/(losses)		963,64	344,26	1.048,21	316,14
Fair value gain arising on fixed assets		-	6.094.318,32	-	6.094.318,32
Income tax on fair value of fixed assets		0,00	(1.333.338,32)	-	(1.340.750,03)
Net other comprehensive income (b)		(3.200,07)	4.759.756,40	(3.716,39)	4.752.447,42
Total comprehensive income (a+b)		1.848.312,26	7.096.161,58	2.017.699,47	7.119.313,93
Total income attributable to:					
Shareholders of the parent company		1.848.312,26	7.096.161,58	2.017.699,47	7.119.313,93
Non-controlling interests		-	-	-	-

The Notes on p.p. 24 to 72 constitute an integral part of the financial statements.Z

STATEMENT OF FINANCIAL POSITION as of 31.12.2022
(all the amounts are recorded in Euro)

		Group		Company	
	Note	31/12/2022	31/12/2021	31/12/2022	31/12/2021
Non-current assets					
Tangible fixed assets	9	64.946.390,20	55.915.852,74	63.616.726,59	54.677.581,23
Intangible assets	10	283.723,12	250.790,77	279.386,94	244.853,31
Rights of use assets	11	2.440.887,28	2.223.247,31	2.261.047,37	2.223.247,31
Investments property	12	2.888.918,64	2.888.918,64	2.888.918,64	2.888.918,64
Goodwill	13	380.616,48	380.616,48	0,00	0,00
Investment in subsidiaries	14	0,00	0,00	2.060.429,77	2.060.429,77
Other non-current assets	15	77.725,92	31.516,42	60.967,82	15.808,19
Total Non Current Assets		71.018.261,64	61.690.942,35	71.167.477,13	62.110.838,45
Current Assets					
Inventories	16	449.690,27	598.877,36	441.147,16	596.551,92
Trade and other receivables	17	12.975.659,18	10.927.848,48	12.338.100,50	10.016.754,63
Financial assets at fair value through profit or loss	18	6.183,22	5.585,79	6.183,22	5.585,79
Cash and cash equivalents	19	1.009.120,24	727.526,11	177.663,96	320.585,86
Total current assets		14.440.652,91	12.259.837,74	12.963.094,84	10.939.478,20
Total Assets		85.458.914,55	73.950.780,09	84.130.571,97	73.050.316,65
Equity					
Share Capital	20	44.000.208,24	44.000.208,24	44.000.208,24	44.000.208,24
Fair value reserves	21	21.455.012,91	21.475.664,15	21.029.657,12	21.029.657,12
Other reserves		(42.786.438,27)	(44.119.217,12)	(42.783.404,88)	(44.115.667,41)
Retained earnings		1.371.233,22	1.196.596,69	1.918.349,75	1.596.775,96
Total equity		24.040.016,10	22.553.251,97	24.164.810,23	22.510.973,91
Liabilities					
Non-current Liabilities					
Borrowings	22	37.157.431,86	31.458.033,82	37.032.337,85	31.458.033,82
Lease liabilities	23	1.054.848,05	484.632,44	931.491,11	484.632,44
Provision for retirement benefit obligation	24	85.130,02	66.536,89	81.520,81	62.857,63
Grants	25	2.392.683,59	2.764.880,70	2.392.683,59	2.764.880,70
Deferred tax liabilities	8	5.947.174,63	5.996.442,71	5.889.353,36	5.931.194,30
Total non-current Liabilities		46.637.268,15	40.770.526,56	46.327.386,72	40.701.598,89
Current Liabilities					
Trade and other payables	26	10.394.750,38	8.880.840,99	9.342.176,26	8.091.583,24
Income tax Liabilities	8	36.309,99	0,00	36.309,99	0,00
Borrowings	22	1.879.962,58	14.420,64	1.879.962,58	14.420,64
Current portion of long term loans	22	2.045.066,52	1.103.250,00	2.011.100,00	1.103.250,00
Lease liabilities	23	425.540,84	628.489,97	368.826,19	628.489,97
Dividends payable	27	0,00	0,00	0,00	0,00
Total current liabilities		14.781.630,31	10.627.001,60	13.638.375,02	9.837.743,85
Total liabilities		61.418.898,46	51.397.528,15	59.965.761,74	50.539.342,74
Total equity and liabilities		85.458.914,55	73.950.780,10	84.130.571,97	73.050.316,65

The Notes on p.p. 24 to 72 constitute an integral part of the financial statements

STATEMENT OF CHANGES IN GROUP EQUITY FOR THE FISCAL YEAR 01.01-31.12.2022

(all the amounts are recorded in Euro)

	Share Capital (note 20)	Fair value reserve (note 21)	Other reserves (note 22)	Retained earnings	Σύνολο
Balance as at 1 January 2022	44.000.208,24	21.475.664,15	(44.119.217,12)	1.196.604,61	22.553.251,96
Profit (loss) for the year	-	-	-	1.851.512,33	1.851.512,33
Other comprehensive income for the period	-	-	(3.200,07)	0,00	(3.200,07)
Total after tax comprehensive income for the period	-	0,00	(3.200,07)	1.851.512,33	1.848.312,26
Statutory reserve recognition	-	-	101.070,79	(101.070,79)	-
Grant depreciation transfer L.3299/2004	-	-	234.908,13	(234.908,13)	-
Transfer to Reserves	-	-	1.000.000,00	(1.000.000,00)	-
Transfer of fair value reserve due to sale	-	(20.651,24)	-	22.966,27	2.315,03
Profit distribution	-	-	-	(363.863,15)	(363.863,15)
Balance as at 31 December 2022	44.000.208,24	21.455.012,91	(43.021.346,40)	1.606.149,27	24.040.016,10

The Notes on p.p. 24 to 72 constitute an integral part of the financial statements

STATEMENT OF CHANGES IN GROUP EQUITY FOR THE FISCAL YEAR 01.01-31.12.2021

(all the amounts are recorded in Euro)

	Share Capital (note 20)	Fair value reserve (note 21)	Other reserves (note 22)	Retained earnings	Σύνολο
Balance as at 1 January 2021	3.444.480,00	16.789.307,35	4.862.285,61	1.476.153,78	26.572.226,74
Profit (loss) for the year	-	-	-	2.336.405,18	2.336.405,18
Other comprehensive income for the period	-	4.753.568,29	(1.223,59)	0,00	4.752.344,70
Total after tax comprehensive income for the period	-	4.753.568,29	(1.223,59)	2.336.405,18	7.088.749,88
Increase in share capital	44.000.208,24	-	-	-	44.000.200,32
Reduction of share capital	(3.444.480,00)	-	-	-	(3.444.480,00)
Statutory reserve recognition	-	-	-	-	-
Own shares reserve	-	-	(50.555.720,00)	-	(50.555.720,00)
Grant depreciation transfer L.3299/2004	-	-	195.485,51	(195.485,51)	-
Transfer to Reserves	-	-	859.476,55	(859.476,55)	-
Other transfers	-	-	(39.591,73)	-	(39.591,73)
Corrections	-	-	-	(7,92)	(7,92)
Special reserve L.4399/2016	-	-	560.070,54	(560.070,54)	-
Transfer of fair value reserve due to sale	-	(67.211,49)	-	-	(67.211,49)
Profit distribution	-	-	-	(1.000.921,75)	(1.000.921,75)
Balance as at 31 December 2021	44.000.200,32	21.475.664,15	(44.119.217,12)	1.196.604,61	22.553.251,96

The Notes on p.p. 24 to 72 constitute an integral part of the financial statements

STATEMENT OF CHANGES IN COMPANY EQUITY FOR THE FISCAL YEAR 01.01-31.12.2022

(all the amounts are recorded in Euro)

	Share Capital (note 20)	Fair value reserve (note 21)	Other reserves (note 22)	Retained earnings	Total
Balance as at 1 January 2022	44.000.200,32	21.029.657,12	(44.115.667,40)	1.596.783,88	22.510.973,93
Profit (loss) for the year	-	-	-	2.021.415,86	2.021.415,86
Other comprehensive income for the period	-	-	(3.716,39)	-	(3.716,39)
Total after tax comprehensive income for the period	-	-	(3.716,39)	2.021.415,86	2.017.699,47
Statutory reserve recognition	-	-	101.070,79	(101.070,79)	-
Grant depreciation transfer L.3299/2004	-	-	234.908,13	(234.908,13)	-
Transfer to Reserves	-	-	1.000.000,00	(1.000.000,00)	-
Profit distribution	-	-	-	(363.863,15)	(363.863,15)
Balance as at 31 December 2022	44.000.200,32	21.029.657,12	(42.783.404,87)	1.918.349,75	24.164.810,25

The Notes on p.p. 24 to 72 constitute an integral part of the Company's and the Group's financial statements

STATEMENT OF CHANGES IN COMPANY EQUITY FOR THE FISCAL YEAR 01.01-31.12.2021

(all the amounts are recorded in Euro)

	Share Capital (note 20)	Fair value reserve (note 21)	Other reserves (note 22)	Retained earnings	Total
Balance as at 1 January 2021	3.444.480,00	16.276.088,83	4.867.274,09	1.925.976,45	26.513.819,37
Profit (loss) for the year	-	-	-	2.366.866,51	2.366.866,51
Other comprehensive income for the period	-	4.753.568,29	(1.120,87)	-	4.752.447,43
Total after tax comprehensive income for the period	-	4.753.568,29	(1.120,87)	2.366.866,51	7.119.313,94
Increase in share capital	44.000.208,24	-	-	-	44.000.200,32
Reduction of share capital	(3.444.480,00)	-	-	-	(3.444.480,00)
Statutory reserve recognition			118.343,33	(118.343,33)	-
Own shares reserve	-	-	(50.555.720,00)		(50.555.720,00)
Grant depreciation transfer L.3299/2004	-	-	195.485,51	(195.485,51)	-
Transfer to Reserves	-	-	700.000,00	(741.133,22)	(41.133,22)
Corrections	-	-	-	(7,92)	(7,92)
Special reserve L.4399/2016	-	-	560.070,54	(560.070,54)	-
Profit distribution	-	-	-	(1.081.026,48)	(1.081.026,48)
Balance as at 31 December 2021	44.000.200,32	21.029.657,12	(44.115.667,40)	1.596.783,88	22.510.973,93

The Notes on p.p. 24 to 72 constitute an integral part of the financial statements

STATEMENT OF CASH FLOWS FOR THE FISCAL YEAR 01.01-31.12.2022

(all the amounts are recorded in Euro)

	Group 31/12/2022	Group 31/12/2021	Company 31/12/2022	Company 31/12/2021
STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31st DECEMBER 2022				
<u>Cash flows from operating activities</u>				
Profit before tax	2.283.246,55	2.549.496,65	2.335.930,93	2.495.018,43
<i>Adjustments for:</i>				
Depreciations	3.395.754,91	2.620.144,02	3.195.028,18	2.427.821,40
Provision for retirement benefit obligation	40.499,79	47.441,91	39.724,16	46.725,59
Depreciation of grants	(372.197,11)	(316.979,28)	(372.197,11)	(316.979,28)
Provision for impairment of trade receivables	86.530,34	23.159,09	86.530,34	3.040,81
Loss from destruction of inventories	287.133,87	104.402,39	287.133,87	104.402,39
Loss/(Profit) from measurement of financial assets	(597,43)	83.247,11	(597,43)	83.247,11
Profit from sale of financial assets at fair value	-	-	-	-
Net loss from sale/write-off of tangible assets	188.631,73	123.552,53	188.631,73	84.962,58
Loss/(Profit) from valuation of fixed assets and property investment at fair value	-	(703.353,79)	-	(703.353,79)
Dividend income	-	-	(1.000.000,00)	(700.000,00)
Income from unutilized provision	-	-	-	-
Exchange differences on translating foreign operations	244,79	412,06	-	-
Financial Income	(8.492,19)	(4.314,30)	(7.661,09)	(2.378,60)
Financial Expenses	1.521.752,59	1.003.066,08	1.498.280,44	991.781,46
	7.422.507,84	5.530.274,47	6.250.804,02	4.514.288,10
<u>Movements in working capital</u>				
Decrease/(Increase) in inventories	(137.946,78)	(209.015,35)	(131.729,11)	(216.818,81)
Decrease/(increase) in receivables	(2.134.341,04)	2.258.133,18	(1.607.876,21)	2.367.114,43
Decrease/(increase) other non-current receivables	(46.209,50)	(708,99)	(45.159,63)	(729,52)
(Decrease) Increase in liabilities (except borrowings)	1.513.909,39	1.980.758,34	1.250.593,02	1.985.119,14
Payments for staff leaving indemnities	(25.825,58)	(35.555,72)	(25.825,58)	(35.555,72)
Less:	-	-	-	-
Debit interest and related expenses	(1.521.752,59)	(1.003.066,08)	(1.498.280,44)	(991.781,46)
Taxes paid	(271.487,02)	(923.427,03)	(182.234,48)	(845.379,02)
	(2.623.653,12)	2.067.118,35	(2.240.512,43)	2.261.969,04
Net cash (used in)/ from operating activities	4.798.854,72	7.597.392,81	4.010.291,59	6.776.257,14
<u>Cash flows from investing activities</u>				
Acquisition of subsidiaries	-	-	-	-
Purchase of tangible assets	(12.028.193,04)	(8.186.980,52)	(11.680.592,06)	(7.765.155,97)
Purchase of intangible assets	(90.417,22)	(121.779,28)	(90.417,22)	(121.779,28)
Grant received	-	-	-	-
Sale of financial assets	-	-	-	-
Proceeds on disposal of tangible and intangible assets	60.675,46	156.095,79	34.387,57	134.065,96
Dividends received	-	-	200.000,00	500.000,00
Interest received	8.492,19	4.314,30	7.661,09	2.378,60
Net cash (used in)/ from investing activities	(12.049.442,61)	(8.148.349,72)	(11.528.960,62)	(7.250.490,69)

Cash flows from financing activities

Payments in non-controlling interests	-	-	-	-
Proceeds from borrowings	11.421.135,12	32.430.863,00	11.251.266,00	32.430.863,00
Repayments of borrowings	(2.914.378,62)	(28.368.257,45)	(2.903.570,03)	(28.368.257,45)
Net change in current loans	-	-	-	-
Repayments of leases	(613.284,79)	(961.114,80)	(610.903,94)	(961.114,80)
Share capital (increase) / decrease	-	0,24	-	0,24
Debit interest and related expenses paid	-	-	-	-
Dividends paid	(361.044,90)	(3.649.042,40)	(361.044,90)	(3.649.042,40)
Net cash (used in)/from financing activities	7.532.426,81	(547.551,41)	7.375.747,13	(547.551,41)
Net increase/(decrease) in cash and cash equivalents	281.838,92	(1.098.508,31)	(142.921,90)	(1.021.784,96)
Cash and cash equivalents at the beginning of the year	727.526,11	1.826.446,48	320.585,86	1.342.370,82
Exchange differences in cash	(244,79)	(412,06)	-	-
Cash and cash equivalents at the end of the year	1.009.120,24	727.526,11	177.663,96	320.585,86

The Notes on p.p. 24 to 72 constitute an integral part of the financial statements

NOTES TO FINANCIAL STATEMENTS**1. General information**

MAKIOS LOGISTICS SA (hereinafter referred to as the "Company") is one of the largest logistics companies in Greece, currently providing a variety of services by transporting goods in containers, pallets, boxes and single pieces. Its competitive advantage is based on the range and quality of its services. The prime commitment of the company is to provide the best possible services to its clients. This is ensured by the HACCP certification by TUV Hellas for all the business units of the Company. Furthermore, the top quality equipment, especially in the cold store facilities, provides the necessary means in order to render high quality services. All cold stores are controlled by a highly sophisticated software that provides real-time information for temperatures or any malfunctions. In addition, its services include online information about the time and place of departure, stopovers and the time and place of delivery of goods.

MAKIOS LOGISTICS SA is registered in the General Electronic Commercial Registry (G.E.MI) Num. 057249304000 and the term of the Company expires on December 31, 2076.

MAKIOS LOGISTICS SA is a Société Anonyme, not listed on a regulated market, and its sole shareholder is Tempus Holdings 78 S.à.r.l.

The Company is domiciled at the 5th km Thessaloniki - Kalochori Rd and its web address is www.makioslogistics.com.

The Company and its subsidiaries, Makios Logistics EOOD established in Bulgaria and Makios Logistics SRL established in Romania, are a group of companies (hereinafter referred to as the "Group").

Composition of the Board of Directors at December 31, 2022

<i>Name/Surname</i>	<i>BoD</i>
Thrasyvoulos E. Makios	Chairman
Thrasyvoulos Th. Makios	Vice-Chairman & CEO
Stylianios Th. Theodosiou	Member
Konstantinos G. Bitros	Member
Konstantinos I. Sideris	Member
Alexios N. Giannopoulos	Member
Christina N. Bampoulaki	Member

The Extraordinary General Meeting of the Shareholders held on 31.12.2020 decided that the term of the above Board of Directors lasts for five years.

The accompanying separate and consolidated financial statements that have been prepared in accordance with IFRS, for the year ended December 31, 2022, were approved by the Board of Directors of the Company on 13.03.2023 and are under the approval of the Annual Regular General Meeting of Shareholders.

2. Basis for Preparation of financial statements and key accounting policies**2.1 Framework for the preparation of financial statements**

The Financial Statements have been prepared in accordance with IFRS as issued by the International Accounting Standards Board (IASB), as well as in accordance with their interpretations, as issued by the IASB Standards Interpretation Committee, as adopted by the European Union ("EU") and are mandatory applied for the year ending 31 December 2020 and present the financial position, results and cash flows of the Group and the Company on the basis of the going concern principle. There are no standards and interpretations of standards that have been applied before the date of their application. In this context, the Management considers that the going concern principle is the appropriate basis for the preparation of this financial reporting.

The Financial Statements have been prepared in accordance with the historical cost principle, except for the following items:

- Tangible fixed assets (land plots, buildings, machinery and transport vehicles/trucks special-purpose) measured at fair value based on independent appraisers estimates
- Investment property measured at fair value
- Financial assets measured at fair value through profit or loss

The preparation of financial statements in accordance with International Financial Reporting Standards requires that the Management of the Group and the Company make significant assumptions and accounting estimates that affect the balances of Assets and Liabilities, the disclosure of any receivables and liabilities at the date the statements were drawn up, as well as income and expenses presented during the year under review. Despite the fact that these calculations are based on the best possible knowledge of the Management in relation to the circumstances and the current conditions, the actual results may ultimately differ from these estimates. Estimates and judgments are continually evaluated and are based on empirical data and other factors, including future events that are expected under reasonable conditions. The Management of the Group and the Company estimates that there are no estimates and assumptions that pose a significant risk of causing material adjustments to the book values of assets and liabilities.

Significant judgments and estimates

The areas that require a high level of judgment, where estimates and assumptions are significant to the financial statements are analyzed as follows:

Income Tax

Judgments of the Group and the Company are required in determining the provision for income tax. According to IAS 12 the provision for income tax is calculated by assessing the taxes to be paid to the tax authorities and includes the current income tax for all fiscal years, provision for additional taxes that may rise from future tax audits and recognition of future tax benefits. If the final income tax is different from the that initially recognized, the difference will affect the income tax arising during the period when the tax differences arise.

Valuation of tangible fixed assets and investment property at fair value

For the valuation of tangible fixed assets (land, buildings, machinery and transport vehicles = special purpose trucks) and investment property, where there is an active market, the Group and the Company determine their fair value based on the valuation reports drawn up by independent appraisers. If there is no objective information, especially due to financial conditions, then the Management, based on its previous experience and, taking into account the available information, assesses their fair value.

Useful lives of tangible fixed assets

The Management estimates the useful life of depreciable assets. The related residual values are reassessed in order to assess their adequacy. Analytical information presented in Note 2.3.4.

Provision for inventories

The Group and the Company make estimates regarding the valuation of inventories at the lowest price between current and net realizable value. The Group and the Company use significant assumptions and estimates for the valuation and calculation of the provision for impairment of inventories, which include, inter alia, real estate and slow-moving inventory appraisal, estimate of inventory obsolescence, estimate of a negative profit margin per code within the year and estimates of the realizable value of inventories. Realizable value may differ from that estimated at the date of the financial statements preparation. Furthermore, appropriate provisions are made for slow inventory turnovers (see Note 16).

Provisions for trade and other receivables

The Management's assessment is based on the expected credit losses method in accordance with IFRS 9, i.e. it is based on past experience but is adjusted to reflect projections for the future financial position of clients, as well as the financial environment in general. The Group and the Company impair the value of their trade and other receivables when there is evidence or indications that collecting any receivable in its entirety or in part is unlikely.

The Management of the Group and the Company periodically reassesses the adequacy of the provision relating to doubtful receivables in relation to their credit policy and taking into account the data presented by the Legal Department, arising from processing historical data and recent developments of cases it manages, while assessing the current financial conditions, as well as collateral and guarantees acquired from particular clients (see Note 17).

Defined benefits plan

Benefit costs for specific benefit plans are calculated using actuarial valuations, where assumptions about discount rates, salary increase rates, employee retirement rates, and mortality rates are used. Due to the long-term nature of the plans, all assumptions are bound to significant uncertainty. The Management tries, at each reporting date where this provision is revised, to evaluate these parameters in the best possible way. Detailed information is presented in Note 24.

Contingent Liabilities

The existence of contingent liabilities requires that the Management make on-going assumptions and estimates with regard to the chance that future events may or may not occur, as well as the effects that those events may have on the activities of the Group and the Company.

Going concern

The Management examines the key financial data and, on occasion, the fulfilment of medium term budgets, together with the existing loan conditions in order to reach the conclusion that the assumption of going concern is appropriate for use in preparing the annual financial statements of the Group and the Company.

2.2 New Standards, Interpretations and Amendments to existing Standards

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), are adopted by the European Union, and their application is mandatory from or after 01/01/2022.

- Amendments to IFRS 3 “Business Combinations”, IAS 16 “Property, Plant and Equipment”, IAS 37 “Provisions, Contingent Liabilities and Contingent Assets” and “Annual Improvements 2018-2020” (effective for annual periods starting on or after 01/01/2022)

In May 2020, the IASB issued a package of amendments which includes narrow-scope amendments to three Standards as well as the Board’s Annual Improvements, which are changes that clarify the wording or correct minor consequences, oversights or conflicts between requirements in the Standards. More specifically:

-Amendments to IFRS 3 Business Combinations update a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

-Amendments to IAS 16 Property, Plant and Equipment prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.

-Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets specify which costs a company includes when assessing whether a contract will be loss-making.

-Annual Improvements 2018-2020 make minor amendments to IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leases.

The amendments do not affect the consolidated and separate Financial Statements.

New Standards, Interpretations, Revisions and Amendments to existing Standards that have not been applied yet or have not been adopted by the European Union

The following new Standards, Interpretations and amendments of IFRSs have been issued by the International Accounting Standards Board (IASB), but their application has not started yet or they have not been adopted by the European Union.

- IFRS 17 “Insurance Contracts” (effective for annual periods starting on or after 01/01/2023)

In May 2017, the IASB issued a new Standard, IFRS 17, which replaces an interim Standard, IFRS 4. The aim of the project was to provide a single principle-based standard to account for all types of insurance contracts, including reinsurance contracts that an insurer holds. A single principle-based standard would enhance comparability of financial reporting among entities, jurisdictions and capital markets. IFRS 17 sets out the requirements that an entity should apply in reporting information about insurance contracts it issues and reinsurance contracts it holds. Furthermore, in June 2020, the IASB issued amendments, which do not affect the fundamental principles introduced when IFRS 17 has first been issued. The amendments are designed to reduce costs by simplifying some requirements in the Standard, make financial performance easier to explain, as well as ease transition by deferring the effective date of the Standard to 2023 and by providing additional relief to reduce the effort required when applying the Standard for the first time. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

- Amendments to IAS 1 “Presentation of Financial Statements” (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that pertain to accounting policy disclosures. The objective of these amendments is to improve accounting policy disclosures so that they provide more useful information to investors and other primary users of the financial statements. More specifically, companies are required to disclose their material accounting policy information rather than their significant accounting policies. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

- Amendments to IAS 8 “Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates” (effective for annual periods starting on or after 01/01/2023)

In February 2021, the IASB issued narrow-scope amendments that they clarify how companies should distinguish changes in accounting policies from changes in accounting estimates. That distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are generally also applied retrospectively to past transactions and other past events. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

- Amendments to IAS 12 “Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction” (effective for annual periods starting on or after 01/01/2023)

In May 2021, the IASB issued targeted amendments to IAS 12 to specify how companies should account for deferred tax on transactions such as leases and decommissioning obligations – transactions for which companies recognise both an asset and a liability. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The amendments clarify that the exemption does not apply and that companies are required to recognise deferred tax on such transactions. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

- Amendments to IFRS 17 “Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information” (effective for annual periods starting on or after 01/01/2023)

In December 2021, the IASB issued a narrow-scope amendment to the transition requirements in IFRS 17 to address an important issue related to temporary accounting mismatches between insurance contract liabilities and financial assets in the comparative information presented when applying IFRS 17 “Insurance Contracts” and IFRS 9 “Financial Instruments” for the first time. The amendment aims to improve the usefulness of comparative information for the users of the financial statements. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have been adopted by the European Union with effective date of 01/01/2023.

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

In January 2020, the IASB issued amendments to IAS 1 that affect requirements for the presentation of liabilities. Specifically, they clarify one of the criteria for classifying a liability as non-current, the requirement for an entity to have the right to defer settlement of the liability for at least 12 months after the reporting period. The amendments include: (a) specifying that an entity’s right to defer settlement must exist at the end of the reporting period; (b) clarifying that classification is unaffected by management’s intentions or expectations about whether the entity will exercise its right to defer settlement; (c) clarifying how lending conditions affect classification; and (d) clarifying requirements for classifying liabilities an entity will or may settle by issuing its own equity instruments. Furthermore, in July 2020, the IASB issued an amendment to defer by one year the effective date of the initially issued amendment to IAS 1, in response to the Covid-19 pandemic. However, in October 2022, the IASB issued an additional amendment that aim to improve the information companies provide about long-term debt with covenants. IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt in the 12 months after the reporting date. However, a company’s ability to do so is often subject to complying with covenants. The amendments to IAS 1 specify that covenants to be complied with after the reporting date do not affect the classification of debt as current or non-current at the reporting date. Instead, the amendments require a company to disclose information about these covenants in the notes to the financial statements. The amendments are effective for annual reporting periods beginning on or after 1 January 2024, with early adoption permitted. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

- Amendments to IFRS 16 “Leases: Lease Liability in a Sale and Leaseback” (effective for annual periods starting on or after 01/01/2024)

In September 2022, the IASB issued narrow-scope amendments to IFRS 16 “Leases” which add to requirements explaining how a company accounts for a sale and leaseback after the date of the transaction. A sale and leaseback is a transaction for which a company sells an asset and leases that same asset back for a period of time from the new owner. IFRS 16 includes requirements on how to account for a sale and leaseback at the date the transaction takes place. However, IFRS 16 had not specified how to measure the transaction when reporting after that date. The issued amendments add to the sale and leaseback requirements in IFRS 16, thereby supporting the consistent application of the Accounting Standard. These amendments will not change the accounting for leases other than those arising in a sale and leaseback transaction. The Group will examine the impact of the above on its Financial Statements, though it is not expected to have any. The above have not been adopted by the European Union.

2.3 Key accounting policies

The key accounting policies adopted by the Group and the Company for the preparation of the accompanying financial statements are preselected below as follows.

2.3.1 Basis for Consolidation

The Consolidated Financial Statements include the Financial Statements of the parent company MAKIOS SA and its subsidiaries. Subsidiaries are all the companies (including special purpose companies) whose operation the Group controls. The Group controls a company when it is exposed to, or has rights to, various returns of the company due to its participation in it, and has the ability to affect these returns through its authority over the company.

Subsidiaries are fully consolidated from the date when control is transferred to the Group and cease being consolidated from the date that this control no longer exists.

The Group applies the acquisition method to account for business combinations.

The acquisition consideration for a subsidiary is calculated as the total of the fair values of the assets transferred, liabilities assumed and securities issued by the Group. The consideration of the transaction also includes the fair value of the assets or liabilities that arise from a contingent consideration agreement. In a business combination the costs related to the acquisition are expensed. The identifiable assets acquired, the liabilities and contingent liabilities are measured at fair value on the acquisition date. In case of a non-controlling interest, the Group either recognizes it at fair value, or at the equity share value of the company acquired.

If an acquisition takes place in stages, the book value of the assets of the Company that is acquired and owned by the Group on the acquisition date is revalued at fair value. Profit or loss from revaluation at fair value is recognized in the income statement.

Every contingent consideration paid by the Group is recognized at fair value on the acquisition date. Subsequent changes in the fair value of the contingent consideration, which is considered an asset or a liability, are recognized either in accordance with IAS 9, in the income statement, or as a change in other comprehensive income. The contingent consideration classified as capital is not revalued and subsequent arrangements take place in equity.

Goodwill initially recognized in the acquisition cost is the excess amount of the total consideration paid and the amount recognized as a non-controlling interest, against the net assets acquired and the liabilities assumed. Provided that the fair value of net assets is greater than the total consideration, profit from the transaction is recognized in the Statement of Comprehensive Income.

Following the initial recognition, goodwill is measured at cost less accumulated impairment losses. For impairment test purposes, goodwill arising from company acquisitions is distributed after the acquisition date to every cash generating unit of the Group expected to benefit from the acquisition, irrespective of whether assets or liabilities of the acquired company are transferred to that unit.

If goodwill is allocated to a cash generating unit and part of the activity of that unit is sold, goodwill associated with that part of the activity is included in the book value when determining profit and loss from the sale. In that case, goodwill sold is calculated based on the relative values of the activity sold and the part of the cash flow generating unit that is maintained.

Any losses are distributed to non-controlling interests, even if the balance becomes negative.

Investments in subsidiaries are recorded in the Statement of Financial Position of the Company at acquisition value less any impairment losses, if any. The acquisition value is adjusted to incorporate the changes in the consideration from amendments to the contingent consideration.

Financial statements of the subsidiaries are prepared on the same date and use the same accounting policies as the parent Company. Intra-group transactions, balances and accrued profits/losses in transactions between the companies of the Group are eliminated.

(a) Changes in ownership interests in subsidiaries without change of control.

Transactions with non-controlling interests that result in the Group retaining control of a subsidiary are accounted for as equity transactions - that is, as transactions between the owners. The difference between fair value of any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity.

(b) Disposal of subsidiaries

When the Group ceases to have control over an entity, and as long as it continues to maintain any interest in it, this interest is re-measured to its fair value at the date when control is lost, with any subsequent change in carrying amount recognized in profit or loss. For accounting purposes, fair value is the initial current value of the remaining holding in the associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to the income statement.

2.3.2 Foreign currency translation differences

(i) Functional and presentation currency: Items included in the financial statements of the Company and its subsidiaries are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Euro, which is the Company's functional currency.

(ii) Transactions and balances: Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Receivables, assets and liabilities denominated in foreign currencies at the dates of the financial statements are adjusted to reflect the exchange rates at the date of the financial statements. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year-end exchange rates are recognized in the statement of comprehensive income.

The results and financial position of all the Group Companies (none of which had the currency of a hyperinflationary economy at December 31, 2022 and 2021) that have a functional currency different from the presentation currency of the Group are translated as follows:

Assets and liabilities of foreign subsidiaries, which are independent economic units, are converted into Euro using the rates in effect at the financial statements date, the equity is converted at the exchange rates in effect at the dates they were obtained, while the income and expenses are translated using the average rates of the period. Exchange differences arising from the use of different exchange rates are recognized directly in equity. Upon selling a subsidiary operating overseas, accumulated exchange differences are transferred to the income statement of the period as profit or loss resulting from the sale.

2.3.3 Tangible fixed assets

Land, buildings, machinery and vehicles are measured at their fair value. Revaluations are carried out regularly, so that the carrying amount of an asset does not materially differ from its fair value at the financial statement date. Fair value is determined by estimates of professional appraisers in accordance with IAS 16. When the carrying amount of an asset increases as a result of a revaluation, the increase is credited directly to Equity in the Fair Value Reserve.

If an asset's carrying amount is increased as a result of a revaluation, the increase is credited directly to equity in revaluation surplus. However, the increase is recognized in the income statement to the extent it reverses a revaluation decrease of the same asset previously recognized in the income statement. If an asset's carrying amount is decreased as a result of a revaluation, the decrease is recognized in the income statement. However, the decrease is debited directly to equity to revaluation surplus to the extent of any credit balance existing in the revaluation surplus in respect of that asset.

Other tangible fixed assets (furniture and other equipment) in financial statements are carried at acquisition cost less accumulated depreciation and potential impairment.

The cost of an item of property, plant or equipment comprises the acquisition cost including import duties and non-refundable purchase tax, as well as any cost required to make the asset operational and ready for future use. Repairs and maintenance costs are recognized in the expenses when incurred. Subsequent additions and improvements are

capitalized at the cost of the relevant assets when they increase the useful life of the asset or reduce its operating costs.

Fixed assets constructed by the Company are recorded at self-construction cost which includes subcontractors' fees, materials and technicians' payroll costs involved in the construction (including relevant employer contributions) as well as part of general administrative expenses.

Assets under construction include fixed assets under construction and are stated at their cost. Assets under construction are not depreciated until the fixed assets are complete and operational.

Land plots are not depreciated. Depreciation of other tangible fixed assets is calculated using the straight line method over the following useful life per fixed asset category:

Class of assets	Useful life
Buildings	10 - 50 years
Machinery	10 -25 years
Vehicles	6- 35 years
Furniture and Other equipment	6 - 15 years
Equipment related with H/Y	10 years

The Group Management annually reviews the tangible assets for indication of impairment. If indications of impairment do exist, the recoverable amount is estimated and where the net book value of assets exceeds the recoverable amount, provision for impairment loss is made so that the carrying amount of the asset reflects its recoverable amount.

Derecognition of Assets

Tangible assets are written off from the Statement of Financial Position when disposed or when no financial benefits are expected from their use.

Gains and losses from withdrawals or disposals of tangible assets are determined by the difference between the estimated net revenue from the disposal and the book value; gains and losses are recognized in the Statement of Total Comprehensive Income. When an item of property, plant and equipment is sold at fair value, any revaluation reserve that exists in equity at the time of sale is transferred to retained earnings.

2.3.4 Borrowing costs

Borrowing costs are interest and other costs incurred by an entity in connection with borrowing funds.

To the extent the Group borrows funds specifically for the purpose of obtaining a qualifying asset, it will determine the amount of borrowing costs eligible for capitalization as the actual borrowing costs incurred in that borrowing during the period less any income on the temporary investment of those borrowings.

The Group commences capitalization of borrowing costs, when it is probable that they will result in future financial benefits for the entity and can be reliably valued, when the Group and the Company meet all the following conditions for the first time:

(a) incur expenditures for the asset

(b) incur borrowing costs

(c) undertake activities that are necessary to prepare the asset for its intended use or sale.

2.3.5 Non-current assets held for sale

The Group classifies a non-current asset or a group of assets and liabilities as held for sale, if their value is expected to be recovered primarily through disposal of the assets and not through their use.

The basic conditions for classifying a non-current asset or a group of assets (assets and liabilities) as held for sale are for the asset or group to be available for direct sale in their current state, and the completion of the sale to depend only on conditions that are normal and typical for sales of such items and the sale should be highly probable.

In order for the sale to be considered highly probable, all the following conditions should be met:

- the management be committed to a plan to sell the assets or group
- an active programme to locate a buyer or/and complete the transaction be initiated
- the asset be actively marketed for sale at a sales price reasonable in relation to its fair value
- the sale be completed within 12 months of the asset or group classification as held for sale (subject to limited exceptions)
- the actions required to complete the plan indicate that it is unlikely that the plan will be significantly changed or withdrawn.

Immediately prior to the initial classification of the asset or group of assets and liabilities as held for sale, the asset (or all assets and liabilities included in the group) is valued on the basis of the IFRSs in force in each case.

Non-current assets (or group of assets and liabilities) classified as held for sale are carried (after the initial classification as above) at the lower value between the value of those referred to in the financial statements and their fair value reduced by direct disposal costs, and the resulting impairment losses are recognized in the income statement for the year. Any potentially arising increase in fair value at a subsequent valuation will be recorded in the income statement for the year but not for an amount greater than the initially recognized impairment loss.

From the day on which a non-current depreciated asset (or non-current assets included in a group of assets and liabilities) is classified as held for sale, depreciation on those non-current assets shall not be considered.

2.3.6 Intangible assets

Intangible assets include software acquisition cost and any expenditure for software development in order to become operational. Software amortization is calculated on a straight line basis within its useful life of 5 years.

Following initial recognition, the Group Management annually reviews the intangible assets for impairment. When events or changes in circumstances indicate that the carrying amount of an intangible asset is not recoverable, provisions for impairment loss is made so that the carrying amount of that item should reflect its recoverable amount.

Expenditure required for software maintenance is recognized as expenses in the income statement when incurred.

2.3.7 Impairment of Assets

Under IAS 36, land and buildings, plants, equipment, intangible assets and right-of-use assets should be annually reviewed for impairment. If indications for impairment exist, the recoverable amount is estimated and if the net book value exceeds the recoverable amount, the impairment loss is recognized in the income statement for the year. The recoverable amount is the higher amount between the fair value of the asset less costs to sell and value in use. Fair value less costs to sell is defined as the amount from the sale of the asset in the context of a bi-lateral arm's length transaction after the deduction of any additional direct cost for sale of the asset, while value in use is the present value of estimated future cash flows expected to flow to the entity from the use of the asset and from its

sale at the end of its estimated useful life. If an entity cannot estimate the recoverable amount of an asset for which there is an impairment indication, then the recoverable amount of the separate unit of the asset class that generates cash flows is estimated. For the years 2022 and 2021 there are no indications of impairment in tangible fixed assets, intangible assets and right-of-use assets of the Group and the Company.

In the event of a reversal of the impairment loss, when there is sufficient evidence that the impairment is no longer effective, the carrying amount of the asset may not exceed the carrying amount of that asset if the impairment loss had not been recognized.

2.3.8 Investment property

Investment property includes the assets which held either rentals or for capital gains or both. Land plots and buildings are the only investments considered investment property items.

Investment property is initially measured at cost. Initial cost includes transaction expenses: professional and legal expenses, transfer taxes and other direct costs.

Following the initial measurement, investment property is measured at fair value. Gain or loss arising from changes in fair value is charged to the income statement for the period in question.

Transfers to investment property only take place when the purpose of the property use changes, as demonstrated following the end of their use, the start of a long term financial lease to third parties or the completion of their construction or development. Transfers from investment property only take place when there is a change in use, as demonstrated by the start of their use by the Group and the Company or the start of development with the intent to sell.

2.3.9 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument to another.

I. Financial assets

Initial recognition and measurement

Under the initial recognition, financial assets are classified depending on their nature and characteristics into one of the following four categories:

- Financial assets at amortized cost,
- Financial assets at fair value through profit or loss,
- Financial assets at fair value through other comprehensive income

All financial assets are initially recognized at their fair value, which is usually the acquisition cost plus direct transaction costs. Acquisitions and sales of investments are recognized at the date of the transaction, which is the date the Group and the Company commit to purchase or sell the item.

Subsequent measurement

i. Financial assets at amortized cost

This category includes financial assets meeting both of the following conditions:

1. the financial asset is retained within a business model, whose objective is to hold financial assets for the purpose of collecting contractual cash flows; and
2. under the contractual terms of the financial asset, cash flows that consist exclusively of capital repayment and interest on the outstanding capital are created at specific dates.

This category includes all the financial assets of the Group and the Company.

ii. Financial assets at fair value through other comprehensive income

A financial asset is measured at fair value through other comprehensive income if both the following conditions are met:

1. the financial asset is retained in the context of a business model, the objective of which is achieved both by the collection of contractual cash flows and the sale of financial assets; and
2. under the contractual terms of the financial asset, cash flows that consist exclusively of capital repayment and interest on the outstanding capital are created at specific dates.

The Group and Company did not have investments of this category at the date of the Financial Statements.

iii. Financial assets at fair value through profit or loss

A financial asset is measured at fair value through profit or loss, unless it is measured at amortized cost according to paragraph (i) or fair value through other comprehensive income in accordance with paragraph (ii). However, at initial recognition, the Company may elect irrevocably for specific investments in equity instruments that would otherwise be measured at fair value through profit or loss, presenting other comprehensive income on subsequent changes in fair value.

Realized and unrealized gains or losses arising from changes in the fair value of financial assets measured at fair value through profit or loss are recognized in profit or loss in the period they arise.

The Group and Company had investments at fair value through profit or loss at the date of the financial statements.

Derecognition of financial assets

The Group and the Company cease to recognize a financial asset when the contractual rights to the cash flow of the financial asset expire or the financial asset is transferred and the transfer meets the conditions for write-off.

Reclassification of financial assets

Financial assets are rarely reclassified due to the Company's decision to modify its business model for the management of those financial assets.

Impairment of financial assets

Under IFRS 9, impairment of financial assets measured at amortized cost or at fair value through other comprehensive income occurs through recognizing the expected credit losses.

At every reporting date, IFRS 9 requires measuring the provision for a financial instrument for an amount equal to the expected lifetime loss if the credit risk of the financial instrument has increased significantly since initial recognition. On the other hand, if at the reporting date the credit risk of a financial instrument has not increased significantly from the initial recognition, IFRS 9 requires measurement of a loss provision for that financial instrument with an amount equal to the expected 12-month credit losses.

The risk parameters taken into account for the calculation of expected credit losses are the estimated default probability, the percentage of loss on the principal due to the fact that the client has failed to repay the amount due and the outstanding balance the Company is exposed to in case of default of the clients. In certain cases and for certain financial information, the Group and the Company may assess that there is a credit event when there is internal or external information indicating that the amounts determined under the relevant contract are unlikely to be collected in full.

As a general rule, the assessment of classification in stages is carried out at every reporting period.

With regard to “Trade receivables”, IFRS 9 requires the application of the simplified approach to the calculation of expected credit losses. By using this approach, the Group and the Company have calculated the expected credit losses over the life of those items using a table of projections. This table is based on historical data experience but is adjusted in such a way that it should reflect projections for the future financial [position of clients, as well as the economic environment.

ii. Financial liabilities

Initial recognition

The balances of trade and other liabilities are recognized at cost that is the fair value of the future payment for the purchases of goods and services provided. Trade and other short-term liabilities are not interest-bearing accounts and are usually settled in 0-120 days.

All loans are initially recorded at cost, which reflects the fair value of the receivables less the relevant direct acquisition costs if significant. After initial recognition, interest bearing loans are measured at amortized cost applying the effective interest method. Amortized cost is calculated by taking into account issuing costs and the difference between the initial amount and maturity. Gains and losses are recognized in profit or loss when liabilities are written off or impaired through the amortization process.

Subsequent measurement

After initial recognition, the entity measures all financial liabilities at amortized cost using the effective interest method except for:

- a. financial liabilities at fair value through profit or loss.
- b. financial liabilities that arise when the transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach is applied.
- c. financial guarantee contracts
- d. loan commitments at lower interest rates than those on the market.

The unamortized cost of loans is calculated by taking into account issuing costs and the difference between the original amount and maturity. Gains and losses are recognized in profit or loss when liabilities are written off or impaired, and through the amortization process.

Loans are classified as current (short-term) liabilities unless the Group and the Company have the right to postpone the repayment of the liability for at least 12 months from the date of the Financial Statements.

Derecognition

An entity ceases to recognize a financial liability (or part thereof) in its financial statements when, and only when, it is settled, that is, when the commitment set out in the contract is fulfilled, canceled or expires. An exchange between an actual debtor and a borrower of debt securities in substantially different terms is accounted for as a repayment of the original financial liability and recognition of a new financial liability. Similarly, a material change in the terms of an existing financial liability (whether due to a borrower's financial difficulty or not) is accounted for as a repayment of the original financial liability and recognition of a new financial liability. The difference between the carrying amount of a financial liability (or a part of a financial liability) payable or transferred to another party and the consideration paid, including the non-cash assets and the liabilities assumed, is recognized in the income statement.

Reclassification of financial liabilities

The Group and the Company may not reclassify any financial liability.

Offsetting financial instruments

Financial assets are offset with liabilities and the net amount is recorded in the Financial Statements only if there is a legal right to offset them and there is an intention to settle the net amount resulting from the offsetting or to proceed with a simultaneous settlement.

2.3.10 Investment in subsidiaries (separate financial statements)

The Parent Company's investments in consolidated subsidiaries are measured at cost less any impairment losses. Impairment losses are recognized in financial expenses in the Statement of Comprehensive Income.

Upon acquisition of subsidiaries (which the Company has established), the Company recognizes their assets and liabilities in the Statement of Financial Position at the date of their incorporation. The balance difference between the value of the assets and liabilities and the cost of investment is allocated to the equity accounts.

2.3.11 Inventory

Inventories are measured at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of the Group and the Company operations, less estimated costs necessary to make the sale.

The acquisition cost of purchased inventories is calculated based on FIFO method. Consumables and spare parts for general use are included in inventories and expensed during usage.

Appropriate provisions are made for obsolete, worthless and very low turnover inventories. Decreases in the value of inventories at net realizable value and other impairment losses are recognized in the Statement of Comprehensive Income during the period when incurred.

2.3.12 Trade and other receivables

Short-term receivables, which are normally settled until 120 days, are stated at their nominal value less provisions for any outstanding balances, while long-term receivables (balances that deviate from standard credit terms) are carried at amortized cost based on the effective interest rate method.

Provision for impairment of receivables is made when it is no longer possible to collect the entire amount due. The Company also calculates the expected credit losses over the life of the receivables and makes a relevant provision using a provision matrix, which is based on historical data experience but is adjusted to reflect provisions for the future financial position of clients, as well as the economic environment.

The balance of this provision for impairment of receivables is appropriately adjusted at every financial statements closing dates to reflect the potential relative risks. Any write off of client balances is charged to the existing provision for doubtful receivables. It is the Group and the Company's policy not to write off any receivables until all possible legal actions for its collection have been taken. The amount of the provision is recognized as an expense in other expenses in the statement of comprehensive income.

Subsequent recovery of the amounts for which a provision had been made are credited in the "Other income and profit", in the Statement of Comprehensive Income.

2.3.13 Cash and cash equivalent

Cash and cash equivalents comprise cash in hand, sight deposits and short-term investments of up to 3 months of high liquidity and low risk. Bank overdrafts are recorded in Liabilities in the short-term loan liabilities. Cash and cash equivalents have a non-significant risk of change in value.

2.3.14 Share Capital

Share capital includes the value of the Company's common shares that have been issued and are in circulation. Expenses directly related to the issue of new shares are presented in Equity deducted from the share capital.

2.3.15 Provision for risks, expenses and contingent liabilities

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying financial benefits and the amount of the related liability can be estimated reliably. When the Group expects a provision to be reimbursed, for example, under an insurance contract, and there is absolute certainty regarding its collection, then this reimbursement is recorded as a separate receivable.

Provisions are reassessed on every financial statements date and are adjusted to depict the current value of the expense to be made in order to settle the liability. If the effect of the time value of money is significant, provisions are calculated by discounting the expected future cash flows with a pretax rate, which reflects the current estimates of the market for the time value of money, and whenever necessary, the risks specifically related to the liability. Contingent liabilities are not recorded in the financial statements but rather disclosed, unless the possibility for outflow of resources that embody financial benefits is minimal. Contingent liabilities are not recorded in the financial statements but rather disclosed if an inflow of financial benefits is probable.

2.3.16 Provision for staff leaving indemnities - Employee Benefits

According to the provisions of the current labor law, the Company and its subsidiaries pay compensation to retirees, and the amount of the relevant compensation depends on the years of service and the amount of earnings.

The plan is regarded as a defined benefit plan according to the IAS 19 "Employee benefits". Liabilities for indemnities are calculated at the discounted value of future benefits accruing at the end of the year, based on the recognition of employees' entitlement to benefits during their expected working life. The above mentioned liabilities are calculated based on financial and actuarial assumptions and are determined using the Projected Unit Method. The net retirement costs of the period are included in the Statement of Comprehensive Income and include the present value of the benefits accrued during the fiscal year, the interest over the liability and the actuarial gains or losses, recorded directly in the statement of other comprehensive income and not transferred in the Statement of Comprehensive Income in the future. The Full Yield curve method is used in discounting. Previous service cost is recognized directly in the statement of comprehensive income.

Short term benefits

Short term employee benefits (except employment termination benefits) either in cash or in kind are recognized as expense when accrued. Any outstanding amount is recognized as a liability, and if the already paid amount exceeds the amount of benefits, the entity recognizes the excess amount as an asset (prepaid expense) only to the extent the prepayment will reduce the future payments or will be returned.

Apart from the above, the Company and the Group have no long-term legal or constructive obligations to employees.

2.3.17 Loans

Borrowing costs are recognized as expenses in the period when incurred in accordance with IAS 23 “Borrowing Costs”. Loan liabilities are initially recorded at cost reflecting their fair value less the relevant loan issuance expenses. After the initial recognition they are measured at the amortized cost based on the effective interest rate method.

2.3.18 State insurance plans

The Company employees are mainly covered by the State Insurance Fund related to the private sector (EFKA), for pension and medical services. Every employee is obliged to contribute a part of their monthly salary to the Fund, while a part of the total contribution is covered by the Company. During retirement, the pension State Fund is responsible for the pension payments. Consequently, the Company has no legal or constructive obligation to pay the future benefits based on this benefit plan. The plan is regarded as a defined contributions plan.

2.3.19 Government grants

Government grants related to financing tangible assets are recognized when there is reasonable assurance that the grant will be collected and that the Group will comply with the terms and conditions that have been set for payment. When government grants are related to an asset, the fair value is recorded in long term liabilities as deferred revenue and is transferred to the Statement of Comprehensive Income in equal annual instalments based on the expected useful life of the relevant asset that was subsidized. When the grant is related to an expense, it is recognized as revenue in the fiscal year required in order for the grant to correspond on a systematic basis to the expenses it is intended to compensate. Grant amortization is recorded in “Other Income and Profit” in the Statement of Comprehensive Income.

2.3.20 Loan liabilities

Loan liabilities are initially recognized at cost, which reflects the fair value of the amounts payable less the relative costs directly attributable to them, where they are significant. After initial recognition, interest bearing loans are measured at amortized cost using the effective interest method. Amortized cost is calculated by taking into account issuance expenses and the balance between the initial amount and maturity. Gains and losses are recognized in profit or loss when the liabilities are written off or impaired.

Loans are classified as current (short-term) liabilities unless the Group has an unconditional right to defer settlement for at least 12 months after the financial statement date.

2.3.21 Trade and other liabilities

Trade and other liabilities balances are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. Trade and other short-term liabilities are not interest-bearing accounts and are usually settled in a period of up to 120 days for the Group and the Company.

2.3.22 Current and deferred income tax

Current tax is calculated based on the financial statements of every company included in the consolidated financial statements, in accordance with the tax legislation effective in Greece or other tax frameworks within which the foreign subsidiaries operate. Current income tax expense includes income tax that arises on the basis of the profits of each Company as reclassified in its tax returns, additional income taxes arising from tax authorities' audits, and provisions for additional tax and surcharge for unaudited fiscal years and it is calculated according to tax rates applicable at the financial statements date.

Deferred income tax is determined according to the liability method, based on the tax rates effective at the financial statement date, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts. Deferred income tax is not recognized if it arises from the initial recognition of an asset or liability in a

transaction, other than a business combination, and at the time of the transaction affects neither accounting nor taxable profit and loss.

Deferred tax receivables are recognized for all the deductible temporary differences and tax-deductible investment law entitlements carried forward to the extent that it is probable that a taxable profit will be available against which the deductible temporary differences and deductible rights carried forward may apply.

The book value of deferred income tax assets is reassessed in every financial statements date and it is decreased to the extent that it is probable that taxable profits will be available against which all or part of the deductible deferred income tax assets may apply.

2.3.23 Revenue from contracts with customers

Revenue consists of the fair value of the consideration received or receivable from the sale of goods and the provision of services in the ordinary course of business of the Group. Revenue from contracts with customers is recognized when control of the goods and services is transferred to the client for an amount that reflects the consideration the Group expects to receive in the provision of those goods and services. Control over the services provided is transferred to the client upon delivery of the respective services. Revenue is recognized to the extent it is probable that the economic benefits will flow to the Group and the income can be reliably measured. If a contract contains more than one contractual obligation, the total value of the contract is allocated to separate liabilities based on the separate sales values.

Specifically, sales revenue relates to a) revenue from sale of goods, b) revenue from rendered services which are the main source of income, and c) revenue from other provisions.

As far as the above revenue categories are concerned, the Group estimated that recognition is carried out at a given time, with the delivery of every good or service (which is identical to the time that the control over the good or service is handed over to the client).

Control over goods is usually handed over to the client upon exiting the warehouse or delivery.

The Group further estimates whether it has a principal or representative role in any relevant agreement. The Group's assessment is that it is the principal in all sales transactions performed.

In addition, if the consideration in a contract includes a variable amount, the Group recognizes that amount only as income to the extent that it is probable that there will be no significant reversal in the future. It is common practice that the sales of goods and provision of services of the Group do not give rise to discount rights due to sales volume or other rights for discounts.

The Group and the Company do not enter into contracts where the period between the transfer of the goods or services promised to the client and the payment by the client exceeds one year. Therefore, the Group and the Company do not adjust the transaction price for the time value of money.

In cases where the Group and the Company receive payment from the client (prepayment) prior to the performance of the contractual obligations and the transfer of the goods or services, a contractual liability is recognized. The contractual liability is derecognized when the contractual obligations are executed, and the income is recorded in the statement of comprehensive income.

2.3.24 Income from interests and dividends

Interest income is recognized on the time proportion basis that takes into account the effective yield on the asset.

Income from dividends is recognized when the shareholders right to collect the dividends is finalized; that is, when approved by the General Meeting.

Income from interests and dividends related to investment securities are recorded in the item "financial income" of the statement of comprehensive income.

2.3.25 Expenses

Expenses are recognized in the profit or loss on accrual basis. Payments related on short-term or low-value leasing are transferred to the profit or loss as expenses, during the use of the lease.

2.3.26 Dividends

Dividends distributed to the shareholders of the Company are recorded in the Financial Statements as a liability, when the Board of Directors' proposed dividend is approved by the General Meeting of Shareholders.

2.3.27 Leases (as lessee or lessor)

When a contract enters into force, the Group and the Company assess whether a contract constitutes or contains a lease. A contract contains a lease if it transfers the right to control the use of a specified asset, even if that asset is not explicitly specified for a period of time in exchange for compensation.

The Group and the Company as a lessee:

The Group and the Company implemented a unified approach to recognition and measurement for all leases, except for low value asset leases. The Group and the Company recognize lease liabilities for the repayment of leases and right-of-use assets that represent the right to use the underlying assets. The Group and the Company lease real estate, used as offices or warehouses, as well as machinery and means of transportation for their operations.

- Right-of-use assets

The Group and the Company recognize right-of-use assets at the inception of the lease (the date the asset is available for use). Right-of-use assets are measured at cost, less any accumulated amortization and value impairment and adjusted for any revaluation of the respective lease liabilities. The cost of the right-of-use assets include the amount of lease liabilities that have been recognized, the initial directly related costs and the lease payments made at or before the start date, reduced by the amount of discounts or other incentives offered. Except when the Group and the Company are relatively certain that they will obtain ownership of the leased asset at the end of the lease, the recognized right-of-use assets are amortized applying the straight line method for the shortest period between the useful life of the asset and the terms of the lease. Right-of-use assets are tested for impairment.

- Lease liabilities

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include 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 Group and the Company and payments of penalties for terminating a lease, if the lease terms reflect the Group and the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognized as expense in the period when the event or condition that triggers the payment occurs. Finally, the Group and the Company have decided to apply practical expedient for buildings and transport vehicles, which does not require the separation of non-lease from lease items and instead considers each lease item and each relevant non-lease item as a single lease item.

In calculating the present value of lease payments, the Group and the Company use the cost of additional borrowing at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities increases with interest expenses and decreases with rent payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification in the contract or any change in the lease term, in the fixed lease payments (e.g. changes in future payments as a result of

a change in an indicator used to determine such lease payments) or a change in the valuation of the asset. These recalculations are recorded in one line in the note on the right-of-use assets as modifications.

- Short-term leases and low value fixed assets leases

The Group and the Company apply the short-term lease recognition exemption to its short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). They also apply the lease of low-value assets recognition exemption to leases that are considered of low value (i.e. below five thousand Euros). Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

- Significant assessments in determining the term of leases with the right to extend it

The Group and the Company determine the lease term as the contractual term of the lease, including the period covered by (a) the right to extend the lease if it is relatively certain that the right will be exercised or (b) the right to terminate the contract, if it is relatively certain that the right will not be exercised.

For some leases, the Group and the Company have the right to extend the term of the lease. The Group and the Company evaluate whether there is a relative certainty that the right to renew will be exercised, taking into account all the relevant factors that create financial incentive, to exercise the right to extend the term of the lease. After the commencement date of the lease, the Group and the Company reconsider the duration of the lease, if there is a significant event or change in the conditions that fall under their control and affect (or not) the option of exercising the right to extend the lease (such as a change in business strategy of the Group and the Company).

In 2019, the International Financial Reporting Interpretations Committee, IFRIC (the "Committee") issued a summary of the decisions made at its meetings to clarify the IFRS 16 interpretations regarding the following issues:

- Subsurface rights not applicable to the Group and the Company

Determining the term of leases: The Committee concluded that, in assessing the meaning of the non-significant sentence (penalty), in drawing up the terms of the lease, the analysis should not only cover the fine provided for in the contract, but also use a broader economic assessment of the penalty, so as to include all possible financial outflows associated with termination of the contract. The Group and the Company implement this decision and apply judgment to assess the term of each lease, taking into account all the relevant factors generating a financial incentive to extend or terminate the lease.

When the Group and the Company are lessors, the lease income from operating leases is recognized in the statement of comprehensive income using the straight-line method over the term of the lease.

2.4 Financial risk management

Financial risk factors

The Company and the Group are exposed to various financial risks in the course of their operations, such as market risks (changes in exchange rates, interest rates, market prices), credit risk and liquidity risk. The overall risk management plan of the Company and the Group aims to minimize the potential adverse effects of these fluctuations on their financial performance.

The risk management policy is applied by the Company and the Group Management, which evaluates the risks related to its activities and operations and designs the methodology by selecting the appropriate financial products to reduce risks. The Management does not perform profit-making transactions or transactions that are not related to the commercial, investment or borrowing activities of the Group.

The financial products used by the Company and the Group consist mainly of bond loans, bank deposits, bank overdrafts via factoring, accounts receivable and payable.

The Group and the Company do not use financial derivatives in order to hedge risk undertaking. The Group and the Company do not participate in financial instruments that could expose them to fluctuations in foreign exchange rates and interest rates.

Foreign currency risk

All the Company and the Group transactions are performed in Euro or in Bulgarian Leva, whose exchange rates are of fixed rat against Euro, or in Romanian LEI, which does not show significant deviations over time and therefore the foreign exchange risk is limited.

The Company and the Group do not pre-purchase foreign currency on a regular basis and do not enter into foreign currency futures contracts with external contractors.

The exchange rate differences arising under the minimum transactions in other currencies are negligible and therefore any fluctuations in the foreign exchange market would not affect the result.

Price risk

The Company and the Group are mainly exposed to changes in the value of tradable goods supplied (oil) and therefore their inventory and commercial policy are adjusted accordingly. The Group and the Company transfer to their customers any changes in the market prices of oil (through price increases over a reasonable period of time) in the medium term and, therefore, no long-term risk arises from changes in market prices.

There is no significant commercial reliance on suppliers.

The Company and the Group carry out an inventory impairment test and analyze the net realizable value of the inventories; should there be any reasons for depreciation, they establish adequate provisions so that their value in the financial statements is identical to the real one.

The Company and the Group hold low risk stock exchange listed shares and therefore are not exposed to the risk of significant change in stock exchange price of securities. However, as the above investments in securities arise when there are sufficient funds, under the repayment schedule of the Group and the Company's liabilities, the total risk is limited.

Interest rate risk

The events of the second half of 2022, which led to the rapid increase in the key interest rate of the European Central Bank, significantly affect the net profitability and cash flows of the Company and the Group. The Company and the Group are on a strong development path through significant investments resulting in a significant increase in their borrowings in recent years.

Therefore, depending on the respective levels of net debt, the change to the base interest rates (EURIBOR) has a proportional impact on the results of the Company and the Group. The risk of change is presented in the table below with a calculated change in interest rates by one unit:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Borrowings	41.082.460,96	32.575.704,46	40.923.400,43	32.575.704,46
Lease liabilities	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41
Total	42.562.849,85	33.688.826,87	42.223.717,73	33.688.826,87
Interest rate variation (+)	1%	1%	1%	1%
Interest Amount	425.628,50	336.888,27	422.237,18	336.888,27
Interest rate variation (-)	-1%	-1%	-1%	-1%
Interest Amount	-425.628,50	-336.888,27	-422.237,18	-336.888,27

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As the interest rates offered by the Greek banks are de-escalating, in the closing year, the Company completed restructuring its bank loans issued with the collaborating banks and achieved further savings in its financial costs.

Careful, ongoing monitoring of interest rate trends significantly reduces the adverse impact on gains from potential short-term interest rate fluctuations.

Credit risk

The Company and the Group provide services exclusively to counterparties of a reliable credit record. The Company and the Group policy is to conduct credit audit procedures (either through an independent authority or an intra-company audit) regarding all the clients provided with goods and services on credit, taking into account their financial status, previous transactions and other parameters by checking the amount of credit provided. In addition, trade receivables are monitored on an ongoing basis to minimize the risk of non-collectable receivables. At the end of the year, the management assumed that there is no substantial credit risk not covered by any security or provision for impairment.

As regards the credit risk arising from other financial assets of the Company and the Group consisting of cash and cash equivalents, the risk arises from the counterparty's non-compliance with the contractual terms, with a maximum exposure equaling the book value of the financial instruments. However, such a risk is considered quite limited because - according to the cash management strategy - the Company and the Group use the cash available on a daily basis to reduce short-term borrowings through factoring contracts and trade only with well-established financial institutions of high credit standing.

Liquidity risk

The Company and the Group do not face any liquidity risks, since they ensure that cash and cash equivalents are always available and there are sufficient credit facilities with the cooperating banks to cover their business needs. The Management makes sure that there are always extended credit lines to meet its needs.

The following tables presents financial liabilities maturity dates as at December 31st 2022 and 2021:

	Group				
Financial liabilities 31.12.2022	Less than 4 months	4 to 12 months	1 to 5 years	>5 years	Total
Borrowings	68.800,00	1.902.899,19	14.059.334,05	25.051.427,72	41.082.460,96
Lease liabilities	97.151,62	328.389,22	1.054.848,05	-	1.480.388,89
Trade payables	9.087.575,96	-	-	-	9.087.575,96
Other payables	1.307.174,40	-	-	-	1.307.174,40
Total	10.560.701,98	2.231.288,41	15.114.182,10	25.051.427,72	52.957.600,21
Financial liabilities 31.12.2021	Less than 4 months	4 to 12 months	1 to 5 years	>5 years	Total
Borrowings	83.220,65	961.497,77	10.393.963,66	21.137.022,38	32.575.704,46
Lease liabilities	120.972,17	334.063,07	658.087,17	-	1.113.122,41
Trade payables	7.675.564,29	-	-	-	7.675.564,29
Other payables	1.205.276,69	-	-	-	1.205.276,69
Total	9.085.033,79	1.295.560,84	11.052.050,83	21.137.022,38	42.569.667,84

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Company

Financial liabilities 31.12.2022	Less than 4 months	4 to 12 months	1 to 5 years	>5 years	Total
Borrowings	68.800,00	1.868.932,67	13.934.240,04	25.051.427,72	40.923.400,43
Lease liabilities	97.151,62	271.674,57	931.491,11	-	1.300.317,30
Trade payables	8.151.456,19	-	-	-	8.151.456,19
Other payables	1.190.720,07	-	-	-	1.190.720,07
Total	9.508.127,88	2.140.607,24	14.865.731,15	25.051.427,72	51.565.893,99

Financial liabilities 31.12.2021	Less than 4 months	4 to 12 months	1 to 5 years	>5 years	Total
Borrowings	83.220,65	961.497,77	10.393.963,66	21.137.022,38	32.575.704,46
Lease liabilities	120.972,17	334.063,07	658.087,17	-	1.113.122,41
Trade payables	6.943.092,89	-	-	-	6.943.092,89
Other payables	1.148.490,35	-	-	-	1.148.490,35
Total	8.295.776,06	1.295.560,84	11.052.050,83	21.137.022,38	41.780.410,11

Other operational risks

The Company and the Group Management has set a reliable intra-company inspection and control system to detect malfunctions and exceptions in the context of its operation. It provides adequate insurance coverage for property and other risks and, therefore, there appear to be no clearly foreseeable risks in the short term. The specialized know-how of the Company and the Group, the ongoing investment in highly specialized human resources and the strong infrastructures in combination with the development of new products help and support the Company and the Group so that they can be constantly competitive and access new markets, limiting the risks of competition. Moreover, the constantly-adapting-to-the-new-business-environment structures of the Company and the Group, in combination with our existing commercial agreements, enable us to achieve efficiency and meet the qualitative needs of the Company and the Group for the following year.

2022 was a very special year. Since the first quarter, the war in Ukraine has triggered significant disruption in the energy and fuel markets, which are a significant part of the cost of our services. At the same time, increased inflation caused an increase in other important cost categories, such as labor costs, maintenance, etc.

Capital management

The Company and the Group's key objective regarding capital management is to ensure its high credit rating and sound capital ratios, so that their activities can be supported and expanded and the value of their shares be maximized.

The aim of capital risk management is to ensure the Company and the Group's ability to continue as a going concern so that there can be an adequate return to shareholders.

The Group and the Company monitor capital adequacy on the basis of net borrowing to operating profit ratio and total loan to overall capital employed. Net borrowing includes interest-bearing long-term and short-term bank loans in addition to lease liabilities minus cash and cash equivalents. The overall capital employed is calculated as equity and is recorded in the statement of financial position plus net borrowing.

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	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Borrowings	41.082.460,96	32.575.704,46	40.923.400,43	32.575.704,46
Lease liabilities	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41
Less: Cash and cash equivalents	-1.009.120,24	-727.526,11	-177.663,96	-320.585,86
Net debt	41.553.729,61	32.961.300,76	42.046.053,77	33.368.241,01
Total Equity	24.040.016,10	22.553.251,97	24.164.810,23	22.510.973,91
Total capital employed	65.593.745,71	55.514.552,73	66.210.864,00	55.879.214,92
Leverage Factor	63,35%	59,37%	63,50%	59,71%

The Group and the Company monitor Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) ratio and present its calculation below as it is not precisely defined in IFRS as adopted by the European Union:

	Group		Company	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Profit before interest & taxes	3.796.506,95	3.632.043,40	2.826.550,28	2.868.216,25
Plus depreciation (note 4ε)	3.395.726,35	2.620.197,73	3.195.028,18	2.427.821,40
Plus other expenses (note 5β)	1.504.105,47	2.044.901,67	1.502.910,71	2.006.311,72
Less profit from disposal of assets (note 5a)	(40.494,32)	(74.177,95)	(40.494,32)	(74.177,95)
Less fair value revaluation of investments properties (note 12)	-	(1.122.053,29)	-	(1.122.053,29)
Less income from depreciation of grants (note 5a)	(372.197,11)	(312.985,03)	(372.197,11)	(312.985,03)
Less income from reverse of provision for doubtful debts (note 5a)	-	(8.791,60)	-	(8.791,60)
Less income from insurance claims (note 5a)	(260.704,82)	(84.523,61)	(260.704,82)	(84.523,61)
Total	8.022.942,52	6.694.611,32	6.851.092,92	5.699.817,89

3. Revenues

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Sales of merchandise	13.091.510,01	8.715.895,70	10.616.815,45	7.469.517,89
Sales of products	1.431.878,75	362.550,10	1.431.878,75	362.550,10
Sales of services	50.523.967,26	39.228.074,77	43.060.365,13	33.991.711,40
Income from other benefits	1.116.902,53	975.677,45	1.077.030,20	935.848,83
Other sales	31.652,10	82.637,26	49.220,43	99.082,50
Total	66.195.910,65	49.364.835,29	56.235.309,96	42.858.710,72

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Sales per geographical segment are analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Sales of merchandise	13.091.510,01	8.715.895,70	10.616.815,45	7.469.517,89
Sales of products	1.431.878,75	362.550,10	1.431.878,75	362.550,10
Sales of services	50.523.967,26	39.228.074,77	43.060.365,13	33.991.711,40
Income from other benefits	1.116.902,53	975.677,45	1.077.030,20	935.848,83
Other sales	31.652,10	82.637,26	49.220,43	99.082,50
Total	66.195.910,65	49.364.835,29	56.235.309,96	42.858.710,72

4. Operating expenses

a. Cost of sales

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Opening Inventory	598.877,33	494.264,41	596.551,92	484.135,50
Purchases	13.073.433,50	8.257.986,58	10.104.334,62	6.861.411,42
Income from own production	-132.566,20	-150.049,77	-132.685,76	-150.049,77
Year end inventory	-449.690,18	-598.877,33	-441.147,16	-596.551,92
Payroll expenses	3.022.792,16	2.496.773,60	2.939.376,12	2.427.204,85
Third party fees and expenses	477.013,39	497.207,18	462.489,21	487.646,95
Third party facilities	39.317.942,26	30.126.711,69	33.903.564,49	26.334.211,53
Taxes - duties	273.371,75	207.866,93	271.340,82	206.050,23
Various expenses	436.606,94	165.761,01	378.730,12	126.451,86
Depreciation	3.204.509,98	2.428.899,09	3.003.783,25	2.236.576,47
Total	59.822.290,93	43.926.543,38	51.086.337,63	38.417.087,11

b. Distribution expenses

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Payroll expenses	394.967,49	205.835,37	394.967,49	205.835,37
Third party fees and expenses	19.830,11	19.545,74	19.830,11	19.545,74
Third party facilities	39.238,66	39.238,66	39.238,66	39.238,66
Taxes - duties	8.241,70	0,00	8.241,70	0,00
Various expenses	16.503,05	11.025,36	16.503,05	11.025,36
Depreciation	8.488,43	8.488,43	8.488,43	8.488,43
	487.269,44	284.133,56	487.269,44	284.133,56

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(The amounts in all the tables and Notes are recorded in Euro unless otherwise stated)

c. Administrative expenses

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Payroll expenses	1.041.921,42	750.568,74	896.038,97	659.919,47
Third party fees and expenses	377.721,23	209.646,92	338.965,29	180.469,29
Third party facilities	113.044,61	106.538,29	51.257,29	51.257,29
Taxes - duties	6.024,68	5.988,42	6.024,68	5.988,42
Various expenses	184.836,32	167.511,54	170.369,33	157.026,00
Depreciation	182.756,51	182.756,51	182.756,51	182.756,51
	1.906.304,77	1.423.010,42	1.645.412,07	1.237.416,98

d. Payroll cost

Payroll cost and Group and the Company headcount are analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Salaries - Wages	3.342.303,10	2.588.322,32	3.141.542,44	2.449.778,20
Employer's contributions	746.950,44	601.524,50	718.412,61	579.850,59
Subsequent benefits & staff costs	331.328,55	217.153,16	331.328,55	217.153,16
Provision for retirement benefit obligation (note 24)	40.499,79	47.441,90	39.724,16	46.725,59
	4.461.081,88	3.454.441,88	4.231.007,76	3.293.507,54
Cost of sales (note 4a)	3.022.938,72	2.496.947,11	2.939.376,12	2.427.204,85
Distribution costs (note 4b)	394.967,49	205.835,37	394.967,49	205.835,37
Administrative expenses (note 4c)	1.042.550,49	751.111,55	896.038,97	659.919,47
Financial expenses (note 7)	625,18	547,85	625,18	547,85
	4.461.081,88	3.454.441,88	4.231.007,76	3.293.507,54

Payroll cost per operation is analyzed as follows:

	Group		Company	
	01.01.2022-	01.01.2021-	01.01.2022-	01.01.2021-
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cost of sales (note 4a)	2.802.938,72	2.496.947,11	2.719.376,12	2.427.204,85
Distribution expenses (σημ. 4b)	364.967,49	205.835,37	364.967,49	205.835,37
Administrative expenses (σημ. 4c)	1.292.550,49	751.111,55	1.146.038,97	659.919,47
Financial expenses (note 7)	625,18	547,85	625,18	547,85
Total	4.461.081,88	3.454.441,88	4.231.007,76	3.293.507,54

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(The amounts in all the tables and Notes are recorded in Euro unless otherwise stated)

e. Depreciation/Amortization

Depreciation of tangible fixed assets and amortization of intangible assets and right-of-use assets recorded in the statement of comprehensive income are presented below as follows:

	Group		Company	
	01.01.2021- 31.12.2021		01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Tangible fixed assets (note 9)	3.103.292,31	2.389.581,75	2.921.767,78	2.199.652,73
Intangible assets (note 10)	57.484,79	49.528,11	38.282,59	47.134,51
Right of use assets (note 11)	234.977,81	181.034,16	234.977,81	181.034,16
Total	3.395.754,91	2.620.144,02	3.195.028,18	2.427.821,40

The aforementioned depreciation/amortization per operation is analyzed as follows:

	Όμιλος		Εταιρία	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Cost of sales (note 4a)	3.204.509,98	2.428.899,09	3.003.783,25	2.236.576,47
Distribution expenses (σημ. 4b)	8.488,43	8.488,43	8.488,43	8.488,43
Administrative expenses (σημ. 4c)	182.756,51	182.756,51	182.756,51	182.756,51
Total	3.395.754,91	2.620.144,02	3.195.028,18	2.427.821,40

5. Other income and profit - Other expenses and loss

a. Other income	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Lease income	43.099,80	41.350,00	43.099,80	41.350,00
Income from services rendered to subsidiaries	0,00	0,00	67.338,02	65.662,31
Income from services rendered to third parties	399.544,97	164.835,17	378.207,89	155.897,73
Revenue on disposal of fixed assets	9.044,77	0,00	9.044,77	0,00
Profit from disposals of fixed assets (note 9)	40.494,32	74.177,95	40.494,32	74.177,95
Profit from fair value property investments (note 12)	0,00	1.122.053,29	0,00	1.122.053,29
Revenue from fixed asset grants in the corresponding fiscal years (note 25)	372.197,11	312.985,03	372.197,11	312.985,03
Revenue from reversal of provision for impairment of receivables (note 17)	0,00	8.791,60	0,00	8.791,60
Income from insurance claims	260.704,82	84.523,61	260.704,82	84.523,61
Other income	195.481,11	137.080,49	142.083,43	89.013,38
Total	1.320.566,90	1.945.797,14	1.313.170,16	1.954.454,90

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b. Other expenses

Provisions for impairment of receivables (note 17)	86.530,34	3.040,81
Loss from doubtful receivables	38,25	55.231,80
Loss from destruction of inventories (note 16)	287.133,87	104.402,39
Loss from disposals and deletion of fixed assets (note 9)	230.320,81	197.730,48
Losses from fair value of property investments (note 12)	0,00	418.699,50
Other expenses not included in operating costs	881.852,77	1.227.562,82
Other expenses	18.229,43	38.233,87
Total	1.504.105,47	2.044.901,67

6. Financial income

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Income from subsidiaries	0,00	0,00	1.000.000,00	700.000,00
Income from stocks	59,47	0,00	59,47	0,00
Interest on bank deposits	8.432,72	4.314,30	7.601,62	2.378,60
Total	8.492,19	4.314,30	1.007.661,09	702.378,60

7. Financial expenses

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Interest & costs of bond loans (note22)	1.186.184,82	782.177,93	1.186.184,82	782.177,93
Interest and lease costs (note 23)	46.645,34	49.059,60	46.645,34	49.059,60
Financial cost of staff benefits provision (note 4d, 24)	625,18	547,85	625,18	547,85
Interest and expenses of other short-term bank financing (note 22)	108.511,46	45.205,30	108.511,46	45.205,30
Interest & costs of factoring agreements	76.990,24	55.745,66	76.990,24	55.745,66
Commission on letters of guarantee at Customs Office	66.407,65	45.295,63	66.407,65	45.295,63
Provision of devaluation of shares and securities (note 18)	0,00	83.247,11	0,00	83.247,11
Other financial expenses	36.387,90	25.581,96	12.915,75	14.297,34
Total	1.521.752,59	1.086.861,04	1.498.280,44	1.075.576,42

8. Income tax (current and deferred)

Income tax

In compliance with the provisions of Law 4646/2019, the income tax rate is 22% for the income of the fiscal year 2022 and onwards.

Regarding MAKIOS LOGISTICS EOOD subsidiary operating in Bulgaria, the income tax rate is 10%, and MAKIOS LOGISTICS SRL operating in Romania - the nominal tax rate is 16%, but the companies with a turnover of up to 1 million Euro are taxed at the income tax rate 1%, calculated over the actual turnover.

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The income tax recognized in the Group and the Company statement of comprehensive income is analyzed as follows:

	Group		Company	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Income tax	477.639,04	451.184,89	355.307,80	360.364,05
Deferred tax	(45.904,82)	(238.093,41)	(40.792,73)	(232.212,13)
Total	431.734,22	213.091,47	314.515,07	128.151,92

	Όμιλος		Εταιρία	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Tax to actuarial profit / (losses) on post-employment compensation	963,64	344,26	1.048,21	316,14
Tax to the valuation of fixed assets at fair value	-	(1.333.338,32)	-	(1.340.750,03)
Total	963,64	(1.332.994,06)	1.048,21	(1.340.433,89)

The table below presents the lists the reconciliation of the nominal and effective tax rate:

	Όμιλος		Εταιρία	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Profit before tax	2.283.246,55	2.549.496,65	2.335.930,93	2.495.018,43
Income tax with the nominal tax rate of 22% (2021: 22%)	502.314,24	560.889,26	513.904,80	548.904,05
Tax effect from results of subsidiaries taxed at different rates	(106.272,57)	(85.169,32)	-	-
Impact of non-taxable income	-	-	(220.000,00)	(154.000,00)
Tax effect of non-deductible expenses	103.223,86	206.917,73	103.223,86	202.794,07
Tax effect of non-deductible temporary differences	(67.531,32)	(428.412,99)	(82.613,60)	(428.412,99)
Tax exemption L.3908/2011 and L.4399/2016	-	(41.133,22)	-	(41.133,22)
Total income tax on results	431.734,22	213.091,46	314.515,07	128.151,92

Effective Tax Rate	18,91%	8,36%	13,46%	5,14%
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Tax returns are submitted every year, readjusting the accounting profits with the tax return differences, yet the profits or losses reported are considered temporary until the tax authorities carry out a tax inspection and issue the relevant report wherewith tax returns obligations are finalized. Tax losses carried forward from previous years, to the extent they are acceptable to the tax authorities, can be offset with the profits of the following five fiscal years for domestic companies. Deferred income taxes are calculated for all the provisional tax differences using the tax rate applicable at the time an asset is realized or a liability is settled, taking into account the tax rates established until the Financial Statements date.

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Changes in deferred income tax are presented below as follows:

	Group	Company
Balance, January 1, 2021 (net deferred tax liability)	4.901.542,06	4.822.972,54
Credit in the results	(238.093,42)	(232.212,13)
Debit (charge) in other total income	1.332.994,06	1.340.433,89
Balance, December 31, 2021 (net deferred tax liability)	5.996.442,70	5.931.194,30
Credit in the results	(45.904,82)	(40.792,72)
Debit (charge) in other total income	(3.363,25)	(1.048,21)
Balance, December 31, 2022 (net deferred tax liability)	5.947.174,63	5.889.353,37

In the income statement, the charge for deferred income taxes (deferred tax obligation) contains the provisional tax differences that arise mainly from accrued income-profits to be taxed in the future. Deferred tax credit (deferred tax asset) mainly contains provisional tax differences arising from certain provisions that are tax deductible upon realization.

Deferred tax debit and credit balances are offset when there is legally enforceable right to offset them and when deferred tax assets and obligations relate to income taxes collected by the same tax authority.

Deferred tax assets and obligations of the Group and the Company arise from the following items:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Deferred tax receivables				
Financial Instruments	88.839,61	88.971,04	88.839,61	88.971,04
Fixed asset grants	248.248,39	274.069,04	248.248,39	274.069,04
Provisions for personnel indemnity	39.482,31	32.368,64	38.181,76	31.094,89
Impairment of doubtful receivables	76.601,74	57.678,08	75.556,40	56.519,72
Rights for asset use/leases	-	-	-	-
Investments in property	-	-	-	-
Total (a)	453.172,05	453.086,80	450.826,16	450.654,69
Deferred tax liabilities				
Tangible fixed assets	(6.073.081,00)	(6.091.749,87)	(6.012.913,84)	(6.024.069,36)
Intangible assets	(1.342,04)	(1.197,50)	(1.342,04)	(1.197,50)
Investments in property	(244.103,33)	(242.098,45)	(244.103,33)	(242.098,45)
Rights for asset use/leases	(81.820,31)	(114.483,69)	(81.820,31)	(114.483,69)
Total (b)	(6.400.346,68)	(6.449.529,51)	(6.340.179,52)	(6.381.849,00)
Net balance of deferred tax liabilities in the financial statements (a-b)	5.947.174,63	5.996.442,71	5.889.353,36	5.931.194,30

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Deferred tax in profit and loss is as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Financial Instruments	131,43	(11.891,03)	131,43	(11.891,03)
Fixed asset grants	25.820,64	48.168,46	25.820,64	48.168,46
Provisions for retirement benefit obligation	(6.065,47)	37.986,08	(6.038,65)	38.105,56
Impairment of doubtful receivables	(18.923,64)	6.971,94	(19.036,67)	7.248,14
Rights for asset use/leases	35.756,57	(30.632,68)	35.756,57	(30.632,68)
Tangible fixed assets	(84.773,77)	(551.847,18)	(79.575,46)	(546.361,57)
Intangible assets	144,54	(1.660,71)	144,54	(1.660,71)
Investments in property	2.004,88	264.811,70	2.004,88	264.811,70
	(45.904,82)	(238.093,42)	(40.792,72)	(232.212,13)

Current income tax for the fiscal year 2022 amounting to € 477.639,04 and € 355.307,80 for the Group and the Company respectively (31.12.2021: € 451.184,89 and € 360.364,05 for the Group and the Company respectively) was offset with the advance payment of the income tax and other withholding taxes resulting in tax obligation of € 36.309,99 for the Group and the Company (31.12.2021: € 0,00 for the Group and the Company).

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9. Tangible fixed assets

Group	Land	Buildings	Machinery	Transport Vehicles (Special Purpose Trucks)	Other Transport Vehicles	Furniture and Other equipment	Assets under construction	Total
<u>COST</u>								
01.01.2021	5.699.362,26	21.451.902,06	3.439.765,62	8.215.273,87	729.158,88	3.937.464,02	5.703.005,87	49.175.932,59
Additions	-	49.039,93	248.180,96	256.764,54	107.845,04	269.061,76	6.370.688,05	7.301.580,28
Disposals	-	-	-	(306.341,79)	(85.825,33)	(37.057,92)	(10.017,96)	(439.243,00)
Transfers	-	1.356.612,35	2.651.531,65	1.581.151,50	-	60.686,12	(6.331.184,27)	(681.202,65)
Other transfers	(803.903,98)	(330.450,24)	300.315,98	421.565,93	3.253,69	8.895,45	-	(400.323,17)
Fair value revaluation	1.552.857,42	4.541.460,90	-	-	-	-	-	6.094.318,32
Transfers	-	(1.014.573,13)	-	-	-	-	-	(1.014.573,13)
Exchange differences	-	-	-	(532,25)	-	-	-	(532,25)
31.12.2021	6.448.315,70	26.053.991,87	6.639.794,21	10.167.881,80	754.432,28	4.239.049,43	5.732.491,70	60.035.956,99
Additions	-	36.558,02	46.379,57	2.288.926,39	28.553,54	225.965,37	11.322.477,33	13.948.860,22
Disposals	-	-	-	(590.333,50)	-	-	(12.557,18)	(602.890,68)
Transfers	-	6.046.707,11	1.600.815,51	967.825,83	299.000,00	352.629,57	(10.595.004,58)	(1.328.026,56)
Other transfers	-	-	-	-	-	267,94	-	267,94
Exchange differences	-	-	-	(3,24)	-	-	-	(3,24)
31.12.2022	6.448.315,70	32.137.257,00	8.286.989,29	12.834.297,28	1.081.985,82	4.817.912,31	6.447.407,26	72.054.164,66
<u>ACCUMULATED DEPRECIATION</u>								
01.01.2021	-	-	18.814,24	4.862,69	267.792,24	2.799.506,53	-	3.090.975,70
Depreciation (note 4e)	-	1.014.573,13	370.555,51	735.473,16	62.705,87	206.274,08	-	2.389.581,75
Disposals	-	-	-	(80.397,67)	(41.096,85)	(34.580,92)	-	(156.075,44)
Transfers	-	-	-	(184.777,17)	-	(4.948,18)	-	(189.725,35)
Other transfers	-	(1.014.573,13)	-	-	-	-	-	(1.014.573,13)
Exchange differences	-	-	-	(79,29)	-	-	-	(79,29)
31.12.2021	-	-	389.369,74	(475.081,72)	289.401,26	2.966.251,51	-	4.120.104,24
Depreciation (note 4e)	-	1.333.067,92	467.256,67	1.019.951,28	55.382,60	227.605,28	-	3.103.263,75
Disposals	-	-	-	(279.442,52)	-	-	-	(279.442,52)
Transfers	-	(0,05)	-	131.556,25	32.294,08	-	-	163.850,33
Other transfers	-	-	-	-	-	-	-	(0,05)
Exchange differences	-	-	-	(1,29)	-	-	-	(1,29)
31.12.2022	-	1.333.067,87	856.626,42	1.347.145,44	377.077,94	3.193.856,79	-	7.107.774,46
<u>CARRYING AMOUNT</u>								
31.12.2021	6.448.315,70	26.053.991,87	6.250.424,47	9.692.800,08	465.031,02	1.272.797,91	5.732.491,69	55.915.852,75
31.12.2022	6.448.315,70	30.804.189,13	7.430.362,87	11.487.151,84	704.907,88	1.624.055,52	6.447.407,26	64.946.390,20

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Company	Transport Vehicles							Total
	Land	Buildings	Machinery	(Special Purpose Trucks)	Other Transport Vehicles	Furniture and Other equipment	Assets under construction	
<u>COST</u>								
01.01.2021	5.699.362,26	21.451.902,06	3.407.761,20	6.895.846,20	729.158,88	3.911.939,60	5.698.505,95	47.794.476,15
Additions	-	49.039,93	248.180,96	255.115,67	107.845,04	269.061,76	6.232.002,01	7.161.245,37
Disposals	-	-	-	(239.541,79)	(85.825,33)	(37.057,92)	(10.017,96)	(372.443,00)
Transfers	-	1.356.612,35	2.651.531,65	1.448.856,61	-	60.686,12	(6.198.889,38)	(681.202,65)
Fair value revaluation	1.552.857,42	4.541.460,90	-	-	-	-	-	6.094.318,32
Reverse depreciation due to revaluation	-	(1.014.573,13)	-	-	-	-	-	(1.014.573,13)
31.12.2021	6.448.315,70	26.053.991,87	6.607.789,79	8.781.842,62	754.432,28	4.213.525,01	5.721.600,62	58.581.497,89
Additions	-	36.558,02	45.200,57	2.288.926,39	28.553,54	225.965,37	11.008.295,21	13.633.499,10
Disposals	-	-	-	(522.280,07)	-	-	(12.557,18)	(534.837,25)
Transfers	-	6.046.707,11	1.600.815,51	647.252,56	299.000,00	352.629,57	(10.274.431,31)	(1.328.026,56)
Other transfers	-	-	-	-	-	267,94	-	267,94
Fair value revaluation	-	-	-	-	-	-	-	-
Reverse depreciation due to revaluation	-	-	-	-	-	-	-	-
31.12.2022	6.448.315,70	32.137.257,00	8.253.805,87	11.195.741,50	1.081.985,82	4.792.387,89	6.442.907,34	70.352.401,12
<u>ACCUMULATED DEPRECIATION</u>								
01.01.2021	-	-	-	-	267.792,24	2.790.693,21	-	3.058.485,45
Depreciation (note 4e)	-	1.014.573,13	369.765,29	547.477,67	62.705,87	205.130,77	-	2.199.652,73
Disposals	-	-	-	(74.245,27)	(41.096,85)	(34.580,92)	-	(149.923,04)
Transfers	-	-	-	(184.777,17)	-	(4.948,18)	-	(189.725,35)
Reverse depreciation due to revaluation	-	(1.014.573,13)	-	-	-	-	-	(1.014.573,13)
31.12.2021	-	-	369.765,29	288.455,23	289.401,26	2.956.294,88	-	3.903.916,66
Depreciation (note 4e)	-	1.333.067,92	466.245,39	825.588,93	55.382,60	226.494,48	-	2.906.779,32
Disposals	-	-	-	(238.871,73)	-	-	-	(238.871,73)
Transfers	-	(0,05)	-	131.556,25	32.294,08	-	-	163.850,28
Reverse depreciation due to revaluation	-	-	-	-	-	-	-	-
31.12.2022	-	1.333.067,87	836.010,68	1.006.728,68	377.077,94	3.182.789,36	-	6.735.674,53
<u>CARRYING AMOUNT</u>								
31.12.2021	6.448.315,70	26.053.991,87	6.238.024,50	8.493.387,39	465.031,02	1.257.230,13	5.721.600,62	54.677.581,23
31.12.2022	6.448.315,70	30.804.189,13	7.417.795,19	10.189.012,82	704.907,88	1.609.598,53	6.442.907,34	63.616.726,59

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The Assets under construction account includes the Company's investment for the construction of photovoltaic panels at the Company's facilities in Kalochori Thessaloniki amounting to Euro 500 thousand , as well as the acquisition of a property item in Aspropyrgos, Attica, for the purpose of constructing a storage space unit, amounting to Euro 5,5 million.

The fair value of land and buildings classified in level 3 is measured for the Company by independent appraisers.

Their last revaluation was certified in the fiscal year 2021 after an independent appraisers' study. Goodwill, arising from fair value revaluation, stood at € 6.094.318,32 for the Group and the Company and was recorded in Fair Value Reserves in Equity after deducting the deferred tax amounting to € 1.340.750,03 (Note 8).

Estimates were based on appropriate valuation methods depending on the nature and use of the estimated fixed assets. The basic methods are:

- The method of comparative data and real estate market, residual replacement costs, profits and approximation of discounted financial flows in the context of the real estate income capitalization method.

As at December 31, 2022, tangible fixed assets are burdened collaterals totaling € 60.330.800,00 provided to banks to secure long-term bond loans.

Depreciation of tangible fixed assets is analyzed per operation as follows:

	Group		Company	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Cost of sales (σημ.4a)	2.914.338,86	2.202.049,71	2.746.879,40	2.026.381,15
Distribution expenses (σημ. 4b)	8.386,72	8.323,63	7.762,44	7.690,68
Administrative expenses (σημ.4c)	180.566,73	179.208,41	167.125,93	165.580,90
Total	3.103.292,31	2.389.581,75	2.921.767,78	2.199.652,73

In the fiscal year ended December 31st , 2022, tangible fixed assets were disposed off generating net loss of € 189.826,49 and € 188.631,73 (Note 5) for the Group and the Company respectively (31.12.2021: net loss of € 123.552,53 and € 84.962,58 for the Group and the Company respectively).

10. Intangible assets

	Group	Company
<u>COST</u>		
01.01.2021	507.626,44	490.662,64
Additions	71.779,28	71.779,28
Transfers	50.000,00	50.000,00
Exchange differences	(103,92)	-
31.12.2021	629.301,80	612.441,92
Additions	62.861,41	62.861,41
Transfers	27.555,81	27.555,81
Exchange differences	(0,48)	-
31.12.2022	719.718,54	702.859,14

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ACCUMULATED DEPRECIATION

01.01.2021	329.047,40	320.454,10
Amortization (note 4e)	49.528,11	47.134,51
Transfer (note 9)	-	-
Exchange differences	(64,49)	-
31.12.2021	378.511,02	367.588,61
Amortization (note 4e)	57.484,79	55.883,59
Transfer (note 9)	-	-
Exchange differences	(0,40)	-
31.12.2022		423.472,20

CARRYING AMOUNT

31.12.2021	250.790,77	244.853,31
31.12.2022	283.723,12	279.386,94

Amortization of intangible assets is analyzed per operation as follows:

	Group		Company	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Cost of sales (σημ.4a)	55.193,31	45.815,22	35.991,11	43.421,62
Distribution expenses (σημ. 4b)	101,71	164,80	101,71	164,80
Administrative expenses (σημ.4c)	2.189,77	3.548,09	2.189,77	3.548,09
Total	57.484,79	49.528,11	38.282,59	47.134,51

11. Right-of-use assets

The Group and the Company adopted IFRS 16, applied the amended retrospective method and recognized lease liabilities in relation to leases previously classified as operating leases in accordance with the provisions of IAS 17 "Leases".

In accordance with the transitional provisions of IFRS 16, the relevant right-of-use assets were measured at the amount equaling the lease liability. There were no onerous leases that would require an adjustment to the right-of-use assets at the date of the initial application.

The recognized right-of-use assets pertain to means of transportation (tow trucks, trailers and tractors), internal means of transport (forklifts) and means of personnel transportation as follows:

	Group	Company
COST		
01.01.2021	2.730.462,02	2.730.462,02
Additions (note 23)	4.041,07	4.041,07
Transfers	631.202,65	631.202,65
Other transfers	(599.232,64)	(599.232,64)
31.12.2021	2.766.473,10	2.766.473,10
Additions (note 23)	975.852,42	793.399,97
Reductions	(647.252,56)	(647.252,56)
Transfers	0,00	0,00
31.12.2022	3.095.072,96	2.912.620,51

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ACCUMULATED DEPRECIATION

01.01.2021	403.692,46	403.692,46
Depreciation (note 4e)	181.034,16	181.034,16
Transfers	(41.500,83)	(41.500,83)
31.12.2021	543.225,79	543.225,79
Depreciation (note 4e)	234.977,81	232.365,27
Transfers	(124.017,92)	(124.017,92)
31.12.2022	654.185,68	651.573,14

CARRYING AMOUNT

31.12.2021	2.223.247,31	2.223.247,31
31.12.2022	2.440.887,28	2.261.047,37

Amortization of the right-of-use assets is recorded in their entirety in the cost of sales (Note 4a).

12. Investment property

	Group		
	Land	Buildings	Total
<u>COST</u>			
Balance 31.12.2021	2.784.548,90	104.369,74	2.888.918,64
Additions	0,00	0,00	0,00
Reductions	0,00	0,00	0,00
Balance 31.12.2022	2.784.548,90	104.369,74	2.888.918,64
<u>CARRYING AMOUNT</u>			
31.12.2021	2.784.548,90	104.369,74	2.888.918,64
31.12.2022	2.784.548,90	104.369,74	2.888.918,64

The Company owns real estate items (land and buildings) – free from any liens - with a view to using them as a source of income from lease or increasing the value of its capital. The Company has selected the "fair value" method to determine the investment property book value. Gains or losses arising from a change in the fair value of the investment property are recorded in net profit or loss of the year when earned or incurred.

The fair value of level 3 investment property is measured independent appraisers. The fair values of investment property were determined according to the last report of an independent appraiser on 31.12.2021. The method applied by the independent appraiser is that of the "Comparative Data or Real Estate Market" and the residual replacement cost. No assessment of investment property was performed in the year under audit as the values in question have not changed from one fiscal year to another.

Lease income from investment property stands at € 43,099.80 for the Group and the Company (31.12.2021: € 41,350.00 for the Group and the Company) (Note 5a). During the fiscal years 2022 and 2021, there was no expenditure on investment property repair and maintenance.

13. Goodwill

On 31.03.2015 the Company acquired 96% of the share capital of Makios Logistics EOOD (former Stratos Transport Co Ltd.) for € 1,660,000, paid in full by 31.12.2015. The above acquisition was carried out in order to further consolidate the Company's position in the market of Bulgaria and the broader region and better serve its clientele. As of 31.03.2015, determining the fair value of the acquired assets and the liabilities assumed, the Group recognized goodwill of € 380,616.48.

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On 31.12.2022 the Group tested the above goodwill for impairment in accordance with IAS 36 (par. 10). The above goodwill impairment test showed that there were no impairment losses in relation to the above goodwill as the subsidiary is profitable and one of the main sources of income of the Group.

14. Investments in subsidiaries

On 31.03.2015 the Company acquired 96% of the share capital of MAKIOS LOGISTICS EOOD for € 1.660.000. On 18.11.2019 the Company acquired the remaining 4% from the minority shareholders for € 269.880,00. Therefore, as of December 31, 2020 and 2019, the Company has been holding 100% of the subsidiary.

On 08.08.2017 the Company established a subsidiary in Romania, investing an amount of € 15.000,00. During the fiscal year 2018, the Company proceeded performed the capital increase of its subsidiary in Romania, in order to invest in fixed equipment and start its operating activities by paying € 115.549,77. On 31.12.2022 and 2021, investments in subsidiaries were tested for impairment and no indications of impairment arose.

Name	Country	Sector	%	Book value	Movement	Book value
				01.01.2022		31.12.2022
Makios Logistics SRL	Ρουμανία	Logistics	100	130.549,77	-	130.549,77
Makios Logistics EOOD	Βουλγαρία	Logistics	100	1.929.880,00	-	1.929.880,00
Total				2.060.429,77	-	2.060.429,77

15. Other long-term receivables

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Guarantees for electric power	355,00	355,00	355,00	355,00
Guarantees for leases	29.088,70	25.731,75	18.380,60	15.023,52
Other Guarantees	48.282,22	5.429,67	42.232,22	429,67
	77.725,92	31.516,42	60.967,82	15.808,19

16. Inventory

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Merchandise	127.082,70	116.905,49	127.082,70	116.905,49
Raw and auxiliary materials - Consumables- Spare parts	306.507,07	469.823,12	297.963,96	467.497,68
Packaging Materials	16.100,50	12.148,75	16.100,50	12.148,75
	449.690,27	598.877,36	441.147,16	596.551,92

At every year closing, the Management of the Company and the Group reviews the impairment from valuation of inventories at their net realizable value. Any change in the provision for impairment, as well as the cost of inventories recorded as an expense, is included in the cost of sales (Note 4a).

In the fiscal year 2022, losses from inventory destruction amounting to € 287.133,87 were recognized (2021: € 104.402,39) (Note 5b).

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17. Trade and other receivables

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Customers	10.736.742,38	9.149.430,39	9.174.789,39	7.961.597,41
Receivables from related parties (note 28)	0,00	0,00	158.393,56	225.462,05
Cheques receivable	83.349,72	97.128,40	83.349,72	97.128,40
Checks in factoring	124.951,57	44.568,58	124.951,57	44.568,58
Overdue Checks	63.000,00	63.000,00	63.000,00	63.000,00
Less:				
Provisions for impairment of trade receivables	(549.354,45)	(463.954,38)	(538.901,13)	(452.370,79)
Total trade receivables	10.458.689,22	8.890.172,98	9.065.583,11	7.939.385,65
Other receivables				
Income tax receivables (note 8)	0,00	142.651,93	0,00	142.651,93
Receivables from taxes	363.746,82	472.057,32	363.746,82	472.057,32
Advance payments to suppliers-creditors	1.374.335,74	1.033.931,82	1.311.038,36	967.896,70
Other various debtors	150.961,14	90.070,78	137.259,13	46.108,64
Receivables from dividends of subsidiaries	0,00	0,00	1.000.000,00	200.000,00
Interim dividend receivables (note 27)	0,00	0,00	0,00	0,00
Earned Revenues Receivable	279.027,79	90.919,61	292.724,98	80.849,81
Subsequent fiscal year expenses	180.653,07	179.598,95	167.748,10	167.804,58
Advance credit management accounts	10.374,33	7.660,90	0,00	0,00
Receivables from VAT and other taxes	157.871,07	20.784,20	0,00	0,00
Total other receivables	2.516.969,96	2.037.675,51	3.272.517,39	2.077.368,98
Total Trade and other receivables	12.975.659,18	10.927.848,48	12.338.100,50	10.016.754,63

As of January 1, 2018, the Group and the Company apply the simplified approach of IFRS 9 and calculate the expected credit losses throughout the life of receivables. Expected credit losses on trade receivables are estimated on the basis of a matrix that calculates the relevant provisions in a way that reflects historical data experience, the current financial position of the debtor adjusted to the current general economic background, and estimates for the future.

On December 31, 2022 and 2021, receivables are recorded as follows:

Trade receivables 31.12.2022	Non overdue balance	Group		Total
		1-30	>30	
Default rate	1,34%	1,10%	94,68%	4,99%
Trade receivables	10.510.139,82	67.383,50	430.520,35	11.008.043,67
Expected credit losses	141.013,53	743,17	407.597,75	549.354,45

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Trade receivables 31.12.2021	Non overdue balance	1-30	>30	Total
Default rate	0,93%	26,18%	73,10%	4,96%
Trade receivables	8.827.123,57	6.542,68	520.461,12	9.354.127,37
Expected credit losses	81.780,11	1.713,09	380.461,18	463.954,38

Trade receivables 31.12.2022	Non overdue balance	Company		Total
		1-30	>30	
Default rate	1,43%	2,93%	94,91%	5,61%
Trade receivables	9.157.608,47	17.755,43	429.120,34	9.604.484,24
Expected credit losses	131.121,01	519,77	407.260,35	538.901,13

Trade receivables 31.12.2021	Non overdue balance	1-30	>30	Total
Default rate	0,91%	31,87%	99,51%	5,39%
Trade receivables	8.006.437,63	5.328,26	379.990,55	8.391.756,44
Expected credit losses	72.542,27	1.697,97	378.130,55	452.370,79

The change in accumulated provision for impairment of trade receivables for the fiscal years ended December 31, 2022 and 2021, was as follows:

	Group	Company
Balance at 01.01.2021	469.983,93	461.162,39
Provision for the year (note 5b)	-	-
Reverse of provision	(6.029,55)	(8.791,60)
Balance at 31.12.2021	463.954,38	452.370,79
Πρόσθετη πρόβλεψη στη χρήση (note 5b)	86.530,34	86.530,34
Reverse of provision	(1.130,28)	-
Balance at 31.12.2022	549.354,45	538.901,13

18. Financial assets at fair value through profit or loss

The financial assets at fair value through profit or loss include an ATHEX listed company's shares (PIRAEUS BANK SA).

	Group	
	31.12.2022	31.12.2021
Opening balance	5.585,79	88.832,90
Reductions	-	-
Profit (loss) from valuation (note 7)	597,43	(83.247,11)
Closing balance	6.183,22	5.585,79

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	31.12.2022	31.12.2021
Book value	409.999,64	409.999,64
Less: Provisions for impairment	(403.816,42)	(404.413,85)
Total	6.183,22	5.585,79

The valuation of the above financial assets was based on their market value on 31.12.2022 and resulted in a net profit of € 597,43 (2021: net loss of € 83.247,11) recorded in the financial results in the statement of comprehensive income of the Group and the Company (Note 7).

19. Cash and cash equivalents

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Cash	67.513,22	4.856,32	65.023,87	2.597,96
Current deposits in Euros	135.067,03	326.053,16	112.640,09	317.987,90
Current deposits in foreign currency	806.539,99	396.616,63	0,00	0,00
	1.009.120,24	727.526,11	177.663,96	320.585,86

Sight deposit accounts are denominated in different currencies and bear floating interest rates depending on the amount of the deposit and based on bank interest rates for balances on cash and deposit accounts. The present value of these sight deposits approximates their book value due to floating interest rates and their short-term maturities.

20. Share capital

	31.12.2022	31.12.2021
Paid share capital	44.000.208,24	44.000.208,24

As at 31.12.2022, the Company's share capital stood at € 44.000.208,24, divided into 3.055.570 common shares, of nominal value 14,40 and into 6 preferred shares of value of Euro 0,04. The change in the year has arisen from the merger by absorption of the Parent Company MAKIOS LOGISTICS SA (G.E.MI announcement 2419162/12.08.2021)

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21. Fair value reserve - Other reserves

Other reserves of the Company are analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Statutory reserve	1.167.706,02	1.066.635,23	1.167.706,02	1.066.635,23
Share capital change reserve	562,29	562,29	562,29	562,29
Tax-free reserves of special provisions of laws (L. 3299/2004)	1.919.238,36	1.684.330,23	1.919.238,36	1.684.330,23
Special reserve L.4399/2016 (Kalahori)	602.694,50	602.694,50	602.694,50	602.694,50
Special reserve L.4399/2016 (Gefyra)	560.070,54	560.070,54	560.070,54	560.070,54
Reserve from dividends of subsidiaries	2.400.000,00	1.400.000,00	2.400.000,00	1.400.000,00
Special reserve L. 3908/2011	359.765,81	359.765,81	359.765,81	359.765,81
Tax deduction reserve of L. 3908/2011 and L. 4399/2016	664.515,21	664.515,21	664.515,21	664.515,21
Own shares reserve	(50.555.720,00)	(50.555.720,00)	(50.555.720,00)	(50.555.720,00)
Actuarial reserve	92.793,80	95.749,00	92.032,7	95.749,0
Reserve from foreign exchange	(3.794,50)	(3.549,71)	0,00	0,00
Other reserves	5.729,74	5.729,74	5.729,74	5.729,74
	(42.786.438,27)	(44.119.217,12)	(42.783.404,88)	(44.115.667,41)

Statutory reserve: According to the Greek trade legislation, companies are required to withhold 5% of each year's net earnings to form a statutory reserve, until the statutory reserve's accumulated amount equals at least 1/3 of the paid share capital. During the company's term, distribution of the statutory reserve is prohibited.

Tax-exempted reserve under special provisions (Law 3299/2004): The Company has received a grant (Law 3299/04) of an initial amount of €3.112.918,00 whereon an amortization of € 1.919.238,35 has been calculated (31.12.2021: € 1.684.330,23) until 31.12.2022, recognized every fiscal year in the statement of comprehensive income so that at every financial statements preparation date, the sum of the amortized balance of the grant according to IFRS plus the balance of the reserve equals the average amount of the grant, as recorded in the income tax account.

Special reserve under Law 4399/2016: The Extraordinary General Meeting held on April 23, 2018 decided to form a reserve of € 602.715 from existing taxed retained earnings in a new investment plan pertaining to the expansion of production capacity of the company within the development Law 4399/2016. The reserve covers 15% of the total investment cost, and will not be distributed before the completion and start of productive operation of the investment.

Based on the No. 2896/02.10.2020 Amending Decision of the Directorate of Regional Development Policy within the framework of Development Law 4399/2016, the Extraordinary General Meeting of October 2, 2020 decided on the revaluation (reduction by € 20.50) of the balance of Equity Participation; as a result it was set at € 602.694,50.

Based on the certification for the implementation of 50% of the material and financial object of the investment plan of the Company that has been subject to the provisions of the development Law 4399/2016 (Ref. No. 6194/24.12.2020), the right to start using the benefit of the tax exemption of up to 1/3 of the approved amount of the tax

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exemption, i.e. amounting to € 541.115,55, according to the as of December 24, 2020 decision of the Ministry of Macedonia - Thrace, was approved.

The Extraordinary General Meeting held on December 28, 2021, decided to form a reserve amounting to € 560.070,54 from existing taxable retained earnings for an investment project concerning the creation of a logistics unit at the Company's facilities in Gefyra Thessaloniki within the framework of the development Law 4399/2016. The reserve covers 15% of the total investment cost and will not be distributed before the completion and start of productive operation of the investment.

Equity shares reserve: The equity shares reserve amounting to € 50.555.720,00 has arisen from the merger by absorption of the parent company MAKIOS LOGISTICS S.A. as a decrease of the Equity.

Reserve from dividends of subsidiaries: It pertains to a reserve formed by the Parent Company and concerns the amount of dividends recognized in the books and records and received by a foreign subsidiary and exempt from tax under Law 4172/2013.

Special reserve under Law 3908/2011: The special taxed reserve pertains to a reserve that aims to cover its equity participation in the implementation of an investment plan in accordance with the provisions of Law 3908/2011.

Tax deduction reserve under Laws 3908/2011 and 4399/2016: Under the 16.10.19 decision of the Ministry of Interior, Directorate General of Private Investments, Investment Planning Control Department, the Company is entitled to tax exemption under Law 3908/2011 of a total of € 123.399,67.

Pursuant to this law, the company exercised the right to start using the benefit of the tax exemption from the year when the decision for the completion and commencement of the productive operation of the investment was published. Thus, during the fiscal year 2019, the Company formed the maximum tax exemption given by law, which amounted to a half of the approved amount of tax exemption aid, i.e. € 61,669.83 and the remaining amount of € 61,669.84 was formed in 2020.

In addition, in 2020, a tax-free reserve under Law 4399/2016 was formed, which is related to 1/3 of the approved amount of tax exemption aid of € 541.115,55.

Fair value reserve

Fair value reserve pertains to the net goodwill arising from the valuation of land, buildings, machinery and transport vehicles/special purpose trucks at fair values. The fair value reserve is analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Adjustments to the value of lands to fair value	3.908.778,58	3.908.778,58	3.908.778,58	3.908.778,58
Deferred tax on the value of lands	(907.049,70)	(907.049,70)	(907.049,70)	(907.049,70)
Adjustments to the value of buildings to fair value	16.759.160,85	16.759.160,85	16.759.160,85	16.759.160,85
Deferred tax on the value of buildings	(3.931.369,38)	(3.931.369,38)	(3.931.369,38)	(3.931.369,38)
Adjustments to the value of the machinery to fair value	2.849.054,70	2.849.054,70	2.849.054,70	2.849.054,70
Deferred tax on the value of machinery	(683.773,13)	(683.773,13)	(683.773,13)	(683.773,13)
Adjustments to the value of the means of transport to fair value	4.468.142,66	4.488.793,90	3.993.230,54	3.993.230,54
Deferred tax on the value of means of transport	(1.007.931,67)	(1.007.931,67)	(958.375,33)	(958.375,33)
Fair value reserve	21.455.012,91	21.475.664,15	21.029.657,12	21.029.657,12

22. Long-term loans - Short-term loan liabilities

The loans of the Group and the Company are analyzed as follows:

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	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Long-term loans				
Other long-term loans	125.094,01	0,00	0,00	0,00
Bond loans	37.032.337,85	31.458.033,82	37.032.337,85	31.458.033,82
Total	37.157.431,86	31.458.033,82	37.032.337,85	31.458.033,82
Short-term loans				
Short-term bank loans	1.879.962,58	14.420,64	1.879.962,58	14.420,64
Long-term liabilities payable next fiscal year	2.045.066,52	1.103.250,00	2.011.100,00	1.103.250,00
Total	3.925.029,10	1.117.670,64	3.891.062,58	1.117.670,64
Total	41.082.460,96	32.575.704,46	40.923.400,43	32.575.704,46

Maturity of long-term loans is as follows:

	31.12.2022	31.12.2022	31.12.2022	31.12.2021
Up to 1 year	1.971.699,19	1.030.297,77	1.937.732,67	1.030.297,77
1 to 5 Years	12.179.371,47	10.393.963,66	12.054.277,46	10.393.963,66
More than 5 years	25.051.427,72	21.137.022,38	25.051.427,72	21.137.022,38
Total	39.202.498,38	32.561.283,82	39.043.437,85	32.561.283,82

The Group and the Company total borrowings are in Euro analyzed as follows:

Common bond loan (CBL) of an initial amount of € 36,185,000

Following as of 29.03.2021 decision of the Board of Directors, in April 2021, the Company issued a bond loan of € 36.185.000,00 with Eurobank Anonyme as the the Bondholders' Agent, in order to refinance the existing bond loans as well as the short-term borrowing the Company holds Eurobank, to finance the Company's investment plans and cover its working capital needs. The loan matures in 7 years, with an interest rate of Euribor + 3% and is payable in semi-annual installments, the first one after 14 months from its disbursement. To secure the bond loan, a notice was registered on the Company's properties at an amount of € 60.330.800,00. As at 31.12.2022, the Company has available capital for disbursement of approximately € 5.8 million.

Based on the above agreement, among other things, compliance with the ratios in the annual consolidated financial statements was determined. As at 31.12.2022, the Company is consistent with the terms of the loan agreement.

Common bond loan (CBL) of an initial amount of € 3.004.743

On 12.04.2019 the Company signed a CBL Agreement amounting to €3.416.000 with Eurobank S.A. in order to partially cover the investment referred to the expansion of the Company's capacity with the construction of new cold storage facilities under the Development Law 4399/2016. As the Company completed the 1st phase of the construction, it partially disbursed the loan amounting to € 1,468,880.00. The outstanding balance as at 31.12.2022 amounts to € 884.080.00 (31.12.2021: € 1.090.480,00). The 2nd construction phase is expected to start in mid- 2021, when Series B of Bonds is expected to be gradually disbursed. In order to secure the loan, there are encumbrances of € 3.500.000,00. The above agreement determined, inter alia, the keeping of ratios in the annual consolidated financial statements. As at 31.12.2020 the Company records the total loan in the short-term liabilities according to IAS 1 due to non-compliance of a loan index.

On 2.4.2021 the Company signed an Amending Agreement to the aforementioned CBL on the basis of which, among other things, the total amount of the disbursement was modified (reduced) in order to comply with that stated under the Development Law 4399/2016. Therefore, it stood at € 3.004.743. The 2nd construction phase started in the end of August 2021, when Tranche B of Bonds amounting to € 1.535.863.00 was disbursed. The outstanding balance on 31.12.2022 amounts to € 1.535.863,00 (31.12.2021: € 1.535.863,00). In order to secure the loan, there are encumbrances of €3.500.000,00. The above agreement determined, inter alia, compliance with the ratios in the annual consolidated financial statements. As at 31.12.2022 the Company is in compliance with the terms of the loan agreement.

Common bond loan (CBL) of an initial amount of € 3.173.734

On 5.12.2022 the Company signed a CBL Agreement for € 3.173.734 with the Eurobank SA in order to partially finance the investment "Construction of LOGISTICS unit: 3PL (Third Party Logistics)" of a total area of 10,000 sq.m., in its facilities at Gefyra in the Municipality of Chalkidonos, falling within the provisions of Law 4399/2016.

Based on the above agreement, among other things, compliance with the ratios in the annual consolidated financial statements was determined,. As of 31.12.2022, the Company is in compliance with the terms of the loan agreement.

The effective annual weighted borrowing interest rates of the company as at 31.12.2022 and 31.12.2021 were as follows:

	31.12.2022	31.12.2021
Long term borrowings	3,38%	3,42%
Short term borrowings	9,87%	3,12%
Weighted average interest	3,71%	3,38%

The total expense for the interest on long-term loans for the years ended December 31st, 2022 and 2021 amounts to € 1.186.184,82 and € 782.177,93 for the Group and the Company and is included in the financial expenses in the accompanying statements of comprehensive income (Note 7).

23. Lease liabilities

Lease liabilities are analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Long-term lease liabilities	1.054.848,05	484.632,44	931.491,11	484.632,44
Short-term lease liabilities	425.540,84	628.489,97	368.826,19	628.489,97
	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41

The analysis of the lease liability is as follows:

	31.12.2022	31.12.2021	31.12.2022	31.12.2021
1 year	425.540,84	628.489,97	368.826,19	628.489,97
Between 1 and 5 years	1.054.848,05	484.632,44	931.491,11	484.632,44
	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41

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Lease liabilities are secured by leased property, plant and equipment which accrue to the lessor should the lessee be unable to repay its liabilities. The weighted average lending rate of the lessee applied to determine the lease liabilities was 3.66% for the Group and the Company (31.12.2021: 3.74% for the Group and the Company).

Changes in lease liabilities are analyzed as follows:

	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Opening balance	1.113.122,41	1.438.993,49	1.113.122,41	1.438.993,49
Additions in the fiscal year (note 11)	933.905,93	635.243,72	751.453,49	635.243,72
Capital Repayment in the year	(613.284,79)	(1.010.174,40)	(610.903,94)	(1.010.174,40)
Interest (note 7)	46.645,34	49.059,60	46.645,34	49.059,60
End-of-period balance	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41

The present value of lease liabilities is analyzed as follows:

	Group		Group	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	Total minimum lease payments		Present value of minimum lease payments	
Within 1 year	482.734,37	656.334,03	425.540,84	628.489,97
Between 1 and 5 years	1.122.220,42	891.348,46	1.054.848,05	484.632,44
Total minimum lease payments	1.604.954,79	1.547.682,49	1.480.388,89	1.113.122,41
Less: Future financial expenses	(124.565,90)	(60.158,54)	0,00	0,00
Present value of minimum lease payments	1.480.388,89	1.487.523,95	1.480.388,89	1.113.122,41

	Company		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
	Total minimum lease payments		Present value of minimum lease payments	
Within 1 year	426.019,72	656.334,03	368.826,19	628.489,97
Between 1 and 5 years	998.863,48	891.348,46	931.491,11	484.632,44
Total minimum lease payments	1.424.883,20	1.547.682,49	1.300.317,30	1.113.122,41
Less: Future financial expenses	(124.565,90)	(60.158,54)	0,00	0,00
Present value of minimum lease payments	1.300.317,30	1.487.523,95	1.300.317,30	1.113.122,41

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24. Retirement benefit obligations

The item in the attached financial statements is analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Net liability at the start of the fiscal year	66.536,89	53.494,90	62.857,63	50.250,75
Total debit (charge) on the results	40.499,79	47.441,91	39.724,16	46.725,59
Debit/(Credit) on other total income	3.918,92	1.155,80	4.764,60	1.437,01
Paid benefits	(25.825,58)	(35.555,72)	(25.825,58)	(35.555,72)
End-of-period balance	85.130,02	66.536,89	81.520,81	62.857,63

Employee indemnity liabilities were determined based on an actuarial study for the Group and the Company.

The total charge for employee indemnity recognized in the Profit and Loss of the fiscal year of the Group and the Company is analyzed as follows:

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Current service costs	14.049,03	11.338,34	13.273,40	10.622,02
Financial cost	625,18	547,85	625,18	547,85
Additional costs of further benefits	25.825,58	35.555,72	25.825,58	35.555,72
Cost recorded in the results of the year	40.499,79	47.441,91	39.724,16	46.725,59

The main actuarial assumptions used to calculate the relevant provisions for retirement indemnity are as follows:

	31.12.2022	31.12.2021
Average inflation	3,00%	2,00%
Discount rate	2,80%	0,90%
Future salary increases	0%	0%
Average future working life	24,69	25,26

Quantitative sensitivity analysis regarding significant actuarial assumptions:

- In the event the average long-term annual salary increases by 0.5% (from 3.5% to 4.0%), there is an increase in the total current value of employee benefits for 2022 by 3.58% amounting to € 88.174,27 and € 238.659,46 for the Group and the Company respectively, while if it decreases by 0.5% (from 3.5% to 3.0%) there is a decrease in the total current value of employee benefits by 3.40% amounting to € 82.231,34 and € 78.745,03 for the Group and the Company respectively.
- In the event the discount rate increases by 0.25% (from 2.80% to 3.30%), then the total current value of employee benefits for 2022 would decrease by 3.51% amounting to € 82.140,25 and € 78.657,80 for the Group and the Company respectively, while in case the discount rate decreases by 0.5% (from 2.80% to 2.30%), then the total current value of employee benefits would increase by 3.72% amounting to € 88.298,56, and € 84.555,01 for the Group and the Company respectively.

25. Fixed asset investment grants

The Parent Company has received grants to acquire fixed assets in accordance with development laws and subsidized programs (Law 3299/2004, INTERREG II, Transfer to new conditions). Grants related to the purchase of property, plant

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and equipment are included in long-term liabilities as deferred income and are transferred as income to the statement of comprehensive income on a straight-line basis over the rates at which the assets were depreciated.

Grants are analyzed as follows:

	Group - Company
Balance January 1, 2021	3.077.865,73
Grant received	0,00
Income recognized to profit or loss (note 5a)	(312.985,03)
Balance December 31, 2021	2.764.880,70
Income recognized to profit or loss (note 5a)	(372.197,11)
Balance December 31, 2022	2.392.683,59

In the previous year, the Action "Quality Modernization" - Competitiveness, Entrepreneurship and Innovation (EPANEK) program, ESPA 2014 - 2020, was successfully completed. After the inspection, carried out by the competent authorities, the Company received a grant of € 100.000,00, which corresponds to 50% of the total certified subsidized amount of the investment budget of 200.000,00.

26. Trade and other payables

	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Trade payables				
Suppliers	8.702.959,93	7.219.622,66	7.760.560,16	6.312.257,07
Liabilities to subsidiaries (note 28)	0,00	0,00	6.280,00	174.894,19
Cheques payable	384.616,03	455.941,63	384.616,03	455.941,63
Total	9.087.575,96	7.675.564,29	8.151.456,19	6.943.092,89
Other payables				
Taxes & duties payable	270.881,30	187.546,73	213.514,20	151.646,64
Social securities payable	171.162,52	140.176,84	164.186,61	136.017,83
Salaries payable	202.937,65	166.870,21	181.530,60	150.142,98
Short-term liabilities to shareholders	152.884,00	232.884,00	152.884,00	232.884,00
Liabilities from contracts with clients	125.092,44	36.007,49	94.388,17	36.007,49
Accrued expenses	363.772,31	412.479,59	363.772,31	412.479,59
Other short term liabilities	20.444,18	29.311,82	20.444,18	29.311,82
Total	1.307.174,40	1.205.276,68	1.190.720,07	1.148.490,35
Total	10.394.750,36	8.880.840,99	9.342.176,26	8.091.583,24

Trade payables are usually settled within 120 days.

As at December 31, 2022 liabilities from contracts with clients amount to € 125.092,44 for the Group and € 94.388,17 for the Company (31.12.2021: € 36.007,49 for the Group and the Company) which will be transferred to revenue in the next fiscal year when the sales will take place, while in 2022 the relevant liabilities from contracts of 31.12.2021 were recognized in the revenue.

27. Dividends - Profit distributions

Under the Greek legislation, entities are required annually to distribute to their shareholders 35% of profits after tax and after deductions for the statutory reserves, unless decided otherwise by the General Meeting with the necessary majority of shareholders.

28. Transactions with related parties

Revenues, costs and expenses arising from transactions between the Company and its subsidiaries have been removed from the consolidated statement of comprehensive income. These transactions involve the sale and purchase of goods and services during standard course of business. As at December 31, 2022 and 2021 the total purchases and sales between parent company and subsidiary, outstanding balances and other transactions that have been removed during consolidation are analyzed by subsidiary (at consolidated level) as follows:

	Sales of services		Other sales		Purchases	
	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021	01.01.2022- 31.12.2022	01.01.2021- 31.12.2021
Makios Logistics EOOD	1.173.440,18	962.961,36	95.576,82	85.064,85	155.604,18	326.013,14
Makios Logistics SRL	-	-	11.025,59	4.752,62	19.440,00	8.625,00
Total	1.173.440,18	962.961,36	106.602,41	89.817,47	175.044,18	334.638,14

Amounts of outstanding balances with related parties are analyzed as follows:

	Receivables (note 17)		Payables (note 26)	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Makios Logistics EOOD	123.186,99	201.271,57	-	165.839,19
Makios Logistics SRL	35.206,57	24.190,48	6.280,00	9.055,00
Total	158.393,56	225.462,05	6.280,00	174.894,19

The end-of-year open balances are without collaterals and the settlement is made in cash. No guarantees have been provided or received for the above receivables.

Revenues from related parties include a dividend from the subsidiary Makios Logistics EOOD amounting to € 1,000,000.00 (31.12.2021: € 700,000,00), recorded in the financial income in the statement of comprehensive income (Note 6).

It should also be noted that there are no special agreements or partnerships between the Company and its subsidiaries and any transactions between them are carried out under the standard terms, within the framework and the specificities of each market.

Board of Directors members remuneration

In FY ended December 31st, 2022, there was no remuneration of the members of the Board of Directors of the Group and the Company (2021: €42.696,03 and € 24.696,00) while no fees were due on 31.12.2022 (31.12.2021: Euro 1.662,82).

The provision formed for the remuneration of personnel that resulted from an actuarial study does not include an amount that pertains to the members of the Board of Directors of the Company.

29. Financial Instruments - Fair value

The fair value of a financial asset is the price that one would receive for the sale of an asset or that one would pay for the transfer of a liability in a regular transaction between market participants at the measurement date. The fair value of the financial elements of the Statement of Financial Position as of December 31, 2022 and 2021 was determined applying the best possible estimate of the Management.

The Group and the Company use the following hierarchy to determine and disclose the fair value of receivables and liabilities on a valuation basis:

Level 1: Negotiable (unadjusted) prices in active markets for similar assets or liabilities

Level 2: Other techniques for which all inputs that have a significant effect on the recorded fair value are observable, either directly or indirectly

Level 3: Techniques using inputs that have a significant effect on the recorded fair value and are not based on observable market data.

During the year, there were no transfers between levels 1 and 2, nor transfers within or outside level 3, for the measurement of fair value.

The amounts disclosed in the Financial Statements with regard to cash, financial assets at fair value through profit or loss, trade and other receivables, trade and other short-term liabilities and short term banking borrowings, approach their corresponding fair values due to their short-term maturity. The book value of the long-term loans is the same with the fair value as these loans are in local currency, with floating interest rates.

The balance between the book and fair values per category of book and fair values of the financial assets of the Group and the Company recorded in the financial statements is analyzed as follows:

	Group		Company		
	31.12.2022	31.12.2021	31.12.2022	31.12.2021	
Financial assets					
Trade and other receivables (note 17)	12.975.659,18	10.927.848,48	12.338.100,50	10.016.754,63	Level 3
Financial assets through profit and loss (note 18)	6.183,22	5.585,79	6.183,22	5.585,79	Level 1
Cash and cash equivalents (note 19)	1.009.120,24	727.526,11	177.663,96	320.585,86	Level 1
Total	13.990.962,64	11.660.960,38	12.521.947,68	10.342.926,28	
Financial liabilities					
Long term borrowings (note 22)	37.157.431,86	31.458.033,82	37.032.337,85	31.458.033,82	Level 2
Lease liabilities (note 23)	1.480.388,89	1.113.122,41	1.300.317,30	1.113.122,41	Level 3
Trade and other payables (note 26)	10.394.750,36	8.880.840,99	9.342.176,26	8.091.583,24	Level 3
Short term borrowings (note 22)	3.925.029,10	1.117.670,64	3.891.062,58	1.117.670,64	Level 2
Σύνολο	52.957.600,21	42.569.667,86	51.565.893,99	41.780.410,11	

30. Commitments and Contingent Liabilities**a. Pending litigations**

The Management and the legal advisors of the Group and the Company estimate that there are no under litigation or arbitration, nor are there any decisions of judicial or arbitration bodies that may have a significant impact on financial position, performance or operations of the Company or the Group.

b. Letters of guarantee - Other collaterals

The Group and the Company have issued letters of guarantee to secure third party liabilities totaling € 8.858.769,97 and € 8.578.769,97 for the Group and the Company respectively (31.12.2021: € 3.375.239,50 and € 3.335.239,50 for the Group and the Company respectively). No material charges are expected to arise from contingent liabilities. Regarding the subsidiary of the Group in Bulgaria, there are contingent liabilities in relation to banks, arising from good performance letters of guarantee amounting to € 280.000,00. There are no contingent receivables or liabilities for the Group subsidiary in Romania.

As of December 31st, 2022, tangible fixed assets are burdened with collaterals totaling € 60.330.800,00 in banks to secure long-term bond loans.

c. Capital commitments

As at December 31st, 2022 and 2021 there are no capital commitments for the Group and the Company.

d. Liabilities from short-term or low value leases - As a lessee

As at December 31st, 2022 and 2021 there are no short-term or low value leases for the Group and the Company.

e. Receivables from operating leases - As a lessor

The Company has entered into operating leases relating to property for investment, which expire on various dates until February 2024.

Minimum future lease payments collectible under non-cancellable operating leases on December 31st, 2022 and 2021 for the Group and the Company are as follows:

	Group - Company	
	31.12.2022	31.12.2021
Up to 1 year	32.400,00	30.900,00
1 to 5 years	2.100,00	2.100,00
Total	34.500,00	33.000,00

The rentals are included in the accompanying statement of comprehensive income for the year ended December 31st, 2022 and amount to € 43,099.80 for the Group and the Company (31.12.2021: € 41,350.00 for the Group and the Company) (Note 5).

f. Tax non-inspected years

The audit for the issuance of the tax compliance report for the years 2011 - 2021 was carried out by the statutory auditors of the Parent Company, pursuant to the provisions of §5, Article 82, Law 2238/1994 and the provisions of Article 65a, Law 4174/2013. No additional tax obligations arose from the above tax audits.

For the fiscal year 2022, the Parent Company has been subject to the tax audit of the Certified Public Accountants in compliance with the provisions of Article 65a, Law 4174/2013. This audit is currently in progress and the relevant tax certificate is expected to be issued after the publication of the financial statements for FY 2022. If additional tax obligations arise till the completion of the tax audit, it is estimated that they will not have a material effect on the financial statements.

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31. Post financial statements date events

There were no post financial statements date events that would have a significant impact on the understanding of these financial statements and should either have been disclosed or diversify the items of the financial statements.

Kalochori, Thessaloniki, 13 March 2023


THE CHAIRMAN OF THE BoD


THRASYVOULOS E. MAKIOS
ID CARD №: AN 213331

THE VICE-CHAIRMAN OF THE BoD & CEO


THRASYVOULOS TH. MAKIOS
ID CARD №: AN 180024

THE CHIEF FINANCIAL OFFICER


GEORGARAKIS HARIS
ID CARD №: AK 316823
FIRST CLASS LICENSE №: 0090990