



**SEMIANNUAL
FINANCIAL REPORT**
for the fiscal year
1 January 2022 – 30 June 2022

(According to article 5 of Law 3556/2007)

VIS CONTAINERS MANUFACTURING S.A.
GENERAL ELECTRONIC COMMERCIAL REGISTRY No: 122838007000
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1. Statements by the Representatives of the Board of Directors

The Members of the Board of Directors of the company under the name “VIS CONTAINERS MANUFACTURING S.A.”:

1. Dimitrios Filippou, Chairman of the Board of Directors & Managing Director,
2. Georgios Hadjivassileiou, Executive Member of the Board of Directors – Vice-Chairman, Secretary and CEO, and
3. Kyriakos Soupionas, Executive Member of the Board of Directors & Chief Financial Officer.

in our above capacity hereby state that to the best of our knowledge:

a. the half yearly financial statements of the company under the name “VIS CONTAINERS MANUFACTURING SA” concerning the fiscal period January 1, 2022 – June 30, 2022, which have been drawn up according to the applicable accounting standards, truly depict the items of the assets and liabilities, the net book value and the profit and loss account of the issuer, according to the provisions of §§ 3 through 5 of article 5 of law 3556/2007 and the delegated decisions of the Board of Directors of the Hellenic Capital Market Commission.

b. The Board of Director’s half yearly report truly depicts the information required, in accordance with the provisions of § 6 of article 5 of Law 3556/2007 and the delegated decisions of the Board of Directors of the Hellenic Capital Market Commission.

Magoula, 28 September 2022

The Chairman of the Board
& Managing Director

The appointed members by the Board of Directors

Dimitrios Filippou
ID No. AA - 061311

G. Hadjivassileiou
ID No. P - 914464

Kyriakos Soupionas
ID No AI - 540755

2. Independent Auditor's Review Report

To the Board of Directors of the company under the name "VIS CONTAINERS MANUFACTURING S.A."

Auditor's Review Report on Half Yearly Financial Information

Introduction

We have reviewed the attached summary balance sheet of the Company under the name "VIS CONTAINERS MANUFACTURING S.A." as at June 30, 2022 and the relevant summary profit and loss account and statement of comprehensive income as well as the changes in equity statement and the cash flow statement for the semester then ended, as well as the selected explanatory notes that compose the condensed interim financial information, which constitutes an integral part of the half yearly financial report of Law 3556/2007.

Management is responsible for preparing and presenting this condensed interim financial information in accordance with International Financial Reporting Standards as adopted by the European Union and applicable to Interim Financial Reporting (International Accounting Standard 34). It is our responsibility to draw conclusions on the in condensed interim financial information based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagement (ISRE) 2410 "Review of interim financial information performed by the independent auditor of the entity ". The review of interim financial information consists of the submission of exploratory questions mainly to persons responsible for financial and accounting matters and the application of detailed and other review procedures. The review has a substantially more limited scope than the audit, which is carried out in accordance with International Auditing Standards that have been incorporated in the Greek Legislation and therefore, does not enable us to obtain reasonable assurance that all important issues that could have been identified in an audit have indeed been detected. Therefore, we do not express an opinion on the audit.

Conclusion

Based on our review, nothing has come to our attention that would lead us to believe that the attached condensed interim financial information has not been prepared, in all material respects, in accordance with IAS 34.

Material uncertainty about the company's ability to continue as a going concern

We draw your attention to the following:

a) note 5.4.7 of the interim condensed financial information where it is described that the ordinary general meeting of shareholders of 30 June 2022 decided to increase the Company's share capital by €1,490,580.00 by payment in cash, without the relevant prospectus having been approved by the Hellenic Capital Market Commission by the date of this report. Its approval is a prerequisite for the completion of the procedure.

b) note 5.4.8 of the interim condensed financial information, where it is described that, loans amounting to €6.9 million mature in March 2023 and that the Company will negotiate their refinancing with the bondholders (banks).

These circumstances indicate the existence of material uncertainty and in the event that the

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above-mentioned conditions are not fulfilled, there may be significant doubt as to the Company's ability to continue as a going concern.

Our conclusion does not express any further reservation in relation to these matters.

Report on Other Legal and Regulatory Requirements

Our review has not identified material misstatements or error in the statements of the members of the Board of Directors and in the information of the half yearly Management Report of the Board of Directors, as defined in articles 5 and 5a of Law 3556/2007, in relation to the condensed interim financial information.

Athens, 29 September 2022

THE CERTIFIED PUBLIC ACCOUNTANT AUDITOR



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3. Report of the Board of Directors

Half Yearly Report of the Board of Directors of the company under the name “VIS CONTAINERS MANUFACTURING S.A.” on the financial statements of the period 1.1.2022 – 30.6.2022

This half yearly report of the Board of Directors of the company under the name “VIS CONTAINERS MANUFACTURING S.A.”, fairly presents the information required according to § 6 of article 5 of law 3556/07 and makes mention to the significant events that took place during the first semester of the reporting period 01/01/2022 - 30/06/2022, their impact on the half-yearly financial statements, as well as to a description of the main risks and uncertainties.

A. Financial developments and performance in this semester

A1. Review of the period 1/1/2022 – 30/6/2022

The Company continued its course in the midst of the unstable climate of the Greek economy, recording a decrease in its turnover.

The breakdown of some items of the statement of comprehensive income is presented hereinbelow.

The turnover of the company in the first semester amounted to € 9,106,814 compared to € 7,153,905 in the respective semester of 2021, recording a significant increase by 27.3%.

Gross profit before depreciation amounted to € 939,673 compared to € 398,241 in the respective semester of 2021, recording an increase by 135.96%. The result before taxes, interest and depreciation (EBITDA) amounted to € 164,606 compared to € -360,065 in the first semester of 2021, influenced by the increase in turnover, which ultimately contributed to the decrease in pre-tax losses, compared to the corresponding period of the previous year.

The results before taxes amounted to a loss of € -666,115 compared to € -1,203,228 of the respective semester of 2021 and the loss after taxes amounted to € -611,802 compared to € -1,015,834 in the first half of 2021.

The Company uses key performance measurement indicators in decision-making regarding its financial, operational and strategic planning. These indicators serve to better understand the financial and operating results of the Company, its financial position and the cash flow statement. These indicators are listed below and should be considered in conjunction with the financial statements, while the amounts used in them are derived from the financial statements of the current and previous period:

- Working capital Indicator

	Period 2022		Period 2021	
WORKING CAPITAL	-11.480.862,36	-41,27%	-6.259.121,16	-22,38%
TOTAL ASSETS	27.821.483,92		27.962.310,56	

This indicator shows the company's liquidity index, expressed as a percentage of the Assets. Working capital means the effect of the deduction of all short-term liabilities from the current assets.

- Debt – Equity ratio

	Period 2022		Period 2021	
<u>TOTAL LIABILITIES</u>	<u>28.079.287,37</u>		<u>26.919.582,17</u>	
<u>EQUITY</u>	<u>-257.803,44</u>	-108,92	<u>1.042.728,39</u>	25,82

This indicator depicts the ratio of equity to foreign capital of the company and is used by Management to determine the level reached by capital leverage.

- Current liquidity indicator

	Period 2022		Period 2021	
<u>CURRENT ASSETS</u>	<u>8.838.454,60</u>		<u>7.807.765,44</u>	
<u>SHORT – TERM LIABILITIES</u>	<u>20.319.316,96</u>	0,43	<u>14.066.886,60</u>	0,56

This indicator shows the company's liquidity index and the safety margin so that it is able to meet the payment of its short-term liabilities.

- Long – term debt ratio

	Period 2022		Period 2021	
<u>LONG – TERM LOANS</u>	<u>0,00</u>		<u>6.912.605,00</u>	
<u>EQUITY</u>	<u>-257.803,44</u>	0,00%	<u>1.042.728,39</u>	662,93%

This is an indication of the coverage ratio of long-term equity loans.

- Return on equity

	Period 2022		Period 2021	
<u>PROFITS AFTER TAXES</u>	<u>-611.801,84</u>		<u>-1.015.833,63</u>	
<u>EQUITY</u>	<u>-257.803,44</u>	-237,31%	<u>1.042.728,39</u>	-97,42%

This indicator reflects the profitable capacity of an enterprise and gives an indication of whether the objective of achieving a satisfactory result from the use of equity has been achieved.

- Gross profit indicator

	Period 2022		Period 2021	
<u>GROSS PROFITS</u>	<u>939.672,79</u>		<u>398.240,97</u>	
<u>TOTAL SALES</u>	<u>9.106.814,41</u>	10,32%	<u>7.153.905,39</u>	5,57%

This indicator, also known as a gross profit margin, is an index assessing the company's efficiency as it shows the operational efficiency of a business and its pricing policy.

- Operational result to sales ratio

	Period 2022		Period 2021	
Earnings before Interest and Taxes (EBIT)	-347.226,91	-3,81%	-862.722,14	-12,06%
<u>TOTAL SALES</u>	<u>9.106.814,41</u>		<u>7.153.905,39</u>	

This indicator measures the profitability of sales from the normal business activity, i.e. how profitable the business operations are.

- EBITDA to sales ratio

	Period 2022		Period 2021	
Earnings before Interest, Tax, Depreciation and Amortisation (EBITDA)	164.606,18	1,81%	-360.065,43	-5,03%
<u>TOTAL SALES</u>	<u>9.106.814,41</u>		<u>7.153.905,39</u>	

- Net profits to sales indicator

	Period 2022		Period 2021	
PROFITS AFTER TAXES	-611.801,84	-6,72%	-1.015.833,63	-14,20%
<u>TOTAL SALES</u>	<u>9.106.814,41</u>		<u>7.153.905,39</u>	

This indicator, also known as net profit margin, defines business efficiency as a percentage of sales performance as net profit.

- Working capital utilisation indicator

	Period 2022		Period 2021	
TOTAL SALES	9.106.814,41	-0,79	7.153.905,39	1,14
<u>WORKING CAPITAL</u>	<u>-11.480.862,36</u>		<u>6.259.121,16</u>	

This indicator shows how many euros of net sales the company makes for each euro of net working capital that was not financed by short-term creditors.

Alternative Performance Indicators (API)

The Company's management monitors the following performance measurement indicators:

EBITDA

The Indicator refers to the "Result before tax on financial, investment results and depreciation", as shown at the bottom of the Income Statement of the Financial Statements. The Company's EBITDA amounted to € 164 thousand in 2022 compared to - € 360 thousand in 2021, recording an increase of 145.72%.

The method of calculation of this indicator is presented in the following table, whose amounts are taken directly from the financial statements.

	Semester 2022	Semester 2021
Results before taxes	-666.115,08	-1.203.228,35
Plus: interest	318.888,17	340.506,21
Plus: depreciation	511.833,09	502.656,71
EBITDA	164.606,18	-360.065,43

EBIT

The Indicator concerns the "Result before taxes of financial and investment results", of the Income Statement of the Financial Statements. The Company's EBIT indicator amounted to - € 347 thousand in 2022 compared to - € 862 thousand in 2021, recording an increase of 59.75%. The method of calculation of this indicator is presented in the following table, whose amounts are taken directly from the financial statements.

	Semester 2022	Semester 2021
Results before taxes (a)	-666.115,08	-1.203.228,35
Plus: interest (b)i	318.888,17	340.506,21
EBIT(a) + (b)	-347.226,91	-862.722,14

Indicator of capital adequacy or solvency of the Company

The Indicator results if Equity is divided by total Assets less cash and shows the percentage of financing of the Assets by the Equity.

The index in 2022 reached -0.93% from 3.73% in 2021.

The deterioration of the index is due to the reduction of Equity by € 1,300 thousand in combination with the reduction of Assets (excluding cash) by € 166 thousand.

The method of calculation of this indicator is presented in the following table, whose amounts are taken directly from the financial statements.

	30.6.2022	31.12.2021
Total Equity (a)	-257.803,44	1.042.728,39
Total Assets (b)	27.821.483,92	27.962.310,56
Cash and Cash equivalents (c)	40.055,20	14.432,06
Indicator of capital adequacy (a) / ((b)- (c))	-0,93%	3,73%

Indicator of working capital movement (T)

The Indicator results if total sales of the fiscal year are divided by the amount of stock (at the end of fiscal year) plus commercial receivables and tangible fixed assets.

The T indicator stood at 0.36 in 2022 compared to 0.29 in 2021.

The increase in the indicator is justified by the increase in sales in 2022 by € 1,953 thousand in combination with the increase in the sum of the three assets by € 818 thousand in total. The method of calculation of this indicator is presented in the following table, whose amounts are taken directly from the financial statements.

	Semester 2022	Semester 2021
Total Sales (a)	9.106.814,41	7.153.905,39
Stock at the end of fiscal year (b)	3.829.840,21	3.379.359,76
Commercial Receivables (c)	4.783.529,60	3.491.388,72
Tangible Fixed Assets (d)	16.829.108,29	17.502.256,84
Indicator of working capital movement (a) / ((b)+(c)+(d))	0,36	0,29

Indicator of loan liabilities to total working capital

Loan liabilities include: long-term and short-term loans, as well as long-term loan liabilities and lease liabilities payable in the next fiscal year.

The total working capital concerns Equity increased by loan liabilities.

The index rose to 102.21% in 2022 from 82.88% in 2021.

The increase in the indicator is mainly due to the reduction of equity by € 2,666 thousand in combination with the increase of loan liabilities by € 263 thousand.

The method of calculation of this indicator is presented in the following table, whose amounts are taken directly from the financial statements.

	Semester 2022	Semester 2021
Long-term loans (i)	0,00	7.212.605,00
Long-term lease liabilities (ii)	77.384,50	199.373,67
Short-term loans (iii)	4.468.898,63	3.486.880,61
Long-term loan liabilities payable in the following fiscal year (iv)	7.286.392,11	673.560,55
Long-term lease liabilities payable in the following fiscal year (v)	89.793,17	86.981,04
Total loan liabilities (a)=(i)+(ii)+(iii)+(iv)+(v)	11.922.468,41	11.659.400,87
Equity (b)	-257.803,44	2.407.870,79
Total working capital (c) = (a) + (b)	11.664.664,97	14.067.271,66
Indicator of loan liabilities to total working capital (a) / (c)	102,21%	82,88%

A2. Cash flow items

Net cash flows from operating activities:

The company's net cash flows from operating activities amounted to € -75 thousand in this semester from € 348 thousand in the respective period of 2021.

Net cash flows from investment activities:

The investment outflows of the company amounted to € 69 thousand during period under reporting, from € 95 thousand in the respective period of 2021.

Net cash flows from financing activities:

The financial outflows of the company amounted to € 172 thousand compared to € 209 thousand in the respective period of 2021.

B. Risks and Uncertainties during the second semester of the fiscal year

The company is exposed to financial risks, such as market risk (fluctuation of interest rates, market prices, etc.), credit risk and liquidity risk. The company's risk management program aims at limiting the negative effect on the company's financial results resulting from the failure to predict the financial markets and the fluctuation in the variables of cost and sales.

Find hereinafter the procedure followed:

- Evaluation of risks related to the company's activities and operations;
- planning of a methodology and selection of appropriate financial products to mitigate risks, and
- execution / implementation of the risk management procedure, according to the procedure approved by the management.

The company's financial instruments consist mainly of bank deposits, overdraft rights in banks, commercial debtors and creditors.

Risk from exchange rates

The company develops its activities mainly in the European Union, its transactions are made in euros and, thus, its exposure to exchange rate risks is nonexistent.

Exchange rate risk

The company's policy is to minimize its exposure to interest rate cash flow risk with regard to long term financing. The long-term financing is usually made at fixed interest rate. On June 30, 2022, the company is exposed to the variations of the interest rate market with regard to its bank loans that are subject to a variable interest rate.

Breakdown of credit risk

The company's exposure to credit risk is limited to the financial instruments, which until the date of the Statement of Financial Position are broken down as follows:

	30.6.2022	31.12.2021
Non-current assets		
Financial assets at fair value through other comprehensive income	1.876.450,00	2.565.180,00
Total	1.876.450,00	2.565.180,00
Current Assets		
Customers and other commercial receivables	4.783.529,60	4.277.935,17
Cash and cash equivalents	40.055,20	14.432,06
	4.823.584,80	4.292.367,23
Total Financial Instruments	6.700.034,80	6.857.547,23

The company constantly controls its receivables, either separately or in groups and incorporates this information in the audits of credit control. External reports or analyses are used, when available, with regard to customers. The company policy is to co-operate only with reliable customers.

The company management deems that all above financial assets are of satisfactory credit quality. None of the company's financial assets has been insured with pledge or with any other form of credit insurance.

With regard to commercial or other receivables, the company is not exposed to extremely significant credit risks. The credit risk on the cash is considered negligible, given that the counter parties are reliable Greek banks.

Breakdown of liquidity risk

The company manages its liquidity needs by closely monitoring the debts of the long-term financial liabilities and the payments made on a daily basis. The liquidity needs are monitored in various time zones, daily and weekly, as well as in a rolling period of 30 days. The long-term liquidity needs for the following 6 months and the following year are determined monthly.

The company holds cash to meet liquidity needs for periods of up to 30 days. The capitals for the long-term liquidity needs are additionally ensured by an adequate amount from loans.

Other risks

Since the end of January 2020, there have been thousands of deaths worldwide due to the new coronavirus, covid-19. The management of the Company has been monitoring the developments from the beginning, follows the instructions of the competent state authorities, taking the necessary measures, with the primary goal to keep its employees safe but also to secure the continuation of its business activity.

The beginning of 2022, however, was marked by Russia's invasion of Ukraine, which was the beginning of a war that seems to be long lasting. At a time when Europe, and indeed the whole world, was recovering from the shock of the pandemic, before it had time to return to "normality", it was faced with a new, unprecedented condition that reinforced economic and social instability.

The combination of recent geopolitical developments centred on Ukraine, together with the ongoing energy crisis, not only maintains but reinforces both the problems that were identified in the global supply (offer) chain as a consequence of the pandemic, while demand is now being indirectly hit through the formation of inflation at its current, very high levels. The 0.5% increase in interest rates by the European Central Bank is an intervention aimed at indirectly controlling the explosive rise in inflation by reducing demand.

As a result of the above, analysts' assessments of an impending recession in the coming period until inflation decelerates and private consumption accelerates are growing.

The company, having perceived the above challenges in time and taking the appropriate measures that ensured security of supply of the necessary production materials, manages not only to remain unscathed but also to record a significant increase in its sales compared to the same period last year. Sales are mainly made to large industrial customers who in turn safeguard their operations. There has been no case of inability to deliver orders due to a problem caused by the war and the company does not procure production materials from war-torn countries.

The Company's main priority is to continue to meet the needs of its customers, always maintaining a high quality of its products, with a view, of course, to protecting its workforce and society as a whole.

However, the future results of operations will depend on possible new decisions by state authorities regarding energy increases affecting the entire domestic market and the outcome of the war which affects paper prices on a global scale. In any case, the management monitors developments and adjusts its operations always with a view to providing uninterrupted service to its customers, thus protecting its sustainable growth.

C. Foreseen course and development

Despite the apparent stabilisation due to covid-19, the economic climate in the domestic market is still burdened due to the increases in energy which has led to increases in all categories of materials. Considering on the one hand the ongoing price increase in the global paper market and on the other hand the unpredictable market development due to the ongoing war, it is extremely difficult to make predictions about the company's course for the remainder of 2022.

The key priority for the company's management remains to maintain a healthy customer base and to continue efforts to improve sales by adding new customers during the remainder of the fiscal year, so that the key indicators (Results before taxes / Sales, Net results after taxes / Sales, Gross results / Sales, Results before interest, taxes, depreciation and amortisation (EBITDA) / Turnover) are improved compared to the results of the first half of 2022.

Important transactions with connected parties

VIS CONTAINERS MANUFACTURING S.A. is involved into commercial transactions with its parent company "HELLENIC QUALITY FOODS S.A.» with the brand name HQF, a company having its seat in Magoula, Attica, which during the first semester of 2022 were as follows:

Sales of finished goods and merchandise € 902,725 in the first semester of 2022 versus € 982.160,51 in the respective period of 2021.

Sales of rents worth € 7,365 in the first semester of 2022 versus € 7.150 in the respective period of 2021.

Purchases from the parent company HQF in the first semester of 2022 were as follows:

Purchases of tangible assets amounting to € 69,274 in the first semester of 2022, versus € 95.260 in the respective period of 2021.

Purchases of rents amounting to € 30.000 in the first semester of 2022 against € 30.000 in the respective period of 2021.

Purchases of services amounting to € 204,446 in the first semester of 2022 against € 203.937 in the respective period of 2021.

Balance of trade receivables between VIS and connected parent company HQF amount to € 995,587 on 30/06/2022 against receivables amounting to € 57.904 on 30.6.2021.

Management's benefits to executives:

The payments (salaries and employer's contributions) paid by the management to the members of the Board of Directors and executives amount to € 154,055 and cover the period 1.1 - 30.6.2022 as opposed to € 146,670 paid during the respective period of the previous fiscal year, i.e., 1.1 - 30.6.2021.

There were no receivables or liabilities to and from the members of the Board of Directors and the company executives on 30.6.2022.

No loans have been granted to members of the Board of Directors, company executives or to members of their families.

Magoula, 28 September 2022
Dimitrios Filippou

Chairman of the Board of Directors
and Managing Director

4. Half yearly financial statements

The attached financial statements were approved by the Board of Directors of “VIS S.A.” on 28/9/2022 and have been made public through their posting on the internet at the site www.vis.qr , as well as at ATHEX’s site where they shall remain posted for the information of investors for, at least, five (5) years upon their preparation and publication.

It is hereby noted that the summarized financial data and information posted on the internet resulting from the interim financial statements, aim at providing the reader with some general information about the company’s financial situation and results, but do not give a complete picture of the Company’s financial standing, financial achievements and cash flows, according to the International Financial Reporting Standards.

4.1 Balance Sheet

Amounts in €	note	30.6.2022	31.12.2021
ASSETS			
Non-current assets			
Self-used tangible fixed assets	5.4.1	16.829.108,29	17.267.942,31
Financial assets at fair value through other comprehensive income	5.4.2	1.876.450,00	2.565.180,00
Other long-term receivables		70.345,09	70.345,09
Rights of use of assets	5.4.3	207.125,94	251.077,72
Total Non-current assets		18.983.029,32	20.154.545,12
Current assets			
Inventories	5.4.4	3.829.840,21	2.914.869,15
Customers & other commercial receivables	5.4.5	4.783.529,60	4.277.935,17
Other receivables	5.4.6	185.029,59	600.529,06
Cash and cash equivalents		40.055,20	14.432,06
Total current assets		8.838.454,60	7.807.765,44
TOTAL ASSETS		27.821.483,92	27.962.310,56
SHAREHOLDERS' EQUITY & LIABILITIES			
SHAREHOLDERS' EQUITY			
Share Capital	5.4.7	3.974.880,00	3.974.880,00
Other Reserves		2.149.893,65	2.149.893,65
Results brought forward		-6.382.577,10	-5.082.045,26
TOTAL SHAREHOLDERS' EQUITY		-257.803,44	1.042.728,39
LIABILITIES			
Long term liabilities			
Liabilities for employee benefits due to retirement		592.195,60	589.078,00
State grants		2.834.376,74	2.874.603,87
Long term loans	5.4.8	0,00	6.912.605,00
Long term leases		77.384,50	146.345,60
Long term provisions		140.000,00	140.000,00
Other long-term liabilities		2.944.733,69	964.469,98
Deferred tax liabilities		1.171.279,88	1.225.593,12
Total long term liabilities		7.759.970,41	12.852.695,57
Short term liabilities			
Suppliers and other commercial liabilities	5.4.9	4.954.112,51	5.016.929,05
Other short-term liabilities		2.161.203,19	2.906.728,51
Current tax liabilities		1.358.917,35	1.378.998,15
Short-term loan liabilities	5.4.10	4.468.898,63	3.999.364,29
Long term liabilities payable in the following fiscal year	5.4.8	7.286.392,11	676.020,76
Long term lease liabilities payable in the following fiscal year		89.793,17	88.845,84
Total short-term liabilities		20.319.316,96	14.066.886,60
Total liabilities		28.079.287,37	26.919.582,17
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		27.821.483,92	27.962.310,56

4.2 Income Statement

Amounts in €	note	1.1-30.6.2022	1.1-30.6.2021
Sale of goods		9.056.710,73	7.096.137,56
Provision of services		<u>50.103,68</u>	<u>57.767,83</u>
Total Sales		9.106.814,41	7.153.905,39
Cost of sales	5.5.1	<u>-8.167.141,62</u>	<u>-6.755.664,42</u>
Gross profits		939.672,79	398.240,97
Other operating income		7.364,76	7.153,86
Administrative expenses	5.5.2	-409.617,85	-419.027,25
Selling expenses	5.5.3	<u>-884.646,61</u>	<u>-849.089,72</u>
Profits before taxes, financing and investment results		-347.226,91	-862.722,14
Financial income	5.5.4	0,00	0,00
Financial Expenses	5.5.4	<u>-318.888,17</u>	<u>-340.506,21</u>
Profits / (losses) before Taxes		-666.115,08	-1.203.228,35
Income Tax	5.5.5	<u>54.313,24</u>	<u>187.394,72</u>
Net profits / (losses) after taxes (a)		-611.801,84	-1.015.833,63
Profits / (losses) before Taxes per share- basic (in €)	5.5.6	-0,1231	-0,2221
Profits before taxes, financing and investment results and depreciation		164.606,18	-360.065,43

4.3 Statement of Comprehensive Income

	1.1-30.6.2022	1.1-30.6.2021
Profit after tax (profits or (losses)) (a)	-611.801,84	-1.015.833,63
Impairment of financial assets at fair value through other comprehensive income	<u>-688.730,00</u>	<u>0,00</u>
Other comprehensive income after tax (b)	-688.730,00	0,00
Aggregate Total Income after Tax (a) + (b)	-1.300.531,84	-1.015.833,63

4.4 Statement of Changes in Net Position

	Share Capital	Other reserves	Results brought forward	Total Equity
Total Shareholders' Equity on 1.1.2021	3.974.880,00	2.149.893,65	-2.701.069,23	3.423.704,42
Net results for the year 2021 after taxes	0,00	0,00	-1.015.833,63	-1.015.833,63
Net results of fiscal period (a)	0,00	0,00	-1.015.833,63	-1.015.833,63
Other total operating income (b)	0,00	0,00	0,00	0,00
Aggregate total income (a)+(b)	0,00	0,00	-1.015.833,63	-1.015.833,63
Total Shareholders' Equity on 30.6.2021	3.974.880,00	2.149.893,65	-3.716.902,86	2.407.870,79
	Share Capital	Other reserves	Results brought forward	Total Equity
Total Shareholders' Equity on 1.1.2022	3.974.880,00	2.149.893,65	-5.082.045,25	1.042.728,39
Net results for the year 2022 after taxes	0,00	0,00	-1.300.531,84	-1.300.531,84
Net results of fiscal period (a)	0,00	0,00	-1.300.531,84	-1.300.531,84
Other total operating income (b)	0,00	0,00	0,00	0,00
Aggregate total income (a)+(b)	0,00	0,00	-1.300.531,84	-1.300.531,84
Total Shareholders' Equity on 30.6.2022	3.974.880,00	2.149.893,65	-6.382.577,09	-257.803,45

4.5 Cash Flow Statement

Indirect Method - amounts in €	1.1-30.6.2022	1.1-30.6.2021
<u>Operational Activities</u>		
Profits before taxes	-666.115,08	-1.203.228,35
<i>Plus / less adjustments for:</i>		
Depreciation	511.833,09	502.656,71
Provisions	29.429,97	17.307,19
Interest and related expenses	318.888,17	340.506,21
<i>Plus/ less adjustments for changes in the working capital or related to operational activities</i>		
Decrease / (increase) in inventories	-914.971,06	169.173,73
Decrease / (increase) in receivables	-100.313,70	-143.811,41
Increase / (decrease) / in liabilities (less banks)	1.049.981,13	1.027.969,84
<i>Less:</i>		
Interest and related expenses paid	-303.408,87	-362.434,95
Taxes Paid	0,00	0,00
Total inflows/ (outflows) from operational activities (a)	<u>-74.676,35</u>	<u>348.138,97</u>
<u>Investing activities</u>		
Acquisition of subsidiaries, associates, joint ventures and other investments	0,00	0,00
Purchase of tangible and intangible fixed assets	-69.274,41	-95.350,33
Total inflows/ (outflows) from investing activities (b)	<u>-69.274,41</u>	<u>-95.350,33</u>
<u>Financing activities</u>		
Income from share capital increase	0,00	0,00
Payment of loans	-427.994,89	-658.448,51
Total inflows/ (outflows) from financing activities (c)	<u>172.055,71</u>	<u>-209.431,92</u>
Net increase/ (decrease) in cash and cash equivalents of period (a)+(b)+(c)	<u>28.104,95</u>	<u>43.356,72</u>
Cash and cash equivalents at the beginning of the year	11.950,25	11.950,25
Cash and cash equivalents at the end of the year	40.055,20	55.306,97

The attached notes constitute an integral part of the half yearly financial report.

5. Notes on the financial statements of the first semester of 2022

5.1 General Information

The company was founded in 1936 by Messrs. Georgios Yiannoulatos, Aristidis Dendrinis, Apostolos Nikolaidis and Dionyssios Papavassilopoulos having as scope the production and trading of board and boxboard. In 1969 the company was merged with ABIHA S.A. (Boxboard Industry S.A.) having as scope the production of boxboards and keeping the name "VIS Packaging Industry S.A.". Thus, the company has operated as a société anonyme since 1969 (Government Gazette Issue of SA & Ltd. 948/8.07.69).

The Company is registered in the Registrar of Société Anonymes of the Prefecture of Athens with General Electronic Commercial Registry No 122838007000.

The duration of the Company expires on 31/12/2070.

The seat of the company is in Magoula, Attica and the offices lie in G. Gennimatas Avenue, Postal code 190 18. It is hereby noted that the seat and the headquarters of VIS S.A. originally lay at 47 Kolokotroni St., Athens, whilst as of March 1990 they lay at 54 Athinon Ave., Neo Faliro (Government Gazette Issue of SA & Ltd. 617/25.02.92). By virtue of resolution dated 30.09.1998 passed by the Extraordinary General Assembly of the Shareholders (Government Gazette Issue of SA & Ltd. 8473/29.10.1998) the relocation of the seat of VIS SA from Neo Faliro, Piraeus to Maroussi was decided.

By virtue of resolution dated 30.06.05 passed by the General Assembly of the Shareholders (announcement of the Ministry of Development bearing reference number K2-9216/19.07.05), the relocation of the seat of the company was decided anew from Maroussi to Magoula Attica (G. Gennimatas Avenue).

The industrial installations lay in the Industrial Zone of Volos. Such installations operate by virtue of permit dated 18 November 2019 bearing reference number 2675 /Φ.14-1042, which was granted by the Prefectural Self-Administration of Magnisia Directorate of Development. As from 1971, the company's shares are listed in the Main Market of the Athens Exchange.

The company's website is: **www.vis.gr**.

The company's connected parties in the sense of IAS 24 are:

The parent company «HELLENIC QUALITY FOODS S.A.» with the brand name «HQF» a company having its seat in Magoula, Attica. HQF holds 74,62% (30.06.2021) of the share capital of the Company.

The half yearly financial statements as at June 30, 2022 (including the respective financial statements as at June 30, 2021) have been approved for publication by the company's Board of Directors on 28 September 2022.

5.2 Scope of works

The company's scope, according to the 1st Resumed Extraordinary General Assembly of the ordinary shareholders dated 01.08.2000, which unanimously decided the amendment-rewording of article 4 of the articles of association regarding the scope of the company, is as follows:

- (1) The production, processing and industrialization of packaging material, paper products and other similar goods.
- (2) The trading, distribution and transportation in Greece and abroad of the products and/or any merchandise produced, processed and manufactured by the company, to

their destination with own means of transportation or with means of transportation belonging to third parties.

- (3) The import from abroad of items relevant to the above (raw materials, machinery, etc.), their trading, as well as the carrying out of any relevant work.
- (4) The export of items relevant to the above (raw materials, machinery, etc.), their trading, as well as the carrying out of any relevant work.
- (5) The participation in any company having the same or similar scope, of any corporate form or the merge with other companies.
- (6) The acquisition of shares or bonds in companies with similar or non - similar scope.

5.3 Framework for the preparation of the interim financial statements

These interim condensed interim financial statements of VIS SA dated June 30, 2022 cover the first six months, from January 1 to June 30 of fiscal year 2022 and have been prepared in accordance with the provisions of IAS 34, based on the historical cost principle and the principle of going concern, and there is no evidence that would call into question the application of this principle.

We note, however, that as of June 30, 2022, the Company's short-term liabilities exceeded total current assets by €11.48 million and also the Company's total equity has become negative by €258 thousand. As regards the improvement of working capital, the management will seek by March 2023 to refinance a former long-term loan of €6.9 million that became short-term as of June 30, 2022. We also note that the Annual General Meeting of Shareholders in 2022 resolved to increase the share capital by €1,490 thousand by cash payment. The approval of the relevant prospectus is subject to the approval of the competent Capital Market Commission.

The preparation of financial statements in accordance with IFRS requires the use of accounting estimates and management judgment in applying the Company's accounting policies. Significant assumptions made by management regarding the application of the Company's accounting methods have been identified where appropriate.

The accounting principles and methods of calculation used for the preparation and presentation of the interim financial statements are consistent with those used for the preparation of the Company's annual financial statements for the year ended on 31 December 2021. Therefore, the accompanying interim financial statements should be reviewed in conjunction with the annual audited financial statements as at December 31, 2021, which are available at the company's website.

5.3.1 New standards and amendments of existing standards and interpretations

The Accounting Principles and methods of calculations followed in the preparation of the condensed interim financial statements, the significant assumptions adopted by management, as well as the main sources of uncertainty affecting the estimates, are the same as those adopted in the published annual financial statements for the year ended on 31 December 2021. Since those financial statements are condensed, they should be reviewed in conjunction with the annual audited financial statements as at December 31, 2021.

The following new Standards, Interpretations and amendments to Standards have been issued by the International Accounting Standards Board (IASB), have been adopted by the European Union and are mandatory from 01/01/2021 onwards.

STANDARDS AND INTERPRETATIONS APPLICABLE IN THE 2022 FISCAL YEAR

Reference to the Framework - Amendments to IFRS 3 "Business Mergers". Issued in May 2020 and effective for annual reporting periods commencing on or after 01.01.2022. It did not have an impact on the company.

Onerous Contracts - Cost of Fulfilling a Contract - Amendments to IAS 37 "Provisions". Issued in May 2020 and effective for annual reporting periods commencing on or after 01.01.2022. It refers to which costs to include in estimating the cost of fulfilling a contract for the purpose of assessing whether this contract is onerous. It did not have an impact on the company.

Property, plant and equipment - Proceeds from Sales of Goods before the Intended Use of Assets - Amendments to IAS 16 Property, Plant and Equipment. Issued in May 2020 and effective for annual reporting periods commencing on or after 01.01.2022. It concerns the proceeds and the cost of goods, from their sale before the property, plant and equipment come into operation based on their intended use. Such proceeds and costs are recognized as income and expense and not as an increase in the acquisition cost of property, plant and equipment. It did not have an impact on the company.

Annual Improvements to Standards for the Period 2018-2020. Issued in May 2020 and effective for annual reporting periods commencing on or after 01.01.2022. It concerns various improvements to standards IFRS 1 "First application of IFRS", IFRS. 9 "Financial instruments", IFRS. 16 "Leases " and IAS 41 "Agriculture". It did not have an impact on the company.

STANDARDS AND INTERPRETATIONS APPLICABLE TO FISCAL YEARS AFTER 1.1.2022

"Amendment to IAS 1 Regarding the Classification of Liabilities as Short-Term or Long-Term"

It was approved in January 2020 and is effective for annual reporting periods commencing on or after 01.01.2022 and is retroactively effective under IAS 8. In July 2020 its application was postponed for 01.01.2023. It is not expected to have an impact on the company.

Amendments to IFRS 17 Standard "Insurance Contracts". Issued in October 2020 and effective for annual reporting periods commencing on 01.01.2023 includes extensive amendments to the existing standard. In July 2020, a single standard was consolidated including all its corrections. In December 2021 a new amendment was made regarding comparative information on Initial Application of IFRS 17 and IFRS 9. Does not apply to the company.

Definition of accounting estimates - Amendments to IAS 8. Issued in February 2021 and effective for annual reporting periods commencing on or after 01.01.2023. It is not expected to have an impact on the company.

Disclosure of accounting policies - Amendments to IAS 1 and IFRS Practice Statement 2. Issued in February 2021 and effective for annual reporting periods commencing on or after 01.01.2023. It is not expected to have an impact on the company.

"Deferred tax related to assets and liabilities arising from a single transaction - amendment of IAS 12". Issued in May 2021 and effective for annual reporting periods commencing on or after 01.01.2023. This amendment clarifies that no deferred tax is

recognized when the initial recognition of a transaction results in an equal taxable and deductible temporary difference.

5.4 Breakdown of Balance Sheet accounts

5.4.1. Own Used Tangible Fixed Assets

All tangible fixed assets of the company have been valued at their historical acquisition cost. Investments in tangible fixed assets in this reporting period amounted to € 69,274.41 while for the corresponding semester of the year 2021 they had amounted to € 95,350.33. Depreciation of tangible fixed assets in the first half of 2022 amounted to € 508,108.44 while in the corresponding period last year they amounted to € 501,923.28.

The residual values and useful lives of tangible fixed assets are subject to review at each balance sheet date.

The following encumbrances on the fixed assets of the company secure the bank loans:

- 1st prenotation to mortgage amounting to € 14,295,126.00 in favour of ALPHA BANK, PIRAEUS BANK, EUROBANK, NATIONAL BANK OF GREECE and ATTICA BANK under the terms contained in the relevant Programme of the joint, secured Bond Loan with a balance of € 7,286.392.11 on 30/6/2022.

5.4.2 Financial assets available for sale

The above account is broken down as follows:

	30.6.2022	31.12.2021
Investment in the share capital of the connected company "HELLENIC QUALITY FOODS S.A."	2.559.330,00	3.192.231,25
Less: impairment in the past against equity	0,00	-632.901,25
Less: impairment against other comprehensive income	-688.730,00	0,00
Net value of investment in the share capital of HQF S.A	1.870.600,00	2.559.330,00
Participation in the share capital of "A' VEPE VOLOU"	5.850,00	5.850,00
Total	1.876.450,00	2.565.180,00

On 30 June 2022, a measurement at fair value of the investment in the share capital of HQF S.A. was carried out, which amounted to € 1,870,600 and the difference of € 688,730 was charged to equity through the statement of comprehensive income.

No deferred tax asset was calculated on the difference, as there is no difference between the tax and accounting basis.

In order to determine the fair value of the parent company at 30 June 2022, the budgeted sales, results after taxes and net cash flows for the next seven years 2022 - 2028, excluding future capital increases of € 13 million, were used.

The above projected amounts are included in a full Business Plan of the parent company which was submitted in the month of June to two (2) systemic lending banks and was accepted by them.

The valuation model takes into account a discount rate equal to the Average Weighted Average Cost of Capital of 5.21%, which, for calculation purposes, took into account the following:

- a. HQF S.A. realised cost of borrowed capital of the 2021 fiscal year: 5.88%,
- b. the average interest rate of the last 12 months of the 10-year Greek Government bond: 1,88% (source Bank of Greece),
- c. the parent company's volatility of returns (beta): 0,70 (*'consumer staples and utilities companies have a beta of less than 1 as they are to some extent influenced by the market but not significantly'*),
- d. the market risk premium: 4,26 % (calculated on the basis of the interest rate of 1,88 % of the 10-year Greek Government bond, a beta of 0,70 and an expected market return of 4,20 %); and,
- e. other calculations between equity and borrowed capital in fiscal year 2021.

Finally, the growth rate beyond seven years is assumed to be equal to 2,90%.

Using the same budgeted sales, results after taxes and net cash flows, excluding future capital increases of €21 million, the Company re-run the same model with 1 January 2022 as its reference date. The growth rate after 7 years was set at 2.50% and given that the Average Weighted Average Cost of Capital was calculated at 4.41% it resulted that the then book value was by € 47 thousand lower than fair value.

The Average Weighted Average Cost of Capital of 4.41% was derived from the same cost of borrowed capital as above, the same beta factor, the average interest rate of the then last 12 months of the 10-year Greek Government bond, which was equal to 0.89% (Bank of Greece), from a diversified market risk premium of 3.63% (due to 0.89%) and from the same other calculations between equity and borrowed capital for the 2021 financial year.

In conclusion, we report that the difference in the fair value of the parent company, based on the above calculations, from € 153.36 million on 01.01.2022 to € 119.20 million on 30.6.2022 is justified as, due to the war in Ukraine, the significant increases in energy, fuel and raw materials (reflected in the 10-year Greek Government bond) will lead the consumers to, partly, consume cheaper food products than those produced and marketed by HQF.

5.4.3 Right of Use Assets

Application of IFRS 16 had the following impact:

Right-of-use assets cost at 1.1.2021	320.425,47
Additions in 2021	18.336,11
Right-of-use assets cost at 31.12.2021	338.761,58
Depreciation of right-of-use assets at 1.1.2021	2.528,46
Depreciation in 2021	85.155,40
Net Book Value as at 31.12.2021	251.077,72

Right-of-use assets cost at 1.1.2022	338.761,58
Additions in 2022	0,00
Right-of-use assets cost at 30.06.2022	338.761,58
Depreciation of right-of-use assets at 1.1.2022	87.683,86
Depreciation in the semester 2022	43.951,78
Depreciation of right-of-use assets at 30.6.2022	131.635,64
Net Book Value as at 30.6.2022	207.125,94

In addition to the above, the short-term lease obligations amounted to € 88,845.84 and € 89,793.17 on 1.1.2022 and 30.6.2022 respectively, while in addition to the above depreciation, financial expenses of € 4,953.26 were recognized at the expense of the results. The weighted average incremental borrowing rate of interest of the Company applied to determine lease liabilities as at January 1, 2022 was 4.25%.

5.4.4 Inventories

The Company's inventories are broken down as follows:

	30.06.2022	31.12.2021
Merchandise	4.815,22	4.815,22
Finished and partly finished goods	1.099.350,26	846.763,07
Raw material	1.883.257,87	1.282.027,40
Secondary material	130.233,20	85.661,87
Consumables	96.245,68	92.928,99
Fixed assets spare parts	615.937,98	602.672,60
Total	3.829.840,21	2.914.869,15

For the determination of the net sale value of inventories the management takes into account the most reliable data available at the date of the estimation.

On the value of the Company's inventories, a pledge of € 2.500.000,00 has been constituted in favour of the banks participating in the joint subordinated Bond Loan with a balance of € 7,286,392.11 on 30.6.2022.

5.4.5 Customers and other commercial receivables

	30.6.2022	31.12.2021
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Customers	3.398.726,81	3.059.633,81
Bills receivable	0,00	0,00
Bills receivable in delay	83.230,32	83.230,32
Checks receivable (postdated)	1.511.417,15	1.334.696,98
less: provisions for doubtful receivables	-209.844,68	-199.625,94
Total	4.783.529,60	4.277.935,17

The total of the above receivables is considered to be of short-term expiry. The fair value of such short-term financial assets is not independently determined, given that the accounting value is deemed to approach their fair value. With regard to all receivables, an estimation has been made of all indications concerning their eventual impairment.

The Company has applied the simplified approach of paragraph 5.5.15 of IFRS 9 in determining the expected credit losses on the balances of commercial receivables based on their total maturity.

Based on the following tables, with historical breakdowns, percentages, historical data and reasonable future provisions, anticipated credit losses of € 8,882.96 arose which burdened the results of the period 1.1– 30.6.2022.

	31.12.2021	Loss Rate	Loss Sum
No delay	2.200.303,97	0,00%	0,00
1 to 90 days	961.648,56	1,50%	13.994,32
91 to 180 days	993.600,51	3,00%	29.808,02
181 to 365 days	122.403,51	5,00%	6.120,18
Over 365 days	199.604,56	75,00%	149.703,42
	4.477.561,11		199.625,94

Provision of loss at beginning of fiscal year:	190.742,98
Less: write-off of doubtful receivables using provision:	0,00
Provisions for loss in the income statement:	8.882,96
Deferred tax with 24%:	-1.954,25
Impact on results of 2021:	6.928,71

	30.6.2022	Loss Rate	Loss Sum
No delay	2.694.691,60	0,10%	2.694,69
1 to 90 days	1.044.143,08	1,50%	16.354,24
91 to 180 days	941.125,54	3,00%	28.233,77
181 to 365 days	103.569,38	5,00%	5.178,47
Over 365 days	209.844,68	75,00%	157.383,51
	4.993.374,28		209.844,68

Provision of loss at beginning of fiscal year:	199.625,94
Less: write-off of doubtful receivables using provision:	0,00
Provisions for loss in the income statement:	10.218,74
Deferred tax with 24%:	-2.248,12
Impact on results of 2022:	7.970,62

In the current accounting period, the Company has restated the expected credit loss rates as a result of the provision for doubtful accounts in the current and subsequent balance sheet accounts.

5.4.6 Other receivables

	30.6.2022	31.12.2021
Advances and cash facilities for personnel	9.093,41	6.833,41
Receivables from Greek State	23.399,00	23.394,48
Other sundry debtors	269.418,26	273.677,74
Expenses for the next fiscal year	67.945,48	43.737,35
Purchases under receipt	0,00	288.189,23
Accrued income	0,00	0,00
Debit balances of suppliers	66.704,46	216.227,87
Less: provisions for doubtful receivables	-251.531,02	-251.531,02
Total	185.029,59	600.529,06

In the current period, a provision for doubtful debts of € 251,531.02 from previous years was deducted from this account as it relates to it. Up to the annual financial report of the previous fiscal year 2021, the total amount of the provision was charged to the account "Customers and other commercial receivables".

As a result of the above correction, the balance of this account is shown reduced by € 251.5 thousand in the comparative balance sheet items at 31.12.2021 and the account "Customers and other commercial receivables" increased by the same amount.

5.4.7 Share Capital

The company's share capital on June 30, 2022 amounted to € 3,974,880 and was divided into 4,968,600 common shares of a nominal value of € 0.80 each. The shares of VIS Containers Manufacturing S.A. are listed in the Athens Stock Market.

The Annual General Meeting of 30/6/2022 decided to reduce the share capital (€ 3,974,880.00) of the company by € 3,726,450.00 with the offsetting of equal losses of past years and the simultaneous reduction of the nominal value of the share (from € 0.80) to € 0.05 each, while the number of shares (4,968,600) remained unchanged. The share capital thus amounts (instantly) to € 248,430.00 divided into 4,968,600 dematerialised registered shares with a nominal value of €0.05 each.

The same Ordinary General Meeting decided to simultaneously increase the company's share capital (248,430.00 €), which was reduced by virtue of the previous resolution, by 1,490,580.00 € in cash, with the issuance of 29,811,600 dematerialised registered shares with a nominal value of 0.05 € each. The share capital thus amounts to (€ 248,430.00 + € 1,490,580.00 =) € 1,739,010.00, divided into (4,968,600 + 29,811,600 =) 34,780,200 dematerialized registered shares with a nominal value of €0.05 each, with pre-emptive rights of the existing shareholders, with listing of the above new shares on the Athens Stock Exchange and an exercise price of €0.05 per share, which may be higher than the stock exchange price at the ex-date. The holders of pre-emptive rights to the increase will be entitled to acquire new shares at a ratio of six (6) new shares for every one (1) old share of the Company, while those who have exercised their full pre-emptive rights will be granted the right to pre-empt any unsold new shares at a ratio of six (6) new shares for every six (6) new shares, according to the specific terms to be detailed in the Prospectus to be issued in this regard. It was also resolved to amend Article 5 of the Company's Articles of Association on share capital.

The reduction and simultaneous increase of the share capital was approved by the General Electronic Commercial Registry (GEMI) by virtue of its resolution no. 2659827/ 07.07.2022.

5.4.8 Long term loan liabilities

	30.06.2022	31.12.2021
Bond loans non-convertible to shares (balance at beginning of fiscal year)	7.588.625,76	8.204.735,21
Payment of loans	-302.233,65	-616.109,45
Transfer to short-term liabilities	-7.286.392,11	-676.020,76
Bond loans non-convertible to shares (balance at end of fiscal year)	0,00	6.912.605,00

The actual weighted interest rates for long term loans, at the dates of the balance sheet are as follows:

	30.6.2022	31.12.2021
Actual weighted interest rates for long term loans	Euribor 3M+ 4,25%	Euribor 3M+ 4,25%

Out of the total balance of € 7,286,392.11 as at 30/6/2022 which has been transferred to short-term liabilities, an amount of € 6,912,605.00 matures on 15/3/2023. Within the next few months, the company will negotiate with the bondholders (Banks) the refinancing of this remaining loan amount of € 6.9 million. Similar refinancing has been made in the past from the year 2002 until the last one in June 2015, however, no decision has been made to date. By the date of the publication of the half-yearly Financial Report, the company has paid the outstanding loan repayment due on 15/9/2022 and there is no outstanding debt.

5.4.9 Suppliers and other commercial liabilities

	30.6.2022	31.12.2021
Suppliers	3.495.724,27	3.202.318,44
Checks payable	1.458.388,24	1.814.610,61
Total	4.954.112,51	5.016.929,05

The above commercial liabilities are considered short term. The management deems that the accounting values presented in the balance sheet constitute a reasonable approach to the fair values.

5.4.10 Short term loan liabilities

The actual weighted interest rates for short term loans, at the dates of the balance sheet are as follows:

	30.06.2022	31.12.2021
Actual weighted interest rates for short-term loans	5,20%	5,80%

5.5 Breakdown of accounts of the Statement of comprehensive income

5.5.1 Cost of sales

	1.1-30.6.2022	1.1-30.6.2021
Cost of consumption of raw and secondary material and other material	5.683.555,33	4.658.311,15
<u>Plus: General Industrial Expenses</u>		
Personnel salaries and expenses	1.255.748,28	1.312.271,84
Third parties' fees and benefits	403.308,00	167.873,27
Taxes - duties	57.350,98	21.280,84
Sundry expenses	236.134,71	79.243,74
Provisions	19.211,23	14.026,87
Depreciation (less grants of assets)	511.833,09	502.656,71
Total	8.167.141,62	6.755.664,42

The depreciation of fixed assets that have been incorporated in the cost of sales are broken down hereinafter:

	1.1-30.6.2022	1.1-30.6.2021
Depreciation of buildings	104.528,78	103.373,84
Depreciation of machinery	426.194,89	419.039,48
Depreciation of means of transportation	17.672,36	17.001,65
Depreciation of furniture and other equipment	<u>3.664,19</u>	<u>4.634,44</u>
Total depreciation of assets	552.060,22	544.049,41
<u>Less:</u>		
Grants for investments in fixed assets corresponding to the fiscal year	40.227,13	41.392,70
Total	511.833,09	502.656,71

5.5.2 Administrative Expenses

	1.1-30.6.2022	1.1-30.6.2021
Inventory cost recognized as expense	0,00	0,00
Personnel salaries and expenses	104.846,27	111.452,15
Third parties' fees and expenses	277.282,00	277.428,56
Third parties' benefits	22.010,45	22.387,49
Taxes - duties	126,35	1.360,29
Sundry expenses	5.352,79	6.398,76
Total	409.617,85	419.027,25

5.5.3 Selling Expenses

	1.1-30.6.2022	1.1-30.6.2021
Inventory cost recognized as expense	3.552,40	4.787,86
Personnel salaries and expenses	396.802,85	378.002,83
Third parties' fees and expenses	9.182,09	11.781,46
Third parties' benefits	63.740,69	61.510,06
Taxes - duties	810,00	1.056,83
Sundry expenses	400.339,85	388.670,36
Provisions for doubtful receivables	10.218,74	3.280,32
Total	884.646,61	849.089,72

5.5.4 Financial Cost (net)

	1.1-30.6.2022	1.1-30.6.2021
Interests of bond loans	157.798,98	169.123,63
Interests of short-term loans	32.598,61	53.849,43
Other bank expenses	123.537,32	110.754,24
Interest from right-of-use for buildings (IFRS 16)	4.953,26	6.778,91
Total	318.888,17	340.506,21

5.5.5 Income tax

	1.1-30.6.2022	1.1-30.6.2021
Deferred tax expense or (revenue)	-54.313,24	-187.394,72

5.5.6 Earnings per share

The earnings per share were calculated according to the average weighted number on the total number of common shares.

	1.1-30.6.2022	1.1-30.6.2021
Profits / (loss) after taxes	-611.801,84	-1.015.833,63
Average weighted number of shares	4.968.600,00	4.968.600
Profit (loss) per share – basically in €	-0,1231	-0,2045

5.6 Number of employed personnel and cost of payroll

The number of employed personnel on June 30, 2022 and June 30, 2021 is broken down as follows:

	1.1-30.6.2022	30.6.2021
Employees	47	49
Day-wage persons	91	95
Total	138	143

The payroll cost of the respective periods is broken down in the following categories:

	1.1-30.6.2022	1.1-30.6.2021
Employees' salaries	695.320,68	690.442,16
Day-wage persons' salaries	709.300,82	705.857,09
Employer's contributions for employees	162.641,38	161.377,60
Employer's contributions for day-wage persons	170.644,24	171.215,54
Subsequent benefits and personnel expenses	19.490,28	17.998,67
Redundancy payments	0,00	54.835,75
Total	1.757.397,40	1.801.726,82

5.7 Disputes in Court or in Arbitration

As at 30 June 2022, there are no cases in court or arbitration, nor are there any resolutions passed by bodies of the administration that may have a significant impact on the financial standing or the operation of the company.

It is noted, however, that on 01/08/2022, the Company was served with the letter No. 13534/222024/27.07.2022 from the Ministry of Rural Development & Food, requesting the Company to reimburse the amount of €102,395.94, which relates to wrongly collected default interest for which the Greek State was successful in the proceedings before the Single-Member Court of Appeal of Athens which issued decision No. 1905/24.03.2020 (2nd chamber: public, hearing: ordinary procedure). The above decision has been appealed before the Supreme Court (Court of Cassation - Areios Pagos) by virtue of the Company's appeal application dated 15.06.2020 bearing General Application Number 818/05.08.2020, which has already been heard at the hearing of 16.02.2022 (Chamber C: civil) and decision is pending. In any case, the debt will be settled.

5.8 Unaudited Reporting Periods

The years 2011 to 2020 were subjected to the tax audit of the Certified Public Accountants, provided for by the provisions of Article 82, § 5 of Law 2238/1994 and Article 65a of Law 4174/2013. These audits were completed with the issuance of the relevant tax certificates without incurring additional tax liabilities.

For the year 2021 the company has been subjected to the tax audit of the Certified Auditors Accountants provided for by article 65A of Law 4174/2013. This audit has been completed with the issuance of the relevant tax certificate and no additional tax liabilities arose.

5.9 Other eventual liabilities and receivables

The company has no further eventual liabilities in connection to banks, other guarantees and other issues arising out of the normal conduct of business. No material burdens are expected to arise from eventual liabilities.

5.10 Transactions with connected parties

The connected party in the sense of IAS 24 is the parent company HELLENIC QUALITY FOODS S.A.

The breakdown of inter-company sales for the reporting periods 1.1-30.6.2022 and 1.1-30.6.2021 is presented hereinbelow:

	1.1-30.6.2022	1.1-30.6.2021
Sales of goods	902.724,84	982.160,51
Sales of leases	7.364,76	7.150,26
Total inter-company sales	910.089,60	989.310,77

The breakdown of inter-company purchases for the reporting periods 1.1-30.6.2022 και 1.1-30.6.2021 is presented hereinbelow:

	1.1-30.6.2022	1.1-30.6.2021
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Purchase of assets	69.274,41	95.260,33
Purchase of leases	30.000,00	30.000,00
Purchase of services	204.446,39	203.937,13
Total inter-company purchases	303.720,80	329.197,46

The breakdown of inter-company receivables on June 30, 2022 and June 30, 2021 is presented hereinbelow:

	30.6.2022	30.6.2021
Receivables from HQF S.A.	-995.587,46	57.904,35

The inter-company transactions among the companies of the group are effected in terms equivalent to those prevailing in purely commercial transactions.

The remuneration of the Members of the Board and the company executives are as follows:

	1.1-30.6.2022	1.1-30.6.2021
Salaries and employer's contributions for Members of the Board and company executives	154.055,20	146.669,58

There are no liabilities or claims from and to the members of the Board of Directors, and the executives of the company (or their families).

5.11 Events after the date of the balance sheet

Apart from the above and the information included in § 5.7 "Disputes in Court or in Arbitration", there are no events after the interim financial statements that concern the company, which must be reported according to the International Financial Reporting Standards.

Magoula, 28 September 2022

The Chairman of the Board
& Managing Director

The CEO
& Vice - Chairman of the Board

The CFO
& Member of the Board

Dimitrios Filippou
ID No AA – 061311

Georgios Hadjivassileiou
ID No P - 914464

Kyriakos Soupionas
License 14603 / 1st class