FAGE INTERNATIONAL S.A.

HALF-YEARLY REPORT
For the Six Months Ended
June 30, 2024

August 12, 2024

This report (the "Half-Yearly 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 six and three months ended June 30, 2024. The Half-Yearly Report includes a review, in English, of the FAGE Group's unaudited financial information and analysis for the second quarter of 2024 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 2023 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 June 30, 2024, an aggregate principal amount of $105.0 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 Half-Yearly 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 Half-Yearly Report. References to the FAGE Group include, unless the context requires otherwise, FAGE International and its consolidated subsidiaries 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 Half-Yearly 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 Half-Yearly 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 Half-Yearly Report. Among the key factors that may have a direct bearing on our results of operations are:

- risks associated with our 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;
- terrorist attacks or acts of war may impact our company and harm our business, operating results and financial condition;
- 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; and
- any event that could have a material adverse effect on our brands or reputation, such as product contamination or protracted quality control difficulties.

Because the risk factors referred to in this Half-Yearly Report could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Half-Yearly 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 Half-Yearly Report may contain 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 Half-Yearly 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 Half-Yearly Report that attempt to advise them of the factors affecting our business.

DEFINITIONS

The following terms used in this Half-Yearly 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 Half-Yearly 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 Half-Yearly Report.

Financial Information

The consolidated financial information for the FAGE Group has been presented as of and for the six months ended June 30, 2024 and 2023, 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 Half-Yearly 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 Half-Yearly Report has been rounded and, as a result, the numerical figures shown as totals in this Half-Yearly 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 Half-Yearly 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. $1.0705 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 June 28, 2024.

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 Half-Yearly 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 six months ended June 30, 2024 and 2023, 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 Half-Yearly Report may contain 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 Half-Yearly Report from industry publications and from surveys or studies conducted by third parties that we believe to be reliable, including research information produced by Circana ("Circana") (formerly known as 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 Half-Yearly Report. In addition, in many cases, statements in this Half-Yearly 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

Results of Operations for the FAGE Group for the Six and Three Months Ended June 30, 2024 and 2023

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:

	Six months ended June 30,		Three months ended June 30,	
	2024	2023	2024	2023
	(Unaudited)		(Unaudited)	
Sales	100.0%	100.0%	100.0%	100.0%
Cost of sales	(52.7)	(53.6)	(52.8)	(50.9)
Gross profit	47.3	46.4	47.2	49.1
Selling, general and administrative expenses	(23.7)	(23.4)	(24.5)	(23.6)
Other income	0.1	0.1	0.1	0.1
Other expenses	(1.7)	(1.2)	(2.2)	(1.7)
Operating profit for the period	22.0	21.9	20.6	23.9
Financial income/(expenses), net	(0.7)	(1.8)	(0.5)	(1.7)
Foreign exchange gains/(losses), net	(0.4)	0.3	(0.3)	(0.0)
Profit before income taxes	20.9	20.4	19.8	22.2
Income tax expense	(4.9)	(4.6)	(4.8)	(4.9)
Net profit	16.0%	15.8%	15.0%	17.3%

Six months ended June 30, 2024 compared to six months ended June 30, 2023

Sales. Our sales in value for the six months ended June 30, 2024 amounted to $357.9 million, an increase of $48.3 million, or 15.6%, compared to sales in value of $309.6 million for the six months ended June 30, 2023.

This increase in sales in value for the six months ended June 30, 2024, as compared to the six months ended June 30, 2023, is mainly due to the increase in our sales in volume by 16.3% and the positive impact of 0.2% on sales in value due to the strengthening of the British Pound against the U.S. dollar (the exchange rates for the six months ended June 30, 2024 and 2023, were €1 = $1.0792 and €1 = $1.0810 and £1 = $1.2644 and £1 = $1.2378, respectively), which were partially offset by the decrease in the average net selling price across all markets by 0.9%. Our sales in value increased in the United Kingdom, the United States and Italy by 41.7%, 19.0% and 8.4%, respectively, which was partially offset by a decrease in sales in value in Greece by 9.7%.

Our sales in volume for the six months ended June 30, 2024 increased by 16.3% as compared to the six months ended June 30, 2023. This resulted mainly from increases in sales in volume in the United Kingdom, the United States and Italy by 40.0%, 16.8% and 13.8%, respectively, which were partially offset by a decrease in sales in volume in Greece by 0.4%.

Our sales in value outside of Greece accounted for 90.5% of our total sales in value for the six months ended June 30, 2024, as compared to 87.8% for the six months ended June 30, 2023.

Gross profit. Gross profit for the six months ended June 30, 2024 was $169.5 million, an increase of $25.7 million, or 17.9%, from $143.7 million for the six months ended June 30, 2023. Gross profit as a percentage of sales for the six months ended June 30, 2024 was 47.3%, compared to 46.4% for the six months ended June 30, 2023.

Selling, general and administrative expenses. Selling, general and administrative expenses ("SG&A") for the six months ended June 30, 2024 were $85.0 million, an increase of $12.6 million, or 17.4%, from $72.3 million for the six months ended June 30, 2023. As a percentage of sales, SG&A was 23.7% for the six months ended June 30, 2024 and 23.4% for the six months ended June 30, 2023. This increase in SG&A is mainly due to the increase in advertising costs and shipping and handling costs.

Other income/(expenses), net. Net other expenses for the six months ended June 30, 2024 amounted to $5.6 million. Net other expenses for the six months ended June 30, 2023 amounted to $3.4 million.

Operating profit. Operating profit for the six months ended June 30, 2024 was $78.9 million, an increase of $10.9 million, or 16.1%, as compared to operating profit of $68.0 million for the six months ended June 30, 2023. As a percentage of sales, operating profit was 22.0% for the six months ended June 30, 2024, as compared to 21.9% for the six months ended June 30, 2023. This increase in operating profit is mainly due to the increase in gross profit, which was partially offset by the increases in SG&A and net other expenses.

Financial income/(expenses), net. Net financial expenses for the six months ended June 30, 2024 were $2.4 million, compared to $5.9 million for the six months ended June 30, 2023. Financial income/(expenses), net as a percentage of sales was 0.7% for the six months ended June 30, 2024 and 1.8% for the six months ended June 30, 2023.

Foreign exchange (losses)/gains, net. Net foreign exchange losses for the six months ended June 30, 2024 were $1.7 million, compared to net foreign exchange gains for the six months ended June 30, 2023 of $1.0 million.

Profit before income taxes. Profit before income taxes for the six months ended June 30, 2024 was $74.8 million, as compared to profit before income taxes of $63.1 million for the six months ended June 30, 2023. This increase in profit before income taxes is mainly due to the increase in operating profit and the decrease in financial income/(expenses), net, which were partially offset by foreign exchange effects.

Income tax benefit/(expense). Income tax expense for the six months ended June 30, 2024 was $17.6 million, as compared to an income tax expense of $14.3 million for the six months ended June 30, 2023.

Net profit. Net profit for the six months ended June 30, 2024 was $57.3 million, as compared to net profit of $48.8 million for the six months ended June 30, 2023.

Three months ended June 30, 2024 compared to three months ended June 30, 2023

Sales. Our sales in value for the three months ended June 30, 2024 amounted to $186.3 million, an increase of $24.2 million, or 14.9%, compared to sales in value of $162.2 million for the three months ended June 30, 2023.

This increase in sales in value for the three months ended June 30, 2024, as compared to the three months ended June 30, 2023, is mainly due to the increase in our sales in volume by 16.0%, which was partially offset by the decrease in the average net selling price across all markets by 1.0% and the negative impact of 0.1% on sales in value due to the strengthening of the U.S. dollar against the Euro and the British Pound (the exchange rates for the three months ended June 30, 2024 and 2023, were €1 = $1.0758 and €1 = $1.0843 and £1 = $1.2633 and £1 = $1.2498, respectively). Our sales in value increased in the United Kingdom, the United States and Italy by 45.9%, 19.6% and 8.2%, respectively, which was partially offset by a decrease in sales in value in Greece by 17.9%.

Our sales in volume for the three months ended June 30, 2024 increased by 16.0% as compared to the three months ended June 30, 2023. This resulted mainly from increases in sales in volume in the United Kingdom, the United States and Italy by 45.4%, 18.0% and 10.5%, respectively, which were partially offset by a decrease in sales in volume in Greece by 4.6%.

Our sales in value outside of Greece accounted for 91.1% of our total sales in value for the three months ended June 30, 2024, as compared to 87.5% for the three months ended June 30, 2023.

Gross profit. Gross profit for the three months ended June 30, 2024 was $88.0 million, an increase of $8.4 million, or 10.5%, from $79.6 million for the three months ended June 30, 2023. Gross profit as a percentage of sales for the three months ended June 30, 2024 was 47.2%, compared to 49.1% for the three months ended June 30, 2023. The main reason for this decrease was the increase in the prices of milk used in the U.S. and Greek facilities by 13.5% and 8.7%, respectively.

Selling, general and administrative expenses. SG&A for the three months ended June 30, 2024 were $45.6 million, an increase of $7.4 million, or 19.3%, from $38.2 million for the three months ended June 30, 2023. As a percentage of sales, SG&A was 24.5% for the three months ended June 30, 2024 and 23.6% for the three months ended June 30, 2023. This increase in SG&A is mainly due to the increase in advertising costs and shipping and handling costs.

Other income/(expenses), net. Net other expenses for the three months ended June 30, 2024 amounted to $4.0 million. Net other expenses for the three months ended June 30, 2023 amounted to $2.6 million.

Operating profit. Operating profit for the three months ended June 30, 2024 was $38.4 million, a decrease of $0.4 million, or 0.9%, as compared to operating profit of $38.8 million for the three months ended June 30, 2023. As a percentage of sales, operating profit was 20.6% for the three months ended June 30, 2024, as compared to 23.9% for the three months ended June 30, 2023. This decrease in operating profit is mainly due to the increases in SG&A and net other expenses, which were partially offset by the increase in gross profit.

Financial income/(expenses), net. Net financial expenses for the three months ended June 30, 2024 were $1.0 million, compared to $2.7 million for the three months ended June 30, 2023. Financial income/(expenses), net as a percentage of sales was 0.5% for the three months ended June 30, 2024 and 1.7% for the three months ended June 30, 2023.

Foreign exchange (losses)/gains, net. Net foreign exchange losses for the three months ended June 30, 2024 were $0.5 million, compared to net foreign exchange losses for the three months ended June 30, 2023 of $0.1 million.

Profit before income taxes. Profit before income taxes for the three months ended June 30, 2024 was $36.9 million, as compared to profit before income taxes of $36.0 million for the three months ended June 30, 2023. This increase is mainly due to the decrease in financial income/(expenses), net, which were partially offset by the decrease in operating profit, and foreign exchange effects.

Income tax expense. Income tax expense for the three months ended June 30, 2024 was $8.9 million, as compared to an income tax expense of $7.9 million for the three months ended June 30, 2023.

Net profit. Net profit for the three months ended June 30, 2024 was $28.0 million, as compared to net profit of $28.1 million for the three months ended June 30, 2023.

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 line of credit maintained with Citibank. Our principal liquidity needs are debt service (primarily interest on and repurchases of the Senior Notes), dividend 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 our line of credit. The available credit line for the FAGE Group as of June 30, 2024 amounted to $35.0 million, 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 line as of June 30, 2024, the unused portion amounted to $35.0 million (See Note 18). The available credit line for the Group as of December 31, 2023 amounted to $35.0 million.

Cash at banks and cash equivalents as of June 30, 2024 amounted to $78.0 million compared to $17.8 million as of December 31, 2023 (See Note 15).

We believe that this amount of our cash at banks and cash equivalents ($78.0 million), together with the line of credit, is sufficient to finance both the operations and the investment program of the FAGE Group.

Cash flow data.

	Six months ended June 30,	
	2024	**2023**
	($ thousands)	
Cash flow from/(used in) operating activities	82,063	72,389
Cash flow from/(used in) investing activities	(5,471)	33,716
Cash flow from/(used in) financing activities	(17,549)	(38,644)
Effect of exchange rates changes on cash	1,137	(284)
Cash and cash equivalents at beginning of period	17,821	73,737
Cash and cash equivalents at period-end	**78,001**	**140,914**

Cash flow from/(used in) operating activities. Net cash from operating activities for the six months ended June 30, 2024 was $82.1 million, compared to net cash from operating activities of $72.4 million for the six months ended June 30, 2023. This increase is mainly due to the increase in operating profit.

Cash flow from/(used in) investing activities. Net cash used in investing activities amounted to $5.5 million for the six months ended June 30, 2024. Out of the capital expenditures of $6.7 million in the first six months of 2024, $2.9 million related to capital expenditures for the U.S. facility, $3.0 million related to capital expenditures for the facilities in Greece and $0.8 million related to our investment in our new manufacturing facility. Net cash from investing activities amounted to $33.7 million for the six months ended June 30, 2023.

Cash flow from/(used in) financing activities. Net cash used in financing activities for the six months ended June 30, 2024 was $17.5 million. This resulted from $3.1 million of interest paid, $14.0 million of dividends paid to our shareholders and $0.4 million of payments of lease liabilities. Net cash used in financing activities for the six months ended June 30, 2023 was $38.6 million, which reflects $8.2 million of interest paid, $30.0 million of dividends paid to our shareholders and $0.4 million of payments of lease liabilities.

Other Financial Data

EBITDA (net profit/(loss) plus income tax (expense)/benefit, financial income/(expenses), net and depreciation and amortization) for the six months ended June 30, 2024 amounted to $92.0 million, as compared to $84.3 million for the six months ended June 30, 2023. The reconciliation of net profit to EBITDA is as follows:

	Six months ended June 30,	
	2024	**2023**
	($ thousands)	
Net profit	57,263	48,839
Income tax (benefit)/expense	17,553	14,258
Financial (income)/expenses, net	2,386	5,893
Depreciation and amortization	14,800	15,275
EBITDA	**92,002**	**84,265**

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, and less investments in time deposits maturing in more than three months) of the Group as of June 30, 2024 amounted to $26.4 million, as compared to $86.5 million as of December 31, 2023.

Principal Risks and Uncertainties for the Remainder of 2024

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; and
- fourth, the ongoing conflicts between Russia and Ukraine and in the Middle East, respectively, may affect the Group’s costs, which may have an effect on the Group’s results.

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:

	June 30, 2024	December 31, 2023
	($ thousands)	
Due from:		
- EMFI S.A.	32	18
	32	**18**
Due to:		
- Mornos S.A.	217	78
- Vis S.A.	13	22
	230	**100**

Transactions with related companies for the six months ended June 30, 2024 and 2023, are analyzed as follows:

	Purchases from related parties		Sales to related parties	
	June 30,		|June 30,	
	2024	2023	2024	2023
	($ thousands)			
Inventories, materials and supplies	6,179	6,118	45	106
Other services	-	7	62	62
	6,179	**6,125**	**107**	**168**

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CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(All amounts in thousands of U.S. dollars, except share and per share data)

(UNAUDITED)

	Notes	Six months ended June 30, 2024	Six months ended June 30, 2023
Sales		357,927	309,624
Cost of sales		(188,455)	(165,889)
Gross profit		**169,472**	**143,735**
Selling, general and administrative expenses	5	(84,945)	(72,329)
Other income		255	201
Other expenses		(5,882)	(3,649)
OPERATING PROFIT FOR THE PERIOD		**78,900**	**67,958**
Financial expenses	6	(3,282)	(8,685)
Financial income	6	896	2,792
Foreign exchange gains/(losses), net		(1,698)	1,032
PROFIT FOR THE PERIOD BEFORE INCOME TAXES		**74,816**	**63,097**
Income tax benefit/(expense)	7	(17,553)	(14,258)
NET PROFIT		**57,263**	**48,839**
Attributable to:		57,263	48,839
Equity holders of the parent		**57,263**	**48,839**
Earnings per share			
Basic and diluted		57.26	48.84
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 PROFIT OR LOSS
FOR THE THREE MONTHS ENDED JUNE 30, 2024
(All amounts in thousands of U.S. dollars, except share and per share data)

(UNAUDITED)

	Notes	Three months ended June 30, 2024	Three months ended June 30, 2023
Sales		186,334	162,161
Cost of sales		(98,346)	(82,558)
Gross profit		**87,988**	**79,603**
Selling, general and administrative expenses	5	(45,594)	(38,220)
Other income		101	87
Other expenses		(4,090)	(2,707)
OPERATING PROFIT FOR THE PERIOD		**38,405**	**38,763**
Financial expenses	6	(1,659)	(4,342)
Financial income	6	647	1,648
Foreign exchange gains/(losses), net		(512)	(51)
PROFIT FOR THE PERIOD BEFORE INCOME TAXES		**36,881**	**36,018**
Income tax (expense)/benefit	7	(8,902)	(7,935)
NET PROFIT		**27,979**	**28,083**
Attributable to:		27,979	28,083
Equity holders of the parent		**27,979**	**28,083**
Earnings per share			
Basic and diluted		27.98	28.08
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 SIX- AND THREE- MONTHS ENDED JUNE 30, 2024
(All amounts in thousands of U.S. dollars)

(UNAUDITED)

		Six months ended June 30,		Three months ended June 30,	
	Notes	**2024**	**2023**	**2024**	**2023**
Net profit for the period		**57,263**	**48,839**	**27,979**	**28,083**
Other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods:					
Exchange gains/(losses) on translation of foreign operations		(1,208)	1,114	(350)	18
Net other comprehensive income/(loss) to be reclassified to profit or loss in subsequent periods		**(1,208)**	**1,114**	**(350)**	**18**
Other comprehensive income/(loss) not to be reclassified to profit or loss in subsequent periods:					
Remeasurement losses on defined benefit plans		(135)	(119)	(62)	(94)
Income tax		30	26	14	21
		(105)	(93)	(48)	(73)
Net other comprehensive loss not to be reclassified to profit or loss in subsequent periods		**(105)**	**(93)**	**(48)**	**(73)**
Other comprehensive income/(loss) for the period, net of tax		**(1,313)**	**1,021**	**(398)**	**(55)**
Total comprehensive income/(loss) for the period, net of tax		**55,950**	**49,860**	**27,581**	**28,028**
Attributable to:		55,950	49,860	27,581	28,028
Equity holders of the parent		**55,950**	**49,860**	**27,581**	**28,028**

The accompanying notes are an integral part of these financial statements

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT JUNE 30, 2024
(All amounts in thousands of U.S. dollars)

	Notes	June 30, 2024 (Unaudited)	December 31, 2023 (Audited)
ASSETS			
Non-Current Assets			
Property, plant and equipment		297,262	309,533
Right-of-use leased assets	8	2,270	2,706
Intangible assets		1,369	1,003
Goodwill	9	2,581	2,632
Investments in equity instruments	10	94	97
Other non-current assets	11	273	279
Deferred income taxes		52,337	60,776
Total non-current assets		**356,186**	**377,026**
Current Assets:			
Inventories	12	44,011	44,574
Trade and other receivables	13	81,227	60,509
Due from related companies	14	32	18
Restricted cash	15	2,560	2,643
Cash and cash equivalents	15	78,001	17,821
Total current assets		**205,831**	**125,565**
TOTAL ASSETS		**562,017**	**502,591**
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		34,201	34,201
Reversal of fixed assets statutory revaluation surplus		(44,410)	(44,410)
Legal, tax free and special reserves		52,016	52,016
Retained earnings		327,052	283,789
Other components of equity		(29,670)	(28,358)
Total Equity		**345,195**	**303,244**
Non-Current Liabilities			
Interest-bearing loans and borrowings	16	104,439	104,291
Provision for staff retirement indemnities		2,303	2,225
Deferred income taxes		16,220	18,122
Non-current liabilities from finance leases	8	1,575	2,011
Total non-current liabilities		**124,537**	**126,649**
Current Liabilities:			
Trade accounts payable	17	26,164	25,730
Due to related companies	14	230	100
Short-term borrowings	18	-	-
Income taxes payable		4,688	5,026
Accrued and other current liabilities	19	60,378	41,007
Current liabilities from leases	8	825	835
Total current liabilities		**92,285**	**72,698**
Total liabilities		**216,822**	**199,347**
TOTAL EQUITY AND LIABILITIES		**562,017**	**502,591**

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

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(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, 2023 (Audited)	**1,000**	**4,547**	**34,201**	**(44,410)**	**52,016**	**459**	**283,789**	**(521)**	**(27,837)**	**303,244**
Profit for the period	-	-	-	-	-	-	57,263	-	-	57,263
Other comprehensive loss	-	-	-	-	-	-	-	(105)	(1,208)	(1,313)
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**57,263**	**(105)**	**(1,208)**	**55,950**
Dividends distribution	-	-	-	-	-	-	(14,000)	-	-	(14,000)
Balance, June 30, 2024 (Unaudited)	**1,000**	**4,547**	**34,201**	**(44,410)**	**52,016**	**459**	**327,052**	**(626)**	**(29,045)**	**345,195**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2023
(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, 2022 (Audited)	**1,000**	**4,547**	**34,201**	**(44,410)**	**52,016**	**459**	**264,131**	**(275)**	**(29,542)**	**282,127**
Profit for the period	-	-	-	-	-	-	48,839	-	-	48,839
Other comprehensive loss	-	-	-	-	-	-	-	(93)	1,114	1,021
Total comprehensive income/(loss)	**-**	**-**	**-**	**-**	**-**	**-**	**48,839**	**(93)**	**1,114**	**49,860**
Dividends distribution	-	-	-	-	-	-	(30,000)	-	-	(30,000)
Balance, June 30, 2023 (Unaudited)	**1,000**	**4,547**	**34,201**	**(44,410)**	**52,016**	**459**	**282,970**	**(368)**	**(28,428)**	**301,987**

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

FAGE INTERNATIONAL S.A.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2024
(All amounts in thousands of U.S. dollars)

(UNAUDITED)

	Notes	June 30, 2024	June 30, 2023
Operating Activities:			
Profit before income taxes		74,816	63,097
Adjustments to reconcile to net cash provided by operating activities:			
Depreciation and amortization	4	14,402	14,859
Amortization of right-of-use leased assets	4, 8	398	416
Provision for staff retirement indemnities	3	69	506
Provision for doubtful account receivable	5, 13	65	(7)
Financial income	6	(896)	(2,792)
Financial expenses	6	3,249	8,643
Finance leasing interest expense	6	33	42
Loss/(gain) on disposal of property, plant and equipment		1,466	1,928
Operating profit before working capital changes		**93,602**	**86,692**
(Increase)/Decrease in:			
Inventories	12	563	1,626
Trade and other receivables	13	(20,782)	(14,165)
Due from related companies	14	(14)	222
Restricted cash	15	83	-
Increase/(Decrease) in:			
Trade accounts payable	17	434	134
Due to related companies	14	130	285
Accrued and other current liabilities	19	19,372	5,411
Working capital changes		**(214)**	**(6,487)**
Income taxes paid		(11,274)	(7,204)
Payment of staff indemnities		(55)	(620)
(Increase)/decrease in other non-current assets	11	4	8
Net Cash from/(used in) Operating Activities		**82,063**	**72,389**
Investing Activities:			
Capital expenditure for property, plant and equipment		(6,668)	(4,672)
Additions to intangible assets		(164)	(81)
Proceeds from disposal of property, plant and equipment		465	2
Investments		-	36,500
Interest and other related income received	6	896	1,967
Net Cash from/(used in) Investing Activities		**(5,471)**	**33,716**
Financing Activities:			
Payment of leased liabilities	8	(440)	(446)
Interest paid		(3,109)	(8,198)
Dividends and share premium paid to equity holders of the parent		(14,000)	(30,000)
Net Cash from/(used in) Financing Activities		**(17,549)**	**(38,644)**
Net increase/(decrease) in cash and cash equivalents		**59,043**	**67,461**
Effect of exchange rates changes on cash		1,137	(284)
Cash and cash equivalents at beginning of period	15	17,821	73,737
Cash and cash equivalents at June 30	15	**78,001**	**140,914**

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 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 International Accounting Standards ("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, 2023. 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 2.6 to the consolidated financial statements included in the 2023 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, 2023 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 June 30, 2024.

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) **Climate change*:*** The Group is currently working to define its sustainability targets. Based on the information currently available, climate change is expected to have a minimal impact on the Group's operations. Although the financial impact of these risks has not yet been quantified, they are not expected to have a material impact on the carrying amounts of assets and liabilities. The Group does not currently foresee material financial impacts to the value of PP&E, trademarks, goodwill or any of its other assets as a result of climate change. Management will continue to assess the impact of climate change.

(e) Changes in Accounting Policies and Disclosures

New and Amended Standards and Interpretations

Several amendments and interpretations apply for the first time in 2024 but do not have an impact on the consolidated financial statements of the Group except for the below change in accounting policy in IAS 19. The Group has not early adopted any standards, interpretations or amendments that have been issued but are not yet effective.

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, 2024 and have 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. The amendments do not have an impact on the Group's consolidated financial position or results of operations.

Lease Liability in a Sale and Leaseback – Amendments to IFRS 16

In September 2022, the IASB issued Lease Liability in a Sale and Leaseback (Amendments to IFRS 16). The amendment to IFRS 16 specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains. The seller-lessee will need to develop and apply an accounting policy that results in information that is relevant and reliable in accordance with IAS 8. A seller-lessee applies the amendment to annual reporting periods beginning on or after January 1, 2024. A seller-lessee applies the amendment retrospectively in accordance with IAS 8 to sale and leaseback transactions entered into after the date of initial application (i.e., the amendment does not apply to sale and leaseback transactions entered into prior to the date of initial application). The date of initial application is the beginning of the annual reporting period in which an entity first applied IFRS 16. The amendments do not have an impact on the Group's consolidated financial position or results of operations.

Disclosures: Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures. The amendments specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk. The amendments will be effective for annual reporting periods beginning on or after January 1, 2024. The amendments provide some transition reliefs regarding comparative and quantitative information as at the beginning of the annual reporting period and interim disclosures. The amendments are not applicable to the Group's consolidated financial position or results of operations.

(f) 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.

- **The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability – Amendments to IAS 21**
  In August 2023, the IASB issued Lack of Exchangeability (Amendments to IAS 21). The amendments to IAS 21 specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments will be effective for annual reporting periods beginning on or after January 1, 2025. Early adoption is permitted but will need to be disclosed. When applying the amendments, an entity cannot restate comparative information. Management is of the opinion that the amendments are not applicable to the Group's consolidated financial position or results of operations.

Classification and Measurement of Financial Instruments - Amendments to IFRS 9 and IFRS 7 (EFRAG endorsement date is June 27, 2024)

In May 2023, the IASB issued Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7). The amendments to IFRS 9 and IFRS 7 clarify that a financial liability is derecognized on the "settlement date", i.e., when the related obligation is discharged, cancelled, or expires or the liability otherwise qualifies for derecognition. The amendments also introduce an accounting policy option to derecognize financial liabilities that are settled through an electronic payment system before the settlement date if certain conditions are met. The amendments clarify how to assess the contractual cash flow characteristics of financial assets that include environmental, social and governance (ESG)-linked features and other similar contingent features.

Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28

The amendments address the conflict between IFRS 10 Consolidated Financial Statements and IAS 28 Investments in Associates and Joint Ventures in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that a full gain or loss is recognized when a transfer to an associate or joint venture involves a business as defined in IFRS 3 Business Combinations. Any gain or loss resulting from the sale or contribution of assets that does not constitute a business, however, is recognized only to the extent of unrelated investors' interests in the associate or joint venture (not applicable).

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

3. PAYROLL COST:

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

	June 30, 2024	June 30, 2023
Wages and salaries	26,083	23,870
Social security costs	2,778	2,605
Provision for staff retirement indemnities	69	506
Other staff costs	3,406	3,074
Total payroll	**32,336**	**30,055**
Less: amounts charged to cost of production	(16,276)	(15,034)
amounts capitalized to tangible and intangible assets	(388)	(581)
Payroll expensed (Note 5)	**15,672**	**14,440**

The Group's total number of employees as of June 30, 2024 and 2023, was approximately 802 and 778, 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:

	June 30, 2024	June 30, 2023
Depreciation of property, plant and equipment	14,347	14,753
Amortization of right-of-use leased assets (Note 8)	398	416
Amortization of intangible assets	55	106
Total depreciation and amortization	**14,800**	**15,275**
Less: amounts charged to cost of production	(12,229)	(12,730)
Depreciation and amortization expensed (Note 5)	**2,571**	**2,545**

5. SELLING, GENERAL AND ADMINISTRATIVE EXPENSES:

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

	June 30, 2024	June 30, 2023
Shipping and handling costs	25,268	22,696
Advertising costs	31,203	24,179
Third party fees	4,449	3,277
Payroll (Note 3)	15,672	14,440
Depreciation and amortization (Note 4)	2,571	2,545
Repairs and maintenance	1,008	616
Travel and entertainment	398	295
Allowance for doubtful accounts (Note 13)	65	(7)
Other	4,311	4,288
Total	**84,945**	**72,329**

Compensation paid to directors and executive officers for the six months ended June 30, 2024 and 2023, included in payroll and third party fees, amounted to $5,649 and $4,959, respectively. Of these amounts, $3,680 and $3,086 have been paid to the members of the Filippou family for the six months ended June 30, 2024 and 2023, respectively.

6. FINANCIAL INCOME AND EXPENSES:

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

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

	June 30,	
	2024	**2023**
Financial expenses on loans and borrowings (Note 16)	(3,100)	(8,532)
Interest on short-term borrowings (Note 18)	(66)	(66)
Amortization of fees for revolving credit facility (Note 18)	(26)	(23)
Finance leasing interest expense (Note 8)	(33)	(42)
Other	(57)	(22)
Total financial expenses	**(3,282)**	**(8,685)**
Interest earned on cash at banks and on time deposits (Note 15)	896	2,792
Total financial income	**896**	**2,792**
Total financial income/(expense), net	**(2,386)**	**(5,893)**

7. INCOME TAXES:

In accordance with Luxembourg tax regulations, the corporate tax rate applied by companies for fiscal years 2024 and 2023 is 24.94%.

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

	June 30,	
	2024	**2023**
Income taxes:		
Current income tax expense	10,936	9,194
Deferred income tax (benefit)/expense	6,617	5,064
Total income tax expense/(benefit)	**17,553**	**14,258**

8. FINANCE LEASES AND LIABILITIES:

The impact of IFRS 16 adoption for the six months ended June 30, 2024 and 2023, is as follows:

	June 30,	
	2024	**2023**
Assets		
Right-of-use leased assets January 1	**2,706**	**3,080**
New right-of-use leased asset	-	425
Amortization of right-of-use leased assets (Note 4)	(398)	(416)
Write-downs	-	(8)
Foreign currency remeasurement	(38)	25
Right-of-use leased assets June 30	**2,270**	**3,106**
Liabilities		
Total liabilities from finance leases January 1	**2,846**	**3,202**
New liabilities from finance lease	-	441
Liabilities from finance lease – rental expenses	(440)	(446)
Interest expenses from finance leases (Note 6)	33	42
Write-downs	-	(8)
Foreign currency remeasurement	(39)	29
Total liabilities from finance leases June 30	**2,400**	**3,260**
Analyzed to:		
Non-current liabilities from finance leases	1,575	2,420
Current liabilities from finance leases	825	840
Total liabilities from finance leases June 30	**2,400**	**3,260**

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

	June 30, 2024	June 30, 2023
Impact on Profit or Loss Statement		
Interest expenses from leases	(33)	(42)
Amortization of right-of-use leased assets	(398)	(416)
Liabilities from leases – rental expenses	440	446
Gross Impact on Profit or Loss Statement June 30	**9**	**(12)**
Deferred tax	(2)	3
Net Impact on Profit or Loss Statement June 30	**7**	**(9)**

9. CONSOLIDATED SUBSIDIARIES AND GOODWILL:

CONSOLIDATED SUBSIDIARIES

The consolidated financial statements as of June 30, 2024, include the financial statements of FAGE International and its subsidiaries listed below:

	Equity interest June 30, 2024	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:

	June 30, 2024	December 31, 2023
Foods Hellas S.A. (FAGE Greece Dairy Industry Single Member S.A.)	1,387	1,432
FAGE U.K. Limited	1,194	1,200
Total	**2,581**	**2,632**

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 2.6(d) of the 2023 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 11.28% 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

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

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.

10. INVESTMENTS IN EQUITY INSTRUMENTS:

Investments in equity instruments are analyzed as follows:

	June 30, 2024	December 31, 2023
Shares—unlisted:		
Packing Hellas Development S.A.	94	97
Total investments in equity instruments	**94**	**97**

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:

	June 30, 2024	December 31, 2023
Utility deposits	157	158
Other	116	121
	273	**279**

12. INVENTORIES:

Inventories are analyzed as follows:

	June 30, 2024	December 31, 2023
Merchandise	242	241
Finished and semi-finished products	17,031	16,897
Raw materials and supplies	26,738	27,436
	44,011	**44,574**

13. TRADE AND OTHER RECEIVABLES:

Trade and other receivables are analyzed as follows:

	June 30, 2024	December 31, 2023
Trade:		
—In U.S. dollars	42,068	31,213
—In foreign currencies	37,345	29,029
	79,413	**60,242**
—Less: allowance for doubtful accounts	(1,476)	(1,452)
	77,937	**58,790**
Other:		
—Value added tax	1,159	1,292
—Prepaid expenses	1,950	1,495
—Advances to suppliers	1,650	162
—Various debtors	127	417
	4,886	**3,366**
—Less: allowance for doubtful accounts	(1,596)	(1,647)
	3,290	**1,719**
	81,227	**60,509**

(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, 2023 and June 30, 2024 was as follows:

	Trade	Other	Total
Balance at December 31, 2023	**1,452**	**1,647**	**3,099**
Provision (Note 5)	65	-	65
Utilization	-	-	-
Foreign currency remeasurement	(41)	(51)	(92)
Balance at June 30, 2024	**1,476**	**1,596**	**3,072**

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:

	June 30, 2024	December 31, 2023
Due from:		
- EMFI S.A.	32	18
	32	**18**
Due to:		
- Mornos S.A.	217	78
- Vis S.A.	13	22
	230	**100**

Transactions with related companies for the six months ended June 30, 2024 and 2023, are analyzed as follows:

	Purchases from related parties		Sales to related parties	
	Six months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Inventories, materials and supplies				
- Mornos S.A.	5,820	5,726	6	6
- Vis S.A.	359	392	2	3
- EMFI S.A.	-	-	37	93
- Dimitrios Nikolou Single Member P.C.	-	-	-	4
	6,179	**6,118**	**45**	**106**
Other services				
- Iota Alpha Phi S.à r.l.	-	-	14	14
- Kappa Alpha Phi S.à r.l.	-	-	14	14
- Iota Phi S.à r.l.	-	-	17	17
- Kappa Phi S.à r.l.	-	-	17	17
- Dimitrios Nikolou Single Member P.C.	-	7	-	-
	-	**7**	**62**	**62**
Total	**6,179**	**6,125**	**107**	**168**

Purchases of inventories, materials and supplies from related parties represent approximately 4.0% and 4.7% of the Group's total purchases for the six months ended June 30, 2024 and 2023, respectively.
Other services from related parties represent approximately 0.0% and 0.0% of the Group's total costs for the six months ended June 30, 2024 and 2023, respectively.

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

15. CASH AND CASH EQUIVALENTS:

Cash and cash equivalents are analyzed as follows:

	June 30, 2024	December 31, 2023
Cash in hand	37	20
Cash at banks	77,964	17,801
	78,001	**17,821**

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 $896 and $2,792 for the six months ended June 30, 2024 and 2023, 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 June 30, 2024 consisted of $12,917 denominated in foreign currencies and $65,084 in U.S. dollars ($8,901 and $8,920, respectively, at December 31, 2023).

The restricted cash at June 30, 2024 amounted to $2,560 (and $2,643 as at December 31, 2023) and is related to ongoing legal proceedings.

16. INTEREST BEARING LOANS AND BORROWINGS:

Interest bearing loans and borrowings are analyzed as follows:

	June 30, 2024	December 31, 2023
Senior Notes due 2026	420,000	420,000
Less: Bond repurchases	(315,017)	(315,017)
Total long-term debt	104,983	104,983
Less: Unamortized issuance costs	(544)	(692)
	104,439	**104,291**

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 2021 and 2020, the Group consummated open market repurchases, redemptions and cancellations of its Senior Notes totaling $123,975 and $7,660, respectively, reducing the amount of the Senior Notes at each of December 31, 2022 and 2021, to an aggregate face amount of $288,365. During 2023, the Group consummated open market repurchases, redemptions and cancellations of its Senior Notes totaling $183,382, reducing the amount of the Senior Notes at December 31, 2023 to an aggregate face amount of $104,983. The indebtedness evidenced by the Senior Notes constitutes a general unsecured senior obligation of FAGE International 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.

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 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 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 June 30, 2024.

Finance expenses on the Group's interest-bearing loans and borrowings for the six months ended June 30, 2024 and 2023, amounted to $3,100 and $8,532, 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 June 30, 2024 and December 31, 2023 are as follows:

	June 30, 2024	December 31, 2023
2 – 5 years	104,983	104,983
Over 5 years	-	-
	104,983	**104,983**

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

17. TRADE ACCOUNTS PAYABLE:

Trade accounts payable are analyzed as follows:

	June 30, 2024	December 31, 2023
Suppliers in U.S. dollars	19,069	17,028
Suppliers in other currencies	7,095	8,702
	26,164	**25,730**

18. SHORT-TERM BORROWINGS:

Short-term borrowings are draw-downs under a line of credit maintained by the Group. The use of these facilities is presented below:

	June 30, 2024	December 31, 2023
Credit lines available	35,000	35,000
Unused credit lines	(35,000)	(35,000)
Short-term borrowings	**-**	**-**

As of June 30, 2024 and December 31, 2023, the Group had no short-term borrowings.

Interest on short-term borrowings for the six months ended June 30, 2024 and 2023, totaled $66 and $66, 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 six months ended June 30, 2024 and 2023, amounted to $26 and $23, respectively, and is included in interest expense in the accompanying consolidated statements of profit or loss (Note 6).

The available credit line for the FAGE Group as of June 30, 2024 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:

	June 30, 2024	December 31, 2023
Taxes withheld:		
Payroll	1,314	504
Third parties	360	328
Other	283	279
	1,957	**1,111**
Advances from customers	**76**	**162**
Accrued interest	2,225	2,225
Social security funds payable	621	1,007
Accrued and other liabilities	55,499	36,502
	58,345	**39,734**
	60,378	**41,007**

Accrued and other liabilities include provisions for ongoing legal proceedings of $22,345 and $19,576 as at June 30, 2024 and December 31, 2023, respectively.

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

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 six months ended June 30, 2024 and 2023, is analyzed as follows:

	Six months ended June 30, 2024		
	European operations	**U.S. operations**	**Consolidated**
Revenues			
Net sales to external customers	133,293	224,634	357,927
Profit before income taxes	**31,388**	**43,428**	**74,816**
Income tax expense	8,164	9,389	17,553
Segment result net profit	**23,223**	**34,040**	**57,263**
Income tax expense	8,164	9,389	17,553
Depreciation and amortization	3,089	11,711	14,800
Financial expenses/(income), net	2,737	(351)	2,386
Other segment information:			
Capital expenditures:			
Tangible and intangible fixed assets	3,844	2,989	6,833

	Six months ended June 30, 2023		
	European operations	**U.S. operations**	**Consolidated**
Revenues			
Net sales to external customers	120,808	188,816	309,624
Profit before income taxes	**32,471**	**30,626**	**63,097**
Income tax expense	7,756	6,502	14,258
Segment result net profit	**24,715**	**24,124**	**48,839**
Income tax expense	7,756	6,502	14,258
Depreciation and amortization	3,315	11,960	15,275
Financial expenses/(income), net	5,440	453	5,893
Other segment information:			
Capital expenditures:			
Tangible and intangible fixed assets	2,325	2,428	4,753

The following table presents segment assets and liabilities of the Group as at June 30, 2024 and December 31, 2023.

June 30, 2024	**European operations**	**U.S. operations**	**Consolidated**
Segment assets	248,410	313,607	562,017
Segment liabilities	160,029	56,793	216,822

December 31, 2023	**European operations**	**U.S. operations**	**Consolidated**
Segment assets	216,193	286,398	502,591
Segment liabilities	152,447	46,900	199,347

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. The Group believes it has recognized adequate and sufficient provisions for any probable costs for these lawsuits.

(ii) The Group is involved in various other legal proceedings incidental to the conduct of its business and its organizational structure. 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 each of June 30, 2024 and December 31, 2023, the Group had outstanding bank letters of guarantee in favor of various parties amounting to $18. 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 June 30, 2024 amounted to $3,049, all of which is due within the next fifteen months. Of the total future amounts payable, $1,824 is denominated in Euro.

(iii) Investment in the Netherlands:

The Group has decided to construct a new manufacturing facility in the Netherlands 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 June 30, 2024 amounted to $2,005, all of which are denominated in Euro. Most of these amounts are due between one and five years.

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 each of June 30, 2024 and December 31, 2023, 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 6.1% of the Group's revenue or receivables for the six months ended June 30, 2024.

(b) Financial Instruments:

Set forth below is a comparison by category of carrying amounts and fair values as of June 30, 2024 and December 31, 2023, of all of the financial instruments that are carried in the consolidated financial statements:

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

	Carrying amount		**Fair value**	
	June 30, 2024	**December 31, 2023**	**June 30, 2024**	**December 31, 2023**
Non-financial assets				
Land	37,722	38,910	37,722	38,910
Financial assets				
Cash and cash equivalents	78,001	17,821	78,001	17,821
Investments in equity instruments	94	97	94	97
Trade and other receivables	81,227	60,509	81,227	60,509
Due from related companies	32	18	32	18
Financial liabilities				
Interest-bearing loans and borrowings	104,439	104,291	103,730	102,238
Trade accounts payable	26,164	25,730	26,164	25,730
Due to related companies	230	100	230	100
Accrued and other liabilities	60,378	41,007	60,378	41,007

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**
	June 30, 2024	**December 31, 2023**	
Financial assets:			
Investments in equity instruments	94	97	Level 2
Financial liabilities:			
Fixed-rate borrowings	103,730	102,238	Level 1

23. SUBSEQUENT EVENTS

During July 2024, the Group notified the Trustee of its intention to redeem $60,000 of its bonds.