A N N U A L

F I N A N C I A L R E P O R T

for the fiscal year

1 January 2019 – 31 December 2019

According to article 4 of Law 3556/2007

VIS CONTAINERS MANUFACTURING S.A.
GENERAL ELECTRONIC COMMERCIAL REGISTRY No: 122838007000
(Serial No.: 6055/06/B/86/133)
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1. Statements by the Members 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
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 financial statements of the company under the name "VIS CONTAINERS MANUFACTURING SA" concerning the fiscal year January 1, 2019 – December 31, 2019, which have been drawn up according to the applicable International Financial Reporting Standards truly depict the items of the assets and liabilities, the net book value and the profit and loss account of the Company.

b. The Board of Director's annual report truly depicts the Company's development, achievements and position, including the description of the main risks and uncertainties the company faces.

Magoula, 22 June 2020

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 Auditors' Report

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

<u>Auditor's Report on Financial Statements</u>

Opinion

We have audited the accompanying financial statements of the Company under the name «VIS CONTAINERS MANUFACTURING S.A.» (the Company), which comprise the balance sheet as at 31 December 2019, the income statements and other total income, changes in equity and cash flows for the year then ended, as well as a summary of important accounting principles and methods and other explanatory information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the company under the name «VIS CONTAINERS MANUFACTURING S.A.» as at 31 December 2019, its financial performance and its cash flows for the year then ended in accordance in accordance with International Financial Reporting Standards, as adopted by the European Union.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing that have been incorporated into Greek Law. Our responsibilities, according to these standards, are further described in the paragraph of our Report "Auditor's Responsibility for the Audit of Financial Statements". Throughout our appointment, we have been independent of the Company in accordance with the Code of Conduct for Professional Auditors of the Board of International Standards of Auditors as incorporated in the Greek Legislation and the ethical requirements relating to the audit of financial statements in Greece and we have fulfilled our ethical obligations according to the requirements of the applicable legislation and the abovementioned Code of Conduct. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most important audit issues

The most important audit issues are those issues that, in our professional judgment, were of paramount importance in our audit on the financial statements of this fiscal year. These issues and the related risks of substantive inaccuracy were addressed in the context of the audit of financial statements as a whole, in order to form our opinion on them and we do not express a separate opinion on these issues.

Audit Issue

Recoverability of commercial receivables (notes 5.5 and 5.8.6).
Financial statements include commercial receivables amounting to € 6,276,538 for which accrued depreciation equal to € 468,899 has been recognized. Our audit of commercial receivables focused on the internal controls used by management to monitor them, the guarantees received, and the confirmation of balances by directly addressing letters to debtors and collection after the date of financial statements.

Other information

Management is responsible for other information. Other information is included in the Report of the Board of Directors, to which reference is made in the "Report on Other Legal and Regulatory Requirements", to the Statements of the Members of the Board of Directors, but do not include the financial statements and the auditor's report.
Our opinion on the financial statements does not cover other information and we do not reach any conclusion on it.

In relation to our audit on the financial statements, our responsibility is to read the other information and, thus, examine whether other information is essentially inconsistent with the financial statements or with the knowledge we acquired during the audit or whether they seem to present material error. If, on the basis of the work we have carried out, we conclude that there is material error in this other information, we are obliged to report this. We have nothing to report thereupon.

Management Responsibilities for Financial Statements

Management is responsible for the preparation and fair presentation of the Financial Statements in accordance with the International Financial Reporting Standards, as such have been adopted by the European Union, as well as those for internal controls that management deems necessary to enable preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the ability of the Company to continue its business by disclosing, where applicable, issues relating to the continuing activity and the use of the accounting base of going concern, unless the management either intends to liquidate the Company or cease its activity or has no other realistic alternative than proceeding with these actions.

The Audit Committee (art. 44 of Law 4449/2017) of the Company is responsible for supervising the financial reporting process of the Company.

Auditor’s Responsibility for the Audit of the Financial Statements

Our goal is to obtain reasonable assurance that the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. The reasonable assurance is a high level of assurance, but it is not a guarantee that the audit carried out in accordance with the International Standards on Auditing, as incorporated into the Greek Legislation, will always detect a material error when it exists. Errors may result from fraud or error and are considered material when they could, individually or collectively, be reasonably expected to affect the economic decisions made by users based on these Financial Statements.

Within the duty of our audit, according to the International Standards on Auditing, as incorporated in the Greek Legislation, we exercise a professional judgment and maintain professional scepticism throughout the audit. Moreover:

- We identify and evaluate the risks of material misstatement in the Financial Statements, whether due to fraud or error, by designing and performing audit procedures that respond to those risks, and we obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of failing to detect a material error due to fraud is higher than that due to error, as fraud can involve collusion, forgery, deliberate omissions, false assurances or bypassing internal control.

- We understand control-related internal controls that are designed to plan audit procedures appropriate to the circumstances, but not to express an opinion on the effectiveness of the Company’s internal control.

- We assess the appropriateness of the accounting principles and methods used and the reasonableness of accounting estimates and relevant disclosures made by the management.

- We express our opinion on the appropriateness of the management's use of the going concern basis and based on the audit evidence obtained about whether there is material uncertainty about events or circumstances that may indicate material uncertainty as to the Company's ability to continue their activity. If we conclude that there is material uncertainty, we are required, in the auditor's report, to draw the attention to the relevant disclosures in the Financial Statements or, in case these disclosures are insufficient, to differentiate our opinion. Our findings are based on audit evidence obtained until the date of the auditor's report. However, future events or conditions may cause the Company to cease to operate as a going concern.

- We assess the overall presentation, structure and content of the Financial Statements, including disclosures, and also whether the Financial Statements depict the underlying transactions and events in a manner that achieves fair presentation.

Among other issues, we report to the management, the scope and timing of the audit, as well as important audit findings, including any material deficiencies in internal control that we identify during our audit.

Moreover, we state to the management that we have complied with the relevant ethical requirements for independence and inform them of all relations and other issues that may reasonably be considered to affect our independence and the relevant safeguards, where appropriate.

Among the issues addressed to the management, we identify those issues that were of paramount importance for the audit of the financial statements of the fiscal year which, thus, constitute the most important audit items.

<u>Report on Other Legal and Regulatory Requirements</u>

1. **Report of the Board of Directors**
   Considering that the management is responsible for the preparation of the Report of the Board of Directors and the Statement of Corporate Governance include therein, pursuant to the provisions of paragraph 5 of Article 2 (Part B) of Law 4336/2015 we note that:
   a) The Report of the Board of Directors includes a Statement of Corporate Governance, which provides the information set out in article 152 of Law 4548/2018.
   b) In our opinion, the Report of the Board of Directors has been prepared in accordance with the applicable legal requirements of article 150 and paragraph 1 (cases c and d) of article 152 of Codified Law 4548/2018, and its content corresponds to the attached financial statements for the year ended on 31/12/2019.
   c) Based on the knowledge we acquired during our audit about the Company under the name «VIS CONTAINERS MANUFACTURING S.A.» and its environment, we have not identified material misstatements in the Report of the Board of Directors.

2. **Additional Report to the Audit Committee**
   Our opinion on the attached financial statements is consistent with our Additional Report to the Company's Audit Committee, provided for in Article 11 of Regulation (EU) No 537/2014.

3. **Provision of non-audit services**

We have not provided the Company with non-audit services that are prohibited under Article 5 of the European Union (EU) Regulation no. 537/2014.

4. Appointment of Auditor

We were appointed for the first time as Certified Public Accountants by virtue of resolution passed on 30/06/2012 by the annual ordinary general assembly of shareholders. Since then, our appointment has been continuously renewed for a total period of 8 years based on the annual resolutions of the Ordinary General Assembly.

5. Equity and relevant requirements of Law 4548/2018

Note 5.8.9 on the Financial Statements, refers to the fact that the Total Equity of the Company, on December 31, 2019 is less than half (1/2) of the Share Capital and, consequently, the cases for application of paragraph 4 of article 119 of Law 4548/2018 apply according to which the Board of Directors is obliged to convene the General Assembly in order to resolve on the adoption of appropriate measures.

Athens, 23 June 2020
THE CERTIFIED PUBLIC ACCOUNTANT AUDITOR

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Business advisory

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Certified Public Accountants
124 Kifisias Ave., 115 26 Athens
Institute of CPA (SOEL) Reg. No.132

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3. Report of the Board of Directors of “VIS CONTAINERS MANUFACTURING SA”

To the Annual General Assembly of the Shareholders of the Company

Dear Sirs,

According to the provisions of article 43[a] § 3 and 4 of codified law 2190/1920, of article 4 § 2[c], 6, 7 & 8 of law 3556/2007, of article 2 of Resolution No. 7/448/11.10.2007 passed by the Capital Market Commission and the Company’s Articles of Association, we hereby submit to you the Board of Directors’ Report for the fiscal year January 1, 2019 – December 31, 2019, which includes the audited financial statements and the notes on the financial statements, as well as the auditor’s report.

We briefly present herein information about “VIS CONTAINERS MANUFACTURING SA”, financial data aiming at providing general information to the shareholders and the investors about the financial situation and the results, the general course and the changes that took place during the fiscal year under examination (01/01/2019 – 31/12/2019), the important events and their impact on the financial statements of the above period. Moreover, we describe the main risks and uncertainties the Company may encounter in the future, and we present the main transactions that took place between the issuer and its connected persons.

A. Financial developments and achievements in 2019

A1. Report of the fiscal year 1/1/2019 – 31/12/2019

The Company continued its course amid the unstable climate of the Greek economy. Turnover decreased by 15.2%, while gross profits before depreciation as a percentage of turnover increased to 10.8% from 9.8%.

Below are some items in the statement of comprehensive income.

The turnover of the company in 2019 amounted to € 14,373,375 compared to € 16,957,556.64 in 2018 recording a decrease of 15.2%.

Gross profit before depreciation amounted to € 1,558,183 versus € 1,658,154 in 2018 recording a decrease of 6.03%. Earnings before interest, tax and depreciation (EBITDA) amounted to a loss of € 979,733 against loss of € 1,142,465.63 in 2018.
Results before taxes amounted to losses of € 2,807,572 against losses of € 2,911,403 in 2018 and losses after taxes amounted to € 2,625,426 against losses of € 2,571,045 in 2018.

On 31 December 2019, Total Equity was less than half (1/2) of the Share Capital and, consequently, the cases for application of paragraph 4 of article 119 of Law 4548/2018 apply. The Board of Directors, in accordance with the provisions of this paragraph, shall timely refer said item to the ordinary general assembly of the shareholders.

For more complete information on the operations of the year 2019, we hereby present indicators regarding the development of economic aggregates:

A2. Performance Indicators

The Company uses key performance 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 cash flow statement. These indicators are set out below, and should be read in conjunction with the financial statements, while the amounts used in them arise from the financial statements of the current and previous fiscal years.

- Working capital index

	2019 Fiscal Year		2018 Fiscal Year	
WORKING CAPITAL	-2.294.921,20	-7,35%	438.871,98	1,29%
TOTAL ASSETS	31.242.016,32		34.090.633,10	

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

	2019 Fiscal Year		2018 Fiscal Year	
TOTAL LIABILITIES	25.607.737,97	4,54	25.829.663,54	3,13
EQUITY	5.634.278,35		8.260.969,56	

This indicator reflects the ratio of equity to the company's foreign capital used by management to determine the level reached by capital leverage.

- Current Liquidity Ratio

	2019 Fiscal Year		2018 Fiscal Year	
CURRENT ASSETS	9.947.238,42	0,81	12.070.385,03	1,04
SHORT – TERM LIABILITIES	12.242.159,62		11.631.513,05	

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

	2019 Fiscal Year		2018 Fiscal Year	
LONG – TERM LOANS	8.125.563,99	144,22%	8.712.604,99	105,47%
EQUITY	5.634.278,35		8.260.969,56	

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

- Return on equity

	2019 Fiscal Year		2018 Fiscal Year	
PROFITS AFTER TAXES	-2.625.425,75	-46,60%	-2.571.045,01	-31,12%
EQUITY	5.634.278,35		8.260.969,56	

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

	2019 Fiscal Year		2018 Fiscal Year	
GROSS PROFITS	534.486,86	3,72%	708.156,97	4,18%
TOTAL SALES	14.373.375,34		16.957.556,64	

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.

- Operating result to sales ratio

	2019 Fiscal Year		2018 Fiscal Year	
Earnings before interest and taxes (EBIT)	-2.003.428,56	-13,94%	-2.092.462,63	-12,34%
TOTAL SALES	14.373.375,34		16.957.556,64	

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

- EBITDA to sales

	2019 Fiscal Year		2018 Fiscal Year	
Earnings before interest, tax and depreciation (EBITDA)	-979.732,87	-6,82%	-1.142.465,63	-6,74%
TOTAL SALES	14.373.375,34		16.957.556,64	

- Working capital ratio

	2019 Fiscal Year		2018 Fiscal Year	
TOTAL SALES	14.373.375,34	-6,26	16.957.556,64	38,64
WORKING CAPITAL	-2.294.921,20		438.871,98	

This indicator shows how many net sales EUR is made by the company for each euro of net working capital that was not funded by short-term creditors.

A3. Cash Flow Items

<u>Net cash flows from operational activity:</u>

Net cash flows from operational activity:
The company's net cash flows from operating activity amounted to € 1.014 thousand in 2019 against € 94.9 thousand in the previous year of 2018.

<u>Net cash flows from investment activity:</u>

The Company's investment outflows relating to the purchase of tangible assets amounted to € 195 thousand in the current fiscal year against € 210 thousand in the previous fiscal year. Thus, total cash flows for investment activity appear to be reduced by € 15 thousand as compared to the previous fiscal year.

Net cash flows from financing activity:

The financial inflows of the company amounted to € 820 thousand compared to € 74 thousand in 2018.

B. Alternative Performance Indicators

The management of the Company monitors the following performance indicators:

B1. 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 - € 980 thousand in 2019 compared to - € 1,142 thousand in 2018, marking an increase of 14.24%.

B 2. 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 - € 2,003 thousand in 2019 compared to - € 2,092 thousand in 2018, recording an increase of 4.25%.

B3. 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 Indicator was formed in 2019 at 18.04% from 24.24% in 2018.
The deterioration of the indicator is due to the reduction of Equity by € 2,627 thousand in combination with the reduction of Assets (excluding cash) by € 2,847 thousand.

B4. 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 amount to 0.51 in 2019 compared to 0.54 in 2018.
The decrease in the indicator is justified by the decrease in sales in 2019 by € 2,584 thousand in combination with the decrease in the sum of the three assets items by € 2,425 thousand in total.

B5. 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 indicator amounted in 2019 to 69.91% from 62.55% in 2018.
The increase in the indicator is mainly due to the reduction of equity by € 2,627 thousand in combination with the reduction of loan liabilities by € 708 thousand.

C. Significant events after the date of the balance sheet

Regarding the pandemic of covid-19 virus, the management of the Company has been monitoring the developments since the beginning of the year 2020, following the instructions of the competent state authorities, taking the necessary measures, with the primary goal of ensuring the safety of its employees and the continuation of its business activity.
The Company continued its normal operation by making purchases from suppliers, sales to customers and by paying its liabilities.
Nevertheless, the future results of the Company's work will depend on eventual new decisions of the state authorities for dealing with the pandemic and therefore, any eventual economic consequences of the pandemic cannot be reliably assessed at this time.

D. Risks and uncertainties

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 are usually made at fixed interest rate. On December 31, 2019, 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 balance sheet are broken down as follows:

	31.12.2019	31.12.2018
Non-current assets		
Financial assets at fair value through other comprehensive income	2.565.180,00	2.565.180,00
Total	**2.565.180,00**	**2.565.180,00**
Current Assets		
Customers and other commercial receivables	6.276.537,50	8.213.978,99
Cash and cash equivalents	11.568,27	12.863,20
Total	**6.288.105,77**	**8.226.842,19**
TOTAL FINANCIAL INSTRUMENTS	**8.853.285,77**	**10.792.022,19**

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 that have not been previously impaired 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 an rolling period of 30 days. The long term liquidity needs for the following 6 months and the following year are determined monthly.

The capitals for the long term liquidity needs are additionally ensured by an adequate amount from loans.

The total financial liabilities amounting to € 17.682.174,85 on December 31, 2019 shall be settled as follows: € 4.823.754,48 within 6 months, € 4.482.893,21 from 6 to 12 months and € 8.375.527,16 from 1 to 5 years.

The respective total financial liabilities amounting to € 17.853.088,63 on December 31, 2018 were settled as follows: € 4.189.437,58 within 6 months, € 4.701.082,89 from 6 to 12 months and € 8.962.568,16 shall be settled from 1 to 5 years.

Other risks

The decision of the UK on Brexit, does not pose any risk to the Company.

E. Foreseen course and development

Not only the economic climate in the domestic market has not improved, but the continuing recession combined with unpredictable market developments due to the pandemic is extremely difficult to make predictions about the company's course for 2020. A key priority for the company's management is to maintain its healthy clientele and make efforts to improve sales by adding new clients in the coming year so that the key ratios (earnings before taxes / sales, Net Profit after Tax / Sales, Mixed Results / Sales, EBITDA / Turnover) are better than the year-end results at 31/12/2019.

F. 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.

In the year 2019 the following transactions were made:

Sales of finished goods and merchandise to HQF € 2.343.173 in 2019 versus €2.486.654 in 2018.
Sales of rents worth €13.682 in 2019 versus €13.283 in 2018.
Purchases of tangible assets amounting to €150.582 in 2019, versus €174.034 in 2018.
Purchases of rents amounting to € 100.209 in 2019 against €100.209 in 2018.
Purchases of services amounting to € 595.701 in 2019 against € 591.265 in 2018.

Balance of trade receivables between VIS and connected company HQF amount to € 855,125 on 31/12/2019 against receivables amounting to € 1,779,118 on 31/12/2018.

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 € 249,749 and cover the period 1/1/2019 - 31/12/2019 as opposed to € 321,235 paid during the previous fiscal year.

There were no receivables or liabilities to and from the members of the Board of Directors and the company executives on 31/12/2019.

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

G. Environmental and work issues

Personnel
The company's management is based on a group of experienced and capable executives, who know in depth their field of work and the market conditions, contributing, thus, to its smooth operation and development. Given the present working conditions the company's executives and personnel co-operate harmonically both with each other and with the general management. The company's infrastructure allows for the immediate substitution of an executive without material impact on the course of its business.

Environmental Issues

The company's industrial installations operate within the limits of the environmental conditions stipulated by the applicable legislation, holding the special permit to this end.
The produced products are environmental friendly, given that they are fully recyclable. Moreover, their recycling produces the raw material for one of the company's plants that of production of paper.

H. Dividends policy

The total results after taxes for the year 2018, taking into account the balance of the results of previous fiscal years, shows losses in the "results brought forward" account of 31.12.2019 amounting to € 10,825,183.31.
The extraordinary general assembly of the company's shareholders of 21 January 2008 approved the final list of the former preferred shareholders entitled to a cumulative dividend of € 249,963.17 and decided the payment of said cumulative dividend interest free in the next profit generating fiscal year, provided that the law allows the distribution of profits. The aforementioned net cumulative dividend sum and its corresponding tax liability were presented in the financial statements of the fiscal year 2008 with a charge on the "results brought forward" account equal to € 333,284.23.

I. Additional information according to article 4 § 7 of law 3556/2007

I1. Structure of the Company's share capital

The Company's share capital amounts to € 14.309.568,00 and is divided into 4.968.600 common registered shares (with voting right) of a nominal value of € 2,88 each (article § 5.2.13. of the articles of association). All company shares are listed at the Athens Exchange and are traded in the Mid and Small Cap Market.

I2. Limitations in the transfer of Company shares

No case of limitation succors in the transfer of company shares, according to the articles of association and all transfers are made pursuant to the law.

I3. Important direct or indirect participation in the sense of the provisions of articles 9 - 11 of law 3556/2007

1) The company under the name "HELLENIC QUALITY FOODS S.A.", and the brand name "HQF" held on 31/12/2019 a percentage in excess of 5% of the total shares of the Company (VIS S.A.), i.e. 74,62%.
2) On 31/12/2019, the Company (VIS S.A.) participated with 2,09% in the share capital of the parent company HELLENIC QUALITY FOODS S.A.

I4. Shares granting special rights of control

No case of company shares granting special rights of control succour.

I5. Limitation in the voting rights

No case of limitation of the voting rights succours.

I6. Agreements among Company shareholders

No such agreements among shareholders are foreseen in the articles of association nor are they known to the company.

I7. Rules concerning the appointment and replacement of the members of the Board of Directors and amendment of the articles of association

No case of rules included in the company's articles of association, which are different from the provisions of law 4548/2018, succours.

I8. The competence of the Board of Directors or of certain members of the Board of Directors to issue new shares or to purchase own shares

No such case succours.

I9. Important agreements which come into force, are amended or expire in case of change in the control of the company following public proposal.

The agreements of bonded loans of the issuing company, VIS S.A., under the organization of Alpha Bank S.A. foresee the non-change of the proprietary status of the company, i.e. that the percentage held by the Ioannis Filippou family on the Share Capital should never be lower that 51%, which could result in the loss of the direct or indirect control of the company.

I10. Agreements entered into by the company with members of its board of directors or its personnel

No such case succours.

I11. Explanatory report on the additional information of article 4 § 8 of law 3556/2007

With regard to the information contained in section G, we hereby note as follows:

By virtue of resolution dated 13/1/2017 passed by the extraordinary general assembly of the Company shareholders, a new Board of Directors was appointed which was constituted into a body on the same date and consists of the following persons:
1.Dimitrios Filippou, son of Ioannis, Chairman and Managing Director – executive member.
2. Georgios Hadjivassileiou, son of Vassileios, Vice - Chairman – Secretary of the Board and CEO – executive member.
3.Athanasios Djidjaras, son of Konstantinos, Member – executive member.
4.Kyriakos Soupionas, son of Evaggelos, Member – executive member.
5. Fokion Tsintos, son of Anastasios, Member – non-executive member.
6.Georgios Bafilias, son of Michail, independent non-executive member.
7.Ioannis Granitsas, son of Georgios, independent non-executive member.

The term of office of the above Board of Directors is for five years.

J. Corporate Governance Statement
(this statement is drawn up in accordance with article 152 of law 4548/2018 and forms part of the Annual Report of the Company's Board of Directors).

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Introduction

By corporate governance we mean the way companies are managed and controlled. Corporate governance involves a set of relationships between a company's management, its board, its shareholders and other stakeholders. Corporate governance also provides the structure by which the objectives of the company can be discussed and set, the means of attaining the corporate objectives determined and management's performance in respect thereof monitored. Effective corporate governance plays an essential and pivotal role in promoting business competitiveness, while the increased transparency promotes results in enhanced transparency across the economy as a whole and affects the quality of all private and public institutions.

1. Code of Corporate Governance

1.1. Notification of Voluntary Compliance of the Company with the Code of Corporate Governance.

Until the publication of Law 3873/2010, the company applied the principles of corporate governance, mainly through the adoption of mandatory rules laid down by relevant legislation, such as Law 4548/2018 "Reformation of law on societes anonymes", Law 3016/2002 imposing the participation of non - executive and independent non - executive members in the board of directors of listed companies, the establishment and operation of an internal audit department and the adoption of an operating regulation, Law 3693/2008 which required the establishment of an audit committee and Law 3884/2010 regarding shareholder rights and additional corporate disclosures to shareholders in preparation for the General Meetings.

Following the publication of Law 3873/2010 and the Corporate Governance Code (drafted by the Hellenic Federation of Enterprises (SEV), the company, in order to fully comply with the Law, decided to apply the specific code on matters concerning it.

The Company has adopted the Hellenic Corporate Governance Code that replaces the Corporate Governance Code of SEV for listed companies (October 2013). This Code can be found at the following address:
http://www.sev.org.gr/Uploads/pdf/kodikas_etairikis_diakivernisis_GR_OCT2013.pdf

According to this code, our company belongs to smaller companies and complies with its general principles.

1.2. Deviations from the Code of Corporate Governance and their justification. Specific provisions of the Code that the Company does not apply and explanation of the reasons for non-application.

The Company hereby certifies that it faithfully and rigorously applies the provisions of the Greek legislation (Codified Law 4548/2018, Law 3016/2002 and Law 3693/2008) which set out the minimum requirements that any Corporate Governance Code implemented by a Company whose shares are traded on a regulated market must fulfil. These minimum requirements are incorporated into the above Corporate Governance Code (SEV) to which the Company is subject. However this Code also contains a set of additional (to the minimum requirements) specific practices and principles. As far as said specific practices and principles are concerned, there are, at present time, certain deviations (including instances of non-application). With regard to such deviations, please find hereinafter a brief analysis, as well as an explanation of the reasons justifying them.

Part A - The Board of Directors and its Members
I. Role and responsibilities of the Board of Directors
The Board of Directors has not established a separate committee, which is in charge of the procedure for submitting nominations for election to the Board of Directors and prepares proposals to the Board of Directors, as regards the remuneration of executive board members and key senior executives, since the Company's policy in relation to these fees is fixed and shaped.

II. Size and composition of the Board of Directors
- The Board of Directors does not consist of seven (7) to fifteen (15) members but of three (3) to nine (9) members as the size and organization of the Company do not justify the existence of such a large board.
- The Board of Directors is not composed of a majority of non-executive members, but consists of four (4) executive and three (3) non-executive members. This particular balance has ensured over the last years the efficient and productive operation of the Board of Directors, observing the stipulations of law 3016 / 2002.

III. Role and profile of the Chairman of the Board of Directors
- there is no explicit distinction between the responsibilities of the Chairman and those of the Managing Director, nor is it deemed appropriate to have such a distinction in view of the organizational structure and operation of the Company.
- the Board of Directors does not nominate one of its independent members as independent Vice-Chairman but appoints an executive Vice - Chairman, since it deems important that the Vice Chairman assists the Chairman of the Board of Directors in the exercise of his executive functions.

IV. Duties and conduct of Board Members
- the Board of Directors has not adopted, as part of the Company's internal regulations, policies for managing conflicts of interest between its members and the Company, as these policies have not yet been developed. In any case, however, the Articles of Association of the Company provide that it is forbidden to the members of the Board of Directors and to the Directors of the Company to pursue, in a professional manner, on their own behalf or on

behalf of third parties, without the permission of the General Meeting, any of the objectives of the company or to participate as general partners in companies pursuing such objectives.
- there is no obligation to disclose in detail any professional commitments of the members of the Board of Directors (including significant non-executive commitments to companies and non for profit organizations) prior to their appointment to the Board of Directors.

V. Nomination of Board Members
- the maximum term of office of the members of the Board of Directors is not four years, but longer (five) being extended until the first Ordinary General Meeting after the expiry of their term of office, but, in no case, can it exceed six years, in order not to have the need to elect a new Board in shorter time intervals, resulting in extra formalities (legalization before third parties, etc.)
- there is no nomination committee for the Board of Directors, given that, due to the structure and operation of the Company, this committee is not considered as necessary at this time.

VI. Functioning of the Board of Directors
- there is no specific regulation of the Board of Directors, as the provisions of the Company's Articles of Association are assessed as sufficient for the organization and operation of the Board of Directors.
- the Board of Directors at the beginning of each calendar year does not adopt a calendar of meetings or a 12-month action plan which may be revised according to the needs of the Company given that it is easy for the Board to convene and meet when the Company's needs or the law so require, without the existence of a predetermined action plan.
- there is no provision that the Board of Directors should be assisted by a competent suitably qualified and experienced company secretary, given that the technological infrastructure for the accurate recording of the meetings of the Board of Directors is in place.
- there is no obligation to hold meetings, on a regular basis, between the Chairman of the Board of Directors and its non-executive members without the presence of executive members to discuss the performance and remuneration of the latter, as all relevant issues are discussed in the presence of all members of the Board of Directors, without the existence of obstacles among them.
- there is no provision for induction programs for new members of the Board of Directors or for continuing professional development and training programs for the other members, given that the persons nominated for election have sufficient and proven experience and organizational - administrative skills.
- there is no provision for providing sufficient resources to the Board of Directors Committees to undertake their duties or to engage external professional advice to the extent needed, given that the relevant resources are approved, on a case by case basis, by the Company's management according to the company's needs from time to time.

VII. Board of Directors Evaluation
- there is no institutionalized procedure for evaluating the performance of the Board of Directors and its committees or the performance of the Chairman of the Board of Directors under the chairmanship of the independent Vice-Chairman or another non-executive member of the Board of Directors in the absence of an independent Vice- Chairman. This procedure is not considered necessary on the basis of the organizational structure of the Company.

Part B - Internal Control

I. Internal Control – Audit Committee

- there is no special and specific operating regulation of the Audit Committee, given that the basic tasks and responsibilities of said Committee are adequately specified by the provisions in force,
- no specific funds are available to the Committee for using external consultancy services given that the composition of the Committee and the expertise and experience of its members ensure its effective operation.

Part C - Remuneration

I. Level and Structure of Remuneration

- there is no remuneration committee, consisting exclusively of non-executive members, most of them independent, whose purpose is to determine the remuneration of the executive and non-executive members of the Board of Directors, and, therefore, there are no arrangements for the duties of that committee, the frequency of its meetings and other matters relating to its operation. The establishment of this Committee, in view of the structure and operation of the Company, has not been considered necessary so far,
- the agreements of the executive members of the Board of Directors do not set out that the Board of Directors may require the reimbursement of the bonus, in whole or in part, awarded due to revised financial statements of previous fiscal years or, in general, based on incorrect financial data used to calculate such bonus given that any bonus rights mature only after the final approval and audit of the financial statements,
- the remuneration of each executive member of the Board of Directors is not approved by the Board of Directors upon proposal of the Remuneration Committee, without the presence of its executive members, given that there is no remuneration committee.

Part D – Relations with Shareholders

I. Communication with Shareholders

- no deviation.

II. The General Meeting of Shareholders

- no deviation.

1.3. Corporate governance practices applied by the Company in addition to the provisions of the law.

The Company, in respect of Corporate Governance, faithfully applies the provisions of the mandatory rules laid down, from time to time, by the relevant legislation and does not follow any applicable practices in addition to the provisions of the Law.

2. Board of Directors

2.1 Composition and manner of operation of the Board of Directors

2.1.1. The Company is governed, in accordance with Article 15 of this Articles of Association, by a Board of Directors consisting of three (3) up to nine (9) directors, shareholders or even non-shareholders, including company employees. The election of foreigners as members of the Board of Directors is allowed up to the number of one (1) member. The members of the Board of Directors are elected by the General Meeting of Shareholders by an absolute majority, always an odd number of members, and their term of office is five (5) years extended until the first ordinary General Meeting after the expiry of their term, but under no circumstances may it exceed six years. Members of the Board of Directors may be re-elected or re-appointed and are freely revocable. The election of the Board of Directors is made by the General Assembly by secret ballot, except in cases where the law allows otherwise. Upon five (5) business days from its election, the Board of Directors meets, is constituted into a body and elects a Chairman, one (1) or two (2) Vice Chairmen and one (1) Managing Director, sets out their competencies and whether they shall act jointly or separately. The capacity of Chairman or Vice Chairman may coincide with the position of Managing Director. The Chairman of the Board of Directors calls the meetings, attends and chairs them. In case of absence or impediment, the Chairman is substituted in all responsibilities by the Vice Chairman or the Managing Director and / or, by decision of the Board of Directors, another Member. If, for any reason, a position of a member of the Board of Directors becomes vacant, the remaining members, provided they are at least three (3), elect substitute temporary members for the remainder of the term of office, whose election is submitted for approval to the next ordinary General Meeting. The actions of the temporary member are valid even if his election is not approved by the General Meeting.

2.1.2. The Board of Directors meets whenever the law, the Articles of Association or the needs of the company so require. The Chairman of the Board of Directors calls the meetings, attends and chairs them. In case of absence or impediment, the Chairman is substituted in all responsibilities in the following order: by the Vice Chairman, the Managing Director and / or, by special decision of the Board of Directors, another Member. The Board of Directors shall be convened at the discretion of the Chairman or his substitute, upon invitation, which is communicated to the members, in any expedient way, at least two (2) business days prior to the meeting. Said invitation lists the items on the agenda, otherwise resolutions may be passed only if all members of the Board of Directors are present or represented and nobody objects to the passing of resolutions. The meeting of the Board of Directors may be called by two (2) of its members by request submitted to its Chairman or his substitute, who are obliged to convene the Board of Directors within seven (7) days from the submission of the request. The request must, under penalty of inadmissibility, clearly state the items that the Board of Directors will be dealing with. If the Board of Directors is not convened by the Chairman or his substitute within the above deadline, the members who have requested the convocation may call the Board of Directors within five (5) days from the expiration of the above seven (7) days deadline, communicating the relevant invitation to the other members of the Board of Directors. Meetings of the Board of Directors are normally held at the seat of the company. By way of exception the meeting may take place in any of the Municipalities of Athens, Kifissia, Metamorfosi or Filothei or in the Community of Ekali. The Board of Directors may also meet in other places, whether in Greece or abroad, if all its members are present or represented at that meeting and none of them objects to the meeting taking place and the passing of resolutions. The unjustified abstention of any member of the Board of Directors, including the Chairman, Vice Chairman and Managing Director for six (6) months in a row, shall be equivalent to resignation and shall be deemed to have been effected once the Board of Directors has accepted it and communicated this decision to the member. The Board of Directors may also meet by videoconference as per § 4 of article 90 of Law 4548/2018, as such is in force, and in observation of any minimum security requirements to be set out. In this case, the invitation to the members of the Board of Directors shall include the information necessary for the members' participation in the meeting. Such participation must, at least, be through audio systems. In case of absence or impediment of any Member, said member may be represented at the meetings of the Board of Directors by another member of the Board of Directors holding a written proxy. Each member of the Board of Directors may represent up to one (1) Member.

2.1.3. The Board of Directors is in quorum and validly meets when half (1/2) of the total number of its members plus one is present or represented. In order to find the quorum, any fraction is omitted. Decisions of the Board of Directors are taken by an absolute majority of the members present and represented, with the exception of decisions on the matters referred to in sub-paragraph 6.2.1. of its Articles of Association, that require a majority of at least two-thirds (2/3) of its members (when the General Assembly has delegated to the Board of Directors the power to decide on the increase of the share capital or the issuance of a bond loan by issuing bonds convertible into shares). The members of the Board of Directors vote on its meetings on all issues. The members of the Board of Directors also vote on matters concerning the members of the Board of Directors or persons who any member represents on the Board of Directors, but decisions on these issues are taken by secret ballot. In the event of a tie, the vote of the Chairman of the Board of Directors shall not prevail.

2.1.4. The deliberations and decisions of the Board of Directors are summarized in the special book of Minutes of the Board of Directors kept by the company, under computerized system. The minutes are signed by the members present in the respective meeting. The signing of the minutes is obligatory for the members of the Board of Directors with their respective right to request a summary of the opinion they expressed. If a member refuses to sign the minutes, his refusal is registered. The minutes are completely valid and bring upon the legal consequences even if some members refuse to sign them, in case they are signed by the majority of the members present. The copies submitted to the Authorities or any other copies or excerpts of the minutes of the Board of Directors' meetings are certified by the Chairman or the Vice-Chairman or the Managing Director, and in case of absence of impediment of the above by their substitute. Secretarial duties may be performed by any of the members and / or by a third party appointed by the Board of Directors.

2.1.5. The company validly undertakes obligations through its Board of Directors, acting collectively with the legal quorum and majority. The Board of Directors may, by decision, delegate the representation of the company, the valid undertaking and the exercise of all or any of its powers, competencies, rights and obligations, except where a collective action is required, to the following persons: (a) the, from time to time, Chairman of the Board of Directors with the right to act on his own without the joint action of any other person, (b) the, from time to time, Vice-Chairman or Vice- Chairmen of the Board of Directors with the right to act on his / their own without the joint action of any other person (c) the, from time to time, Chief Executive Officer with the right to act on his own without the joint action of any other person (d) two (2) members of the Board of Directors, with the right to act jointly, without the joint action of any other person (e) one (1) member of the Board of Directors with the right to act on his own without the joint action of any other person. Finally, following decision of the Board of Directors, the Chairman or the Vice-Chairman or the Managing Director or by special decision of the Board of Directors any member or any third party may represent the Company before any public, prefectural, municipal or community authority, any natural person or legal entity of any form and activity of private or public law, Ministries, Local Authorities, Inspections, Public Utilities, Banks, Organizations, etc., all Courts of any degree and jurisdiction, the investigatory and police authorities, as well as for the in person appearance of the company, for giving the oath, for the imposition of any protective or other measure against the company (by way of indication prenotation to mortgage, mortgage, escrow, etc.).

2.1.6. It is forbidden, in any way, to the persons who are members of the management of the company, namely the members of the Board of Directors and the executives who have signed a work contract or an agreement for the provision of services, in general, to proceed, without the prior permission of the General Meeting, on their own behalf or on behalf of third parties to actions falling within one of the objectives pursued by the company or to participate as partners in companies pursuing similar or related objectives and, in general, to compete, in any way, directly or indirectly, with the company. In the event of a breach of the above provision, the company shall be entitled to an indemnity. Instead of indemnity the Company shall have the right to claim that, in case of actions made on behalf of the Board of Directors or the executive, said actions be considered as made on behalf of the company. In the case of acts carried out by a Member of the Board of Directors or a company executive on behalf of third parties, the company shall be paid the agent fee or be assigned said receivable. According to the aforementioned, the company claims against a Member of the Board of Directors or a company executive shall be extinguished after one (1) year from the moment they were announced at a meeting of the Board of Directors by a member or were notified to the company by a shareholder. In any case, the limitation takes place five (5) years after the prohibited act.

2.2. Information on the members of the Board of Directors

2.2.1. The current Board of Directors of the Company comprises of seven members as follows:

- Dimitrios Filippou, son of Ioannis, Executive Member, Chairman and Managing Director.
- Georgios Hadjivassileiou, son of Vassileios, Vice - Chairman – Secretary of the Board and CEO – Executive Member.
- Athanasios Djidjaras, son of Konstantinos, Member – Executive Member.
- Kyriakos Soupionas, son of Evaggelos, Member – Executive Member.
- Fokion Tsintos, son of Anastassios, Member – non Executive Member.
- Georgios Bafilias, son of Mihail, independent non-Executive Member.
- Ioannis Granitsas, son of Georgios, independent non-Executive Member.

The above Board of Directors was elected by the Ordinary General Meeting of the shareholders of the company on 30 June 2017. Its term of office expires on 30/6/2022.

2.2.2. The brief Curricula Vitae of the members of the Board of Directors are as follows:

Dimitrios Filippou
Born in Athens in 1969. Studied Law at the University of Athens and holds a postgraduate degree in Business Administration from City University of Great Britain.
Georgios Hadjivassileiou
Born in Volos. Holds a degree in Electrical Engineering from the University of Aston in Birmingham. In the period 1985 - 1995 he worked as Head of Electromechanical Maintenance of the Carton Factory and Electrical Maintenance of the Company's Papermaking Factory, while from 1995 to 1999 he worked as a Director of the Company's Carton Factory in Volos. Since 2000 he has held the position of Chief Executive Officer of the company.
Athanasios Djidjaras
Born in Karditsa. Holds a degree in Electrical Engineering from the Democritus University of Thrace. Since January 1991 he has worked as Chief of Electromechanical Maintenance of the Papermaking Plant of the Company, while from July 1995 until 1999 inclusive he worked as Director of the Company's Papermaking Plant in Volos. Today he works as Director of all VIS factories.
Kyriakos Soupionas
Born in 1961 in Argostoli, Kefallonia. Holds a Degree in Finance from the Athens University of Economics and Business. Has many years of experience in industrial enterprises. He was Manager, Accounting of the company until 2008. Today he is the Chief Financial Officer of the company.
Fokion Tsintos
Born in Athens in 1960. Holds a Degree in Law. He is an attorney at the Supreme Court and a member of the Athens Bar Association. He mainly focuses on civil and commercial - corporate / business law, with 25 years of experience in cases relating to major companies, i.e. civil, commercial, tax, etc., law.
Georgios Bafilias
Born in Athens in 1936. Holds a degree in Law and Finance and a postgraduate degree in Business Administration. He has many years of experience as senior executive.
Ioannis Granitsas

Born in Granitsa of Evritania in 1947. Holds a degree in Finance. He has many years of experience as senior executive.

2.3. Audit Committee

2.3.1. The Company, in full compliance with the provisions and requirements of Law 3693/2008 and Article 44 of Law 4449/2017, elected at the extraordinary General Meeting of Shareholders that took place on June 28, 2019, an Audit Committee consisting of the following members:

1. Ioannis Granitsas, who is also an independent non-executive member of the Board, member of the Audit Committee of the company as from 27.12.2012, graduate of ASOEE, who retired 10 years ago and up to that time was the CFO of the Company and thereafter CEO of a large food company, who has proven and adequate knowledge in accounting and auditing issues concerning the company,
2. Fokion Tsintos, who is a non-executive member of the Board of Directors, member of the Audit Committee of the company as from 26.10.2010, lawyer at the Supreme Court, who has been the legal advisor of the company for 20 years and has proven and adequate knowledge in legal issues and matters concerning the company and
3. Nikolaos Koutras, who graduated from the Piraeus Industrial University in 1985, Department of Business Administration, is a member of the Economic Chamber of Greece (registration number 22475), an Accountant - Tax Consultant with 1st class no. 0001572 license to practice as Accountant - Tax Consultant, who has proven and adequate knowledge in accounting and auditing.

2.3.2. Without changing or reducing the obligations of the members of the management bodies designated by the General Meeting of shareholders or members, the Audit Committee has the following obligations:
1. Monitoring the financial reporting process.
2. Monitoring the effective operation of the internal control system and the risk management system as well as monitoring the proper functioning of the internal auditors of the company.
3. Monitoring the course of the statutory audit of the company and consolidated financial statements. In particular, examining the interim and final financial statements and ascertaining the correct application of the accounting principles, as well as the compliance of the company with the laws and regulations of the Athens Stock Exchange and the Hellenic Capital Market Commission, prior to their approval by the Board of Directors.
4. Assuring the independence and objectivity of the company's auditors.
5. Ensuring that the company complies with the Code of Conduct.
6. Recommending to the general meeting the statutory auditor to be elected.
7. Receiving updates by the statutory auditor on any matter relating to the course and results of the statutory audit for the submission of a particular report with any weaknesses in the internal control system, in particular, weaknesses in the procedures for financial reporting and the preparation of the financial statements.

2.3.3. The Audit Committee's mission is to ensure the efficiency and effectiveness of corporate operations, to verify the credibility of the financial information provided to the investors and the Company's shareholders, to comply with the applicable legal and regulatory framework, to safeguard investments and Company's assets and to identify and treat the most significant risks.

2.3.4. The Audit Committee meets at least four (4) times per year, and, certainly, upon the publication of the six-month and annual financial statements and prior to their publication. The Audit Committee in the 2019 fiscal year (01/01/2019 - 31/12/2019) met four (4) times.

2.3.5. It is clarified that the statutory auditor of the Company, who carries out the audit of the annual and interim financial statements, does not provide any other non-audit services to the

Company nor does it have any other relationship with the Company in order to ensure the objectivity, impartiality and independence of the statutory auditor.

3. General Assembly of Shareholders

3.1. The operation of the General Meeting and its main powers.

3.1.1. Competencies of the General Meeting of Shareholders. The General Meeting of Shareholders is the Company's supreme body, which decides on all issues concerning the Company and represents the group of shareholders, whose legal decisions are binding on both the absent or dissenting shareholders. In particular, the General Meeting is exclusively responsible to decide on:
(a) Amendments of the Articles of Association of the Company. Amendments are increases, both ordinary and extraordinary, as well as decrease of the share capital, (b) Election of members of the Board of Directors and auditors. (c) Approval of the management of the Company according to article 108 and release of auditors from any responsibility. (d) Approval of the annual financial statements. (e) Distribution of profits. (f) Approval of the payment of fees or advances according to article 109. (g) Approval of the benefits policy according to article 110 and the remuneration report according to article 112. (h) merger, demerger, conversion, revival, extension of duration or dissolution of the Company, and (i) appointment of liquidators.

3.1.2. Convocation of a General Assembly. The Board of Directors is obliged to convene the General Meeting of Shareholders regularly once a year within the first six months upon the end of each fiscal year. It is also entitled to convene an Extraordinary General Meeting of Shareholders whenever it deems it appropriate. The General Meeting meets and convenes at the Company's registered office. By way of exception, the General Meeting may convene in another place in Greece, subject to special permission given by the Minister of Development, which will also specify the conditions under which the permission is granted. Such permission shall not be required when shareholders representing the entire share capital are present or represented at the meeting and no shareholder objects to the convocation of the meeting and the passing of resolutions. The General Meeting, except for reconvened meetings and meetings similar to reconvened ones, is called by invitation sent to the shareholders at least twenty (20) days before the date set for the meeting, including days exempted, without counting, however, the date of the publication of the invitation and the actual day of the meeting of the General Meeting. For reconvened General Meetings the above deadline is set at ten (10) days.

3.1.3. Invitation - agenda. Shareholders are invited to the General Meeting upon invitation sent by the Board of Directors to the shareholders. This invitation of the Board of Directors shall mention the place, the building, the date, the day, the time and the address where the General Meeting shall convene, the items of the agenda clearly, the conditions under which the shareholders have the right to participate in the General Meeting as well as precise instructions on how shareholders can participate in it and exercise their rights in person or by proxy and all other stipulations of articles 121, 123 of law 4548/2018 as such is in force. This invitation is published in accordance with the provisions of article 122 of law 4548/2018 as in force. For reconvened General Meetings, the above publication deadline is set at half. The aforementioned invitation is also posted at a conspicuous place at the company's offices twenty (20) days before the General Meeting and ten (10) days for the reconvened.
A new invitation is not required if the original invitation specifies the place and time of the reconvened meeting in case no quorum is reached provided that at least ten (10) full days pass between the canceled and the reconvened meeting. Furthermore, an invitation is not required if shareholders representing all of the share capital are present or represented at the meeting and none of them objects to it and the passing of resolutions.

3.1.4. Preparation of table. The Board of Directors is obliged to draw up a list of shareholders entitled to participate and vote at the General Meeting. The table must include the name, surname, maiden name (for women), profession, shareholder's address, number of shares and votes held by each shareholder, shareholder representatives and address of the representatives. This table must be posted at a conspicuous place at the company's offices twenty-four (24) business hours prior to the General Meeting. Anyone with a direct legitimate interest may object to the above table only at the beginning of the meeting of the General Meeting and before the Meeting starts discussing the items of the agenda.
From the date of publication of the invitation to convene the General Meeting up to the date of the General Meeting, at least the following information shall be posted on the Company's website: (a) the invitation to convene the General Meeting, (b) the total number of shares and voting rights existing at the date of the invitation, including separate sets per class of shares, if the Company's capital is divided into more classes of shares; (c) the documents that are to be submitted to the General Meeting (d) a draft decision on each proposed item on the agenda or, if no resolution has been proposed for approval, the comments of the Board of Directors on each item on the agenda and any draft resolutions proposed by the shareholders, immediately after their receipt by the Company; (e) the forms to be used for exercising voting rights through a proxy and, if so, for the exercise of voting rights by mail, unless such forms are sent directly to each shareholder. If for technical reasons it is not possible to access the above information on the Internet, the Company shall indicate on its website the manner of supplying the relevant forms in hard copy and shall send them by post free of charge to any shareholder so requesting.

3.1.5. Quorum. The General Meeting is in quorum and meets validly when shareholders representing at least one fifth (1/5) of the paid up share capital are present or represented therein. If there is no quorum at the first session, a reconvened meeting shall be held within twenty (20) days from the date of the cancelled meeting, at the invitation of the Board of Directors, duly published at least ten (10) days before, and this reconvened General Meeting shall be in quorum and validly meet with the same items on the agenda, regardless of the percentage of the share capital represented in it. By way of exception, the Meeting shall be in quorum and validly meet when shareholders representing two-thirds (2/3) of the paid-up share capital are present or represented in respect of decisions concerning: (a) the extension of the term, the merger, demerger, conversion, revival, extension of duration or dissolution of the Company (b) changing of the Company's object of works, (c) changing the Company's nationality, (d) increasing the share capital, with the exception of the case of § 1a of article 24 of law 4548/2018, or imposed by provisions of laws, or made with capitalization of reserves, (e) granting or renewal of power to the Board of Directors for increasing the share capital or issuing a bond loan, according to § 1b & c of article 24 of law 4548/2018; (f) decreasing the share capital, unless it is done pursuant to § 6 of article 49 of law 4548/2018; (g) issuing loans through bonds convertible into shares in accordance with the provisions of article 71 of law 4548/2018, (h) changing the method of distribution of profits, (i) increasing the shareholders' obligations. If there is no quorum at the first meeting, which has as item of the agenda one of the above matters under a - i, a reconvened meeting shall be held within twenty (20) days from the date of the cancelled meeting upon invitation of the Board of Directors legally published at least ten (10) days before. A new invitation shall not be required if the original invitation specifies the place and time of the reconvened meetings, in case no quorum is reached, provided that at least ten (10) full days pass between the canceled and the reconvened meeting. This reconvened General Meeting (first reconvened meeting) shall be in quorum when at least half (1/2) of the paid-up share capital is represented in it. If no quorum is ascertained at the first reconvened meeting, a second reconvened meeting shall be held within twenty (20) days from the date of cancellation of the first reconvened meeting, upon invitation of the Board of Directors, legally published at least ten days before, and this second reconvened Meeting shall be in quorum if at least one-third (1/3) of the paid-up share capital is represented in it. In any event, when the General Meeting needs to pass a resolution to increase the share capital, the General Meeting in the last reconvened session shall be in quorum when shareholders representing at least one-fifth (1/5) of the paid-up share capital are present or represented therein. A new invitation shall not be required in case the original invitation specifies the place and time of legally reconvened meetings in the event of failure to reach a quorum.

3.1.6. Majority in the General Meeting. The resolutions of the General Meeting are passed by absolute majority of the votes represented therein, § 1 of article 132 of law 4548/2018. By way of exception, all resolutions of the General Meeting concerning matters referred to in § 3 of article 130 of law 4548/2018 shall be passed by a majority of two-thirds (2/3) of the votes represented at the General Meeting.

3.1.7. Chairman - Secretary of General Meeting. The Chairman of the Board of Directors shall be provisional Chairman of the General Meeting and in his impediment his substitute and in the substitute's impediment the eldest of the Members present. The provisional Secretary shall by appointed by the provisional Chairman. Following the approval by the General Meeting of the list of shareholders entitled to participate and vote therein, the General Meeting shall elect the Chairman of the Meeting and the Secretary who shall also act as scrutineer in case of voting by ballot.

3.1.8. Discussions - minutes. Only the items on the agenda shall be discussed at the General Meeting and resolutions shall be passed on the items of the agenda. By way of exception the Meeting shall be able to discuss on amendments to the proposals of the Board of Directors, on a proposal to convene another General Meeting and on a proposal to revoke members of the Board of Directors. The discussions held in the General Meeting and the resolutions passed thereon shall be recorded in the minutes signed by the Chairman and the Secretary of the Meeting. At the request of a shareholder, the Chairman of the Meeting shall be required to record in the minutes a precise summary of the opinion said shareholder has expressed. At the beginning of the minutes and under the table of shareholders, the names of the shareholders present or represented and the number of shares and votes they hold shall be recorded. The copies or excerpts from the minutes of the General Meeting shall be certified by the Chairman of the Board of Directors or his deputy, or by the person so appointed by special decision of the General Meeting. The General Meeting decides on all items submitted to it by the Board of Directors. The reports of the Board of Directors and the Auditor's Report on the annual financial statements submitted for approval are read out to the ordinary General Meeting. The Ordinary General Meeting discusses and decides on the approval of the annual financial statements, the distribution of the net profits of the fiscal year and the determination of the profits and dividends to be distributed. Following the approval of the annual financial statements, the Ordinary General Meeting decides, by special vote by roll call, to release the members of the Board of Directors and the auditors from any liability for compensation in relation to the financial statements and the, in general, management. This release becomes invalid in the cases of article 102 of Law 4548/2018 as such is in force.

3.2. Rights of shareholders and their exercise

3.2.1. Participation and voting rights

3.2.1.1. Shareholders exercise their rights, in relation to the Company's management, only in the General Meetings and in accordance with the provisions of the law and the Articles of Association. Each share gives the right to one vote at the General Meeting, without prejudice to the provisions of article 50 of Law 4548/2018 as such is in force.

3.2.1.2. Any person that appears as a shareholder in the records of the Dematerialized Securities System managed by "Hellenic Exchanges SA" (HELEX), where the Company's securities (shares) are held has the right to participate in the General Meeting. Proof of shareholder's capacity shall be provided upon submission of a relevant written certificate issued by the above mentioned entity (article 51 of Law 2396/96 as such is in force), or, alternatively, by direct electronic connection of the Company with the records of said entity. Shareholder capacity must exist at the record date, i.e. at the beginning of the fifth (5th) day before the date of the General Meeting, and the relevant certificate or electronic certification regarding said shareholder's capacity must be received by the Company no later than the third (3rd) day prior to the General Meeting.

3.2.1.3. Only those having shareholder's capacity at the record date shall be entitled to participate and vote in the General Meeting as far as the Company is concerned. In case of non-compliance with the provisions of article 124 of Law 4548/2018, such shareholder shall participate in the General Meeting only after the Meeting grants its permission.

3.2.1.4. It should be noted that the exercise of these rights (participation and voting) does not require that the shares of the beneficiary be blocked or that another similar procedure be observed which limits the shareholder's ability to sell and transfer them during the period between the record date and the date of the General Meeting.

3.2.1.5. The shareholder participates in the General Meeting and votes either in person or by proxy. Each shareholder may appoint up to three (3) proxies. Legal entities participate in the General Meeting, appointing as their proxies up to three (3) natural persons.
However, if the shareholder owns Company shares that appear in more than one securities account, this limitation does not prevent that shareholder from appointing different proxies for the shares appearing in each securities account in relation to the General Meeting. A proxy acting for more than one shareholder may vote differently for each shareholder. The shareholder's proxy is required to disclose to the Company, prior to the start of the General Meeting, any specific event that may be useful to shareholders in order to assess the risk that the proxy may serve interests other than the interests of the shareholder represented. For the purposes of this paragraph, a conflict of interest may arise, in particular where the proxy: (a) is a shareholder exercising control over the Company or is another legal entity or entity controlled by that shareholder; (b) is a member of the Board of Directors or the management, in general, or of a shareholder auditing the Company or of another legal entity controlled by a shareholder auditing the Company; (c) is an employee or a statutory auditor of the Company or of a shareholder auditing the Company or of any other legal person or entity controlled by a shareholder auditing the Company; (d) is a spouse or a first degree relative of one of the natural persons referred to in cases (a) to (c) above.

The appointment and revocation of a shareholder's proxy shall be made in writing and notified to the Company observing the same formalities at least three (3) days prior to the date of the General Meeting.

3.2.1.6. The members of the Board of Directors may participate in the voting for the release of the members of the Board of Directors, only with the shares they hold, or as proxies of other shareholders, if they have been authorized and have received explicit and specific voting instructions. The same applies to Company employees.

3.2.2. Other shareholders' rights

3.2.2.1. The Board of Directors of the company is obliged to give to each shareholder so requesting the annual financial statements and the report of the Board of Directors on the annual financial statements as well as the Auditor's Report ten (10) days prior to the ordinary General Meeting. The Board of Directors is obliged to draw up a list of shareholders entitled to participate and vote at the General Meeting.

3.2.2.2. Upon request of shareholders, representing one twentieth (1/20) of the paid up share capital, the Board of Directors shall be obliged to convene an Extraordinary General Meeting of Shareholders, setting out a date for the meeting, which must not be more over forty five (45) days from the date of the service of the request to the Chairman of the Board of

Directors. The request must include the item of the agenda. If no General Meeting is convened by the Board of Directors within twenty (20) days upon service of the relevant request, the Meeting shall be convened by the requesting shareholders, at the Company's expense, by decision of the one-member court of first instance of the Company's registered office. This decision shall set out the place and time of the meeting as well as the agenda.

3.2.2.3. Upon request of shareholders, representing one twentieth (1/20) of the paid up share capital, the Board of Directors shall be obliged to include additional items on the agenda of the General Meeting, which has already been convened, if the relevant request is received by the Board of Directors at least fifteen (15) days prior to the general meeting. The request for the inclusion of additional items on the agenda shall be accompanied by a justification or by a draft resolution to be approved at the general meeting The revised agenda shall be published in the same manner as the previous agenda, thirteen (13) days before the date of the general meeting and at the same time shall be made available to the shareholders on the company's website, together with the justification or draft resolution submitted by the shareholders as provided in paragraph 4 of article 123 of law 4548/2018. If said items are not published, the requesting shareholders shall be entitled to request the postponement of the general meeting in accordance with par. 5 of article 141 of law 4548/2018 and to proceed with the publication themselves, as per the previous paragraph, at the expense of the Company.

3.2.2.4. Shareholders, representing one twentieth (1/20) of the paid up share capital, are entitled to submit draft resolutions for items included in the original or any revised agenda of the general meeting. The relevant request must be received by the Board of Directors at least seven (7) days before the date of the General Meeting, while the draft resolutions must be submitted to the shareholders, according to the stipulations of §3 of article 123 of law 4548/2018, at least six (6) days prior to the date of the General Meeting.

3.2.2.5. Upon request of any shareholder submitted to the Company at least five (5) full days before the General Meeting, the Board of Directors shall be obliged to provide the General Meeting with the required specific information on the Company's affairs, to the extent that they are useful for the actual assessment of the items on the agenda.

3.2.2.6. Upon a request by a shareholder or shareholders representing one twentieth (1/20) of the paid-up share capital, the Chairman of the Meeting shall be obliged to postpone only once the passing of resolutions on all or certain items by the Extraordinary or Ordinary General Meeting, setting as day of reconvocation of the meeting for passing said resolutions the date specified in the shareholder's request, which may not be more than twenty (20) days from the date of the postponement. The General Meeting after the postponement shall constitute a continuation of the previous one and no repetition of the formalities for publication of the shareholders' invitation shall be required, while new shareholders shall not be entitled to participate in it, according to the provisions of § 6 of article 124 of law 4548/2018.

3.2.2.7. In the case of a request by shareholders representing one twentieth (1/20) of the paid up share capital, which must be submitted to the Company five (5) full days before the Ordinary General Meeting, the Board of Directors shall be obliged to disclose to the General Meeting the amounts that have been paid in the past two years for any reason by the Company to members of the Board of Directors or to its executives or other employees, as well as any other Company agreement entered into for any reason with same persons. Moreover, at the request of any shareholder submitted as above, the Board of Directors shall be obliged to provide the specific information requested in respect of the Company's affairs insofar as they are useful for the actual assessment of the items on the agenda. The Board of Directors may refuse to give the information requested for due cause, stating the reasons in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders to the Board of Directors in accordance with § 1 and 2 of article 79 or § 1 and 2 of article 80 of law 4548/2018.

3.2.2.8. In the case of a request of shareholders representing one fifth (1/5) of the paid up share capital, which is submitted to the Company within the deadline of the previous paragraph, the Board of Directors shall be obliged to provide the General Meeting with information on the course of corporate affairs and the Company's assets. The Board of Directors may refuse to give the information requested for due cause, stating the reasons in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders to the Board of Directors in accordance with § 1 and 2 of article 79 or § 1 and 2 of article 80 of law 4548/2018, in case the respective members of the Board of Directors have received said information in a manner which is adequate.

3.2.2.9. In the case of a request of shareholders representing one twentieth (1/20) of the paid up share capital, the decision on any item on the agenda of the General Meeting is made by roll call.

3.2.2.10. Shareholders of the Company, representing one twentieth (1/20) of the paid up share capital, have the right to request that the Company be audited by the One-Member Court of First Instance of the region in which the Company has its seat, that hears non – contentious proceedings. Said audit shall be ordered if acts that violate provisions of law or the Articles of Association or the resolutions of the General Meeting are suspected.

3.2.2.11. Shareholders of the Company, representing one fifth (1/5) of the paid up share capital, have the right to request that the Company be audited by the competent court of the previous paragraph, if it is believed from the whole course of corporate affairs that the management of corporate affairs is not exercised as required by sound and prudent management. This provision shall not apply whenever the minority requesting the audit is represented on the Board of Directors of the Company.

4. Internal control and risk management system

4.1. Main characteristics of the internal control system

4.1.1. The internal audit of the Company is carried out by the Internal Audit Service in accordance with the audit schedule contained in the Company's Internal Rules of Operation. It is noted that the audit on which the relevant Report is based, is carried out within the regulatory framework of Law 3016/2002, as such is in force, and in particular in accordance with Articles 7 and 8 of that Law, as well as on the basis of the stipulations of Resolution No. 5/204/2000 passed by the Board of Directors of the Capital Market Commission, as such is in force after its amendment by Resolution No. 3/348/19.7.2005 passed by the Board of Directors of the Capital Market Commission. It reports to the Board of Directors of the company cases of conflict of the private interests of the members of the Board of Directors or the company executives with the interests of the company, which it finds in the performance of its duties. The internal auditor must report in writing at least once a semester to the Board of Directors for the audit he performs and attend the general meetings of the shareholders. He also provides, upon approval of the Board of Directors of the company any information requested in writing by supervisory authorities, cooperates with them and assists in every way possible the monitoring, auditing and supervision they carry out.

4.1.2. During the audit, the Internal Audit Service becomes aware of all necessary books, documents, records, bank accounts and portfolios of the Company and requests that the Management be fully and continuously cooperative in order to provide all requested information and data for the purpose of acquiring the reasonable assurance that the Report prepared will be free of material inaccuracies regarding the information and conclusions contained therein. The audit does not include any assessment of the appropriateness of the accounting policies used and the reasonableness of the estimates made by management, given that these constitute the object of the audit carried out by the Company's statutory auditor.

4.1.3. The purpose of the audit is to assess the overall level and the operating procedures of the internal audit system. It monitors the implementation and continuous observance of the Internal Rules of Operation and the Company's Articles of Association, as well as the, in general, legislation concerning the company and in particular the legislation on societes anonymes and stock exchange. In each audited period certain audit areas are selected, while on a permanent basis the operation and organization of the Board of Directors of the Company and the operation of the two key Departments operating according to the provisions of Law 3016/2002, i.e. the Shareholder Service Department and the Corporate Announcements Department, are examined and considered.

4.2. Risk management of the Company and the Group in relation to the process of preparing the financial statements (company and consolidated). The Group has invested in the development and maintenance of advanced IT infrastructure to ensure, through a number of safeguards, proper display of financial figures. At the same time, the results are analyzed on a daily basis covering all important fields of the business activity. Contradictions are made between actual, historical and budgeted revenue and expense accounts with a sufficient detailed explanation of all significant deviations.

5. Other management, or supervisory bodies or committees of the Company

There are no other management or supervisory bodies or committees of the Company at this time.

6. Additional information

In relation to the stipulations of Article 10 (1) of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004 on takeover bids, the company states that:
The Company holds 2.09% of the shares and the voting rights of the company under the name HELLENIC QUALITY FOODS S.A.

Furthermore, significant direct or indirect holdings in the share capital and voting rights of the company, all types of securities, which provide special control rights and any restrictions on voting rights, are detailed in chapter "H. Additional information according to article 4 § 7 of Law 3556/2007 " of this Report of the Board of Directors of the company.
Regarding the exercise of voting rights at the General Meeting, extensive reference is made to section 3.2. of this corporate governance statement.

Regarding the appointment and replacement of members of the Board of Directors of the company as well as the amendment of the Company's Articles of Association, there are no rules that differ from the provisions of the Codified Law 2190/1920, as such is in force.
Finally, there are no special powers of the members of the Board of Directors regarding the issuance or repurchase of shares.
This Corporate Governance Statement constitutes an integral and specific part of the Annual Report of the Company's Board of Directors

Magoula, 22 June 2020
Dimitrios Filippou

Chairman of the Board of Directors
and Managing Director

4. Annual financial statements

The attached financial statements were approved by the Board of Directors of "VIS S.A." on 22.6.2020 and have been made public through their posting on the internet at the site www.vis.gr., 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 published in the Press result from the 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	31.12.2019	31.12.2018
ASSETS			
Non current assets			
Self-used tangible fixed assets	5.8.1	18.538.475,85	19.358.921,67
Financial assets at fair value through other comprehensive income	5.8.2	2.565.180,00	2.565.180,00
Other long term receivables	5.8.3	95.216,52	96.146,40
Rights of use of assets	5.8.4	95.905,53	0,00
Total Non current assets		**21.294.777,90**	**22.020.248,07**
Current assets			
Inventories	5.8.5	3.143.944,00	2.810.670,30
Customers & other commercial receivables	5.8.6	6.276.537,50	8.213.978,99
Other receivables	5.8.7	515.188,65	1.032.872,54
Cash and cash equivalents	5.8.8	11.568,27	12.863,20
Total current assets		**9.947.238,42**	**12.070.385,03**
TOTAL ASSETS		**31.242.016,32**	**34.090.633,10**
SHAREHOLDERS' EQUITY & LIABILITIES			
SHAREHOLDERS' EQUITY			
Share Capital	5.8.9	14.309.568,00	14.309.568,00
Other Reserves	5.8.10	2.149.893,65	2.149.893,65
Results brought forward	5.8.11	-10.825.183,31	-8.198.492,09
TOTAL EQUITY		**5.634.278,34**	**8.260.969,56**
LIABILITIES			
Long term liabilities			
Liabilities for employee benefits due to retirement	5.8.12	473.748,00	449.056,38
State grants	5.8.13	3.042.574,14	3.130.228,64
Long term loans liabilities	5.8.14	8.125.563,99	8.712.604,99
Long term provisions	5.8.15	140.000,00	140.000,00
Deferred tax liabilities	5.8.16	1.583.692,22	1.766.260,48
Total long term liabilities		**13.365.578,35**	**14.198.150,49**
Short term liabilities			
Suppliers and other commercial liabilities	5.8.17	4.437.837,44	3.804.398,62
Other short term liabilities	5.8.18	928.054,89	986.351,31
Current tax liabilities	5.8.19	1.911.017,42	1.754.641,27
Short term loans liabilities	5.8.20	4.182.893,21	4.401.082,89
Long term liabilities payable in the following fiscal year	5.8.21	685.917,04	685.038,96
Long term lease liabilities payable in the following fiscal year	5.8.22	96.439,62	0,00
Total short term liabilities		**12.242.159,62**	**11.631.513,05**
Total liabilities		**25.607.737,97**	**25.829.663,54**
TOTAL SHAREHOLDERS' EQUITY & LIABILITIES		**31.242.016,31**	**34.090.633,10**

4.2 Income Statement

Amounts in €	Note	1.1 - 31.12.2019	1.1 - 31.12.2018
Sale of goods		14.263.400,31	16.824.476,87
Services		109.975,03	133.079,77
Total Sales	5.9.1	**14.373.375,34**	**16.957.556,64**
Cost of sales	5.9.2	-13.838.888,48	-16.249.399,67
Gross profits		**534.486,86**	**708.156,97**
Other operating income	5.9.3	17.292,03	20.087,42
Administrative expenses	5.9.4	-863.407,21	-872.630,51
Selling expenses	5.9.5	-1.691.800,24	-1.948.076,51
Profits before taxes, financing and investment results		**-2.003.428,56**	**-2.092.462,63**
Financial income	5.9.7	0,00	0,08
Financial Expenses	5.9.7	-804.143,63	-818.940,21
Profits / (losses) before Taxes		**-2.807.572,19**	**-2.911.402,76**
Income Tax	5.9.8	182.146,44	340.357,75
Net profits / (losses) after taxes (a)		**-2.625.425,75**	**-2.571.045,01**
Profits / (losses) before Taxes per share- basic (in €)	5.9.9	**-0,5284**	**-0,2221**
Profits before taxes, financing and investment results and depreciation		**-979.732,87**	**-1.142.465,63**

4.3 Total Income Statement

Amounts in €	1.1 - 31.12.2019	1.1 - 31.12.2018
Profit after tax (profits or (losses)) (a)	**-2.625.425,75**	**-2.571.045,01**
Actuarial loss to the liability recognized in other comprehensive income of	-1.687,28	0,00
Deferred tax on actuarial loss	421,82	0,00
Other comprehensive income after tax (b)	-1.265,46	0,00
Total comprehensive income after Tax (a) + (b)	**-2.626.691,21**	**-2.571.045,01**

4.4 Statement of Changes in Net Position

Amounts in €	Note	Share Capital	Fair value reserve available for sale	Other Reserves	Results brought forward
Total Equity on 1.1.2018	**14.309.568,00**	**-632.901,25**	**2.149.893,65**	**-4.990.783,55**	**10.835.776,85**
Change in accounting policy (IFRS-9)		**632.901,25**		-636.663,53	**-3.762,28**
Adjusted balance	**14.309.568,00**	**0,00**	**2.149.893,65**	**-5.627.447,08**	**10.832.014,57**
Net position of 2018 after taxes	0,00	0,00	0,00	-2.571.045,01	**-2.571.045,01**
Net Position of Fiscal Year (a)	**0,00**	**0,00**	**0,00**	**-2.571.045,01**	**-2.571.045,01**
Other comprehensive income for the fiscal year (b)	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Total comprehensive income (a) + (b)	**0,00**	**0,00**	**0,00**	**-2.571.045,01**	**-2.571.045,01**
Total Equity on 31.12.2018	**14.309.568,00**	**0,00**	**2.149.893,65**	**-8.198.492,09**	**8.260.969,56**
Total Equity on 1.1.2019	**14.309.568,00**	**0,00**	**2.149.893,65**	**-8.198.492,09**	**8.260.969,56**
Net position of 2019 after taxes	0,00	0,00	0,00	-2.625.425,75	**-2.625.425,75**
Net Position of Fiscal Year (a)	**0,00**	**0,00**	**0,00**	**-2.625.425,75**	**-2.625.425,75**
Other comprehensive income for the fiscal year (b)	**0,00**	**0,00**	**0,00**	**-1.265,46**	**-1.265,46**
Total comprehensive income (a) + (b)	**0,00**	**0,00**	**0,00**	**-2.626.691,21**	**-2.626.691,21**
Total Equity on 31.12.2019	**14.309.568,00**	**0,00**	**2.149.893,65**	**-10.825.183,30**	**5.634.278,35**

4.5 Statement of Cash flows

Indirect Method - amounts in €	1.1-31.12.2019	1.1-31.12.2018
<u>Operational Activities</u>		
Profits before taxes	-2.807.572,19	-2.911.402,76
Plus / less adjustments for:		
Depreciation	1.023.695,69	949.997,00
Provisions	42.528,92	3.605,43
Results (income, expenses, profit and loss) of investment activity	0,00	-0,08
Interest and related expenses	804.143,63	818.940,21
Plus/ less adjustments for changes in the working capital or related to operational activities		
Decrease / (increase) in inventories	-333.273,70	208.409,05
Decrease / (increase) in receivables	2.436.530,68	2.399.587,98
(Decrease) / increase in liabilities (less banks)	616.582,73	-535.422,34
Less:		
Interest and related expenses paid	-767.979,66	-838.828,20
Total inflows/ (outflows) from operational activities (a)	**1.014.656,10**	**94.886,29**
<u>Investing activities</u>		
Purchase of tangible and intangible fixed assets	-194.998,84	-210.140,97
Interest Received	0,00	0,08
Total inflows/ (outflows) from investing activities (b)	**-194.998,84**	**-210.140,89**
<u>Financing activities</u>		
Proceeds from loans issued / received	395.073,03	1.909.147,90
Payment of loans	-1.216.025,22	-1.835.374,31
Total inflows/ (outflows) from financing activities (c)	**-820.952,19**	**73.773,59**
Net increase/ (decrease) in cash and cash equivalents of period (a)+(b)+(c)	**-1.294,93**	**-41.481,01**
Cash and cash equivalents at the beginning of the period	**12.863,20**	**54.344,21**
Cash and cash equivalents at the end of the period	**11.568,27**	**12.863,20**

The attached notes constitute an integral part of the Annual Financial Statements.

5. Notes on the financial statements

5.1 General Information

The company was founded in 1936 by Messrs. Georgios Yiannoulatos, Aristidis Dendrinos, 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 has been given General Electronic Commercial Registry No 122838007000 (was registered in the Registrar of Société Anonymes of the Prefecture of Athens having serial number 6055/06/B/86/133).
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 20019 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% (31.12.2018) of the share capital of the Company.

The company's annual financial statements according to the International Financial Reporting Standards, are included in the annual consolidated financial statements of the parent company HQF, following the method of complete consolidation.

The annual financial statements as at December 31, 2019 (including the respective financial statements as at December 31, 2018) have been approved for publication by the company's Board of Directors on 22 June 2020, pending the final approval of the Ordinary General Assembly for the fiscal year 2019.

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 drawing up the annual financial statements

The financial statements of VIS S.A. dated December 31, 2019 have been drafted according to the principle of historical cost, the principle of going concern and are consistent with the International Financial Reporting Standards (IFRS), as such have been issued by the International Accounting Standards Board (IASB), and their interpretation is consistent with what has been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.) of IASB.
The drafting of the annual financial statements according to the IFRS requires the use of estimates and judgment, when applying the Company's accounting policies. Important assumptions made by the management with regard to the application of the company's accounting methods are noted, where deemed necessary.

5.3.1 New Standards, Interpretations, Reviews and Modifications of Existing Standards which have entered into force and have been adopted by the European Union in the fiscal year 2019

"Annual Improvements of IAS / IFRS - Cycle 2015-2017" It concerns corrections to the standards IFRS 3, IFRS 11, IAS 12 and IAS 23. They had no impact on the company.

IFRS 16 "Leases"

In January 2016, IASB issued a new Standard, IFRS 16. IFRS 16 replaces IAS 17 "Leases", IFRIC 4 "Determining whether an Arrangement contains a Lease ", SIC 15 "Operating Leases - Incentives" and SIC 27 "Evaluating the substance of transactions in the legal form of a lease". The Standard introduces the principles for the recognition, measurement, presentation and notification of leases and requires the lessee to recognize all leases with a single model in financial statements.

The effect from the application of the standard in the Company is described in note 5.4 below.

IFRIC 23 "Uncertainty over income tax treatments"
The Interpretation examines whether the recognition of a current tax claim is appropriate when the law requires that payments be made in respect of disputed tax treatment. The new Interpretation does not apply to the Company.

Amendments to IFRS 9: "Prepayment Features with Negative Compensation"
According to the amendments, economic entities are allowed to measure specific prepaid financial assets with negative compensation on depreciated costs or fair value through other

total revenues, provided that a specific condition is met. The amendments did not affect the Company's financial statements.

Amendment of IAS 28: "Long-term interests in Associates and Joint Ventures"
This edition clarifies that the accounting treatment of long-term interests in associates and joint ventures - in which the net position method does not apply - will be in accordance with IFRS 9. The amendments have no effect on the Company's Financial Statements.

Amendments to IAS 19: "Amendment, Curtailment or Settlement of Defined Benefit Plans"
In February 2018, IASB issued the limited purpose amendments to IAS 19, under which an entity is required to use up-to-date actuarial assumptions when determining current service costs and net interest for the remaining period after the amendment, curtailment or settlement of defined benefit plans. The amendments do not have material effect on the Company's Financial Statements.

5.3.2 New Standards, Interpretations and Modifications of Existing Standards effective for annual reporting periods beginning on or after 1.1.2020

Application of IFRS 9 "Financial instruments" with IFRS 4 "Insurance contracts"
In September 2016 it was approved and provides exemption in the application of IFRS 9 until 31.12.2020, to the insurance entities that apply IFRS 4. It does not apply to the Company.

Amendments to IAS 1 and IAS 8: "Definition of material"
The amendment deals with the definition of material, in order to make it easier for companies to issue a judgment on material size. Defining material helps companies decide what information should be included in their Financial Statements. The Company is not anticipated to implement it.

Amendments to IFRS 3: "Definition of a Business"
The amendments were intended to improve the definition of a business. The amendments will help companies determine if an acquisition is a merger or acquisition of assets. The amended definition states that the outflow of a business is to provide goods and services to customers, while the previous definition focused on returns in the form of dividends, lower costs or other financial benefits to investors and third parties. The Company is not anticipated to implement it.

IFRS 17 "Insurance Contracts"
In May 2017, IASB issued a new standard, IFRS 17, which replaces interim IFRS 4. The purpose of this IASB project was to develop a single principle-based model for accounting handling all types of insurance contracts including reinsurance contracts held by an insurance company. The standard is effective for annual reporting periods beginning on or after 1.1.2021. The Company is not anticipated to implement it.

Modifications to IFRS 9, IAS 39 and IFRS 7 standards regarding reference rate reforms
It amends hedge accounting of IFRS 9 and IAS 39 for the provision of exemptions from the discontinuation of hedge accounting, due to the impact of the reform of the reference rate. It was approved in September 2019 and is effective for annual reporting periods beginning on or after 1.1.2021. The Company is not anticipated to implement it.

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 beginning on or after 1.1.2022 and retroactive application under IAS 8. It is not expected to have an impact on the Company.

5.4 Changes in accounting policies

The Company proceeded with the adoption of IFRS 16 "Leases" from 1 January 2019. IFRS 16 introduces a single model for the recognition of leases in financial statements. With the adoption of IFRS 16, the Company implemented a single recognition and measurement approach for all leases, with the exception of short-term leases and leases where the underlying asset is of low-value. The Company chose to recognize as costs the rents of short-term leases and leases where the underlying asset is of low-value using the straight-line method throughout the lease.
With the adoption of the standard, the Company, as lessee, recognizes in the Balance Sheet the right-of-use assets and lease liabilities, on the date when the leased assets become available for use. The accounting treatment of leases for lessors remains the same as that of IAS 17.
The application of IFRS 16 was performed using the simplified transition method. According to this method, the standard is effective retroactively with the cumulative effect of its application being recognized on January 1, 2019. According to the above, the comparative information of 2018 has not been redrafted and is presented in accordance with IAS 17. The changes in accounting policies regarding leases are broken down hereinbelow.

A. As Lessee
The Company rents buildings and means of transport
As lessee, under the previous accounting policy, the Company classified leases as operational based on the assessment of whether all risks and benefits relating to the ownership of an asset are transferred, regardless of the final transfer or not of the title deed of said asset.
IFRS 16, recognizes the right-of-use assets and lease liabilities for most leases to which the Company is a lessee except low-value and short-term leases relating to means of transport, whose payments were entered using the straight-line method in the profit and loss throughout the lease.
The recognized right-of-use assets relating to the above categories of fixed assets are presented in the item " right-of-use assets " and amounted to € 191,811.06 on 1.1.2019 and € 95,905.53 on 31.12.2019. The corresponding lease liabilities are shown in the item "Long-term lease liabilities payable in the following year".

Important accounting policies:
Leases are recognized in the Statement of Financial Position as right-of-use asset and lease liability, on the date when the leased asset becomes available for use. Each lease is divided between the lease liability and the interest, which is charged on the results throughout the lease, in order to achieve a fixed interest rate for the remaining of the financial liability in each reporting period.
The right-of-use asset are initially measured at cost, and are then reduced by the amount of accrued depreciation and any impairment. The right-of-use asset is amortized in the shortest period between the useful life of the item or its lease term, using the straight-line method. The initial measurement of the right-of-use asset consists of:

• the amount of the initial measurement of the lease liability,
• lease payments made on or before that date, reduced by the amount of discounts or other incentives offered,
• the initial costs, which are directly related to the leased property,

• restoration costs.
Finally, they adapt to specific re-measurements of the respective lease liability.
Lease liabilities are initially recognised at the present value of the leases, which were not paid at the beginning of the lease. They are prepaid with the imputed interest of the lease or, if this interest rate cannot be determined by the contract, with the incremental borrowing rate (IBR). The incremental borrowing rate is the cost that the lessee would have to pay to borrow the necessary capital in order to acquire an asset of similar value to the leased asset in a similar financial environment and under similar terms and conditions.
Lease liabilities include the net present value of:
• fixed rents (including "essentially" fixed rents),
• variable rents, which depend on an indicator,
• residual value, expected to be paid,
• the price for exercising an option, if it is almost certain that the lessor shall exercise such right,
• sanctions at the end of a lease, if the lessee chooses this right.
After their initial measurement, lease liabilities increase from their financial costs and decrease from the payment of rents. Finally, they are reassessed when there is a change: a) in leases due to a change in an indicator, b) in estimating the amount of residual value expected to be paid, or c) in assessing a market selection or expansion right, which is relatively certain to be exercised or an option to terminate the contract, which is relatively certain that it will not be exercised.
During the transition, the Company used the following practical simplifications set out in IFRS 16 for leases that were classified as operational, in accordance with IAS 17.
• Use of previous evaluations made during the application of IAS 17 and Interpretation IFRIC 4, in order to determine whether a contract contains a lease, or whether a contract is a lease on the date of initial application.
• Use of accounting treatment of operating leases for leases with a term of less than 12 months on 1 January 2019.
• Use of a single discount rate on a lease portfolio with similar characteristics.
• Exemption of the initial direct costs for the measurement of the right-of-use fixed assets on the date of the first application.

B. As Lessor

When tangible assets are leased with financial leasing, the present value of rents is entered as a receivable. The difference between the gross amount of the receivable and the present value of the receivable is recorded as deferred financial income. Revenue from lease is recognized in the profit and loss account during the lease using the net investment method, which represents a constant periodic return. The Company does not rent fixed assets.

C. Effect on financial statements
Effects from the adoption of IFRS 16 during the transition:

	Company
Commitments from operating leases on 31/12/2018	309.503,61
Commitments from short-term leases outside the scope of IFRS 16	-109.085,85
Total	**200.417,76**
Effect of application of discounted interest rate	-8.606,70
Present value of liabilities from leases on 1.1.2019	191.811,06
Out of which:	
Long-term liabilities from leases	95.905,53
Short-term liabilities from leases	95.905,53

The weighted average incremental borrowing rate of the lessee applied for the determination of lease liabilities on 1 January 2019 was 4.25%.

Effects from the adoption of IFRS 16 in the reporting period:
As a result of the first application of IFRS 16, in relation to leases previously classified as operational, on 31.12.2019 the Company recognized right-of-use amounting to € 95,905.53 and lease liabilities amounting to € 96,439.62.

In addition, in relation to the above leases, the Company recognized depreciation and financial expenses instead of renting costs. For the annual reporting period that ended on 31.12.2019, it recognized depreciation amounting to € 95,905.53 and financial expenses amounting to € 6,337.44.

5.5 Significant accounting judgments, estimations and assumptions

The preparation of financial statements according with the IFRS requires the management to form judgments, estimations and assumptions that affect the published items of the assets and liabilities and to disclose any eventual receivables and liabilities at the time of drafting of the financial statements and the published income and expenses amounts of the period of reference. The actual results may differ from the amounts of the estimation.
The estimations and judgments are constantly reassessed and are based both on the experience of the past and on other factors, including the expectations for future events which are considered fair according to the specific conditions.
The management's estimations and judgments are constantly reassessed and are based both on historical facts and expectations for future events which are considered fair according to actual situation.
The company makes estimations and assumptions with regard to the future. The resulting accounting estimations shall, by definition, very scarcely be equal to the respective actual results. The estimations and assumptions that run the very probable risk of causing a material change in the accounting values of the items of the assets and liabilities within the following fiscal year are discussed hereinafter.

Judgments

The basic judgments made by the company's management (save the judgments connected with estimations, which are presented hereinafter) which have the most important effect on the amounts recognized in the financial statements are mainly connected with:

Classification of investments

The management decides, when acquiring an investment, if such shall be classified as retained till expiry, as held for business purposes, as evaluated at fair price through the results or as available for sale. With regard to investments classified as retained till expiry, the management examines if the criteria of IAS 39 are being met and, more specifically, if the company intends and is able to retain them till their expiry. The company classifies the investments as held for business purposes if such investments have been acquired mainly for the creation of short term profit. The classification of investments as evaluated at fair price through the results depends on the way in which the management monitors the return of said investments. When investments are not classified as held for business purposes but fair values are available and reliable and the changes in the fair values are included in the profit or the loss in the administration accounts they are classified as evaluated at fair price through the results. All other investments are classified as available for sale.

Estimations and Assumptions

Specific amounts included in or affecting the financial statements, as well as the relevant notifications are evaluated, requiring the formation of assumptions with regard to values or conditions which cannot be known for sure at the time of drafting of the financial statements. An accounting estimation is considered significant when it is important for the company's financial situation and the results and requires the most difficult, subjective or complex judgments of the management, often resulting from the need to form estimations regarding the effect of uncertain assumptions. The company continuously evaluates such estimations, based on the results of the past and the experience, on meetings with experts, on trends and other methods considered fair at the specific conditions, as well as on the provisions about how these may change in the future.

Income Taxes

The company is subject to income tax imposed by the tax authorities. Important estimations are required, in order to form a provision regarding the income taxes. There are many transactions and calculations for which the specific determination of the tax is unknown during the normal course of the company's works. The company recognizes liabilities for expected revenue inspection issues based on estimations regarding the amount of the additional taxes that may be owed. When the final result from the taxes of such estimations varies from the amount that had initially been recognized in the financial statements, the differences affect the income tax and the provisions for the deferred taxation of the period when such amounts are finalized.

Provisions

The doubtful accounts are depicted with the amounts that may be recovered. The estimations for the amounts that are expected to be recovered result from an analysis and from the company's experience in doubtful customers. As soon as it becomes known that a specific account is subject to a risk bigger than the normal credit risk (e.g. low credit standing, disagreement about the existence or the amount of the receivable, etc.) the account is broken down and is, thereafter, recorded as doubtful in case conditions dictate that the receivable is uncollectible.

Contingencies

The company is involved in litigations regarding claims and compensations during the normal course of works. The management is of the opinion that any settlement would not affect significantly the financial standing of the company. Nevertheless, the determination of any eventual liabilities relating to litigations for claims or receivables is a complex procedure that includes judgments about the eventual consequences and the interpretations of laws and regulations. Any change in the judgments or the interpretations may lead to an increase or a decrease of the eventual company's liabilities in the future.

5.6 Summary of accounting policies

General

The accounting principles that have been applied in the drawing up of the financial statements as at December 31, 2019 are consistent with the ones applied for the drawing up of the 2018 annual financial statements and are summarized hereinafter.
It is worth noting, as mentioned hereinabove, that accounting estimations and assumptions are used in the drafting of the financial statements. Despite the fact that these estimations are based on the management's good knowledge of the current events and acts, the actual results may eventually differ from those estimated.

The amounts in the financial statements are in euros.

Conversion of items into foreign currency

A) Currency of presentation of the financial statements

The items of the company's financial statements are evaluated using the currency of the financial environment where each company operates (currency of operations). The financial statements are presented in euros, which is the company's currency of operations.

B) Transactions in foreign currency – evaluation of receivables – liabilities in foreign currency

The transactions in foreign currency are converted in the currency of operations by using the parities in force on the day of the transaction. Any profit or loss from exchange differences resulting from the conversion of currency items expressed in foreign currency during the fiscal year and at the parities in force on the day of the balance sheet are entered in the results. The exchange differences from non-currency items that are evaluated at their fair price are considered as part of the fair price and are, thus, entered where the differences of the fair prices are entered.

Financial Information per sector

As business sector we define a group of assets and operations, in order to provide the goods and services that are subject to different risks and returns from those of other business sectors. As geographical sector we define a geographical area, where goods and services are provided and which area is subject to different risks and returns from other areas. The company's activities are considered as one sector, given that they are developed exclusively in Greece and are homogenised.

Recognition of revenues and expenses

Revenues: Revenue is recognized, when it is estimated that future financial benefits shall flow in the financial entity and such benefits can be reliably measured.
Revenues are measured at the fair value of the collected barter and are net of value added tax, returns and any discounts.
The sum of the revenues is considered to be measured reliably when all eventual liabilities related to the sale have been resolved.

More specifically, the recognition of revenues is made as follows:

Sales of goods
The revenues from the sales of goods are recognized when the material risks and the benefits from the ownership of goods have been transferred to the purchaser, usually at the time of dispatch of the goods.

Provision of services
The revenues from fixed price contracts is recognized based on the stage of conclusion of the transaction at the date of the balance sheet. According to the method of the pro rata completion, the revenues are, generally, recognized based on the provision of services and the up to date delivery of a part on the total services that are to be rendered.
When the result of the transaction that concerns the provision of services cannot be reliably assessed, the revenues are recognized only to the extent that the recognized expenses can be recovered.
The sum of the selling price, relating to the agreement regarding services that shall be rendered at a later date, is entered in an interim account and is recognized in the income of

the period in which the services are rendered. These revenues are included in the item “other short term liabilities”.
In case that the initial estimations of revenues may change, the expenses or the degree of completion are reviewed. Such reviews may lead to increase or decrease of the estimated revenues or expenses and are presented in the income of the period whereas the cases that call for the review are made known by the management.

Income from interest
The income from interest is recognized based on the time proportion with the use of actual rate of interest. When there is impairment of the receivables, their accounting value is reduced to their recoverable amount, which is the current value of the expected future cash flows discounted with the initial actual rate of interest. Thereafter, interests are accounted at the same rate of interest on the impaired (new accounting) value.

Dividends
Dividends are considered as income, when the right to collect them is founded.

Expenses
Expenses are recognized in the results in accrued basis. The payments made for operational leases are transferred in the results as expenses at the time of use of the lease. The expenses from interests are recognized in accrued basis.

Borrowing Costs
The borrowing costs shall be recognized in the expenses of the period in which they take place.

Tangible assets

Tangible assets are evaluated at the acquisition cost less the accumulated depreciation and waste. The acquisition cost includes all directly ascribed costs for the acquisition of the items. Any posterior costs are entered in increase of the book value of the tangible assets or as separate asset only in case it is possible for the future financial benefits to flow into the Company and their cost can be valuated safely. The cost of repairs and maintenance is entered in the results when they are effected.
Plots are not depreciated. The depreciation of other tangible assets is calculated according to the standard method in their useful life circle as follows:

Buildings	50	years
Mechanical equipment	3-25	years
Cars	7-9	years
Other equipment	5-10	years

The net book value and the useful life circle of tangible assets are being re-examined in every balance sheet.
When selling tangible assets, the differences between the price received and their book value are entered in the results as profits or losses.
The financial expenses that concern the construction of asset items are capitalised for the period required for the completion of construction. All other financial expenses are recognised in the operating results.

Leases

<u>Operational Leases</u>
Leases where the lessor undertakes all risks and benefits of ownership of the leased property are entered as operational leases. The payments of the operational leases are

fixedly recognized as expenses in the loss and profit account throughout the period of the lease.

Leasing
Leasing of tangible assets where the company essentially undertakes all risks and benefits of ownership are classified as leasing. Leasing is classified at the time of execution of the lease, at the lower value between the fair value of the leased tangible assets and the current value of the minimum rent. Each rent is allocated in the liability and the financial expense, in order to achieve a fixed rate of interest on the unsettled liability. The liability for unsettle rents, net of financial cost, is included in other long term liabilities. Interests are entered in the loss and profit account throughout the lease period, in order to achieve a fixed periodical rate of interest for the remaining time of the lease at all dates of the balance sheet. Tangible assets that have been acquired through leasing shall become the ownership of the company after the expiry of the lease period.

Audit of impairment of value of long term assets

The accounting values of long term assets are audited for impairment when events or changes in the circumstances imply that the accounting value may not be recoverable. When the accounting value of an asset exceeds its recoverable amount, the respective loss due to impairment is entered in the profit and loss account. The recoverable value is the greater value between the net sale value and the use value. Net sale value is the amount that can be received from the sale of an asset within the framework of a mutual agreement where the parties are fully aware and proceed voluntarily, after deducting all additional direct costs for the sale of the asset, whereas use value is the net current value of estimated future cash flows that are expected to derive from the continuous use of an asset and from the income that is expected to result from its sale at the end of its expected useful life circle. For the purposes of defining the impairment, the items of the assets are grouped at the lowest level at which cash flows may be recognized separately.

Financial assets

The company's financial assets include the following categories of assets:

a) loans and receivables, and
b) financial assets for sale.

Financial assets are divided in different categories by the management depending on the characteristics and the purpose for which the asset has been acquired. The category in which each asset is included is diversified from the others, given that different rules apply on each category with regard to the valuation and the method of recognition of each determined result either in the profit and loss account or directly in the Shareholder's Equity.
Financial assets are recognized upon application of the accounting of the date of settlement.
The valuation of the impairment is made, at least, on each date of publication of the financial statements either in case there are objective facts that a financial asset or a group of financial assets has been impaired or not.

a) Loans and receivables

Loans and receivables are non-derivative financial items of the assets with fixed and determinable payments, which do not have stock market value in an operating market. They are created when the company gives money, goods or services directly to a debtor without intent of commercial exploitation. Each change in the value of loans and receivables is recognized in the results when the loans and receivables are deleted or impaired, as well as during depreciation.

With regard to some receivables, an audit is carried out to verify eventual impairments per individual receivable (for example for each customer individually) in case where the collection of a receivable has been considered overdue at the date of the financial statements or in case where the need for their impairment is objectively indicated. All other receivables are grouped and audited for any eventual impairment in their group.
Loans and receivables are included in current assets, save those expiring after the lapse of 12 months from the date of the balance sheet. These are characterized as non-current assets and they are classified as commercial and other receivables in the balance sheet and constitute the largest part of the company's financial assets.

b) Financial assets for sale

Financial assets for sale include non-derivate financial assets that are classified as available for sale or do not fulfill the criteria of classification in other categories of financial assets. All financial assets included in this category are valuated at fair value, provided that said value can be reliably determined, with the changes in their value being recognized in shareholder's equity, following the calculation of each effect from taxes.
At the sale or impairment of the assets for sale, the accrued profit or loss that had been recognized in the shareholder's equity are recognized in the profit and loss account.
In case of impairment, the amount of the accrued loss that is transferred from the net position and is recognized in the results comprises in the difference between the acquisition price (after deduction of the repayment of capitals and depreciation) and the fair value less each impairment loss that had been previously recognized.
The impairment loss that had previously been recognized in the results for investment in an equity instrument classified as available for sale are irreversible through the results. The loss that had been recognized in the financial statements of previous periods which resulted from the impairment of debt instruments are reversed through the results, if the increase (inversion of impairment) is related to events that took place after the recognition of the impairment in the profit and loss account.

Fair value

The fair value of investments existing in an operating market is proven by reference to stock market prices at the date of the balance sheet. If a market for an investment is not operating, the company determines the fair value using valuation techniques. The purpose of using a valuation technique is the determination of the transaction price that would have resulted at the date of measurement of a transaction on purely commercial basis instigated by usual business factors. Valuation techniques include the use of recent transactions on purely commercial basis, the reference to the current fair value of a materially similar item, the breakdown of discount of cash flows, as well as the valuation models of options.

Inventories
Inventories are evaluated at the lowest value between the acquisition cost and the net liquid value. The cost is determined using the method of average weighted cost. The cost of ready products includes the cost of materials, the direct workforce cost and a proportion of the general production costs. Borrowing costs are not included in the acquisition cost of the inventories. The net liquid value is evaluated on the basis of the current selling prices of the inventories, within the framework of the usual activity deducting any eventual sale expenses, as the case may be. In case of posterior increase in the net liquid value of the impaired inventories, such impairment is offset.

Accounting of income tax

Current income taxation

The current taxes receivable / liability includes all receivables or liabilities to the tax authorities relating to the current or previous reference periods that have not been paid until the date of the balance sheet.
The current income taxes are calculated according to the tax rates and the tax laws applied in fiscal years to which they relate, based on the taxed profit for such year. All changes in the short term fiscal data of assets or liabilities are acknowledged as part of fiscal expenses in the profit and loss statement.

Deferred income taxation

The deferred income tax is determined using the method of liability focusing on interim differences. This includes the comparison between the book value and the fiscal basis of the assets and liabilities.
A deferred income receivable is recognized to the extent that it is possible to be offset with future income tax.
A deferred income receivable is recognized for all taxable interim differences.
A deferred income tax is not recognized for interim differences relating to investments in subsidiaries and participation in consortia if the inversion of such interim differences may be audited by the company while it is expected that such interim difference shall not be reversed in the future.
Moreover, the tax loss that may be brought forward to following fiscal years, as well as tax credits to the company are recognized as deferred tax receivables.
No deferred taxation is recognized at the initial recognition of a liability or receivable in a transaction that does not constitute merger of enterprises and at the time of the transaction it does not affect neither the accounting profit or the taxable profit or loss.
The deferred tax receivables and liabilities are calculated according to the tax rates that are expected to apply in the period when the liability or the receivable is expected to be settled, taking into account the tax rates that have been enacted or essentially enacted until the date of the balance sheet.
Most changes in the deferred tax receivables or liabilities are recognised as tax expense in the results. Only changes in the deferred tax receivables or liabilities relating to the change in the value of the receivable or the liability charged directly to the shareholder's equity are debited or credited directly in the shareholder's equity.
The company recognizes a previously not recognized tax receivable to the extent that it is possible that a future tax profit shall allow the recovery of the deferred tax receivable.
The deferred tax receivable is re-examined at each date of balance sheet and is reduced to the extent that it is not possible any more that an adequate taxable profit shall be available that shall allow the utilization of the benefit, in whole or in part, of such deferred tax receivable.

Cash and cash equivalents

Cash and cash equivalents include cash, sight and time deposits and short term, up to 3 months, high liquidity and low risk investments.

Equity

The share capital is determined according to the nominal value of the shares issued. The ordinary shares are classified in shareholder's equity.
The increase of the Share Capital with payment of cash includes all differences above par at the initial issuance of the Share Capital. All transaction costs relating to the issuance of shares, as well as any relevant benefit from income tax that may arise shall be deducted from the increase of the share capital.
The data of a financial instrument that a) create a financial liability to the financial entity, and b) give the right of option to the holder of the instrument to convert it to participating security

of the financial entity, are separately recognized as financial liabilities, financial receivables or participating securities.
If a financial entity obtains its own participating securities, such instruments (“own securities”) shall be deducted from the shareholder’s equity. If, at a later stage, such shares are reissued, the received price (net from the relevant transaction costs and the relevant benefit of the income tax) is included in the shareholder’s equity attributed to the shareholders. During the purchase, sale, issuance or annulment of own participating securities of the financial entity no profit or loss is recognized in the results.

State Grants

State grants are accepted at their fair value when it is reasonably expected that the grant shall be collected and the company shall comply with all provided terms. State grants concerning expenses are deferred and accepted in the results, in order to be matched with the expenses they aim to indemnify. State grants related to the acquisition of tangible assets are included in the long term liabilities and are carried forward as income in the profit and loss account with the standard method per anticipated useful life circle of the relevant assets.

Employee benefits

<u>a) Short term benefits</u>

Short term employee benefits in money and in kind are entered in the results once they are accrued.

<u>b) Benefits at the time of retirement</u>

In accordance with the provisions of laws 2112/20 and 4093/2012 the company pays redundancy or retirement benefits to its employees. The amount of such benefits depends on the years of employment, the level of salary and whether the employee was made redundant or retired. These benefits on retirement fall under the defined benefit plans according to the amended IAS 19 "Employee Benefits".
The accrued cost of fixed contribution programs is entered in the results in the period it concerns. The liability included in the balance sheet for the fixed benefits programmes is the current value of the binding for the determined benefit. The binding of the determined benefit is calculated annually by an independent actuary using the projected unit credit method).

<u>c) Benefits at the time of termination of employment</u>

The benefits at the time of termination of employment are granted when employees leave before their retirement. The company enters these benefits when it is bound, either when the company terminates the employment of existing employees, or when it offers such benefits as incentive for voluntary withdrawal. In case of termination of employment without having the possibility to determine the number of employees that will use the benefits, such benefits are not accounted but they are notified as eventual liability.

Financial liabilities

The company’s financial liabilities include bank loans and overdraft accounts, commercial and other liabilities and financial leases. The company’s financial liabilities (save the loans) are depicted in the Balance Sheet, under the item “long term financial liabilities”, as well as in the item “other commercial liabilities”.
The financial liabilities are recognized when the company participates in a contractual agreement of the financial instrument and are deleted when the company is released from such liability or such liability is annulled or expires.

Interests are recognized as expense in the item “financial expenses” in the profit and loss account.
The liabilities from leasing are valuated at the initial value less the amount of the capital of the financial repayments.
Commercial liabilities are initially recognized at their face value and, thereafter, are valuated at the depreciated cost less the settlement repayments.
The dividends paid to the shareholders are included in the item “other short term financial liabilities”, when such dividends are approved by the General Assembly of the Shareholders.
Profits and losses are recognized in the profit and loss account when liabilities are deleted as well as through depreciation.
When an existing financial liability is exchanged with another liability of different form having the same lender but essentially different terms or the terms of an existing liability are materially amended, such as with an exchange or an amendment, this is treated as repayment of the initial liability and recognition of a new liability. Every difference in the respective accounting values is recognized in the results.

Loans

Bank loans provide long term financing to the company operations. All loans are initially recognized in the cost, which is the fair value of the consideration received outside the issuance cost of the borrowing.
Following the initial recognition, loans are valuated at the depreciated costs and all differences between income and repayment is recognized in the results during the period of the loan according to the method of actual rate of interest.
The depreciated cost is calculated taking into account each issuance cost and each discount or each amount in the settlement above par.
The convertible bond loan is divided into two parts: the first concerns the part of the loan and the second represents the element of the shareholder’s equity and the loan. The part concerning the loan represents the company’s obligation for future payments of the coupon and repayment of the capital. The item of shareholder’s equity represents the value of the right held by all bondholders to convert into ordinary company shares and is presented in shareholder’s equity (after the deduction of the corresponding tax).

Other provisions, eventual liabilities and eventual assets

Provisions are recognized when a current commitment may lead to outflow of financial resources from the company, while it can be reliably estimated. The time of realisation or the amount of the outflow may be uncertain.
A current commitment results from the presence of a legal or a presumed liability that has resulted from past events, e.g. guarantees of goods, legal disputes or burdensome contracts.
The restructuring provisions are recognized only if a detailed standard program has been developed and executed or if the Administration has, at least, announced the points of such programs to those that are about to be affected. Provisions are not recognized for future operational loss.
When the loss, in whole or in part, required for the settlement of a provision is expected to be reimbursed by another party, such reimbursement shall be recognized when and only when it is, essentially, certain that it shall be collected, if the financial entity settles the liability and this is treated as a separate asset. The amount recognized for the reimbursement does not exceed the amount of the provision.
The expense relating to a provision is presented in the results, net from the amount recognized for the reimbursement.
A provision is used only for the expenses for which the provision was initially formed. Provisions are reexamined at each date of the Balance Sheet and are adjusted, in order to depict the best current estimation.

Provisions are valuated at the expected cost required for determining the current commitment, based on the most reliable facts available at the date of the Balance Sheet, including the risks and uncertainties regarding this commitment.
When the effect of the diachronical value of money is important, the amount of the provision is the present value of expenses expected to be required, in order to settle the liability.
The before taxes repayment rate of interest reflects the current market estimations for the diachronical value of money and the risks relating to the liability. The rate of interest does not reflect risks for which the future provisions of cash flows have been adjusted.
When the method of discounting is used, the accounting value of a provision increases in each period, in order to reflect the passing of time. Such increase is recognized as borrowing cost in the results. When there is a number of similar commitments, the possibility that an outflow shall be required for settlement, is determined taking into account the category of commitments as a totality. A provision is recognized even if the possibility of proceeding to an outflow for an item included in the category of commitments is slight.
If, from now on, it is not possible that an outflow of resources, incorporating financial benefits, is required for the settlement of a liability, the provision shall be reversed.
In such cases where the possible outflow of financial resources resulting from the present commitments is considered not possible or the amount of the provision cannot be estimated reliably, no liability is recognized in the Balance Sheet unless considered within the framework of company merger.
Such eventual liabilities are recognized within the framework of allocation of acquisition cost in the assets and the liabilities during company mergers. Thereafter they are valuated at the higher amount of a comparable provision, as described hereinabove, and at the amount that had initially been recognized, less all depreciation.
Eventual inflows from financial benefits for the company that do not fulfill the criteria of an asset yet, are considered eventual liabilities.

5.8 Breakdown of balance sheet items

5.8.1 Own Used Tangible Assets

The company's tangible assets are broken down as follows:

	Plots	Buildings	Machinery	Means of transportation	Furniture and other equipment	Total
Acquisition cost 1.1.2018	**1.670.874,90**	**12.729.137,18**	**37.654.952,87**	**608.354,79**	**1.117.377,64**	**53.780.697,38**
Additions of use	0,00	0,00	201.728,95	7.890,96	521,06	210.140,97
Deductions of use	0,00	0,00	0,00	0,00	0,00	0,00
Transfers of use	0,00	0,00	0,00	0,00	0,00	0,00
Acquisition cost 31.12.2018	**1.670.874,90**	**12.729.137,18**	**37.856.681,82**	**616.245,75**	**1.117.898,70**	**53.990.838,35**
Accrued depreciation 1.1.2018	**0,00**	**6.481.633,22**	**25.460.540,98**	**590.180,01**	**1.059.369,02**	**33.591.723,23**
Depreciation of use	0,00	153.386,36	867.490,37	6.665,44	12.651,28	1.040.193,45
Deductions of use	0,00	0,00	0,00	0,00	0,00	0,00
Accrued depreciation 31.12.2018	**0,00**	**6.635.019,58**	**26.328.031,35**	**596.845,45**	**1.072.020,30**	**34.631.916,68**
Net Book Value 31.12.2018	**1.670.874,90**	**6.094.117,60**	**11.528.650,47**	**19.400,30**	**45.878,40**	**19.358.921,67**
Acquisition cost 1.1.2019	**1.670.874,90**	**12.729.137,18**	**37.856.681,82**	**616.245,75**	**1.117.898,70**	**53.990.838,35**
Additions of use	0,00	3.650,00	187.732,29	3.616,55	0,00	**194.998,84**
Deductions of use	0,00	0,00	0,00	0,00	0,00	**0,00**
Transfers of use	0,00	0,00	0,00	0,00	0,00	**0,00**
Acquisition cost 31.12.2019	**1.670.874,90**	**12.732.787,18**	**38.044.414,11**	**619.862,30**	**1.117.898,70**	**54.185.837,19**
Accrued depreciation 1.1.2018	**0,00**	**6.635.019,58**	**26.328.031,35**	**596.845,45**	**1.072.020,30**	**34.631.916,68**
Depreciation of use	0,00	153.386,36	845.658,16	5.051,47	11.348,67	**1.015.444,66**
Deductions of use	0,00	0,00	0,00	0,00	0,00	**0,00**
Accrued depreciation 31.12.2019	**0,00**	**6.788.405,94**	**27.173.689,51**	**601.896,92**	**1.083.368,97**	**35.647.361,34**
Net Book Value 31.12.2019	**1.670.874,90**	**5.944.381,24**	**10.870.724,60**	**17.965,38**	**34.529,73**	**18.538.475,85**

The company's tangible assets have been valuated at the historical cost of their acquisition. Investments in tangible assets in this fiscal year amounted to € 194,998,.84 for the Company while in the previous fiscal year 2018 they amounted to € 210,140.97.
Depreciation of tangible assets for the fiscal year 2019 amounted to € 1,015,444.66 while for the previous fiscal year 2018, they amounted to € 1,040,193.45.
The residual values and useful lives of tangible assets are reviewed at each balance sheet date.
On the Company's fixed assets there is a mortgage of € 14,295,126.00 in favour of ALPHA BANK, PIRAEUS BANK, EUROBANK, NATIONAL BANK and ATTICA BANK under the terms of the joint subordinated Bond Loan with a balance of € 8,811,481.03 on 31.12.2019.

5.8.2. Financial assets at fair value through other comprehensive income

	31.12.2019	**31.12.2018**
Investment in the share capital of the connected company "HELLENIC QUALITY FOODS SA"	3.192.231,25	3.192.231,25
Less: valuation at fair value (at the expense of equity)	-632.901,25	-632.901,25
Net investment value in the share capital of HQF S.A.	2.559.330,00	2.559.330,00
Participation in the share capital of "A VEPE VOLOS" **Total**	5.850,00	5.850,00
Investment in the share capital of the connected company "HELLENIC QUALITY FOODS SA"	**2.565.180,00**	**2.565.180,00**

5.8.3 Other long term receivables

	31.12.2019	**31.12.2018**
Guarantees given to electricity providers	34.205,28	34.205,28
Guarantees given to OTE SA	584,74	584,74
Guarantees given to property lessors	41.062,38	48.910,66
Guarantees given to car lessors	9.079,84	10.009,72
Guarantees given for other liabilities	10.284,28	2.436,00
Total	**95.216,52**	**96.146,40**

5.8.4 Right-of-Use Assets

Implementation of IFRS 16 had the following impact:

	Office buildings
Right-of-use assets cost at 1.1.2019	191.811,06
Additions	0,00
Right-of-use assets cost at 31.12.2019	191.811,06
Depreciation of right-of-use assets at 1.1.2019	0,00
Depreciation of year 2019	95.905,53
Depreciation of right-of-use assets at 31.12.2019	95.905,53
Net Book Value	**95.905,53**

5.8.5 Inventories

	31.12.2019	31.12.2018
Merchandise	4.810,89	4.805,22
Finished and partly finished goods	1.013.821,89	1.056.430,58
Raw material	1.403.188,63	961.039,70
Secondary material	65.278,96	101.149,23
Consumables	67.985,58	103.637,08
Fixed assets spare parts	588.858,05	583.608,49
Total	**3.143.944,00**	**2.810.670,30**

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 favor of the banks participating joint subordinated Bond Loan with a balance of € 8,811,481.03 on 31.12.2019.

5.8.6 Customers and other commercial receivables

	31.12.2019	31.12.2018
Customers	3.108.643,31	4.242.065,77
Bills receivable in delay	83.230,32	83.230,32
Checks receivable (postdated)	3.553.562,49	4.338.056,94
less: expectations for doubtful receivables	-468.898,62	-449.374,04
Total	**6.276.537,50**	**8.213.978,99**

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 trade receivables based on their total maturity.

Based on the following two tables, with historical breakdowns, percentages, historical data and reasonable future expectations, additional expected credit losses of € 2,345.05 arose on the reporting period 1.1-31.12.2018 and expected credit loss amounting to € 19,524.58 for the period 1.1 - 31.12.2019, which burdened the results of the respective fiscal years.

	31.12.2018	Loss Rate	Loss Sum
No delay	7.156.925,60	1,62%	-115.851,28
1 to 90 days	691.347,02	3,60%	-24.888,49
91 to 180 days	537.058,47	5,70%	-30.612,33
181 to 365 days	0,00	-	0,00
Over 365 days	278.021,94	100,00%	-278.021,94
	8.663.353,03		**-449.374,04**
Provision for loss previous accounting policy:			-447.028,99
Impact on loss provision:			-2.345,05
Deferred tax with 29%:			680,06
Impact on results on 31.12.2018:			**-1.664,99**

	31.12.2019	Loss Rate	Loss Sum
No delay	4.888.666,05	1,62%	-79.134,29
1 to 90 days	798.001,20	3,60%	-28.728,04
91 to 180 days	739.907,30	5,70%	-42.174,72
181 to 365 days	0,00	-	0,00
Over 365 days	318.861,57	100,00%	-318.861,57
	6.745.436,12		**-468.898,62**
Provision of loss at beginning of fiscal year:			-449.374,04
Provisions for loss in the income statement:			-19.524,58
Deferred tax with 24%:			4.685,90
Impact on results on 31.12.2019			**-14.838,68**

5.8.7 Other receivables

	31.12.2019	31.12.2018
Advance payments and loans to personnel	4.729,01	2.479,01
Receivables from the Greek State	22.326,69	22.262,99
Other sundry debtors	286.877,71	288.795,95
Expenses of following fiscal year	58.954,79	76.393,81
Purchases under delivery	64.499,75	532.171,72
Debit balance of suppliers	77.800,70	110.769,06
Total	**515.188,65**	**1.032.872,54**

5.8.8 Cash and cash equivalents

	31.12.2019	31.12.2018
Cash	4.635,68	3.632,29
Sight deposits	6.932,59	9.230,91
Total	**11.568,27**	**12.863,20**

5.8.9 Share Capital

The company's share capital on December 31, 2019 amounted to € 14,309,568.00 and was divided into 4,968,600 common shares of a nominal value of € 2.88 each. The shares of VIS Containers Manufacturing S.A. are listed in the Athens Stock Market.

The company's equity on December 31, 2019 was less than half of the share capital and therefore the conditions of paragraph 4 of article 119 of Law 4548/2018 are met. The Board of Directors, in implementation of the provision of this paragraph, shall timely convene the ordinary general meeting of shareholders, which shall take the appropriate measures.

5.8.10 Other inventories

	31.12.2019	31.12.2018
Legal reserve	406.407,55	406.407,55
Contingency reserve	30.410,44	30.410,44
Tax free reserves of specific law provisions	1.614.279,06	1.614.279,06
Reserves from tax free income	87.267,65	87.267,65
Reserves from income taxed in a special manner	11.528,95	11.528,95
Total	**2.149.893,65**	**2.149.893,65**

5.8.11 Retained earnings

	31.12.2019	31.12.2018
Retained earnings	-8.198.492,09	-4.990.783,55
Impact of adjustments based on IFRS 9	0,00	-636.663,53
Plus / (less) cumulative total income after tax	-2.626.691,21	-2.571.045,01
Total	**-10.825.183,30**	**-8.198.492,09**

5.8.12 Liabilities for employee benefits due to retirement

	31.12.2019	31.12.2018
Liabilities for employee benefits due to retirement	473.748,00	449.056,38

Moreover, the movement of the specific account for the 2019 and 2018 fiscal years is as follows:

Liability balance on 1.1.2018	**447.796,00**
Cost of current service	24.304,00
Benefits paid during the current fiscal year	-23.043,62
Liability balance on 31.12.2018	**449.056,38**
Liability balance on 1.1.2019	**449.056,38**
Cost of current service	23.004,34
Actuarial (profit) loss on liability	1.687,28
Liability balance on 31.12.2019	**473.748,00**

The main actuarial admissions used for the estimation of the provision for indemnity paid to the employees due to retirement are as follows:

	31.12.2019	31.12.2018
Discount rate	1,15%	3,40%
Salaries increase	0,00%	0,00%
Inflation rate	1,50%	2,00%
Turnover, see Table 1 hereinbelow		
Table of service	E V K 2000	E V K 2000

Table 1

Years of employment	Percentage of retirement
From 0-1 year	5,00%
From 1-5 years	3,50%
From 5-10 years	3,50%
Over 10 years	2,00%

In line with IAS 19, expected wage growth should take account of inflation, aging, employee promotion and other relevant factors, such as supply and demand in the labor market. In the company's estimation, taking into account the principles of IAS 19 and the domestic current economic situation, there is no expected long-term increase in employee salaries. The inflation rate was assumed to be equal to 1.5% to be consistent with the long-term nature of the actuarial provision, as well as the target price for the Eurozone countries.

5.8.13 State grants

	31.12.2019	31.12.2018
Grants of assets law 1892/1990	2.810.071,85	2.897.726,35
Grants of assets law 3299/2004	232.502,29	232.502,29
Total	**3.042.574,14**	**3.130.228,64**

5.8.14 Long term loan liabilities

	31.12.2019	31.12.2018
Bond loans non-convertible to shares (balance at beginning of fiscal year)	**9.397.643,95**	**10.013.440,58**
Payment of loans	-586.162,92	-615.796,63
Transfer to short-term liabilities	-685.917,04	-685.038,96
Bond loans non-convertible to shares (balance at end of fiscal year)	**8.125.563,99**	**8.712.604,99**

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

	31.12.2019	31.12.2018
Actual weighted interest rates for long term loans	Euribor 3M+4,25%	Euribor 3M+4,48%

5.8.15 Long term provisions

	31.12.2019	31.12.2018
Provisions for differences from tax audit for past fiscal years (balance at beginning of fiscal year)	100.000,00	100.000,00
Provisions for contingencies	40.000,00	40.000,00
Total Long term provisions	**140.000,00**	**140.000,00**

During the fiscal year 2019 there was no change in the amounts of the above provisions.

The years 2011 to 2018 were subject to the tax audit of the Certified Public Accountants, provided for by the provisions of Article 82 paragraph 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 2019 the company has been subjected to the tax audit of the Certified Auditors Accountants provided by article 65A of law 4174/2013. This audit shall be completed with the issuance of the relevant tax certificate and no additional tax liabilities are expected to arise.

5.8.16 Deferred tax liabilities

The breakdown of deferred tax liabilities as at 31.12.2019 and 31.12.2018 is presented in the following table:

	31.12.2019	31.12.2018
Deferred tax liability from tangible assets	2.349.536,69	2.556.916,05
Deferred tax liability from dividends payable to preferred shareholders	27.773,69	27.773,69
Deferred tax liability from short term liabilities	1.987,47	73.285,73
Deferred tax liability from non- recognition of installation costs	73.342,80	76.398,74
Total deferred tax liabilities (a)	**2.452.640,65**	**2.734.374,21**
Deferred tax receivable from the provision of doubtful receivables	200.252,02	274.930,16
Deferred tax receivable from liabilities relating to employees benefits	113.699,52	112.264,10
Deferred tax receivable from grants	554.996,89	580.919,47
Deferred tax receivable from short term liabilities	**868.948,43**	**968.113,73**
Total deferred tax liabilities (b)	**1.583.692,22**	**1.766.260,48**

The change in the deferred tax liabilities is due to the deferred tax income and expense of the 2018 and 2019 fiscal years respectively, as depicted in the following table.

Balance of deferred tax liability on 1.1.2018	**2.108.154,94**
Impact on 1.1.2018 of change in accounting policy under IFRS 9	-1.536,71
Less: deferred tax income for the year 2018	-62.199,84
Less: deferred income tax income for the year 2018 due to a recalculation with a tax rate in the settlement year of 25%	-278.157,91
Balance of deferred tax liability on 31.12.2018	**1.766.260,48**

Balance of deferred tax liability on 1.1.2019	**1.766.260,48**
Less: deferred tax income for the year 2019	-182.146,44
Less: deferred tax income from other total income for the year 2019	-421,82
Balance of deferred tax liability on 31.12.2019	**1.583.692,22**

Article 23 of Law 4579/2018 (Government Gazette A 201 / 3.12.2018) amended article 58 of Tax Law 4172/2013, which now provides that the tax rate for income of legal entities (29% up to tax year 2018 inclusive) will decrease to 24% from year 2019 onwards.

The deferred tax revaluation at a rate of 24% resulted in a deferred tax income of € 64,829.89 which was reflected in the income statement.

5.8.17 Suppliers and other commercial liabilities

	31.12.2019	31.12.2018
Suppliers	3.449.181,85	2.809.921,36
Checks payable	988.655,59	994.477,26
Total	**4.437.837,44**	**3.804.398,62**

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.

5.8.18 Other short term liabilities

	31.12.2019	31.12.2018
Personnel salaries payable	154.004,37	162.659,32
Dividends payable	249.963,17	249.963,17
Other sundry creditors	48.370,33	63.569,47
Insurance organizations	332.823,21	366.036,68
Customers advance payments	82.311,91	88.294,42
Accrued expenses of fiscal year (payable)	60.581,90	55.828,25
Total	**928.054,89**	**986.351,31**

5.8.19 Current tax liabilities

	31.12.2019	31.12.2018
Value Added Tax	198.514,85	100.328,06
Personnel Salaries' Taxes	88.665,31	99.749,42
Third Parties Fees' Taxes	2.077,93	2.068,57
Income tax of taxable profits	38.675,67	36.845,82
Other taxes	1.583.083,66	1.515.649,40
Taxes under fixed arrangements	**1.911.017,42**	**1.754.641,27**

5.8.20 Short term loan liabilities

	31.12.2019	31.12.2018
Balance of short term loans	4.182.893,21	4.401.082,89

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

	31.12.2019	31.12.2018
Actual weighted interest rates for short term loans	6,13%	6,14%

5.8.21 Long term liabilities payable in the following fiscal year

Account balances refer to the installments of bond loans that are payable in the next fiscal year.

5.8.22 Long term lease liabilities payable in the following fiscal year

The balance of the account amounting to € 96,439.62 on 31.12.2019 concerned lease liabilities payable in the next twelve months according to IFRS 16.

5.9 Breakdown of results items

5.9.1 Turnover

	1.1-31.12.2019	1.1-31.12.2018
Sale of merchandise	1.304.280,00	1.373.889,53
Sale of finished and semi-finished goods	12.743.982,74	15.130.577,10
Sale of other inventories and useless material	215.137,57	320.010,24
Income from services	109.975,03	133.079,77
Total	**14.373.375,34**	**16.957.556,64**

5.9.2 Cost of sales

	1.1-31.12.2019	1.1-31.12.2018
Cost of consumption of raw and secondary material and other material	9.233.731,02	11.317.325,15
Plus: General Industrial Expenses		
Personnel salaries and expenses	2.687.538,43	2.917.201,44
Third parties' fees and benefits	688.527,22	810.054,05
Taxes - duties	44.941,04	45.935,78
Sundry expenses	137.450,74	184.582,25
Provisions	23.004,34	24.304,00
Depreciation (less grants of assets)	1.023.695,69	949.997,00
Total	**13.838.888,48**	**16.249.399,67**

5.9.3 Other operating income

	1.1-31.12.2019	1.1-31.12.2018
Income from lease of buildings	16.988,60	14.708,88
Extraordinary and non-operating income	303,43	5.378,54
Total	**17.292,03**	**20.087,42**

5.9.4 Administrative expenses

	1.1-31.12.2019	1.1-31.12.2018
Personnel salaries and expenses	230.629,29	231.221,92
Third parties' fees and expenses	530.601,71	532.244,35
Third parties' benefits	54.018,12	48.352,29
Taxes - duties	38.950,89	49.972,12
Sundry expenses	9.207,20	10.839,83
Total	**863.407,21**	**872.630,51**

5.9.5 Selling Expenses

	1.1-31.12.2019	1.1-31.12.2018
Cost of inventories recognized as expense	7.814,84	8.627,42
Personnel salaries and expenses	784.835,90	954.554,53
Third parties' salaries and expenses	6.365,92	7.815,73
Third parties' benefits	151.249,15	163.430,08
Taxes - duties	1.620,00	1.620,00
Transportation expenses	720.389,85	809.683,70
Provisions for doubtful receivables	19.524,58	2.345,05
Total	**1.691.800,24**	**1.948.076,51**

5.9.6 Depreciation of assets incorporated in the cost of sales

	1.1-31.12.2019	1.1-31.12.2018
Depreciation of buildings	249.291,89	153.386,36
Depreciation of machinery	845.658,16	867.490,37
Depreciation of means of transportation	5.051,47	6.665,44
Depreciation of furniture and other equipment	11.348,67	12.651,28
Total depreciation of assets	**1.111.350,19**	**1.040.193,45**
Less:		
Grants for investments in fixed assets corresponding to the fiscal year	87.654,50	90.196,45
Total	**1.023.695,69**	**949.997,00**

5.9.7 Financial Cost (net)

	1.1-31.12.2019	1.1-31.12.2018
Interests of bond loans	413.399,64	438.186,41
Interests of short term loans	106.205,58	117.501,66
Other bank expenses	278.200,97	263.252,14
Interest from right-of-use for buildings (IFRS 16)	6.337,44	0,00
Total	**804.143,63**	**818.940,21**

5.9.8 Income tax

	1.1-31.12.2019	1.1-31.12.2018
Deferred tax expense or (revenue)	-182.146,44	-340.357,75

Further breakdown of the income tax is presented in the table hereinbelow:

	1.1-31.12.2019	1.1-31.12.2018
Profits before taxes	-2.807.572,19	-2.911.402,76
Tax rate	25%	29%
Corresponding tax	0,00	0,00
Less: corresponding tax in income that is not subject to income tax	0,00	0,00
Income tax (a)	0,00	0,00
Plus: provision for differences from tax audit (b)	0,00	0,00
Deferred tax expense or (revenue) from the difference of depreciation of fixed assets	-109.348,49	-63.106,77
Deferred tax expense or (revenue) from right-of-use assets	-133,53	0,00
Deferred tax expense or (revenue) from provisions for doubtful receivables	-4.881,15	-680,06
Deferred tax expense or (revenue) from liability for employee benefits due to retirement	-5.751,08	-365,51
Reduction of deferred tax liability due to recalculation with rate of tax at the year of settlement equal to 24% (25% in 2018)	-64.829,89	-278.157,91
Total deferred expense or (revenue) (c)	**-182.146,44**	**-340.357,75**
Total (a)+(b)+(c)	**-182.146,44**	**-340.357,75**

5.9.9 Earnings per share

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

	1.1-31.12.2019	1.1-31.12.2018
Profits / (loss) after taxes	-2.625.425,75	-2.571.045,01
Average weighted number of shares	4.968.600	4.968.600
Profit (loss) per share – basically in €	-0,5284	-0,5175

Impaired earnings per share are matched by the basics as there are no potential securities (e.g. preferred shares) convertible into ordinary shares.

5.4 Number of employed personnel and cost of payroll

The number of employed personnel on December 31, 2019 and in 31.12.2018 is broken down as follows:

	31.12.2019	31.12.2018
Employees	50	51
Day-wage persons	93	93
Total	**143**	**144**

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

	1.1-31.12.2019	1.1-31.12.2018
Employees' salaries	1.424.240,57	1.623.128,50
Day-wage persons' salaries	1.474.081,50	1.564.421,97
Employer's contributions for employees	371.026,56	423.116,74
Employer's contributions for day-wage persons	389.930,58	415.785,82
Subsequent benefits and personnel expenses	43.724,41	46.120,36
Indemnity for dismissal of personnel	0,00	30.404,50
Total	**3.703.003,62**	**4.102.977,89**

5.10 Disputes in court or arbitration

The 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.

5.11 Fiscal years not subjected to tax inspection

The years 2011 to 2018 were subject to the tax audit of the Certified Public Accountants, provided for by the provisions of Article 82, paragraph 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 2019 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 shall be completed with the issuance of the relevant tax certificate and no additional tax liabilities are expected to arise.

5.12 Other eventual liabilities and receivables

The company has no further 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. No additional payments are expected at the time of preparation of these financial statements.

5.13 Transactions with connected parties

The connected parties in the sense of IAS 24 are the parent company HELLENIC QUALITY FOODS S.A., and the members of the Board of Directors.

The breakdown of inter-company sales for the fiscal years 2019 and 2018 is presented hereinbelow:

	1.1-31.12.2019	**1.1-31.12.2018**
Sales of goods	2.343.173,11	2.486.654,10
Sales of leases	13.681,80	13.283,28
Total inter-company sales	**2.356.854,91**	**2.499.937,38**

The breakdown of inter-company purchases for the fiscal years 2019 and 2018 is presented hereinbelow:

	1.1-31.12.2019	**1.1-31.12.2018**
Purchase of assets	150.581,94	174.034,19
Purchase of leases	100.208,88	100.208,88
Purchase of services	595.700,59	591.264,83
Total inter-company purchases	**846.491,41**	**865.507,90**

The breakdown of inter-company receivables on December 31, 2019 and in 2018 is presented hereinbelow:

	31.12.2019	**1.1-31.12.2018**
Receivables from HQF S.A.	855.125,37	1.779.117,61

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:

	1.1-31.12.2019	**1.1-31.12.2018**
Salaries and employer's contributions for Members of the Board and company executives	249.749,01	321.235,02

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

5.14 Risk management purposes and policies

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 reduce 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.

5.15 Risk from exchange rates

The company develops its activities mainly in the EU and, given that all its transactions are made in euros, there is no exposure to exchange rate risks.

5.16 Breakdown of the sensitivity of interest rate

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 are usually made at fixed interest rate. On December 31, 2019 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.

The following table presents the sensitivity of the result of the fiscal year, as well as of the shareholder's equity in a reasonable change in the interest rates fluctuating between +0,5% and –0,5% (2018: +/-0,5%). The changes in interest rates are estimated to fluctuate in a reasonable basis compared to the most recent market conditions.

	FISCAL YEAR 2019		**FISCAL YEAR 2018**	
	0,50%	**-0,50%**	**0,50%**	**-0,50%**
Effect on the results of the fiscal year	-52.617,79	52.617,79	-56.109,62	56.109,62
Effect on shareholder's equity	-52.617,79	52.617,79	-56.109,62	56.109,62

5.17 Breakdown of credit risk

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

	31.12.2019	31.12.2018
Financial assets at fair value through other comprehensive income	2.565.180,00	2.565.180,00
Customers and other commercial receivables	6.276.537,50	8.213.978,99
Cash and cash equivalents	11.568,27	12.863,20
Total	**8.853.285,77**	**10.792.022,19**

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 that have not been previously impaired 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.

5.18 Breakdown of liquidity risk

Prudent liquidity risk management requires the availability of cash and the availability of the necessary funding sources. The Company manages liquidity needs on a daily basis through the systematic monitoring of short and long-term financial liabilities as well as through daily monitoring of payments made. At the same time, the Company continuously monitors the maturity of both receivables and liabilities, with the objective of maintaining a balance between continuity of capital and flexibility through its bank credit rating.

The expiry of the company's financial liabilities on December 31, 2019 is broken down as follows::

	31.12.2019			
	Short-term		Long-term	
	Up to 6 months	6 to 12 months	1 to 5 years	over 5 years
Long term loans			8.125.563,99	0,00
Lease liabilities				0,00
Dividends payable			249.963,17	
Suppliers and other commercial liabilities	4.437.837,44	0,00		
Short term loans	0,00	4.182.893,21		
Long term liabilities payable in the following fiscal year	385.917,04	300.000,00		
Total	**4.823.754,48**	**4.482.893,21**	**8.375.527,16**	**0,00**

The respective expiry of the company's financial liabilities on December 31, 2018 was as follows:

	31.12.2018			
	Short-term		Long-term	
	6 to 12 months	1 to 5 years	6 to 12 months	1 to 5 years
Long term loans			8.712.604,99	0,00
Lease liabilities			0,00	0,00
Dividends payable			249.963,17	
Suppliers and other commercial liabilities	3.804.398,62	0,00		
Short term loans	0,00	4.401.082,89		
Long term liabilities payable in the following fiscal year	385.038,96	300.000,00		
Total	**4.189.437,58**	**4.701.082,89**	**8.962.568,16**	**0,00**

The above contractual expiry dates reflect the gross cash flows, which may differ from the accounting values of the liabilities at the date of the balance sheet.

5.19 Presentation of financial assets and liabilities per category

The financial assets, as well as the financial liabilities at the date of the financial statements can be classified as follows:

	31.12.2019	31.12.2018
Non - current assets		
Financial assets at fair value through other comprehensive income	2.565.180,00	2.565.180,00
Total	**2.565.180,00**	**2.565.180,00**
Current Assets		
Customers and other commercial receivables	6.276.537,50	8.213.978,99
Cash and cash equivalents	11.568,27	12.863,20
Total	**6.288.105,77**	**8.226.842,19**
TOTAL FINANCIAL ASSETS	**8.853.285,77**	**10.792.022,19**
Long term liabilities		
Long term loan liabilities	8.125.563,99	8.712.604,99
Long term financial liabilities		0,00
Total	**8.125.563,99**	**8.712.604,99**
Short term liabilities		
Suppliers and other commercial liabilities	4.437.837,44	3.804.398,62
Short term loan liabilities	4.182.893,21	4.401.082,89
Dividends payable	249.963,17	249.963,17
Long term liabilities payable in the following fiscal year	685.917,04	685.038,96
Total	**9.556.610,86**	**9.140.483,64**
TOTAL FINANCIAL LIABILITIES	**17.682.174,85**	**17.853.088,63**

5.20 Capital management policies and procedures

The company's aims with regard to the capital management are to:

- ensure its ability to continue its activities as going-concern, and
- ensure a satisfactory return for the shareholders by invoicing goods and services in proportion to the risk level.

The company monitors the capital on the basis of the amount of shareholder's equity plus reduced guarantee loans less cash at hand and cash equivalents as such are depicted in the Balance Sheet. The capital on 31.12.2019 and 31.12.2018 is broken down as follows:

	31.12.2019	**31.12.2018**
Total shareholder's equity	5.634.278,35	8.260.969,56
Plus: non-guaranteed loans	4.182.893,21	4.401.082,89
Less: Cash at hand and cash equivalents	11.568,27	12.863,20
Capital	**9.805.603,29**	**12.649.189,25**
Total shareholder's equity	5.634.278,35	8.260.969,56
Plus: non-guaranteed loans	4.182.893,21	4.401.082,89
Total capitals	**9.817.171,56**	**12.662.052,45**
Capital to total capitals	**99,88%**	**99,90%**

5.21 Events after the date of the balance sheet

Thousands of people have died worldwide since the end of January 2020 as a result of the new coronavirus "covid-19". In March 2020, the World Health Organization declared the effects of the virus to be pandemic.
The management of the Company monitors the developments from the beginning, following the instructions of the competent state authorities, taking the necessary measures, with the primary goal of ensuring the safety of its employees and the continuation of its business activity.
The Company continued its normal operation by making purchases from suppliers, sales to customers and by paying its liabilities.
Nevertheless, the future results of the Company's work will depend on eventual new decisions of the state authorities for dealing with the pandemic and therefore, any eventual economic consequences of the pandemic cannot be reliably assessed at this time.

There are no events after the annual financial statements that concern the company, which must be reported according to the International Financial Reporting Standards.

Magoula, 22 June 2020

The Chairman of the Board & Managing Director	The CEO	The CFO
Dimitrios Filippou	Georgios Hadjivassileiou	Kyriakos Soupionas
ID No AA – 061311	ID No P-914464	License 14604/A class

6. Information of article 10 of law 3401/2005 in 2019 fiscal year

The company disclosed and made available to the public during the 2019 fiscal year the following information of article 10 of law 3401/2005, which are posted both on ATHEX's official website www.helex.gr and on the company's website www.vis.gr as presented in the following table.

Date	Subject
	Announcements-invitations
24/04/2019	Financial Calendar of fiscal year 2019
07/06/2019	Invitation to Ordinary General Meeting
28/06/2019	Announcement of Resolutions passed by the Ordinary General Meeting
	Information of Financial Statements
25/04/2019	Annual Financial Report based on IAS, for the fiscal year 2018 (01/01/2018-31/12/2018)
30/09/2019	Interim Financial Statements in accordance with IAS, for the period 01/01/2019-30/06/2019

7. Website where the company's published financial information is posted

The company's annual financial report is posted on the company's website www.vis.gr.
The above financial statements shall remain available to the investors for a period of, at least, five (5) years upon their preparation.