

“R E P O R T

of the Board of Directors of “VIS Containers Manufacturing S.A.” to the Extraordinary General Assembly of the shareholders that will meet shortly

This Report has been prepared by the Board of Directors of the company " VIS Containers Manufacturing S.A" (hereinafter referred to as the Company), in accordance with § 4.1.3.13.1. & 2. of the Rulebook of the Athens Stock Exchange, article 22 § 1 & 2 of law 4706/2020 and law 4548/2018, is addressed to the Ordinary General Assembly of its shareholders, which will convene shortly, and concerns its proposal for the necessary increase of the Company's share capital by the sum of 2,484,300.00 € with the payment of cash for working capital.

It is hereby noted that the Audit Committee of the Company has given its assent to the said proposal submitted by the Board of Directors.

In particular:

1. Increase of the share capital / Report of the Board of Directors (according to § 4.1.3.13.1. & 2. of the Rulebook of the Athens Stock Exchange and article 22 § 1, 2 of law 4706/2020).

As shown in the (corrected) interim half-yearly financial statements for the period 01.01.2022 - 30.06.2022,

(a) the share capital, taking into account the decrease effected by virtue of the resolution passed by the Annual General Assembly of 30.6.2022, amounts to € 248,430.00, therefore half of this sum amounts to € 124,215.00,

(b) the nominal value of share is €0.05 per share,

(c) the equity according to IAS amounts to - 254,373.44 €.

As a result of the above, it is proposed to increase the share capital by 2,484,300.00 in cash, by issuing ten (10) new dematerialized registered shares for each one (1) old share, with voting rights, with a nominal value of € 0,05 each, at a price of € 0,05 per share, with pre-emptive rights for the existing shareholders, as well as to admit the above shares to trading on the Athens Stock Exchange, according to the specific terms and conditions detailed in § 3 hereof. Following the above, and subject to the full coverage and payment of said increase, the accounting aggregates will be as follows:

(a) share capital (248.430,00 € + 2.484.300,00 € =) 2.732.730,00 €, therefore half of it amounts to 1.366.365,00 €

(b) nominal value of share € 0.05 per share.

The above corporate act requires a resolution passed by the General Assembly of Shareholders and the amendment of the relevant Article 5 of the company's Articles of Association.

2. Information in the Report

2.1. Information on the account of the fiscal year of the funds raised from the previous increase (§ 4.1.3.13.2.[1a] of the Rulebook of the Athens Stock Exchange)

The previous increase of the share capital has taken place more than 20 years ago, so the account of the fiscal year of the raised funds is no longer required.

2.2. Information on the Company's investment plan, the schedule for its implementation and a detailed breakdown of the destination of the funds (§ 4.1.3.13.2.[1b] of the Rulebook of the Athens Stock Exchange)

The result for the 2021 fiscal year (31.12.2021) is loss-making, amounting to - 2,328,303.00 €, while the result for the period 01.01.2022 - 30.06.2022 is also loss-making, amounting to - 611,801.84 €, and this is due, in addition to the economic crisis that has arisen in Greece in recent years, to the coronavirus pandemic and the war in Ukraine. The above-mentioned events have resulted in: (a) a very large increase in the cost of raw materials (paper), energy costs (electricity, gas), etc., (b) the significant shortening of the time of repayment of the Company's suppliers of raw materials; (c) the further deterioration of financing conditions by banks, which further led to an increase in production costs, decrease in general consumption and consequently to a decrease in production and the Company's general financial results (turnover, losses, lack of liquidity).

To address the above, the Company in the context of its current operation has various current liabilities, some of which are at present due and some others not due, such as the repayment of advances received during the current year from its main parent shareholder HQF, suppliers, creditors, payroll, Greek Government, etc. The proposed amount of the increase, i.e., €2,484,300.00 minus the costs of the issue, will be allocated to the above-mentioned. It is hereby noted that a significant part of this capital will be used to repay a debt of the Company to its main parent shareholder HQF.

The use of the funds is expected to be completed immediately following the raising of the funds from the increase.

2.3. Announcements by the major shareholders on whether or not to maintain their shareholding in the Company (§ 4.1.3.13.2.[1e] of the Rulebook of the Athens Stock Exchange)

The main shareholder of the Company, within the meaning of § 4.1.3.13.2.[1e] of the Rulebook of the Athens Stock Exchange, is the Societe Anonyme under the name Hellenic Quality Foods S.A. and the brand name HQF (General Electronic Commercial Registry No. (G.E.M.I.) 122174507000, TIN 094094130, F.A.E. Athens Tax Office), which holds 74,617 % of the share capital of the Company and which has stated to the Board of Directors of the Company : (i) that it will maintain its shareholding in the Company until the completion of the increase and the listing of the new shares, (ii) that it will maintain its shareholding in the Company for a period of six (6) months after the commencement of trading of the new shares, and furthermore, (iii) that it will also cover any new shares that may remain unsold. With regard to the manner of covering the unsold shares, the Main Shareholder has also stated that it will not exercise its pre-emptive rights. However, it will cover any new shares that may remain unsold after the end of the pre-emptive rights exercise period and the completion of the subscription process.

In more detail, its participation in the increase according to its pre-emptive right amounts to (existing shares 3,707,405 x new 10 shares x €0.05/share =) €1,853,702.50.

The other major shareholder of the Company is Joint Investor Account Ioannis Filippou, holding 10.918%, which has stated to the Board of Directors of the Company that it expects to announce its intentions in relation to the above on the date of the General Assembly, which will decide on the increase of share capital.

2.4. Information on the issue price and whether it may be higher than the market price at the time of the detachment of the preemptive right (§ 4.1.3.13.2.[1f] of the Rulebook of the Athens Stock Exchange)

The issue/allocation price is proposed to be € 0.05 per share and may be higher than the market price at the time of the detachment of the preemptive right.

2.5. Information on the reasons that led the Company's shares to the Under Surveillance Segment, as well as the relevant developments and actions of the Company (§ 4.1.3.13.2.[2] of the Rulebook of the Athens Stock Exchange)

The Company has been classified in the Under Surveillance Segment as of 09.07.2020 pursuant to the resolution of the Listings and Market Operation Committee of the Stock Exchange (§ 3.1.2.2.4. of the Rulebook of the Athens Stock Exchange) because the annual financial report for 2019 fiscal year showed losses greater than 30 % of equity.

Since then, the Company's financial situation has deteriorated. To this, the following have contributed in addition to the above-mentioned (in § 2.2.): the successive crises (economic crisis due to the memoranda of understanding, the COVID-19 pandemic, the increase in the cost of energy, raw materials, etc., the reduction of credit period, the deterioration of financing conditions by banks), which resulted in an increase in production costs, a reduction in consumption in general and consequently a reduction in production and the Company's overall financial result (turnover, losses, lack of liquidity), as well as the recent war in Ukraine, which continues having a negative impact on the Greek economy in general.

With regard to the Company's developments and actions, we note that the main pillars of the strategic planning consist in the consolidation of the commercial policy, the continuous improvement of the products produced (cartons) with emphasis on innovation, and the combination of quality and cost-effective solutions, offering to customers the cartons that they need which suit their modern needs, the simplification of structures in order to make the Company's operation more efficient and effective, the strengthening of trust between the Company and its customers, the improvement of its market shares

and the more effective utilization of the Company's resources. The Management is firmly committed to the implementation of its strategic plan, evaluating each time the ever-changing economic facts, so as to redefine its needs whenever necessary.

In the current fiscal year, international uncertainty remains, and it cannot be safely predicted if and when the Company will emerge from the Under Surveillance Segment.

3. It is therefore proposed to increase the Company's share capital under the following terms and conditions:

3.1. to increase the share capital of the Company by the amount of €2,484,300.00 in cash, by issuing 49,686,000 new dematerialized registered shares, with voting rights, with a nominal value of €0.05 each, at a price of €0.05 per share, which may be higher than the stock exchange price at the time of the detachment of the pre-emptive right, with a pre-emptive right granted to the existing shareholders, and the admission of the above shares to trading on the Athens Stock Exchange.

3.2 The holders of pre-emptive rights to the increase will be entitled to acquire new shares at a ratio of ten (10) new shares for every one (1) existing share of the Company.

3.3 The deadline for payment of the increase in cash shall not exceed 4 months from the date of registration of the resolution of the General Assembly of the Shareholders in the General Electronic Commercial Registry (article 20 § 2 of Law 4548/2018).

3.4 The deadline for the exercise of the pre-emptive rights of existing shareholders to acquire new shares shall be 14 days and shall be granted to (a) all shareholders of the Company registered in the records of the Dematerialized Securities System (DSS), managed by the "Hellenic Central Securities Depository SA" (ATHEXCSD) on the record date according to article 5.2. of the Rulebook of the Athens Stock Exchange, provided that they hold such rights at the time of their exercise, and (b) those who acquire pre-emptive rights during the trading period of such rights on the Stock Exchange. The pre-emptive right is transferable and will be traded on ATHEX up to three (3) business days prior to the expiry of the exercise period.

3.5 Persons who have fully exercised the pre-emptive rights held by them to acquire New Shares that may remain unsold after the timely exercise or extinguishment of the pre-emptive rights will be entitled to pre-register. The subscription right may be exercised for the acquisition of unsold shares not exceeding 100% of the number of New Shares resulting from the exercised pre-emptive rights of the person exercising them.

3.6 In the event unsold shares remain, despite the exercise of the above-mentioned preemptive rights and subscription rights, the Board of Directors of the Company is authorized in accordance with article 26 § 4 of Law 4548/2018, to freely dispose of them through a private placement (i.e. through a procedure that does not constitute a public offer within the meaning of Regulation 1129/2017) at a price that will not be less than the offering price, otherwise the share capital of the Company shall be increased only by the amount of the final coverage in accordance with article 28 of Law 4548/2018, as such is in force (possibility of partial coverage).

3.7 Not to issue fractions of the new shares and the holders of the new shares to be entitled to dividends from the profits for the fiscal year 01.01.2022 - 31.12.2022 and thereafter, in accordance with the applicable legislation and the Company's Articles of Association, provided that the Company's Ordinary General Assembly of the Shareholders resolves to distribute dividend for said fiscal year and provided that the new shares have been credited to the beneficiaries' DSS accounts on the ex-dividend date.

3.8 As a result of the increase, and provided that it is fully covered, the share capital will amount to (€ 248,430.00 + € 2,484,300.00 =) € 2,732,730.00, divided into 54,654,600 ordinary registered shares of a nominal value of € 0.05 each.

3.9 To grant authorization to the Board of Directors of the Company with the right of sub-delegation to any of its members or employees of the Company in order for it to, among other things: (a) determine the pre-emptive rights ex-date, the period of trading and exercise of the pre-emptive rights, the expiration of the payment deadline, and (b) in general, take all necessary actions and regulate the details of the aforementioned increase and the admission of the new shareholders to trading on the Stock Exchange.

The above corporate action requires the passing of a resolution by the General Assembly of the Shareholders and the amendment of the relevant article 5 of the Company's Articles of Association.

Magoula 25.11.2022

The Board of Directors of VIS S.A.