FAGE INTERNATIONAL S.A.

QUARTERLY REPORT
For the Three Months Ended
March 31, 2021

May 12, 2021

This report (the “Quarterly Report”) sets forth certain information regarding the financial condition and results of operations of FAGE International S.A. and its subsidiaries (the “FAGE Group”) for the three months ended March 31, 2021. The Quarterly Report includes a review, in English, of the FAGE Group’s unaudited financial information and analysis for the first quarter of 2021 as well as certain other information.

The following unaudited financial statements in the opinion of the management reflect all necessary adjustments (which include only normal recurring adjustments) necessary for a fair presentation of the FAGE Group’s financial position, results of operations and cash flows for the periods presented.

For a description of accounting policies see Notes to the Consolidated Financial Statements in the FAGE Group’s 2020 Annual Report.

Summary Analysis of Senior Notes Issued by FAGE INTERNATIONAL S.A. and FAGE USA DAIRY INDUSTRY, INC.

On August 3, 2016, FAGE International S.A. ("FAGE International") and FAGE USA Dairy Industry, Inc. ("FAGE USA" and together with FAGE International, the "Issuers") issued $420,000,000 principal amount of their 5.625% Senior Notes due 2026 (the "Senior Notes") under an indenture, dated as of August 3, 2016 (the "Indenture"), by and among the Issuers, FAGE Greece Dairy Industry Single Member S.A. ("FAGE Greece"), as guarantor, The Bank of New York Mellon, acting through its London Branch, as trustee, The Bank of New York Mellon, as paying and transfer agent, and The Bank of New York Mellon (Luxembourg) S.A., as registrar. As of March 31, 2021, an aggregate principal amount of $407.6 million of the Senior Notes remained outstanding.

The Senior Notes have not been, nor will they be, registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws and, unless so registered, may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Senior Notes were offered and sold only to "Qualified Institutional Buyers" (as defined in Rule 144A under the Securities Act) and pursuant to offers and sales occurring outside the United States within the meaning of Regulation S under the Securities Act. The Indenture is not required to be, nor will it be, qualified under the U.S. Trust Indenture Act of 1939, as amended.

A copy of the Indenture is available from FAGE International upon request. This Quarterly Report is being provided to holders of the Senior Notes pursuant to Section 4.02 of the Indenture.

FAGE International is a public limited company (société anonyme) incorporated under the laws of Luxembourg on September 25, 2012. Its registered office is located at 145, Rue du Kiem, L-8030 Strassen, Grand Duchy of Luxembourg. FAGE International has a share capital of $1,000,000 and is registered with the Luxembourg Register of Commerce and Companies under number B 171651. FAGE International's website is home.fage. The reference to this website is an inactive textual reference only and none of the information contained on this website is incorporated into this Quarterly Report. References to the FAGE Group include, unless the context requires otherwise, FAGE International and its consolidated subsidiaries (FAGE USA Holdings, Inc. (prior to its merger with and into FAGE USA Dairy Industry, Inc. on January 15, 2020), FAGE USA Dairy Industry, Inc., FAGE Greece Dairy Industry Single Member S.A. and FAGE U.K. Limited). The FAGE Group operates principally in the United States, the Hellenic Republic, also known as Greece, Luxembourg and the United Kingdom.

FAGE USA is a corporation which is organized under the laws of the State of New York and was incorporated on February 17, 2005. Its principal place of business is 1 Opportunity Drive, Johnstown Industrial Park, Johnstown, New York 12095, U.S.A. FAGE USA's U.S. Employer Identification Number is 83-0419718. FAGE USA is wholly owned by FAGE International.

FAGE Greece is a public limited company (société anonyme) which is organized under the laws of the Hellenic Republic and was incorporated on December 30, 1977. Its principal place of business is located at 35 Hermou Street, 144 52 Metamorfossi, Athens, Greece. FAGE Greece's Greek tax identification number is 094061540.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report contains forward-looking statements. The following cautionary statements identify important factors that could cause our actual results to differ materially from those projected in the forward-looking statements made in this Quarterly Report. Any statements that are not statements of historical fact, including statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance, are forward-looking in nature. These forward-looking statements include statements regarding: our financial position; our expectations concerning future operations, strategy, margins, profitability, liquidity and capital resources; other plans and objectives for future operations; and all other statements that are not historical facts. These statements are often, but not always, made through the use of words or phrases such as "will likely result," "are expected to," "will continue," "believe," "is anticipated," "estimated," "intends," "expects," "plans," "seek," "projection," "future," "objective," "probable," "target," "goal," "potential," "outlook" and similar expressions. These statements involve estimates, assumptions and uncertainties which could cause actual results to differ materially from those expressed. We have based these forward-looking statements on our current expectations and projections about future events. Although we believe that these statements are based on reasonable assumptions, they are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. It is also possible that any or all of the events described in forward-looking statements may not occur.

Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout this Quarterly Report. Among the key factors that may have a direct bearing on our results of operations are:

- risks associated with our high leverage and debt service obligations;
- the impact of restrictive debt covenants on our operating flexibility;
- uncertainties associated with general economic and political conditions in Greece, across Europe and in the United States;
- factors affecting our ability to compete in a competitive market;
- consumer demand for our products and loyalty to our brands;
- prices of raw materials that we use in our products;
- currency exchange rates and their effects on our financial condition, business and results of operations;
- the impact of present or future government regulations affecting our operations in the countries where we operate;
- uncertainties associated with our ability to implement our business strategy, including our expansion in the United States;
- any event that could have a material adverse effect on our brands or reputation, such as product contamination or protracted quality control difficulties; and
- uncertainties resulting from the COVID-19 pandemic.

Because the risk factors referred to in this Quarterly Report could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Quarterly Report by us or on our behalf, you should not place undue reliance on any of these forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made, and we undertake no obligation to update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors will emerge in the future, and it is not possible for us to predict which factors they will be. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements.

In addition, this Quarterly Report contains certain information concerning the Greek, EU and U.S. markets for dairy products that is forward-looking in nature and is based on a variety of assumptions regarding the ways and trends in which these markets will develop in the future. In certain cases, these assumptions have been derived from independent market research referred to in this Quarterly Report. Some market information is also based on our good faith estimates or derived from our review of internal surveys and statistics and our own knowledge of market conditions. If any of the assumptions regarding the dairy markets in which we operate are incorrect, actual market results could be different from those predicted. Although we do not know what impact any such differences may have on our business, our future results of operations and financial condition could be materially and adversely affected. Any statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. Investors are urged to review carefully and consider the various disclosures made in this Quarterly Report that attempt to advise them of the factors affecting our business.

DEFINITIONS

The following terms used in this Quarterly Report have the meanings assigned to them below:

"Euro", "euro", "EUR" or "€"….	Euro, the currency of the European Union member states participating in the European Monetary Union.
"FAGE International"…...............	FAGE International S.A., one of the Issuers of the Senior Notes.
"FAGE Greece"…......................	FAGE Greece Dairy Industry Single Member S.A., the Guarantor of the Senior Notes.
"FAGE Group", "Group", "we", "us" and "our"….........................	FAGE International S.A., one of the Issuers of the Senior Notes, and its consolidated subsidiaries described collectively as a corporate group except where the context requires otherwise.
"FAGE USA"….........................	FAGE USA Dairy Industry, Inc., one of the Issuers of the Senior Notes.
"Guarantor"…............................	FAGE Greece.
"IFRS"…...................................	International Financial Reporting Standards issued by the International Accounting Standards Board (IASB) as endorsed by the EU.
"Indenture"….............................	The indenture governing the Senior Notes.
"Issuers"…..................................	FAGE International and FAGE USA.
"pounds", "GBP" or "£"….........	Pounds sterling, the currency of the United Kingdom.
"Senior Notes"…........................	The 5.625% Senior Notes due 2026 issued by FAGE International and FAGE USA on August 3, 2016 pursuant to the Indenture.
"U.S. dollar", "USD", "$" or "U.S.$"…...................................	United States dollar, the currency of the United States of America.
"U.S. GAAP"….........................	Accounting principles generally accepted in the United States of America.

PRESENTATION OF FINANCIAL AND OTHER DATA

FAGE International and FAGE USA are the two primary obligors of the Senior Notes.

FAGE USA

FAGE USA, one of the Issuers of the Senior Notes, is a direct, wholly owned subsidiary of FAGE International, the other issuer. FAGE USA is a corporation incorporated in the State of New York that engages in the production and distribution of dairy products. This Quarterly Report does not include separate financial statements for FAGE USA. The financial information of FAGE USA is fully consolidated into our consolidated financial statements, which are included elsewhere in this Quarterly Report.

Financial Information

The consolidated financial information for the FAGE Group has been presented as of and for the three months ended March 31, 2021 and 2020, and presents the consolidated net assets, financial position and results of operations of the FAGE Group during the periods presented. The consolidated financial statements of the FAGE Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as endorsed by the European Union. You should read the consolidated financial statements of the FAGE Group included at the end of this Quarterly Report, including the notes thereto (collectively, the "Consolidated Financial Statements"), together with "Management's Discussion and Analysis of Financial Condition and Results of Operations". Some financial information in this Quarterly Report has been rounded and, as a result, the numerical figures shown as totals in this Quarterly Report may vary slightly from the exact arithmetic aggregation of the figures that precede them.

The FAGE Group adopted the U.S. dollar as its reporting currency effective October 1, 2012 and FAGE International adopted the U.S. dollar as its reporting and functional currency effective October 1, 2012. Solely for your convenience, this Quarterly Report contains translations of certain euro amounts into U.S. dollars at specified rates. These U.S. dollar amounts do not represent actual U.S. dollar amounts, nor could such euro amounts necessarily have been converted into U.S. dollars at the rates indicated. Unless otherwise indicated, euro amounts have been translated into U.S. dollars at the rate of U.S. $1.1725 per euro, which was the equivalent rate of the euro as reported by the European Central Bank in its foreign exchange rates report as at March 31, 2021.

If you are in the United States or otherwise familiar with U.S. GAAP but not familiar with IFRS, you should consult your own professional advisors for an understanding of the differences between IFRS and U.S. GAAP and how those differences could affect the financial information contained in this Quarterly Report.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying our accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the Consolidated Financial Statements are disclosed in the financial statements.

The Consolidated Financial Statements have been prepared as of and for the three months ended March 31, 2021 and 2020, and are presented in U.S. dollars rounded to the nearest thousand. The Consolidated Financial Statements have been prepared under the historical cost convention except for the measurement of investments in equity instruments initially designated at fair value through other comprehensive income, derivative financial instruments and land, which are measured at fair value.

The accounting policies set out in the notes to the Consolidated Financial Statements have been consistently applied to all periods presented except for changes arising through amendments or revisions to IFRS and the issuance of new accounting pronouncements. The amendments and revisions to IFRS as well as the new accounting pronouncements did not have a material effect on the Consolidated Financial Statements.

Industry Data

This Quarterly Report contains information concerning the U.S. market for yogurt, the Greek dairy market and the dairy markets of certain other countries in which we conduct business. We operate in an industry in which it is difficult to obtain precise industry and market information. We have obtained the market and competitive position data in this Quarterly Report from industry publications and from surveys or studies conducted by third parties that we believe to be reliable, including research information produced by Information Resources International ("IRI"). We cannot assure you of the accuracy and completeness of such information, and we have not independently verified the market and competitive position data contained in this Quarterly Report. In addition, in many cases, statements in this Quarterly Report regarding the dairy industry and our competitive position in the dairy industry are based on our experience and our own investigation of market conditions. There can be no assurance that any of these assumptions are accurate or correctly reflect our competitive position in the industry, and none of these internal surveys or information have been verified by independent sources, which may have estimates or opinions regarding industry-related information which differ from ours.

ENFORCEABILITY OF CIVIL LIABILITIES

FAGE International is a public limited company (*société anonyme*) incorporated under the laws of Luxembourg and FAGE Greece is organized under the laws of Greece. Certain executive officers and directors of the Issuers and the Guarantor and certain experts named herein presently reside outside of the United States, principally in Luxembourg and Greece. As a result, it will be necessary for investors to comply with Luxembourg or Greek law in order to obtain an enforceable judgment against any such foreign resident persons or assets of such entities, including an order to foreclose upon such assets. Although we have agreed under the terms of the Indenture pursuant to which the Senior Notes were issued to accept service of process in the United States by an agent designated for such purpose, it may not be possible for investors to (i) effect service of process within the United States upon our officers, directors and certain experts named herein and (ii) enforce any judgments in the United States against such persons obtained in U.S. courts predicated upon civil liabilities of such persons, including any judgments predicated upon U.S. federal securities laws, to the extent such judgments exceed such person's U.S. assets.

We have been advised by Loyens & Loeff, our Luxembourg counsel, that although there is no treaty between Luxembourg and the United States regarding the reciprocal enforcement of judgments, a valid, final and conclusive judgment against FAGE International obtained from a state or federal court of the United States, which remains in full force and effect, may be enforced through a court of competent jurisdiction in Luxembourg, subject to compliance with the following enforcement procedures (*exequatur*) set out in the relevant provisions of the Luxembourg New Code of Civil Procedure (*Nouveau Code de Procédure Civile*) and Luxembourg case law:

- the foreign court must properly have had jurisdiction to hear and determine the matter, both according to its own laws and to the Luxembourg international private law conflict of jurisdiction rules;

- the foreign court must have applied the law which is designated by the Luxembourg conflict of laws rules or, at least, the order must not contravene the principles underlying those rules (although some first instance decisions rendered in Luxembourg—which have not been confirmed by the Luxembourg Court of Appeal—no longer apply this condition);

- the decision of the foreign court must be enforceable in the jurisdiction in which it was rendered;

- the foreign court has acted in accordance with its own procedural laws;

- the judgment was obtained in compliance with the rights of the defendant (*i.e.*, following proceedings where the defendant had the opportunity to appear, was granted the necessary time to prepare its case and, if the defendant appeared, could present a defense);

- the decision of the foreign court must not have been obtained by fraud; and

- the decisions and the considerations of the foreign court must not be contrary to Luxembourg international public policy rules or have been given in proceedings of a tax, penal or criminal nature (which would include awards of damages made under civil liabilities provisions of the U.S. federal securities laws, or other laws, to the extent that the same would be classified by Luxembourg courts as being of a penal or punitive nature (for example, fines or punitive damages)) or rendered subsequent to an evasion of Luxembourg law (*fraude à la loi*). Ordinarily an award of monetary damages would not be considered as a penalty, but if the monetary damages include punitive damages such punitive damages may be considered as a penalty.

If an original action is brought in Luxembourg, without prejudice to specific conflict of law rules, Luxembourg courts may refuse to apply the designated law (i) if the choice of such foreign law was not made bona fide or (ii) if the foreign law was not pleaded and proved or (iii) if pleaded and proved, such foreign law was contrary to mandatory Luxembourg laws or incompatible with Luxembourg public policy rules. In an action brought in Luxembourg on the basis of U.S. federal or state securities laws, Luxembourg courts may not have the requisite power to grant the remedies sought.

We have been advised by Theo V. Sioufas & Co., Greek counsel to the FAGE Group, that, although there is no treaty between Greece and the United States regarding the reciprocal enforcement of judgments, a valid, final and conclusive judgment for a definite amount (both in respect of principal and interest) against FAGE Greece and/or its officers and directors from a state or federal court of the United States, which judgment remains in full force and effect, may be enforced without a further review on the merits through a court of competent jurisdiction in Greece, subject to compliance with the following enforcement procedures of Articles 323 and 905 of the Greek Code of Civil Procedure:

- the judgment is also enforceable under the laws of the jurisdiction concerned;

- the judgment is not contrary to mandatory provisions of Greek law, the principles of *bonos mores* or public order and international public policy, and the U.S. court has not applied laws held by Greek courts to be of a tax, penal, criminal or punitive nature. On this last point there is no precedent under Greek law; however, there is precedent with lower courts that have refused to declare U.S. judgments awarding punitive damages enforceable in Greece, in circumstances other than under U.S. securities laws, and have reduced the amount of damages enforceable in Greece to a figure deemed in the opinion of the Greek court to be compensatory;

- the judgment was issued by a competent court of the jurisdiction concerned, both according to Greek and U.S. law, and was confirmed by a competent Greek court, pursuant to the general principles of the Greek Code of Civil Procedure;

- it was established that the unsuccessful litigant in the proceedings leading to the judgment had not been deprived of its rights to participate in such proceedings other than by the application of the procedural rules of the jurisdiction concerned that apply to nationals and non-nationals of that jurisdiction; and

- the judgment is not contrary to a previous judgment issued by a competent Greek court involving the same dispute and constituting *res judicata*.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

It is with deep sorrow that the Group informs you that Mr. Kyriakos Filippou, our chairman's father, passed away on April 19, 2021.

Kyriakos Filippou was born in Athens in 1939 and was the son of Athanasios Filippou and the brother of Ioannis Filippou. After obtaining his bachelor of science in Chemical Engineering and his master's in Food Technology and serving the Greek Royal Navy as an officer, he joined the family business. Under his supervision, FAGE developed the proprietary technology that revolutionized yogurt production in Greece and gradually led to the expansion of the company in all continents. Together with his brother Ioannis, he led our company until 2005, alternately serving as the Chairman and Chief Executive Officer of FAGE. He was life-long honorary chairman of FAGE Greece.

Brilliant scientist, visionary entrepreneur, fair employer, wonderful husband, father and grandfather, he will be terribly missed by all those who have had the privilege to have known him. The rest of us in the FAGE family will honor him by continuing his work at FAGE.

Results of Operations for the FAGE Group for the Three Months Ended March 31, 2021 and 2020

The following table sets forth, for the periods indicated, certain items in the FAGE Group's consolidated statements of income expressed as percentages of sales:

	Three months ended March 31,	
	2021	2020
Sales	100%	100%
Cost of sales	(60.2)	(62.3)
Gross profit	39.8	37.7
Selling, general and administrative expenses	(25.4)	(24.2)
Other income	0.1	0.0
Other expenses	(0.5)	(0.7)
Operating profit for the period	14.0	12.8
Financial income/(expenses), net	(4.5)	(4.2)
Foreign exchange gains/(losses), net	(2.1)	(1.4)
Profit before income taxes	7.4	7.2
Income tax benefit/(expense)	1.7	(1.6)
Net profit	9.1%	5.6%

Three months ended March 31, 2021 compared to three months ended March 31, 2020

Sales. Our sales in value for the three months ended March 31, 2021 amounted to $134.4 million, an increase of $2.8 million, or 2.1%, compared to sales in value of $131.6 million for the three months ended March 31, 2020.

This increase in sales in value for the three months ended March 31, 2021, as compared to the three months ended March 31, 2020, is mainly due to the increase in our sales in volume by 5.0% and the positive impact of 3.8% on sales in value due to the weakening of the U.S. dollar against the Euro and the British Pound (the exchange rates, for the three months ended March 31, 2021 and 2020, were €1 = $1.1994 and €1 = $1.0995 and £1 = $1.3805 and £1 = $1.2778, respectively), which were partially offset by the decrease in the average net selling price across all markets by 6.7%. Our sales in value increased in Italy, the United Kingdom and Greece by 21.4%, 21.0% and 9.5%, respectively, which were partially offset by a decrease in sales in value in the United States by 8.5%.

Our sales in volume for the three months ended March 31, 2021 increased by 5.0% as compared to the three months ended March 31, 2020. This resulted mainly from increases in sales in volume in Italy, the United Kingdom and Greece by 12.6%, 14.9%, and 8.6%, respectively, which were partially offset by a decrease in sales in volume in the United States by 0.9%.

Our sales in value outside of Greece accounted for 85.1% of our total sales in value for the three months ended March 31, 2021, as compared to 86.1% for the three months ended March 31, 2020.

Gross profit. Gross profit for the three months ended March 31, 2021 was $53.4 million, an increase of $3.8 million, or 7.7%, from $49.6 million for the three months ended March 31, 2020. Gross profit as a percentage of sales for the three months ended March 31, 2021 was 39.8%, compared to 37.7% for the three months ended March 31, 2020. The main reason for this increase was the decrease in the prices of milk used in the U.S. facility by 9.0%, which was partially offset by an increase in the prices of milk used in the Greek facilities by 3.3%.

Selling, general and administrative expenses. Selling, general and administrative expenses ("SG&A") for the three months ended March 31, 2021 were $34.1 million, an increase of $2.3 million, or 7.2%, from $31.8 million for the three months ended March 31, 2020. As a percentage of sales, SG&A was 25.4% for the three months ended March 31, 2021 and 24.2% for the three months ended March 31, 2020. This increase in SG&A as a percentage of sales is mainly due to the increase in advertising and shipping and handling costs.

Other income/(expenses), net. Net other expenses for the three months ended March 31, 2021 amounted to $0.6 million. Net other expenses for the three months ended March 31, 2020 amounted to $0.8 million.

Operating profit. Operating profit for the three months ended March 31, 2021 was $18.8 million, an increase of $1.9 million, or 11.2%, as compared to operating profit of $16.9 million for the three months ended March 31, 2020. As a percentage of sales, operating profit was 14.0% for the three months ended March 31, 2021 as compared to 12.8% for the three months ended March 31, 2020. This increase is mainly due to the increase in gross profit as a percentage of sales, which was partially offset by the increase in SG&A.

Financial income/(expenses), net. Net financial expenses for the three months March 31, 2021 were $6.1 million compared to $5.5 million for the three months March 31, 2020. Financial income/(expenses), net as a percentage of sales was 4.5% for the three months ended March 31, 2021 and 4.2% for the three months ended March 31, 2020.

Foreign exchange (losses)/gains, net. Net foreign exchange losses for the three months March 31, 2021 were $2.7 million compared to net foreign exchange losses for the three months ended March 31, 2020 of $2.0 million.

Profit before income taxes. Profit before income taxes for the three months ended March 31, 2021 was $10.0 million, as compared to profit before income taxes of $9.4 million for the three months ended March 31, 2020. This increase is mainly due to the increase in gross profit as a percentage of sales, which was partially offset by the increase in SG&A.

Income tax benefit/(expense). Income tax benefit for the three months ended March 31, 2021 was $2.3 million, as compared to income tax expense of $2.1 million for the three months ended March 31, 2020.

Net profit. Net profit for the three months ended March 31, 2021 was $12.3 million, as compared to net profit of $7.3 million for the three months ended March 31, 2020.

Liquidity and Capital Resources

Our principal sources of liquidity are existing cash balances, cash flow from operations, debt raised from capital markets (including the Senior Notes) and available amounts under our various lines of credit maintained with several banks. Our principal liquidity needs are debt service (primarily interest on the Senior Notes), shareholder payments, capital expenditures and working capital. We believe that our available capital resources will be sufficient to fund our liquidity needs.

Sources of capital. We fund our operating costs through cash from operations and short-term borrowings under various lines of credit. The available credit lines for the FAGE Group as of March 31, 2021 amounted to $35.0 million, all of which was provided by Citibank, N.A. in the United States and secured by accounts receivable and certain inventory of FAGE USA. Out of the available credit lines as of March 31, 2021, the unused portion amounted to $35.0 million (See Note 18). The available credit lines for the Group as of December 31, 2020 amounted to $35.0 million.

Cash at banks and cash equivalents as of March 31, 2021 amounted to $202.3 million compared to $230.3 million as of December 31, 2020 (See Note 15).

We believe that this amount of our cash at banks and cash equivalents ($202.3 million), together with the lines of credit, is sufficient to finance both the operations and the investment program of the FAGE Group.

Cash flow data.

	Three months ended March 31,	
	2021	**2020**
	($ thousands)	
Cash flow from/(used in) operating activities	14,722	12,246
Cash flow from/(used in) investing activities	(1,723)	(5,851)
Cash flow from/(used in) financing activities	(41,527)	(32,098)
Effect of exchange rates changes on cash	593	285
Cash and cash equivalents at beginning of period	230,255	156,683
Cash and cash equivalents at period-end	**202,320**	**131,265**

Cash flow from/(used in) operating activities. Net cash from operating activities for the three months ended March 31, 2021 was $14.7 million, compared to net cash from operating activities of $12.2 million for the three months ended March 31, 2020. This increase is mainly due to the increase in operating profit and to the working capital changes.

Cash flow from/(used in) investing activities. Net cash used in investing activities amounted to $1.7 million for the three months ended March 31, 2021. Out of the capital expenditures of $1.7 million in the first three months of 2021, $0.3 million related to capital expenditures for the U.S. facility, $1.1 million related to capital expenditures for the facilities in Greece and $0.3 million related to our new manufacturing facility. Net cash used in investing activities amounted to $5.9 million for the three months ended March 31, 2020.

Cash flow from/(used in) financing activities. Net cash used in financing activities for the three months ended March 31, 2021 was $41.5 million. This resulted from $11.6 million of interest paid, $25.0 million of dividends paid to our shareholders from retained earnings, $4.7 from the repurchase of bonds (the Senior Notes) and $0.2 million of payments of lease liabilities. Net cash used in financing activities for the three months ended March 31, 2020 was $32.1 million, which reflects $11.9 million of interest paid, $0.2 million of payments of lease liabilities and $20.0 million of dividends paid to our shareholders.

Other Financial Data

EBITDA (net profit/(loss) plus income tax (expense)/benefit, financial income/(expenses), net and depreciation and amortization) for the three months ended March 31, 2021 amounted to $25.0 million, as compared to $23.4 million for the three months ended March 31, 2020. The reconciliation of net profit to EBITDA is as follows:

	Three months ended March 31,	
	2021	**2020**
	($ thousands)	
Net profit	12,274	7,330
Income tax (benefit)/expense..	(2,297)	2,084
Financial (income)/expenses, net	6,075	5,528
Depreciation and amortization	8,900	8,490
EBITDA................................	**24,952**	**23,432**

EBITDA serves as an additional indicator of our operating performance and not as a replacement for measures such as cash flows from operating activities and operating income. We believe that EBITDA is useful to investors as a measure of operating performance because it eliminates variances caused by the amounts and types of capital employed and amortization policies and helps investors evaluate the performance of our underlying business. In addition, we believe that EBITDA is a measure commonly used by analysts and investors in our industry. Accordingly, we have disclosed this information to permit a more complete analysis of our operating performance. Other companies may calculate EBITDA in a different way. EBITDA is not a measurement of financial performance under IFRS and should not be considered an alternative to cash flow provided by or used in operating activities or as a measure of liquidity or an alternative to net profit/(loss) as an indicator of our operating performance or any other measure of performance derived in accordance with IFRS.

The net debt (short-term borrowings plus long-term interest-bearing loans and borrowings less cash and cash equivalents) of the Group as of March 31, 2021 amounted to $199.3 million, as compared to $175.8 million as of December 31, 2020.

Principal Risks and Uncertainties for the Remainder of 2021

Risk assessment and evaluation is an integral part of the management process throughout the FAGE Group. Risks are identified and evaluated and appropriate risk management strategies are implemented at each level. The key business risks are identified by the senior management team. FAGE International’s board of directors, in conjunction with senior management, identifies major business risks faced by the Group and determines the appropriate course of action to manage these risks.
The principal risks and uncertainties faced by the FAGE Group are summarized below:

- first, we are exposed to aggressive competition in the domestic Greek market;
- second, we are exposed to currency exchange rate fluctuations, particularly in relation to the Euro (€) and the U.K. sterling (£);
- third, price fluctuations in raw materials could adversely affect the Group's manufacturing costs;
- fourth, the current economic crisis could continue to adversely affect consumer spending for the Group’s products, particularly in Greece, Italy, the United Kingdom and the United States; and
- fifth, the COVID-19 pandemic that is affecting our global business and operations.

FAGE International’s board of directors regularly monitors all of the above risks and appropriate actions are taken to mitigate those risks or address the potential adverse consequences.

Related Party Transactions

The FAGE Group purchases goods and services from and makes sales of goods to certain related companies in the ordinary course of business. Such related companies consist of affiliates or companies which are controlled by members of the Filippou family.

Account balances with related companies are as follows:

	March 31, 2021	December 31, 2020
Due from:		
- Dimitrios Nikolou Single Member P.C.	496	521
- EMFI S.A.	54	88
- Hellenic Quality Foods S.A.	466	488
- Alpha Phi S.à r.l.	7	8
- Theta Phi S.à r.l.	7	8
- Iota Alpha Phi S.à r.l.	6	7
- Kappa Alpha Phi S.à r.l.	6	7
- Iota Phi S.à r.l.	7	11
- Kappa Phi S.à r.l.	7	11
	1,056	**1,149**
Due to:		
- Vis S.A.	8	2
- Mornos S.A.	61	111
- Alpha Phi S.à r.l.	1,053	-
- Theta Phi S.à r.l.	1,053	-
	2,175	**113**

Transactions with related companies for the three months ended March 31, 2021 and 2020, are analyzed as follows:

	Purchases from related parties		Sales to related parties	
	March 31,		March 31,	
	2021	2020	2021	2020
	($ thousands)			
Inventories, materials and supplies	3,450	3,767	17	57
Other services	1,828	1,840	50	-
	5,278	**5,607**	**67**	**57**

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FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(All amounts in thousands of U.S. dollars, except share and per share data)

(UNAUDITED)

	Notes	Three months ended March 31, 2021	Three months ended March 31, 2020
Sales		134,393	131,584
Cost of sales		(80,956)	(82,010)
Gross profit		**53,437**	**49,574**
Selling, general and administrative expenses	5	(34,083)	(31,831)
Other income		175	83
Other expenses	16	(737)	(926)
OPERATING PROFIT FOR THE PERIOD		**18,792**	**16,900**
Financial expenses	6	(6,084)	(6,227)
Financial income	6	9	699
Foreign exchange gains/(losses), net		(2,740)	(1,958)
PROFIT FOR THE PERIOD BEFORE INCOME TAXES		**9,977**	**9,414**
Income tax benefit/(expense)	7	2,297	(2,084)
NET PROFIT		**12,274**	**7,330**
Attributable to:		12,274	7,330
Equity holders of the parent		**12,274**	**7,330**
Earnings per share			
Basic and diluted		12.27	7.33
Weighted average number of shares, basic and diluted		**1,000,000**	**1,000,000**

The accompanying notes are an integral part of these financial statements.

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME/LOSS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(All amounts in thousands of U.S. dollars)

(UNAUDITED)

	Three months ended March 31,	
	2021	**2020**
Net profit for the period	**12,274**	**7,330**
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:		
Exchange gains/(losses) on translation of foreign operations	(2,771)	(1,518)
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods	**(2,771)**	**(1,518)**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:		
Remeasurement gains/(losses) on defined benefit plans	(34)	(67)
Income tax	8	16
	(26)	(51)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods	**(26)**	**(51)**
Other comprehensive income/(loss) for the period, net of tax	**(2,797)**	**(1,569)**
Total comprehensive income for the period, net of tax	**9,477**	**5,761**
Attributable to:	9,477	5,761
Equity holders of the parent	**9,477**	**5,761**

The accompanying notes are an integral part of these financial statements.

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT MARCH 31, 2021
(All amounts in thousands of U.S. dollars)

	Notes	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment		374,096	384,928
Right-of-use leased assets	8	2,920	3,147
Intangible assets		1,121	1,153
Goodwill	9	2,818	2,879
Investments in equity instruments	10	103	108
Other non-current assets	11	193	882
Deferred income taxes		78,513	76,742
Total non-current assets		**459,764**	**469,839**
Current Assets:			
Inventories	12	43,079	41,029
Trade and other receivables	13	65,844	58,651
Due from related companies	14	1,056	1,149
Prepaid income taxes		1,166	1,219
Cash and cash equivalents	15	202,320	230,255
Total current assets		**313,465**	**332,303**
TOTAL ASSETS		**773,229**	**802,142**
EQUITY AND LIABILITIES			
Equity Attributable to Equity Holders of the Parent Company			
Share capital		1,000	1,000
Share premium		4,547	4,547
Other reserves		459	459
Land revaluation surplus		32,162	32,162
Reversal of fixed assets statutory revaluation surplus		(44,410)	(44,410)
Legal, tax free and special reserves		52,016	52,016
Retained earnings		260,405	273,131
Other components of equity		(24,396)	(21,599)
Total Equity		**281,783**	**297,306**
Non-Current Liabilities			
Interest-bearing loans and borrowings	16	401,643	406,054
Provision for staff retirement indemnities		3,961	4,140
Deferred income taxes		29,609	32,101
Non-current liabilities from finance leases	8	2,207	2,307
Total non-current liabilities		**437,420**	**444,602**
Current Liabilities:			
Trade accounts payable	17	23,776	24,409
Due to related companies	14	2,175	113
Short-term borrowings	18	-	-
Income taxes payable		4,283	3,406
Accrued and other current liabilities	19	23,085	31,464
Current liabilities from finance leases	8	707	842
Total current liabilities		**54,026**	**60,234**
Total liabilities		**491,446**	**504,836**
TOTAL EQUITY AND LIABILITIES		**773,229**	**802,142**

The accompanying notes are an integral part of these financial statements.

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(All amounts in thousands of U.S. dollars)

	Share capital	Share premium	Land revaluation surplus	Reversal of fixed assets statutory revaluation surplus	Legal, tax free and special reserves	Other reserves	Retained earnings/ (losses)	Actuarial gains/ (losses)	Foreign exchange gains/ (losses)	Total equity
Balance December 31, 2020 (Audited)	**1,000**	**4,547**	**32,162**	**(44,410)**	**52,016**	**459**	**273,131**	**(681)**	**(20,918)**	**297,306**
Profit for the period	-	-	-	-	-	-	12,274	-	-	12,274
Other comprehensive loss	-	-	-	-	-	-	-	(26)	(2,771)	(2,797)
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**12,274**	**(26)**	**(2,771)**	**9,477**
Dividends distribution	-	-	-	-	-	-	(25,000)	-	-	(25,000)
Balance, March 31, 2021 (Unaudited)	**1,000**	**4,547**	**32,162**	**(44,410)**	**52,016**	**459**	**260,405**	**(707)**	**(23,689)**	**281,783**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2020
(All amounts in thousands of U.S. dollars)

	Share capital	Share premium	Land revaluation surplus	Reversal of fixed assets statutory revaluation surplus	Legal, tax free and special reserves	Other reserves	Retained earnings/ (losses)	Actuarial gains/ (losses)	Foreign exchange gains/ (losses)	Total equity
Balance December 31, 2019 (Audited)	**1,000**	**4,547**	**34,599**	**(44,410)**	**52,016**	**459**	**246,478**	**(609)**	**(26,204)**	**267,876**
Profit for the period	-	-	-	-	-	-	7,330	-	-	7,330
Other comprehensive loss	-	-	-	-	-	-	-	(51)	(1,518)	(1,569)
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**7,330**	**(51)**	**(1,518)**	**5,761**
Dividends distribution	-	-	-	-	-	-	(20,000)	-	-	(20,000)
Balance, March 31, 2020 (Unaudited)	**1,000**	**4,547**	**34,599**	**(44,410)**	**52,016**	**459**	**233,808**	**(660)**	**(27,722)**	**253,637**

The accompanying notes are an integral part of these financial statements.

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(All amounts in thousands of U.S. dollars)

(UNAUDITED)

	Notes	March 31, 2021	March 31, 2020
Operating Activities:			
Profit before income taxes		9,977	9,414
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation and amortization	4	8,697	8,277
Amortization of right-of-use leased assets	4, 8	203	213
Provision for staff retirement indemnities		26	98
Provision for doubtful account receivable	5, 13	102	25
Financial income	6	(9)	(699)
Financial expenses	6	6,080	6,221
Finance leasing interest expense	6	4	6
Loss/(gain) on disposal of property, plant and equipment		8	(5)
Operating profit before working capital changes		**25,088**	**23,550**
(Increase)/Decrease in:			
Inventories	12	(2,050)	(96)
Trade and other receivables	13	(7,295)	(17,140)
Due from related companies	14	93	9
Increase/(Decrease) in:			
Trade accounts payable	17	(633)	2,494
Due to related companies	14	2,062	24
Accrued and other current liabilities	19	(2,542)	3,647
Working capital changes		**(10,365)**	**(11,062)**
Income taxes paid		(635)	(149)
Payment of staff indemnities		(55)	(135)
(Increase)/decrease in other non-current assets	11	689	42
Net Cash from Operating Activities		**14,722**	**12,246**
Investing Activities:			
Capital expenditure for property, plant and equipment		(1,734)	(6,523)
Additions to intangible assets		(44)	(41)
Proceeds from disposal of property, plant and equipment		46	14
Interest and other related income received	6	9	699
Net Cash used in Investing Activities		**(1,723)**	**(5,851)**
Financing Activities:			
Repurchase of bonds	16	(4,725)	-
Payment of leased liabilities	8	(214)	(220)
Interest paid		(11,588)	(11,878)
Dividends and share premium paid to equity holders of the parent		(25,000)	(20,000)
Net Cash used in Financing Activities		**(41,527)**	**(32,098)**
Net increase/(decrease) in cash and cash equivalents		**(28,528)**	**(25,703)**
Effect of exchange rates changes on cash		593	285
Cash and cash equivalents at beginning of period	15	230,255	156,683
Cash and cash equivalents at March 31	15	**202,320**	**131,265**

The accompanying notes are an integral part of these financial statements.

1. CORPORATE INFORMATION:

FAGE International S.A. ("FAGE International") is a corporation organized under the laws of the Grand Duchy of Luxembourg on September 25, 2012. Its registered office is located at 145, Rue du Kiem, L-8030 Strassen, Grand Duchy of Luxembourg.
FAGE International has a share capital of $1,000 and is registered with the Luxembourg Register of Commerce and Companies under number B 171651.

References to the "Group" include, unless the context requires otherwise, FAGE International and its wholly owned subsidiaries consolidated therewith:

- FAGE USA Holdings, Inc., United States (merged with and into FAGE USA Dairy Industry, Inc. on January 15, 2020)
- FAGE USA Dairy Industry, Inc., United States
- FAGE Greece Dairy Industry Single Member S.A., Greece
- FAGE U.K. Limited, United Kingdom

The FAGE Group operates principally in the United States, the Hellenic Republic, also known as Greece, Luxembourg and, directly or through its subsidiaries, elsewhere in Europe and the rest of the world.

2. BASIS OF PRESENTATION:

(a) Basis of Preparation of Financial Statements: The accompanying interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU) ("IFRS").

They have been prepared under the historical cost convention except for the measurement of investments in equity instruments initially designated at fair value through other comprehensive income, derivative financial instruments and land, which have been measured at fair value. These interim condensed consolidated financial statements have been prepared by management in accordance with IAS 34 (Interim Financial Reporting). The interim condensed consolidated financial statements do not include all the information and disclosure required in the annual consolidated financial statements and should be read in conjunction with the Group's annual consolidated financial statements as of and for the year ended December 31, 2020. The interim condensed consolidated financial statements are presented in thousands of U.S. dollars, except when otherwise indicated.

The preparation of financial statements, in accordance with IFRS, requires the use of critical accounting estimates. It also requires management to exercise its judgment in the process of applying the accounting policies which have been adopted. The areas involving a higher degree of judgment or complexity, and areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 2.5 to the consolidated financial statements included in the 2020 Annual Report.

(b) Significant Accounting Policies: The interim condensed consolidated financial statements have been prepared using accounting policies consistent with those adopted for the preparation of the Group's annual consolidated financial statements as of and for the year ended December 31, 2020 and which are comprehensively presented in the notes to the annual financial statements.

(c) Basis of consolidation: The consolidated financial statements comprise the financial statements of FAGE International and its subsidiaries as at March 31, 2021.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Group obtains control and continue to be consolidated until the date when such control ceases. The financial statements of the subsidiaries are prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group balances, transactions, unrealized gains and losses resulting from intra-group transactions and dividends are eliminated in full.

Losses within a subsidiary are attributed to the non-controlling interest ("NCI") even if that results in a deficit balance.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. If the Group loses control over a subsidiary, it:

- Derecognizes the assets (including goodwill) and liabilities of the subsidiary,
- Derecognizes the carrying amount of any non-controlling interest,
- Derecognizes the cumulative translation differences, recorded in equity,
- Recognizes the fair value of the consideration received,
- Recognizes the fair value of any investment retained,
- Recognizes any surplus or deficit in profit or loss, and
- Reclassifies the parent's share of components previously recognized in other comprehensive income to profit or loss or retained earnings, as appropriate.

(d) Changes in Accounting Policies and Disclosures

New and Amended Standards and Interpretations
Several amendments and interpretations apply for the first time in 2021, but do not have an impact on the consolidated financial statements of the Group. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

Leases Covid-19 – Related Rent Concessions – Amendments to IFRS 16
In May 2020, the IASB amended IFRS 16 to provide relief to lessees from applying the IFRS 16 guidance on lease modifications to rent concessions arising as a direct consequence of the Covid-19 pandemic. Such amendments are applicable to financial years starting in June 2020. In March 2021, the IASB further modified the amendments in order to extend its application to lease payments due beyond June 30, 2021. The amendments are effective for annual reporting periods beginning on or after April 1, 2021 and an earlier application is permitted. The amendments do not apply to lessors. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification.

Lessees will apply the practical expedient retrospectively, recognizing the cumulative effect of initially applying the amendments as an adjustment to the opening balance of retained earnings (or other component of equity, as appropriate) at the beginning of the annual reporting period in which the amendments are first applied. Since no lease modifications or concessions have been granted to the Group nor are expected to be received, these amendments will have no impact on the Group's consolidated financial position or results of operations once they become applicable.

Amendments to the Conceptual Framework for Financial Reporting

The IASB has revised its conceptual framework. The framework is not an IFRS standard, and none of the concepts override those in any standard or any requirements in a standard. Its purpose is to assist the IASB in developing standards, to help preparers develop consistent accounting policies if there is no applicable standard in place and to assist all parties to understand and interpret the standards. Management has assessed that the conceptual framework amendments have no impact on the Group's consolidated financial position or results of operations.

(e) Standards issued but not yet effective and not early adopted

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

- **IFRS 17, Insurance Contracts**
  The standard is effective for annual periods beginning on or after January 1, 2023 and has not yet been endorsed by the EU. IFRS 17 establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued, reinsurance contracts held and investment contracts with discretionary participation features issued. Management does not expect that this standard will have an impact on the Group's consolidated financial position or results of operations.

- **Insurance Contracts (deferral of effective date of IFRS 9) - Amendments to IFRS 4**
  Effective for annual periods starting on or after January 1, 2021, these amendments extend the effective date to apply IFRS 9 for insurance contracts to January 1, 2023 in order to align with the effective date of IFRS 17. These amendments have not yet been endorsed by the EU. Management does not expect that this standard and related amendments will have any impact on the Group's consolidated financial position or results of operations.

- **IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture**
  The amendments address an acknowledged inconsistency between the requirements in IFRS 10 and those in IAS 28, in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognized when a transaction involves a business (whether it is housed in a subsidiary or not). A partial gain or loss is recognized when a transaction involves assets that do not constitute a business, even if these assets are housed in a subsidiary. In December 2015, the IASB postponed the effective date of these amendments indefinitely pending the outcome of its research project on the equity method of accounting. The amendments have not yet been endorsed by the EU. Management considers that the amendments will not have an impact on the Group's consolidated financial position or results of operations.

- **Reference to the Conceptual Framework – Amendments to IFRS 3**
  These amendments are effective for annual periods beginning on or after January 1, 2022 and have been endorsed by the EU. In May 2020, the IASB issued Amendments to IFRS 3 Business Combinations – Reference to the Conceptual Framework. The amendments are intended to replace a reference to a previous version of the IASB's Conceptual Framework (the 1989 Framework) with a reference to the current version issued in March 2018 (the Conceptual Framework) without significantly changing its requirements. The amendments will promote consistency in financial reporting and avoid potential confusion from having more than one version of the Conceptual Framework in use. Management has assessed that the conceptual framework amendments have no impact on the Group's consolidated financial position or results of operations.

- **Onerous Contracts – Costs of fulfilling a contract – Amendments to IAS 37**
  These amendments are effective for annual periods beginning on or after January 1, 2022 and have been endorsed by the EU. In May 2020, the IASB issued amendments to IAS 37 Provisions Contingent Liabilities and Contingent Assets to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments must be applied prospectively to contracts for which an entity has not yet fulfilled all of its obligations at the beginning of the

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

annual reporting period in which it first applies the amendments (the date of initial application). Earlier application is permitted and must be disclosed. The amendments are intended to provide clarity and help ensure consistent application of the standard. Entities that previously applied the incremental cost approach will see provisions increase to reflect the inclusion of costs related directly to contract activities, whilst entities that previously recognized contract loss provisions using the guidance from the former standard, IAS 11 Construction Contracts, will be required to exclude the allocation of indirect overheads from their provisions. Management considers that the amendments will not have an impact on the Group's consolidated financial position or results of operations.

- **Classification of Liabilities as Current or Non-Current – Amendments to IAS 1**
  These amendments are effective for annual periods beginning on or after January 1, 2023 and have not yet been endorsed by the EU. In January 2020, the IASB issued amendments to paragraphs 69 to 76 of IAS 1 Presentation of Financial Statements to specify the requirements for classifying liabilities as current or non-current. The amendments clarify what is meant by a right to defer settlement, that a right to defer must exist at the end of the reporting period, that classification is unaffected by the likelihood that an entity will exercise its deferral right and that only if an embedded derivative in a convertible liability is itself an equity instrument, would the terms of a liability not impact its classification. Management expects that the amendments will not have an impact on the Group's consolidated financial position or results of operations.

- **Property, Plant and Equipment: Proceeds before Intended Use – Amendments to IAS 16**
  The amendments are effective for annual periods beginning on or after January 1, 2022 and have been endorsed by the EU. They prohibit entities from deducting from the cost of an item of property, plant and equipment (PP&E), any proceeds of the sale of items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognizes the proceeds from selling such items, and the costs of producing those items, in profit or loss. The amendments must be applied retrospectively only to items of PP&E made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. Management expects that the amendments will not have an impact on the Group's consolidated financial position or results of operations.

- **Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies**
  The amendments are effective for periods beginning on or after January 1, 2023 and have not been yet endorsed by the EU. They require entities to disclose their material accounting policies rather than their significant accounting policies. To support these amendments the IASB has also developed guidance and examples to explain and demonstrate the application of the 'four-step materiality process'. According to the amendments, accounting policy information may be material (i) because of its nature, even if the related amounts are immaterial; (2) if users of an entity's financial statements would need it to understand other material information in the financial statements; and (3) if an entity discloses immaterial accounting policy information, such information shall not obscure material accounting policy information. Management expects that the amendments will not have an impact on the Group's consolidated financial position or results of operations.

- **Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates**
  The amendments help entities to distinguish between accounting policies and accounting estimates. The amendments are effective for annual periods beginning on or after January 1, 2023 and have not yet been endorsed by the EU. Accounting estimates are now defined as being the monetary amounts in financial statements that are subject to measurement uncertainty. The amendments clarify that a change in accounting estimate that results from new information or new developments is not the correction of an error. In addition, the effects of a change in an input or a measurement technique used to develop an accounting estimate are changes in accounting estimates if they do not result from the correction of prior period errors. Management expects that the amendments will not have an impact on the Group's consolidated financial position or results of operations.

3. PAYROLL COST:

Payroll cost in the accompanying interim condensed consolidated financial statements is analyzed as follows:

	March 31,	
	2021	**2020**
Wages and salaries	10,485	11,058
Social security costs	1,359	1,386
Provision for staff retirement indemnities	57	135
Other staff costs	1,405	1,498
Total payroll	**13,306**	**14,077**
Less: amounts charged to cost of production	(7,168)	(7,309)
amounts capitalized to tangible and intangible assets	(109)	(107)
Payroll expensed (Note 5)	**6,029**	**6,661**

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

The Group's total number of employees as of March 31, 2021 and 2020, was approximately 838 and 881, respectively.

Amounts paid to directors and executive officers included in payroll are described in Note 5.

4. DEPRECIATION AND AMORTIZATION:

Depreciation and amortization in the accompanying interim condensed consolidated financial statements is analyzed as follows:

	March 31,	
	2021	**2020**
Depreciation of property, plant and equipment	8,636	8,087
Amortization of right-of-use leased assets	203	213
Amortization of intangible assets	61	190
Total depreciation and amortization	**8,900**	**8,490**
Less: amounts charged to cost of production	(7,269)	(6,778)
Depreciation and amortization expensed (Note 5)	**1,631**	**1,712**

5. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES:

Selling, general and administrative expenses in the accompanying consolidated financial statements are analyzed as follows:

	March 31,	
	2021	**2020**
Shipping and handling costs	11,165	9,821
Advertising costs	9,482	7,713
Third party fees	3,319	3,390
Payroll (Note 3)	6,029	6,661
Depreciation and amortization (Note 4)	1,631	1,712
Repairs and maintenance	251	243
Travelling and entertainment	49	343
Allowance for doubtful account (Note 13)	102	25
Other	2,055	1,923
Total	**34,083**	**31,831**

Compensation paid to directors and executive officers for the three months ended March 31, 2021 and 2020, included in payroll and third party fees, amounted to $2,099 and $2,490, respectively. Of these amounts, $1,426 and $1,323 have been paid to the shareholders and members of the Filippou family for the three months ended March 31, 2021 and 2020, respectively.

6. FINANCIAL INCOME AND EXPENSES:

Financial income/(expenses) in the accompanying consolidated financial statements is analyzed as follows:

	March 31,	
	2021	**2020**
Financial expenses on loans and borrowings (Note 16)	(5,992)	(6,139)
Interest on short-term borrowings (Note 18)	(32)	(33)
Amortization of fees for revolving credit facility	(15)	(15)
Finance leasing interest expense (Note 8)	(4)	(6)
Other	(41)	(34)
Total financial expenses	**(6,084)**	**(6,227)**
Interest earned on cash at banks and on time deposits	9	699
Total financial income	**9**	**699**
Total financial income/(expense), net	**(6,075)**	**(5,528)**

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

7. INCOME TAXES:

In accordance with Luxembourg tax regulations, the corporate tax rate applied by companies for fiscal years 2021 and 2020 is 24.94% .

Income tax expense reflected in the accompanying consolidated statements of profit or loss is analyzed as follows:

	March 31, 2021	March 31, 2020
Income taxes:		
Current income tax expense	1,565	1,843
Deferred income tax (benefit)/expense	(3,862)	241
Total income tax (benefit)/expense	**(2,297)**	**2,084**

8. FINANCE LEASES AND LIABILITIES:

The impact of IFRS 16 adoption for the three months ended March 31, 2021 and 2020, is as follows:

	March 31, 2021	March 31, 2020
Assets		
Right-of-use leased assets January 1	**3,147**	**1,651**
Amortization of right-of-use leased assets (Note 4)	(203)	(213)
Foreign currency remeasurement	(24)	-
Right-of-use leased assets March 31	**2,920**	**1,438**
Liabilities		
Total liabilities from finance leases January 1	**3,149**	**1,623**
Liabilities from finance lease – rental expenses	(214)	(220)
Interest expenses from finance leases (Note 6)	4	6
Foreign currency remeasurement	(25)	-
Total liabilities from finance leases March 31	**2,914**	**1,409**
Analyzed to:		
Non-current liabilities from finance leases	2,207	636
Current liabilities from finance leases	707	773
Total liabilities from finance leases March 31	**2,914**	**1,409**

	March 31, 2021	March 31, 2020
Impact on Profit or Loss Statement		
Interest expenses from leases	(4)	(6)
Amortization of right-of-use leased assets	(203)	(213)
Liabilities from leases – rental expenses	214	220
Gross Impact on Profit or Loss Statement March 31	**7**	**1**
Deferred tax	(2)	-
Net Impact on Profit or Loss Statement March 31	**5**	**1**

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

9. CONSOLIDATED SUBSIDIARIES AND GOODWILL:

CONSOLIDATED SUBSIDIARIES

The consolidated financial statements as of March 31, 2021, include the financial statements of FAGE International and its subsidiaries listed below:

	Equity interest March 31, 2021	Country of incorporation	
FAGE USA Dairy Industry, Inc.	100.0%	USA	U.S. operating subsidiary with its primary activity being the operation of the Group's U.S. production facility and the distribution of its products in the U.S.
FAGE Greece Dairy Industry Single Member S.A.	100.0%	Greece	Greek operating subsidiary with its primary activity being the operation of the Group's Greek production facilities and distribution of its products in Greece.
FAGE U.K. Limited	100.0%	United Kingdom	Distribution network covering the United Kingdom.

GOODWILL

The carrying value of goodwill reflected in the accompanying consolidated statements of financial position is analyzed as follows:

	March 31, 2021	December 31, 2020
Foods Hellas S.A. (FAGE Greece Dairy Industry Single Member S.A.)	1,520	1,590
FAGE U.K. Limited	1,298	1,289
Total	**2,818**	**2,879**

Goodwill is tested annually for impairment in December of each year or more frequently when circumstances indicate that the carrying value maybe impaired. The Group has identified two cash generating units, the European and the U.S.

The annual impairment test for goodwill was based on the value in use approach as described in Note 2.5(d) of the 2020 Annual Report, which was used to determine the recoverable amount of the cash generating units of the Group to which goodwill is allocated. Cash flow projections are based on financial forecasts approved by management covering a five-year period. The pre-tax discount rate applied to cash flow projections was 12.1% and cash flows beyond the five-year period were extrapolated using a 0.0% growth rate which is the expected average growth rate for the specific industry.

Management did not identify any impairment at the Group level as a result of this test.

Sensitivity to changes in assumptions
With regard to the assessment of value in use of the cash generating units of the Group, management believes that a reasonable change in any of the above key assumptions would not cause the current value of these cash generating units to materially exceed their recoverable amounts.

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

10. INVESTMENTS IN EQUITY INSTRUMENTS:

Investments in equity instruments are analyzed as follows:

	March 31, 2021	December 31, 2020
Shares—unlisted:		
Packing Hellas Development S.A.	103	108
Total investments in equity instruments	**103**	**108**

Investments in equity instruments are initially designated at fair value through other comprehensive income and consist of investments in ordinary and preferred shares and, therefore, have no fixed maturity date or coupon rate.

The aforementioned investments are carried at their fair value with the difference in the fair values reflected in other comprehensive income/(loss) (no recycling) unless a significant or prolonged decline exists in which case they are recycled through the consolidated statement of profit or loss.

11. OTHER NON-CURRENT ASSETS:

Other non-current assets are analyzed as follows:

	March 31, 2021	December 31, 2020
Utility deposits	171	181
Other	22	701
	193	**882**

12. INVENTORIES:

Inventories are analyzed as follows:

	March 31, 2021	December 31, 2020
Merchandise	373	287
Finished and semi-finished products	19,511	17,560
Raw materials and supplies	23,195	23,182
	43,079	**41,029**

13. TRADE AND OTHER RECEIVABLES:

Trade and other receivables are analyzed as follows:

	March 31, 2021	December 31, 2020
Trade:		
—In U.S. dollars	22,579	22,549
—In foreign currencies	36,514	29,500
	59,093	**52,049**
—Less: allowance for doubtful accounts	(2,143)	(2,127)
	56,950	**49,922**
Other:		
—Value added tax	4,457	5,515
—Prepaid expenses	4,035	2,034
—Advances to suppliers	1,278	1,954
—Various debtors	872	1,055
	10,642	**10,558**
—Less: allowance for doubtful accounts	(1,748)	(1,829)
	8,894	**8,729**
	65,844	**58,651**

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

The change in the allowance for doubtful accounts between December 31, 2020 and March 31, 2021 was as follows:

	Trade	Other	Total
Balance at December 31, 2020	**2,127**	**1,829**	**3,956**
Provision (Note 5)	102	-	102
Foreign currency remeasurement	(86)	(81)	(167)
Balance at March 31, 2021	**2,143**	**1,748**	**3,891**

Due to the prolonged and complex legal procedures in Greece, it is not unusual for the collection process to take three to five years before a case is finalized.

14. RELATED PARTIES:

The Group purchases goods and services from and makes sales of goods to certain related companies in the ordinary course of business. Such related companies consist of affiliates or companies which have common ownership and/or management with the Group.

Account balances with related companies are as follows:

	March 31, 2021	December 31, 2020
Due from:		
- Dimitrios Nikolou Single Member P.C.	496	521
- EMFI S.A.	54	88
- Hellenic Quality Foods S.A.	466	488
- Alpha Phi S.à r.l.	7	8
- Theta Phi S.à r.l.	7	8
- Iota Alpha Phi S.à r.l.	6	7
- Kappa Alpha Phi S.à r.l.	6	7
- Iota Phi S.à r.l.	7	11
- Kappa Phi S.à r.l.	7	11
	1,056	**1,149**
Due to:		
- Vis S.A.	8	2
- Mornos S.A.	61	111
- Alpha Phi S.à r.l.	1,053	-
- Theta Phi S.à r.l.	1,053	-
	2,175	**113**

Transactions with related companies for the three months ended March 31, 2021 and 2020, are analyzed as follows:

	Purchases from related parties		Sales to related parties	
	Three months ended March 31,		Three months ended March 31,	
	2021	**2020**	**2021**	**2020**
Inventories, materials and supplies				
- Mornos S.A.	3,265	3,006	3	2
- Vis S.A.	185	206	1	2
- Hellenic Quality Foods S.A.	-	249	-	-
- Palace S.A.	-	306	-	-
- EMFI S.A.	-	-	-	35
- Dimitrios Nikolou Single Member P.C.	-	-	13	18
	3,450	**3,767**	**17**	**57**

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

Other services				
- Alpha Phi S.à r.l.	900	900	7	-
- Theta Phi S.à r.l.	900	900	7	-
- Iota Alpha Phi S.à r.l.	-	-	7	-
- Kappa Alpha Phi S.à r.l.	-	-	7	-
- Iota Phi S.à r.l.	-	-	11	-
- Kappa Phi S.à r.l.	-	-	11	-
- Dimitrios Nikolou Single Member P.C.	28	40	-	-
	1,828	**1,840**	**50**	**-**
Total	**5,278**	**5,607**	**67**	**57**

Purchases of inventories, materials and supplies from related parties represent approximately 5.2% and 5.7% of the Group's total purchases for the three months ended March 31, 2021 and 2020, respectively.
Other services from related parties represent approximately 14.2% and 16.1% of the Group's total costs for the three months ended March 31, 2021 and 2020, respectively.

15. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are analyzed as follows:

	March 31, 2021	**December 31, 2020**
Cash in hand	40	103
Cash at banks	202,280	230,152
	202,320	**230,255**

Cash at banks earn interest at floating rates based on monthly bank deposit rates. Interest earned on cash at banks and time deposits is accounted for on an accrual basis and amounted to $9 and $699 for the three months ended March 31, 2021 and 2020, respectively, and is included in financial income in the accompanying consolidated statements of profit or loss (Note 6).

Cash and cash equivalents for the Group at March 31, 2021 consisted of $8,788 denominated in foreign currencies and $193,532 in U.S. dollars ($18,362 and $211,893, respectively, at December 31, 2020).

There was no restricted cash at March 31, 2021 or December 31, 2020.

16. INTEREST BEARING LOANS AND BORROWINGS:

Interest bearing loans and borrowings are analyzed as follows:

	March 31, 2021	**December 31, 2020**
Senior Notes due 2026	420,000	420,000
Less: Bond repurchases	(12,385)	(7,660)
Total long-term debt	407,615	412,340
Less: Unamortized issuance costs	(5,972)	(6,286)
	401,643	**406,054**

On August 3, 2016, the Group completed the issuance of debt securities (the Senior Notes) at an aggregate face amount of $420 million with maturity date on August 15, 2026. The Senior Notes bear interest at a rate of 5.625% per annum, payable semi-annually in arrears on each February 15 and August 15 commencing on February 15, 2017. The Senior Notes are redeemable, in whole or in part, at the option of the Group, at any time on or after August 15, 2021. During 2020, the Group consummated open market repurchases and cancellations of its bonds totaling $7,660, reducing the amount of outstanding debt securities (the Senior Notes) to an aggregate face amount of $412,340. The repurchases resulted in a loss of $353 included in other expenses in the consolidated statement of profit or loss for the year 2020. During the three months ended March 31, 2021, the Group consummated open market repurchases and cancellations of its bonds totaling $4,725, reducing the amount of the outstanding Senior Notes to an aggregate face amount of $407,615. The repurchases during the three months ended March 31, 2021 resulted in a loss of $226 included in other expenses in the accompanying consolidated statement of profit or loss. The indebtedness evidenced by the Senior Notes constitutes a general unsecured senior obligation of FAGE International S.A. and ranks *pari passu* in right of payment with all other senior indebtedness and ranks senior in right of payment to all subordinated indebtedness of FAGE International S.A.

The Senior Notes Indenture contains certain covenants that, among other things, limit the type and amount of additional indebtedness that may be incurred by FAGE International S.A. and its subsidiaries and impose certain limitations on investments, loans and advances, sales or transfers of assets, liens, dividends and other payments, the ability of FAGE International S.A. and its subsidiaries to enter into sale-leaseback transactions, certain transactions with affiliates and certain mergers. The Group was in compliance with the terms of the Senior Notes Indenture as of March 31, 2021.

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

Finance expenses on the Group's interest-bearing loans and borrowings for the three months ended March 31, 2021 and 2020, amounted to $5,992 and $6,139, respectively, and are included in financial expenses in the accompanying consolidated statements of profit or loss (Note 6).

The annual principal payments required to be made on all loans subsequent to March 31, 2021 and December 31, 2020 are as follows:

	March 31, 2021	December 31, 2020
2 – 5 years	-	-
Over 5 years	407,615	412,340
	407,615	**412,340**

17. TRADE ACCOUNTS PAYABLE:

Trade accounts payable are analyzed as follows:

	March 31, 2021	December 31, 2020
Suppliers in U.S. dollars	15,948	14,077
Suppliers in other currencies	7,828	10,332
	23,776	**24,409**

18. SHORT-TERM BORROWINGS:

Short-term borrowings are draw-downs under various lines of credit maintained by the Group with several banks. The use of these facilities is presented below:

	March 31, 2021	December 31, 2020
Credit lines available	35,000	35,000
Unused credit lines	(35,000)	(35,000)
Short-term borrowings	**-**	**-**

As of March 31, 2021 and 2020, the Group had no short-term borrowings.

Interest on short-term borrowings for the three months ended March 31, 2021 and 2020, totaled $32 and $33, respectively, for the Group and is included in interest expense in the accompanying consolidated statements of profit or loss (Note 6).

Amortization of fees for the revolving credit facility of FAGE USA Dairy Industry, Inc. for the three months ended March 31, 2021 and 2020, amounted to $15 and $15, respectively, and is included in interest expense in the accompanying consolidated statements of profit or loss (Note 6).

The available credit lines for the FAGE Group as of March 31, 2021 amounted to $35,000 all of which was provided by Citibank, N.A. in the United States and secured by accounts receivable and certain inventory of FAGE USA Dairy Industry, Inc.

19. ACCRUED AND OTHER CURRENT LIABILITIES:

The amount reflected in the accompanying consolidated statements of financial position is analyzed as follows:

	March 31, 2021	December 31, 2020
Taxes withheld:		
Payroll	634	978
Third parties	508	825
Other	182	179
	1,324	**1,982**

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

Advances from customers	**334**	**2,708**
Accrued interest	2,894	8,731
Social security funds payable	566	1,106
Accrued and other liabilities	17,967	16,937
	21,427	**26,774**
	23,085	**31,464**

20. SEGMENT INFORMATION:

The Group produces dairy products and operates primarily in the United States, Greece and other European countries. Due to the nature of the products and the manner in which they are marketed to customers, the business is operated and managed as one business segment distinguished between the European operations and the U.S. operations. Accordingly, no operating results by individual or group of products are produced and neither are the Group's assets and liabilities analyzed by various product groups. Intra-segment balances and transactions have been eliminated on consolidation.

Segment information for the three months ended March 31, 2021 and 2020, is analyzed as follows:

	Three months ended March 31, 2021			
	European operations	**U.S. operations**	**Eliminations**	**Consolidated**
Revenues				
Net sales to external customers	62,332	72,061	-	134,393
Profit/(loss) before income taxes	**8,926**	**1,051**	**-**	**9,977**
Income tax (benefit)/expense	(2,513)	216	-	(2,297)
Segment result net profit/(loss)	**11,439**	**835**	**-**	**12,274**
Income tax (benefit)/expense	(2,513)	216	-	(2,297)
Depreciation and amortization	2,013	6,887	-	8,900
Financial expenses/(income), net	4,696	1,379	-	6,075
Other segment information:				
Capital expenditures:				
Tangible and intangible fixed assets	1,455	323	-	1,778

	Three months ended March 31, 2020			
	European operations	**U.S. operations**	**Eliminations**	**Consolidated**
Revenues				
Net sales to external customers	52,803	78,781	-	131,584
Profit/(loss) before income taxes	**5,288**	**4,126**	**-**	**9,414**
Income tax expense	1,133	951	-	2,084
Segment result net profit/(loss)	**4,155**	**3,175**	**-**	**7,330**
Income tax expense	1,133	951	-	2,084
Depreciation and amortization	2,004	6,486	-	8,490
Financial expenses/(income), net	4,092	1,436	-	5,528
Other segment information:				
Capital expenditures:				
Tangible and intangible fixed assets	2,121	4,443	-	6,564

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

The following table presents segment assets and liabilities of the Group as at March 31, 2021 and December 31, 2020.

March 31, 2021	**European operations**	**U.S. operations**	**Eliminations**	**Consolidated**
Segment assets	430,145	418,460	(75,376)	773,229
Segment liabilities	377,131	189,691	(75,376)	491,446

December 31, 2020	**European operations**	**U.S. operations**	**Eliminations**	**Consolidated**
Segment assets	445,196	422,713	(65,767)	802,142
Segment liabilities	375,786	194,817	(65,767)	504,836

21. CONTINGENCIES AND COMMITMENTS:

(a) Litigation and claims:

(i) From time to time, lawsuits have been filed against FAGE Greece by dairy farmers who supplied the company during the period from 2001 to 2007, claiming damages and loss of income due to alleged violations of the rules of Greek anti-trust law relating to FAGE Greece's case with the Hellenic Competition Commission, which was irrevocably closed in 2013. Two of these lawsuits against FAGE Greece are pending before the Athens Court of Appeal and four recently filed lawsuits are pending before the Athens Court of First Instance. The Group believes that the foregoing lawsuits are entirely without merit.

(ii) The Group is involved in various other legal proceedings incidental to the conduct of its business. Management does not believe that the outcome of any of these other legal proceedings will have a material adverse effect on the Group's financial condition or results of operations. The Group maintains product liability insurance that it believes is adequate at the present time in light of the Group's prior experience.

(b) Commitments:

(i) Letters of Guarantee:

At March 31, 2021 and December 31, 2020, the Group had outstanding bank letters of guarantee in favor of various parties amounting to $18 and $18, respectively. Such guarantees have been provided for the good execution of agreements.

(ii) Investment in the United States:

To remain current in the U.S. market, the Group is engaged in modifications to the Johnstown facility. The Group has signed agreements with various suppliers and contractors related to these modifications. Future minimum amounts payable under these agreements as at March 31, 2021 amounted to $858 all of which is due within the next 9 months. Of the total future amounts payable, $315 is denominated in Euro.

(iii) Investment in New Facility in Western Europe:

The Company has decided to construct a New Manufacturing Facility in Western Europe to meet increasing European demand. The Group has signed agreements with various suppliers and contractors related to this construction. Future minimum amounts payable under these agreements as at March 31, 2021 amounted to $27,112 all of which are denominated in Euro. Most of these amounts are due between one and five years.

(Amounts in all tables and notes are presented in thousands of U.S. dollars, unless otherwise stated)

22. RISK MANAGEMENT OBJECTIVES AND POLICIES:

a) ***Credit Risk:*** The Group's maximum exposure to credit risk, due to the failure of counterparties to perform their obligations as at March 31, 2021 and December 31, 2020, in relation to each class of recognized financial assets, is the carrying amount of those assets as indicated in the accompanying consolidated statement of financial position. Concentrations of credit risks are limited with respect to receivables due to the large number of customers comprising the Group's customer base. The Group generally does not require collateral or other security to support customer receivables. There was no customer that accounted for more than 5.7% of the Group's revenue or receivables for the three months ended March 31, 2021.

b) ***Financial Instruments***

Set forth below is a comparison by category of carrying amounts and fair values as of March 31, 2021 and December 31, 2020, of all of the financial instruments that are carried in the consolidated financial statements:

	Carrying amount		**Fair value**	
	March 31, 2021	**December 31, 2020**	**March 31, 2021**	**December 31, 2020**
Non-financial assets				
Land	38,988	40,763	38,988	40,763
Financial assets				
Cash and cash equivalents	202,320	230,255	202,320	230,255
Investments in equity instruments	103	108	103	108
Trade and other receivables	65,844	58,651	65,844	58,651
Due from related companies	1,056	1,149	1,056	1,149
Financial liabilities				
Interest-bearing loans and borrowings	401,643	406,054	420,867	422,162
Trade accounts payable	23,776	24,409	23,776	24,409
Due to related companies	2,175	113	2,175	113
Accrued and other liabilities	23,085	31,464	23,085	31,464

Fair Value Hierarchy

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuing technique:
Level 1: quoted (unadjusted) prices in active markets for identical assets or liabilities.
Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	Fair value		**Fair value hierarchy**
	March 31, 2021	**December 31, 2020**	
Financial assets:			
Investments in equity instruments	103	108	Level 2
Financial liabilities:			
Fixed-rate borrowings	420,867	422,162	Level 1