



THRACE PLASTICS HOLDING S.A.

INTERIM FINANCIAL INFORMATION

1st January to 31st March 2018

(IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS)

*General Commerce Reg. No. 12512246000
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STATEMENT OF RESULTS AND OTHER COMPREHENSIVE INCOME

	Note	Group		Note	Company	
		1/1 - 31/03/2018	1/1 - 31/3/2017		1/1 - 31/03/2018	1/1 - 31/3/2017
Turnover		78,517	76,545	3.21	1,282	1,278
Cost of Sales		(61,545)	(59,780)	3.21	(1,129)	(1,255)
Gross Profit/(loss)		16,972	16,765		153	23
Other Operating Income	3.2	405	660		11	-
Selling Expenses		(7,675)	(7,758)		-	-
Administrative Expenses		(4,136)	(4,365)		(211)	(228)
Research and Development Expenses		(482)	(381)		-	-
Other Operating Expenses	3.4	(310)	(480)		(22)	(23)
Other profit / (losses)	3.3	(204)	22		-	(9)
Operating Profit /(loss) before interest and tax		4,570	4,463		(69)	(237)
Financial Income	3.5	416	88		-	-
Financial Expenses	3.5	(1,903)	(1,692)		(217)	(261)
Income from dividends		-	-		-	-
Profit / (losses) from companies consolidated with the Equity Method	3.18	59	251		-	-
Profit / (losses) from participations		-	(307)		-	-
Profit/(loss) before Tax		3,142	2,803		(286)	(498)
Income Tax	3.6	(847)	(571)		(3)	18
Profit/(loss) after tax continued activities (A)		2,295	2,232		(289)	(480)
Profit/(loss) after tax discontinued activities	3.21	-	-		-	383
Profit/(loss) after tax discount. & cont. activities		2,295	2,232		(289)	(97)
Other comprehensive income						
Items transferred to the results						
FX differences from translation of foreign Balance Sheets		80	(159)		-	-
Items not transferred to the results						
Actuarial profit/(loss)		2,169	3,370		-	-
Other comprehensive income after taxes cont. activities (B)		2,249	3,211		-	-
Other comprehensive income after taxes discount. activities		-	-		-	-
Other comprehensive income after taxes disc. & cont. activities		2,249	3,211		-	-
Total comprehensive income after taxes cont. activities (A) + (B)		4,544	5,443		(289)	(97)
Profit / (loss) after tax (A)						
<u>Attributed to:</u>						
Owners of the parent		2,249	2,147		-	-
Minority interest		46	85		-	-
Total comprehensive income after taxes (A) + (B)						
<u>Attributed to:</u>						
Owners of the parent		4,498	5,358		-	-
Minority interest		46	85		-	-
Profit/(loss) allocated to shareholders from continued activities per share (A)						
Number of shares		43,737	43,741		-	-
Earnings/(loss) per share	3.7	0.0514	0.0491		-	-

The accompanying notes that are presented in pages 8-29 form an integral part of the present financial statements.

STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31/3/2018	31/12/2017	31/3/2018	31/12/2017
ASSETS					
Non-Current Assets					
Tangible fixed assets	3.8	118,309	114,394	432	441
Investment property	3.8	113	113	-	-
Intangible Assets	3.8	11,572	11,424	667	687
Participation in subsidiaries	3.18	-	-	70,316	70,316
Participation in related companies	3.18	12,010	12,839	3,004	3,004
Other long term receivables	3.9	7,406	7,669	1,612	1,613
Deferred tax assets		1,165	1,334	932	936
Total non-Current Assets		150,575	147,773	76,963	76,997
Current Assets					
Inventories		63,265	59,634	-	-
Income tax prepaid		1,837	1,702	48	152
Trade receivables	3.10	63,482	57,332	4,290	4,275
Other debtors	3.10	11,773	7,672	6,064	6,421
Cash and Cash Equivalents		23,225	30,593	4,313	4,790
Total Current Assets		163,582	156,933	14,715	15,638
TOTAL ASSETS		314,157	304,706	91,678	92,635
EQUITY AND LIABILITIES					
Equity					
Share Capital		28,869	28,869	28,869	28,869
Share premium		21,530	21,540	21,644	21,644
Other reserves		20,216	20,131	14,139	14,139
Retained earnings		68,991	64,573	7,549	7,838
Total Shareholders' equity		139,606	135,113	72,201	72,490
Minority Interest		2,411	2,365	-	-
Total Equity		142,017	137,478	72,201	72,490
Long Term Liabilities					
Long Term loans	3.11	23,007	15,737	-	-
Provisions for Employee Benefits	3.13	13,322	15,847	259	257
Other provisions		689	689	681	681
Deferred Tax Liabilities		3,824	3,843	-	-
Other Long Term Liabilities		538	598	480	480
Total Long Term Liabilities		41,380	36,714	1,420	1,418
Short Term Liabilities					
Short Term loans	3.11	70,548	72,663	16,661	16,695
Income Tax		3,659	3,239	160	160
Suppliers	3.15	41,617	37,021	107	84
Other short-term liabilities	3.15	14,936	17,591	1,129	1,788
Total Short Term Liabilities		130,760	130,514	18,057	18,727
TOTAL LIABILITIES		172,140	167,228	19,477	20,145
TOTAL EQUITY & LIABILITIES		314,157	304,706	91,678	92,635

The accompanying notes that are presented in pages 8-29 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY

Group

	Share Capital	Share Premium	Other Reserves	Treasury shares reserve	Reserve of FX differences from translation of subsidiaries	Retained earnings	Total before minority interest	Minority interest	Total
Balance as at 01/01/2017	29,762	21,526	26,547	(1,760)	(2,248)	46,845	120,672	2,116	122,788
Profit / (loss) for the period	-	-	-	-	-	2,147	2,147	85	2,232
Other comprehensive income	-	-	-	-	(159)	3,370	3,211	-	3,211
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	1	1	-	1
Purchase of treasury shares	(893)	-	(867)	1,760	-	-	-	-	-
Changes during the period	(893)	-	(867)	1,760	(159)	5,518	5,359	85	5,444
Balance as at 31/03/2017	28,869	21,526	25,680	-	(2,407)	52,363	126,031	2,201	128,232
Balance as at 01/01/2018	28,869	21,540	25,713	(10)	(5,572)	64,573	135,113	2,365	137,478
Profit / (loss) for the period	-	-	-	-	-	2,249	2,249	46	2,295
Other comprehensive income	-	-	-	-	80	2,169	2,249	-	2,249
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	(10)	-	-	5	-	(5)	-	(5)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes in percentages	-	(10)	-	-	85	4,418	4,493	46	4,539
Balance as at 31/03/2018	28,869	21,530	25,713	(10)	(5,487)	68,991	139,606	2,411	142,017

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Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY (continues from previous page)

Company

	Share Capital	Share Premium	Other Reserves	Treasury shares reserve	Retained earnings	Total
Balance as at 01/01/2017	29.762	21.644	15.016	(1.760)	6.155	70.817
Profit / (loss) for the period	-	-	-	-	(97)	(97)
Other comprehensive income	-	-	-	-	-	-
Distribution of earnings	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-
Purchase of treasury shares	(893)	-	(867)	1.760	-	-
Changes during the period	(893)	-	(867)	1.760	(97)	(97)
Balance as at 31/03/2017	28.869	21.644	14.149	0	6.058	70.720
Balance as at 01/01/2018	28.869	21.644	14.149	(10)	7.838	72.490
Profit / (loss) for the period	-	-	-	-	(289)	(289)
Other comprehensive income	-	-	-	-	-	-
Distribution of earnings	-	-	-	-	-	-
Dividends	-	-	-	-	-	-
Other changes	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-
Changes during the period	-	-	-	-	(289)	(289)
Balance as at 31/03/2018	28.869	21.644	14.149	(10)	7.549	72.201

The accompanying notes that are presented in pages 8-29 form an integral part of the present financial statements.

STATEMENT OF CASH FLOWS

Note	Group		Company	
	1/1 - 31/03/2018	1/1 - 31/03/2017	1/1 - 31/03/2018	1/1 - 31/03/2017
Cash flows from Operating Activities				
Profit before Taxes and Minority Interest, continued	3,142	2,803	(285)	(498)
Profit before Taxes and Minority Interest, discontinued	-	-	-	378
Profit before Taxes and Minority Interest	3,142	2,803	(285)	(120)
<i>Plus / (minus) adjustments for:</i>				
Depreciation	3,243	3,331	38	177
Provisions	2,029	1,453	257	436
FX differences	205	102	-	6
(Profit)/loss from sale of fixed assets	(1)	(123)	-	3
Dividends	-	-	-	-
(Profit) / losses from investments	-	46	-	-
Debit interest and related (income) / expenses	1,487	1,608	216	356
(Profit) / losses from companies consolidated with the Equity method	(58)	-	-	-
Operating Profit before adjustments in working capital	10,047	9,220	226	858
(Increase)/decrease in receivables	(7,723)	(6,284)	475	(570)
(Increase)/decrease in inventories	(3,774)	(2,522)	-	(215)
Increase/(decrease) in liabilities (apart from banks-taxes)	(2,091)	5,556	(858)	393
Other non cash movements	(167)	(125)	-	-
Cash generated from Operating activities	(3,708)	5,845	(157)	466
Interest Paid	(984)	(1,151)	(195)	(357)
Other financial income/(expenses)	(117)	(63)	-	-
Taxes	(990)	(618)	-	-
Cash flows from operating activities (a)	(5,799)	4,013	(352)	109
Cash flows from discontinued operating activities (a)	-	-	-	706
Cash flows from continued operating activities (a)	(5,799)	4,013	(352)	(597)
Investing Activities				
Receipts from sales of tangible and intangible assets	1	115	-	5
Interest received	2	48	-	-
Dividends received	121	-	-	-
Increase of interests in subsidiaries / associates	(83)	(28)	(83)	(28)
Investment grants	-	-	-	-
Purchase of tangible and intangible assets	(6,671)	(5,620)	(8)	(767)
Increase of cash from acquisition of subsidiary	-	-	-	-
Cash due to change in the consolidation method of subsidiaries	-	-	-	-
Cash flow from investing activities (b)	(6,630)	(5,485)	(91)	(790)
Cash flow from discontinued investing activities (b)	-	-	-	(706)
Cash flow from continued investing activities (b)	(6,630)	(5,485)	(91)	(84)
Financing activities				
Increase of interests in subsidiaries / associates	-	-	-	-
Proceeds from subsidies - grants	-	-	-	-
Proceeds from loans	4,358	6,344	-	-
Purchase of treasury shares	-	-	-	-
Repayment of Loans	(1,734)	(1,374)	(35)	(6)
Financial leases	2,395	(1,091)	-	-
Dividends paid	-	-	-	-
Cash flow from financing activities (c)	5,019	3,879	(35)	(6)
Net increase /(decrease) in Cash and Cash Equivalents	(7,410)	2,407	(478)	(687)
Cash and Cash Equivalents at beginning of period	30,593	31,080	4,791	1,853
Effect from changes in foreign exchange rates on cash reserves	42	(14)	-	-
Cash and Cash Equivalents at end of period	23,225	33,473	4,313	1,166

The accompanying notes that are presented in pages 8-29 form an integral part of the present financial statements.

1 General Information

The company THRACE PLASTICS HOLDING S.A. as it was renamed following the approval and the alteration of its name on GEMI (hereinafter the “Company”) was founded in 1977. It is based in Magiko of municipality of Avdira in Xanthi, Northern Greece, and is registered in the Public Companies (S.A.) Register under Reg. No. 11188/06/B/86/31 and in the General Commercial Register under Reg. No. 12512246000.

The main objective of the Company was altered as result of the spin-off of the business segment of production and trade of industrial packaging products of the Company and the subsequent amendment of the relevant article 3 of the Company’s Articles of Association, according to the precise form that was previously announced by the Company, and in line with the clauses of article 27, paragraph 3, case d’ of P.L. 2190/1920. The aim of the Company and its main objective is to participate in the capital of companies and to finance companies of any legal form, kind and objective, either listed or non-listed on organized market.

The Company is the parent of Group of companies (hereinafter the “Group”), which activate mainly in two sectors, the technical fabrics sector and the packaging sector.

The Company’s shares are listed on the Athens Stock Exchange since June 26, 1995.

The company’s shareholders, with equity stakes above 5%, as of 31/03/2018 were the following:

Chalioris Konstantinos	43.29%
Chaliori Eyfimia	20.85%

The Group maintains production and trade facilities in Greece, United Kingdom, Ireland, Ireland, Sweden, Norway, Serbia, Bulgaria, U.S.A., Australia, China and Romania. On 31st March 2018, the Group employed in total 1,867 employees, from which 937 in Greece.

The structure of the Group as of 31st March 2018 was as follows:

Company	Registered Offices	Participation Percentage of Parent Company	Participation Percentage of Group	Consolidation Method
Thrace Plastics Holding S.A.	GREECE-Xanthi	Parent Company		Full
Don & Low LTD	SCOTLAND-Forfar	100.00%	100.00%	Full
Don & Low Australia Pty LTD	AUSTRALIA	-	100.00%	Full
Thrace Nonwovens & Geosynthetics S.A.	GREECE-Xanthi	100.00%	100.00%	Full
Saepe Ltd	CYPRUS-Nicosia	-	100.00%	Full
Thrace Asia	HONG KONG	-	100.00%	Full
Thrace China	CHINA – Shanghai	-	100.00%	Full
Thrace Protect M.I.K.E.	GREECE-Xanthi	-	100.00%	Full
Thrace Plastics Pack S.A.	GREECE-Ioannina	92.94%	92.94%	Full
Thrace Greiner Packaging SRL	ROMANIA - Sibiu	-	46.42%	Equity

Thrace Plastics Packaging D.O.O.	SERBIA-Nova Pazova	-	92.84%	Full
Trierina Trading LTD	CYPRUS-Nicosia	-	92.84%	Full
Thrace Ipoma A.D.	BULGARIA-Sofia	-	92.735%	Full
Synthetic Holdings LTD	N. IRELAND-Belfast	100.00%	100.00%	Full
Thrace Synthetic Packaging LTD	IRELAND - Clara	-	100.00%	Full
ArnoLTD	IRELAND -Dublin	-	100.00%	Full
Synthetic Textiles LTD	N. IRELAND-Belfast	-	100.00%	Full
ThracePolybulkA.B.	SWEDEN -Köping	-	100.00%	Full
ThracePolybulk A.S.	NORWAY-Brevik	-	100.00%	Full
LumiteINC.	U.S.A. - Georgia	-	50.00%	Equity
Adfirmate LTD	CYPRUS-Nicosia	-	100.00%	Full
Pareen LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace Linq INC.	U.S.A. - South Carolina	-	100.00%	Full
Thrace Polyfilms S.A.	GREECE - Xanthi	100.00%	100.00%	Full
Evisak S.A.	GREECE - Kavala	-	100.00%	Full
Thrace Greenhouses S.A.	GREECE - Xanthi	50.91%	50.91%	Equity
Thrace Eurobent S.A.	GREECE - Xanthi	51.00%	51.00%	Equity

The uncertainty prevailing in the macroeconomic and financial environment as well as the fragile business sentiment, constitute a risk factor which is constantly monitored and evaluated by the Group. The international and domestic developments concerning the restructuring of Greece's financing program create additional instability in the country's macroeconomic and financial fronts.

The return to the economic and financial stability is mainly linked to actions and decisions taken by the institutional bodies in Greece and abroad.

Taking into consideration the nature of the Group's activities in Greece and abroad, any unfavorable developments with regard to the above fronts, are not expected to significantly affect the Group's normal course of operations.

In this context, there is sufficient dispersion of the Group's cash position in Greece and abroad.

In addition, the Group continues to carefully monitor the overall economic conditions and their effect, in order to ensure that all necessary actions are taken with the appropriate timing for the minimization of risks with regard to the Group's operations.

2 Basis for the Preparation of the Financial Statements and Major Accounting Principles

2.1 Basis of Preparation

The present financial statements have been prepared according to the International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (I.A.S.) and interpretations that have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as such have been adopted by the European Union until 31 December 2017.

The basic accounting principles that were applied for the preparation of the financial statements for the period ended on 31 March 2018 are the same as those applied for the preparation of the financial statements for the year ended on 31 December 2017 and are described in such.

When deemed necessary, the comparative data have been reclassified in order to conform to possible changes in the presentation of the data of the present year.

Differences that possibly appear between accounts in the financial statements and the respective accounts in the notes, are due to rounding.

The financial statements have been prepared according to the historic cost principle, as such is disclosed in the Company's accounting principles presented below.

Moreover, the Group's and Company's financial statements have been prepared according to the "going concern" principle taking into account all the macroeconomic and microeconomic factors and their effect on the smooth operation of the Group and Company.

The financial statements were approved by the Board of Directors on June 06, 2018.

The financial statements of the Group THRACE PLASTICS Co. S.A. are posted on the internet, on the website www.thracegroup.gr.

2.2 New standards, amendments of standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning during the current financial year or subsequent years. The Group's assessment regarding the effect of these new standards, amendments to standards and interpretations is presented below.

Standards and Interpretations mandatory for the current financial year

IFRS 9 "Financial Instruments" and subsequent amendments in IFRS 9 and IFRS 7

IFRS 9 replaces the requirements of IAS 39 and deals with the classification and measurement of financial assets and financial liabilities, and it also includes a model of anticipated credit losses that replaces the model of the realized credit losses previously in effect according to IAS 39. The IFRS 9 Hedging Accounting establishes an approach for hedging accounting based on principles and deals with inconsistencies and weaknesses of the previous model of IAS 39.

IFRS 15 «Revenues from Contracts with Customers»

IFRS 15 was issued in May 2014. The objective of the standard is to provide a single and clear model for the recognition of revenues from all customer contracts so that it improves the comparability among companies of the same sector, different sectors and different capital markets. It includes the principles that an entity shall apply in order to define the measurement of revenues and the time of their recognition. The basic principle is that an entity will recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

IFRS 4 (Amendments) "Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts"

The amendments introduce two approaches. The amended standard (a) provides the option to all entities issuing insurance contracts to recognize in the other comprehensive income and not in the income statement any deviations emerging due to the adoption of IFRS 9 prior to the release of the

new standard in relation to the insurance contracts, and (b) provides the entities, whose activities mainly concern the insurance sector, with the option of a temporary exemption from the application of IFRS 9 up to the year 2021. The entities which have chosen to postpone the adoption of IFRS, continue to apply the IAS 39 with regard to the financial instruments.

IFRS 2 (Amendments) “Classification and measurement of transactions concerning share-based payments”

The amendment provides clarifications about the basis of measurement with regard to the share-based payments arranged in cash and the accounting treatment regarding amendments of terms which alter a share-based payment from one that it is arranged in cash to one that is arranged in shares. Moreover they introduce an exception concerning the principles of IFRS 2 according to which a share-based payment should be treated like a payment totally arranged in shares, in the cases where the employer is obliged to withhold an amount for tax purposes in order to cover the tax liabilities of the employees, liabilities deriving from the value of the shares.

IAS 40 (Amendments) “Transfers of investment property”

The amendments clarify that in order for a property to be classified or not as investment property, a change in the use of the asset must have occurred. A change in the use of asset can be taken into account only in the case it can be assessed that such change has actually occurred and is documented.

IFRIC 22 “Foreign Currency Transactions and Advance Consideration”

The Interpretation offers guidance regarding the determination of the transaction date when the standard IAS 21 which refers to foreign currency transactions is applied. The Interpretation is applicable when an entity either pays or receives in advance an amount for contracts denominated in foreign currency.

Annual improvements in IFRS 2014 (Cycle 2014 – 2016)

IAS 28 “Investments in associates and joint ventures”

The amendments provide clarifications concerning the fact that when the collective investment organizations, the mutual funds and entities with similar activities apply the option to measure their interests in associates or joint ventures at fair value through the results, the particular option must be made separately for each associate or joint venture at the time of the initial recognition.

Standards and Interpretations effective for subsequent financial years

IFRS 9 (Amendments) “Prepayment features with negative compensation” (applied for annual periods beginning on or after 1st January 2019)

The amendments provide the entities with the ability, when they fulfill a certain condition, to measure the financial assets characterized by prepayment features with negative compensation at the net cost or at the fair value through the other comprehensive income instead the fair value through the results.

IFRS 16 «Leases» (effective for annual accounting periods beginning on or after 1 January 2019)

IFRS 16 was issued in January 2016 and replaces IAS 17. The aim of the standard is to ensure that lessors and lessees provided useful information which fairly depicts the substance of transactions with regard to leases. IFRS 16 introduces a unified model providing for the accounting treatment from the side of the lessee, which requires that the lessee recognizes assets and liabilities for all leasing contracts with term longer than 12 months, unless the underlying asset is of no substance value. With regard to the accounting treatment from the side of the lessor, IFRS 16 incorporates practically the requirements of IAS 17. Therefore the lessor continues to classify the leasing contracts

as operating and financial leases, and to follow different accounting treatment for each type of contract. The Group and the Company have not reviewed the effect of the new standard on their financial statements since they have not finalized all the required elements which would allow the assessment of the application of IFRS 16. The Group and the Company plan to adopt the new standard on the date of its mandatory application (01.01.2019).

IFRS 17 “Insurance Contracts” (effective for annual accounting periods beginning on or after 1 January 2021)

IFRS 17 was released in May 2017 and supersedes IFRS 4. IFRS 17 establishes the principles for the recognition, measurement and presentation of the insurance contracts which are governed by the application framework of the standard as well as the relevant disclosures. The aim of the standard is to ensure that an entity provides the respective and appropriate information which depicts the fair picture as regards to the particular contracts. The new standard resolves the comparability issues previously created by IFRS 4 as it requires for all insurance contracts to be accounted for on a consistent manner. The insurance obligations will be measured in current values and not according to historic cost. The standard has not been yet adopted by the European Union.

IAS 28 (Amendments) “Long-term interests in associates and joint ventures” (effective for annual accounting periods beginning on or after 1st January 2019)

The amendments clarify that the economic entities must account for their long-term interests in an associate company or joint venture – in which the equity method is applied – according to IFRS 9. The amendments have not been adopted by the European Union.

IFRIC 23 “Uncertainty over Income Tax Treatments” (effective for annual accounting periods beginning on or after 1st January 2019)

The Interpretation provides clarifications with regard to the recognition and measurement of the current and deferred income tax when there is uncertainty with regard to the tax treatment of certain elements. IFRIC 23 is applicable for all aspects of income tax accounting when there is such uncertainty, including the taxable profit / loss, the tax basis of the assets and liabilities, the tax earnings and losses, as well as the tax rates. The Interpretation has not been yet adopted by the European Union.

IAS 19 (Amendments) “Plan amendments, curtailments, and settlements” (effective for annual accounting periods beginning on or after 1 January 2019)

The amendments determine the manner with which the entities must define the pension expenses whenever a change takes place in defined benefit plans. The amendments have not been yet adopted by the European Union.

Annual Improvement in IFRS (Cycle 2015 – 2017) (effective for annual accounting periods beginning on or after 1 January 2019)

The amendments presented below include changes in four IFRS. The amendments have not been yet endorsed by the European Union.

IFRS 3 “Business Combinations

The amendments clarify that an entity re-measures the percentage previously held in a mutually controlled activity when it acquires the control of this business activity.

IFRS 11 “Joint Arrangements”

The amendments clarify that an entity does not re-measure the percentage previously held in a mutually controlled activity when it acquires a joint control of this business activity.

IFRS 12 “Income Taxes”

The amendments clarify that an entity records on accounting basis the entire effect on the income tax from dividend payments via the same manner.

IAS 23 “Borrowing Costs”

The amendments clarify that an entity treats as part of its general borrowings any loan that was undertaken exclusively for the development of an asset when this asset is readily available for its planned use or its sale.

3 Notes on the Financial Statements

3.1 Segment reporting

The operating segments are based on the different group of products, the structure of the Group’s management and the internal reporting system. The Group’s activity is distinguished in two segments, the technical fabrics segment and the packaging segment

The Group’s operating segments are as follows:

Technical Fabrics

Production and trade of technical fabrics for industrial and technical use.

Packaging

Production and trade of packaging products, plastic bags, plastic boxes for packaging of food and paints and other packaging materials for agricultural use.

Following the absorption of Elastron Agricultural SA from Thrace Greenhouses SA, the Group participates with 50.91% in Thrace Greenhouses SA which is consolidated according to the equity method. Following the above, the Group will not be reporting the Agricultural activity on separate basis.

The particular business activity will be reported as Other activities which will include the transactions of the Parent Company as well. The Parent Company after the spin-off of the business segment of production and trade of industrial packaging products and the contribution of the segment into the subsidiary Thrace Polyfilms SA was transformed into a holding company which apart from the investment activities will be also providing Administrative – Financial – IT services to its subsidiaries.

BALANCE SHEET OF 31.3.2018	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Total consolidated assets	203,482	98,005	91,249	(78,579)	314,157

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 31.3.2018	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTION S BETWEEN SEGMENTS	GROUP
Turnover	60,961	21,073	1,281	(4,798)	78,517
Cost of sales	(48,421)	(16,843)	(1,128)	4,848	(61,545)
Gross profit	12,540	4,230	153	50	16,972
Other operating income	264	182	11	(50)	405
Distribution expenses	(5,926)	(1,557)	-	(192)	(7,675)
Administrative expenses	(3,051)	(1,056)	(211)	182	(4,136)
Research and Development Expenses	(437)	(44)	-	-	(482)
Other operating expenses	(48)	(242)	(22)	-	(310)
Other Income / (Losses)	(205)	1	-	-	(204)
Operating profit / (loss)	3,137	1,514	(69)	(10)	4,571
Interest & related (expenses)/income	(785)	(486)	(197)	-	(1,468)
(Profit) / loss from companies consolidated with the Equity method	82	136	(179)	-	39
Total Earnings / (losses) before tax	2,434	1,164	(445)	(10)	3,142
Depreciations	1,922	1,283	38	-	3,243
Total Earnings / (losses) before interest, tax, depreciation & amortization	5,059	2,797	(31)	(10)	7,814

BALANCE SHEET OF 31.12.2017	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTION S BETWEEN SEGMENTS	GROUP
Total consolidated assets	193,829	97,148	92,365	(78,635)	304,707

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 31.3.2017	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTION S BETWEEN SEGMENTS	GROUP
Turnover	60,128	19,310	1,332	(4,225)	76,545
Cost of sales	(47,926)	(14,844)	(1,353)	4,343	(59,780)
Gross profit	12,202	4,466	(21)	118	16,765
Other operating income	468	184	-	8	660
Distribution expenses	(6,185)	(1,469)	(5)	(99)	(7,758)
Administrative expenses	(3,191)	(842)	(251)	81	(4,365)
Research and Development Expenses	(321)	(60)	-	-	(381)
Other operating expenses	(79)	(378)	(23)	-	(480)
Other profit / (Losses)	(47)	77	(8)	-	22

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 31.3.2017	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTION S BETWEEN SEGMENTS	GROUP
Operating profit / (loss)	2,847	1,978	(308)	(54)	4,463
Interest & related (expenses)/income	(765)	(855)	(291)	-	(1,911)
(Profit) / loss from companies consolidated with the Equity method	69	182	-	-	251
Total Earnings / (losses) before tax	2,151	1,305	(599)	(54)	2,803
Depreciations	2,066	1,190	75	-	3,331
Total Earnings / (losses) before interest, tax, depreciation & amortization	4,913	3,168	(233)	(54)	7,794

3.2 Other Operating Income

Other Operating Income	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Grants	35	13	-	-
Income from rents	124	115	-	-
Income from provision of services	126	442	-	-
Income from prototype materials	72	51	-	-
Other operating income	48	39	11	-
Total	405	660	11	-

3.3 Other Income / Losses

Other Income / (Losses)	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Profit / (Losses) from sale of fixed assets	1	123	-	(3)
Foreign Exchange Differences	(205)	(101)	-	(6)
Total	(204)	22	-	(9)

3.4 Other Operating Expenses

Other Operating Expenses	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Provisions for doubtful customers	81	67	-	-
Other taxes and duties non-incorporated in operating cost	69	60	19	5
Depreciation / Amortization	17	37	-	-

Other Operating Expenses	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Personnel's indemnities	6	18	-	-
Commission fees / other banking expenses	22	37	-	-
Expenses for the purchase of maquettes	97	116	-	-
Other operating expenses	18	145	3	18
Total	310	480	22	23

3.5 Financial income/(expenses)

3.5.1 Financial Income

Financial Income	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Interest and related income	3	14	-	-
Foreign exchange differences	413	74	-	-
Total	416	88	-	-

3.5.2 Financial Expenses

Financial Expenses	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Debit interest and similar expenses	(1,114)	(1,268)	(214)	(261)
Foreign exchange differences	(610)	(184)	-	-
Financial result from Pension Plans	(179)	(240)	(3)	-
Total	(1,903)	(1,692)	(217)	(261)

3.6 Income Tax

The analysis of tax charged in the period's Results, is as follows:

Income Tax	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
Income tax	(1,172)	(1,025)	-	-
Deferred tax (expense)/income	325	454	(3)	(18)
Total	(847)	(571)	(3)	(18)

3.7 Earnings per share (Consolidated)

Earnings after tax, per share, are calculated by dividing net earnings (after tax) allocated to shareholders, by the weighted average number of shares outstanding during the relevant financial year, after the deduction of any treasury shares held.

Basic earnings per share (Consolidated)	31.3.2018	31.3.2017
Earnings allocated to shareholders	2,249	2,147
Number of shares outstanding (weighted)	43,737	43,741
Basic and adjusted earnings per share (<i>Euro in absolute terms</i>)	0.0514	0.0491

With the decision of the Extraordinary General Meeting of 2nd February 2017, it was decided the reduction of the Company's Share Capital by a total amount of € 893,090.88 due to the cancellation of 1,353,168 held by the Company.

At the same time, the Meeting approved a Share Repurchase Plan, with duration of 24 months, and for a limit of 4,374,145 common registered shares with a price range from €1.50 to €3.50 per share.

As of 31st March 2018, the Company held 4,324 treasury shares.

3.8 Tangible Assets and Intangible Assets

3.8.1 Tangible Fixed Assets

The changes in the tangible fixed assets during the period are analyzed as follows:

Tangible Fixed Assets	Group	Company
Balance as at 01.01.2018	114,394	441
Additions	6,994	8
Sales	-	-
Depreciation	(3,152)	(17)
FX differences	73	-
Balance as at 31.03.2018	118,309	432

Tangible Fixed Assets	Group	Company
Balance as at 01.01.2017	107,437	6,151
Additions	21,343	1,127
Sales	(988)	(6,929)
Depreciation	(12,658)	(476)
Depreciation of sold assets	837	4,562
Change in consolidation method of subsidiaries	(147)	-
Acquisition of subsidiary	842	-
FX differences	(1,887)	-
Spin-off of business segment	-	(3,955)
Transfers	(385)	(39)
Balance as at 31.12.2017	114,394	441

During the period of comparison, the change in the Company's tangible fixed assets is mainly due to:

a) The spin-off of the industrial segment and the subsequent contribution of the segment into the subsidiary company Thrace Polyfilms SA

b) The sale of the industrial properties in subsidiary company Thrace NonWovens & Geosynthetics SA following the change of the business activity of the latter and its transformation into a Holding company

There are no liens and guarantees on the Company's tangible fixed assets, while the liens on the Group's tangible assets amount to € 9,448.

3.8.2 Intangible Assets

The changes in the intangible fixed assets during the period are analyzed as follows:

<i>Intangible Assets</i>	<i>Group</i>	<i>Company</i>
Balance as at 01.01.2018	11,424	687
Additions	282	-
Sales	-	-
Amortization	(90)	(20)
FX differences	(44)	-
Transfers	-	-
Balance as at 31.03.2018	11,572	667

<i>Intangible Assets</i>	<i>Group</i>	<i>Company</i>
Balance as at 01.01.2017	11,605	685
Additions	211	62
Sales	-	-
Amortization	(294)	(50)
Amortization of sold assets	-	-
FX differences	(144)	-
Change in consolidation method of subsidiaries	(171)	-
Spin-off of business segment	-	(10)
Transfers	217	-
Balance as at 31.12.2017	11,424	687

3.8.3 Investment Property

<i>Investment Property</i>	<i>Group</i>	<i>Company</i>
Balance as at 31.12.2017	113	14
Additions / (Reductions)	-	(14)
Balance as at 31.3.2018	113	-

3.9 Other Long-Term Receivables

<i>Other Long-Term Receivables</i>	<i>Group</i>		<i>Company</i>	
	<i>31.3.2018</i>	<i>31.12.2017</i>	<i>31.3.2018</i>	<i>31.12.2017</i>
Grants receivable	6,903	6,903	1,560	1,560
Other accounts receivable	503	766	52	52
Total	7,406	7,669	1,612	1,612

3.10 Trade and other receivables

3.10.1 Trade Receivables

<i>Trade Receivables</i>	<i>Group</i>		<i>Company</i>	
	<i>31.03.2018</i>	<i>31.12.2017</i>	<i>31.03.2018</i>	<i>31.12.2017</i>
Customers	56,370	49,187	6	6
Notes – checks postdated	6,445	8,077	-	-
Doubtful customers – Checks – notes overdue	5,331	5,341	2,371	2,371
Trade receivables (Subsidiaries - Related Companies)	2,015	1,319	4,284	4,269
Provisions for doubtful debts	(6,679)	(6,592)	(2,371)	(2,371)
Total	63,482	57,332	4,290	4,275

The fair value of the receivables approaches their book value.

The dispersion of the Group's sales is deemed as satisfactory. There is no concentration of sales into a limited number of customers and therefore there is no increased risk of income loss or increased credit risk.

3.10.2 Other receivables

<i>Other receivables</i>	<i>Group</i>		<i>Company</i>	
	<i>31.03.2018</i>	<i>31.12.2017</i>	<i>31.03.2018</i>	<i>31.12.2017</i>
Debtors	6,385	3,083	5,933	6,312
Investment Grant Receivable	2,353	2,391	-	-
Grants Receivables (OAED)	-	-	-	-
Accrued Income	3,055	2,219	131	109
Provisions for doubtful debtors	(20)	(21)	-	-
Total	11,773	7,672	6,064	6,421

3.11 Bank Debt

The Group's long term loans have been granted from Greek and foreign banks. The repayment time varies, according to the loan contract, while most loans are linked to Euribor plus a spread.

The Group's short term loans have been granted from various banks with interest rates of Euribor plus a margin of 3%-6% and Libor plus a margin of 2%. The book value of loans approaches their fair value during 31 March 2018.

Analytically, bank debt on 31.03.2018 was as follows:

Debt	Group		Company	
	31.3.2018	31.12.2017	31.3.2018	31.12.2017
Long-term loans	6,999	4,744	-	-
Financial leases	16,008	10,993	-	-
Total long-term loans	23,007	15,737	-	-
Long-term debt payable in the next year	3,007	3,424	-	-
Short-term loans	63,076	64,859	16,661	16,695
Financial leases	4,465	4,380	-	-
Total short-term loans	70,548	72,663	16,661	16,695
Grand Total	93,555	88,400	16,661	16,695

3.12 Number of Employees

The number of employed staff at the Group and Company at the end of the period, was as follows:

Number of employees	Group		Company	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Regular employees - Day-wage employees	1,867	1,800	20	24

The total personnel of the companies that are based in Greece, is primarily insured with Greece's Social Security Organization (EFKA) as regards to primary pension and with EOPYY as regards to medical care.

3.13 Employee Benefits

The liabilities of the Company and the Group towards its employees in providing them with certain future benefits, depending on the length of service is calculated by an actuarial study on annual basis. The accounting depiction is made on the basis of the accrued entitlement, as at the date of the Balance Sheet, that is anticipated to be paid, discounted to its present value by reference to the anticipated time of payment.

The liability for the Company and the Group, as presented in the Balance Sheet, is analyzed as follows:

Employee Benefits	Group		Company	
	31.3.2018	31.12.2017	31.3.2018	31.12.2017
Defined contribution plans – Not self financed	2,586	2,555	259	257
Defined benefit plans – Self financed	10,736	13,292	-	-
Total provision at the end of the year	13,322	15,847	259	257

3.13.1 Defined contribution plans – Not self financed

The Greek companies of the Group as well as the subsidiary Thrace Ipoma domiciled in Bulgaria participate in the following plan. With regard to the Greek companies, the following liability arises from the relevant legislation and concerns 40% of the required compensation per employee.

Defined contribution plans – Not self financed	Group		Company	
	31.3.2018	31.12.2017	31.3.2018	31.12.2017
Amounts recognized in the balance sheet				
Present value of liabilities	2,586	2,555	259	257
Net liability recognized in the balance sheet	2,586	2,555	259	257
Amounts recognized in the results				
Cost of current employment	24	89	2	10
Net interest on the liability / (asset)	7	33	-	4
Changes in the Net Liability recognized in Balance Sheet				
Net liability / receivable at the beginning of period	2,555	2,142	257	352
Benefits paid from the employer - Other	-	14	-	(15)
Total expense recognized in the account of results	31	314	2	27
Total amount recognized in the Net Worth	-	85	-	(106)
Net liability at the end of period	2,586	2,555	259	257

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	Greek Companies		Thrace Ipoma AD	
	2018	2017	2018	2017
Discount rate	1.50 %	1.50 %	1.40 %	1.40 %
Inflation	1.75 %	1.75 %	2.80 %	2.80 %
Average annual increase of personnel salaries	1.75 %	1.75 %	5.00 %	5.00 %
Duration of liabilities	16.14 years	16.10 years	11.5 years	11.5 years

3.13.2 Defined Benefit Plans – Self financed

The subsidiaries DON & LOW LTD and THRACEPOLYBULKAS have formed Pension Plans which operate as separate legal entities in the form of trusts. Therefore the assets of the plans are not dependent to the assets of the companies.

The accounting depiction of the plans according to the revised IAS 19 is as follows:

<i>Defined Benefit Plans – Self financed</i>	<i>Group 2018</i>	<i>Group 2017</i>
Amounts recognized in the balance sheet		
Present value of liabilities	145,763	146,669
Fair value of the plan's assets	(135,027)	(133,377)
Net liability recognized in the balance sheet	10,736	13,292
Asset allocation*		
Equity Funds	37,897	37,596
Mutual Funds	33,681	33,211
Diversified Growth Funds	62,978	62,106
Other	471	464
Total	135,027	133,377
Changes in the Net Liability recognized in Balance Sheet		
Net liability / (receivable) at the beginning of year	13,292	22,226
Contributions from employer - employees	(169)	(1,453)
Total expense recognized in the account of results	169	1,862
Total amount recognized in the Net Worth	(2,717)	(8,665)
Foreign exchange differences	160	(678)
Net liability / (asset) at the end of year	10,736	13,292

* The assets of the plan are measured at fair values and include mutual funds of Baillie Gifford. The category "Other" also includes the plan's cash reserves.

The actuarial assumptions are presented in the following table.

<i>Actuarial Assumptions</i>	<i>Don & Low LTD</i>		<i>Thrace Polybulk AS</i>	
	<i>2018</i>	<i>2017</i>	<i>2018</i>	<i>2017</i>
Discount rate	2.50 %	2.50 %	2.40 %	2.40 %
Inflation	3.25 %	3.25 %	2.25 %	2.25 %
Average annual increase of personnel salaries	3.50 %	3.50 %	2.50 %	2.50 %
Duration of liabilities	18 years	18 years	17.4 years	17.4 years

3.14 Dividend

3.14.1 Dividend of year 2017

The Ordinary General Meeting of the Company's Shareholders on May 15th, 2018, approved the distribution of a total gross dividend amounting to 2,058,226 Euros. Specifically, it was approved the

distribution of a gross dividend amounting to 0.047054 Euros per share, which has included the incremental dividend corresponding to the treasury shares held by the Company (4,324 own shares). The net amount which will be received by the shareholders after the withheld tax of 15% according to L. 4172/2013 will settle at 0.04 Euros per share.

3.15 Suppliers and Other Short-Term Liabilities

3.15.1 Suppliers

Suppliers	Group		Company	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Suppliers	41,564	36,906	92	84
Suppliers (Subsidiaries - Associates)	53	115	15	-
Total	41,617	37,021	107	84

3.15.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	31.03.2018	31.12.2017	31.03.2018	31.12.2017
Sundry creditors	3,480	4,125	456	571
Liabilities from taxes and pensions	3,470	4,572	186	519
Dividends payable	46	85	45	45
Customer prepayments	781	850	-	-
Personnel salaries payable	929	1,933	48	538
Accrued expenses – Other accounts payable	6,230	6,026	392	106
Liabilities towards related companies	-	-	2	9
Total short-term liabilities	14,936	17,591	1,129	1,788

The fair value of the liabilities approaches the book values.

3.16 Transactions with Related Parties

The Group classifies as related parties the members of the Board of Directors, the directors of the Company's divisions as well as the shareholders who own over 5% of the Company's share capital (their related parties included).

The commercial transactions of the Group with these related parties during the period 1/1/2018–31/3/2018 have been conducted according to market terms and in the context of the ordinary business activities.

The transactions with the Subsidiaries and Related companies according to the IFRS 24 during the period 1/1/2018 – 31/3/2018 are presented below.

Income	1.1 – 31.03.2018		1.1 - 31.03.2017	
	Group	Company	Group	Company
Subsidiaries	-	1,266	-	2,664
Related Companies	1,423	15	1,442	29
Total	1,423	1,281	1,442	2,693

Expenses	1.1 – 31.03.2018		1.1 - 31.03.2017	
	Group	Company	Group	Company
Subsidiaries	-	8	-	185
Related Companies	332	52	354	33
Total	332	60	354	218

Trade and other receivables	31.03.2018		31.12.2017	
	Group	Company	Group	Company
Subsidiaries	-	9,893	-	10,269
Related Companies	2,953	313	1,645	277
Total	2,953	10,206	1,645	10,546

Suppliers and Other Liabilities	31.03.2018		31.12.2017	
	Group	Company	Group	Company
Subsidiaries	-	17	-	10
Related Companies	53	-	115	-
Total	53	17	115	10

The Group's "subsidiaries" include all companies consolidated with "Thrace Plastics Group" via the full consolidation method. The "Related companies" include those consolidated with the equity method as well as those owned by the partners of the Group.

The Company has granted guarantees to banks against credit lines for the account of its subsidiaries. On 31.03.2018 the balance of the Company's guarantees settled at € 48,208.

Guarantees for Subsidiaries	2018
Thrace Nonwovens & Geosynthetics SA	26,450
Thrace Ipoma AD	726
Thrace Greenhouses SA	5,250
Thrace Plastics Pack SA	3,854
Thrace Polyfilms	7,728
Synthetic Holdings	4,200

3.17 Remuneration of Board of Directors

BoD Fees	Group		Company	
	31.3.2018	31.3.2017	31.3.2018	31.3.2017
BoD Fees	1,001	962	346	343

The fees include remuneration of the executive members of Boards of Directors and other fees of both executive and other members.

3.18 Participations

3.18.1 Participation in companies consolidated with the full consolidation method

The value of the Company's participations in the subsidiaries, as of 31st March 2018, is as follows:

Companies consolidated with the full consolidation method	31.3.2018	31.12.2017
DON & LOW LTD	33,953	33,953
THRACE PLASTICS PACK SA	15,507	15,507
THRACE NON WOSENS& GEOSYNTHETICS SA	5,710	5,710
SYNTHETIC HOLDINGS LTD	11,728	11,728
THRACE POLYFILMS	3,418	3,418
PAREEN LTD	-	-
THRACE GREENHOUSES SA	-	-
Total	70,316	70,316

3.18.2 Participation in companies consolidated with the equity method

The change of standards with regard to the consolidation of the joint arrangement companies (IFRS 10, IFRS 11, IFRS 12) from the year 2014 and onward resulted into the change of the consolidation method.

IFRS 11 removes the concept of the proportional consolidation of the jointly controlled entities. Instead, the jointly controlled entities which fulfill the definition of joint venture are accounted for with the equity method.

The following table presents the companies in which the management is jointly controlled with another shareholder with the right to participate in their net assets. The companies are consolidated according to the Equity method.

The parent Company holds direct business interest of 50.91% in Thrace Greenhouses SA with a value of € 2,800 and of 51% in Thrace Eurobent SA with a value of € 204 on 31/03/2018. The company Thrace Greiner Packaging SRL is 50% owned by Thrace Plastics Pack SA whereas Lumite Inc is 50% owned by Synthetic Holdings LTD.

Company	Country of Activities	Business Activity	Percentage of Group
Thrace Greiner Packaging SRL	Romania	The company activates in the production of plastic boxes for food products and paints and belongs to the packaging sector. The company's shares are not listed.	46.47%
Lumite INC	United States	The company activates in the production of agricultural fabrics and belongs to the technical fabrics sector. The company's shares are not listed.	50.00%
Thrace Greenhouses SA	Greece	The company activates in the production of agricultural products and belongs to the agricultural sector. The company's shares are not listed.	50.91%
Thrace Eurobent SA	Greece	The company activates in the manufacturing of waterproof products via the use of Geosynthetic Clay Liner – GCL. The company's shares are not listed.	51.00%

The change of the Group's interests in the companies that are consolidated with the equity method is analyzed as follows:

Interests in companies consolidated with the equity method	1.1 - 31.3.2018	1.1 - 31.12.2017
Balance at beginning	12,839	11,347
Change in consolidation method of Thrace Polyfilms from Equity method to Proportional	-	(704)
Change in consolidation method of Thrace Greenhouses from Proportional to Equity method	-	2,614
Participation in profit / (losses) of joint ventures	58	976
Dividends	(726)	(417)
Foreign exchange differences and other reserves	(160)	(977)
Balance at end	12,011	12,839

3.19 Absorption of Elastron Agricultural from Thrace Greenhouses

On 28th March 2017, a Draft Merger Agreement was signed by the Company's fully owned subsidiary Societe Anonyme under the name "THRACE GREENHOUSES SOCIETE ANONYME" which concerns the absorption by the latter of the Societe Anonyme under the name "ELASTRON AGRICULTURAL COMMERCIAL AND INDUSTRIAL SOCIETE ANONYME". According to the above mentioned Draft Merger Agreement, the Board of Directors of the two merged companies decided that the merger will be implemented according to the clauses of articles 68-77a of P.L. 2190/1920 as well as the articles 1-5 of L. 2166/1993, as they are currently in effect, whereas the date of the balance sheet transformation was set on December 31st, 2016.

With regard to the determination of the book value of the assets of the absorbed company "ELASTRON AGRICULTURAL COMMERCIAL AND INDUSTRIAL SOCIETE ANONYME", a certified auditor prepared a relevant report on March 24th, 2017, according to the clauses of Law 2166/1993 and in accordance with the already prepared transformation balance sheet of the absorbed company as of

31/12/2016. According to the above mentioned report, the value to be capitalized of the absorbed company “ELASTRON AGRICULTURAL COMMERCIAL AND INDUSTRIAL SOCIETE ANONYME” accounts for €2,700, which equivalent with its share capital on 31/12/2016.

Following the merger via absorption, it was decided the exchange ratio between the shares of the absorbed company and the shares of the absorbing company as percentage of the Share Capital of the absorbing company. The Share Capital amounts now to € 5,500 divided by 550,000 shares with nominal value of € 10 per share, namely:

	<i>Share Capital</i>	<i>Number of Shares</i>	<i>Percentage</i>
THRACE GREENHOUSES SOCIETE ANONYME	2,800	280	50.91
ELASTRON AGRICULTURAL COMMERCIAL AND INDUSTRIAL SOCIETE ANONYME	2,700	270	49.09
Total Share Capital	5,500	550	100.00

On 26/07/2017, the Societe Anonyme Merger Agreement no. 13192 concerning the absorption of the Societe Anonyme under the name “ELASTRON AGRICULTURAL COMMERCIAL INDUSTRIAL SOCIETE ANONYME” by the Company’s fully owned (100%) subsidiary “THRACE GREENHOUSES SOCIETE ANONYME” was approved and recorded in the General Electronic Commercial Registry (G.E.MI.) on 28/07/2017 under the code number 112663.

The book values of the assets and liabilities on 31/12/2016 of the company that derived from the absorption of Elastron Agricultural by Thrace Greenhouses, were the following:

<i>Balance Sheet of the company after absorption</i>	<i>31.12.2016</i>
Tangible fixed assets	6,742
Other long-term receivables	393
Inventories	158
Customers	1,561
Cash and cash equivalents	1,205
TOTAL ASSETS	10,059
Long-term loans	887
Deferred tax liabilities	41
Grants	1,300
Other long-term liabilities	121
Short-term loans	1,964
Suppliers	267
Other short-term liabilities	345
Equity	5,134
TOTAL LIABILITIES	10,059

The temporary difference deriving from the above transaction has been recorded in the results of the period within the year 2017. The determination of the fair values will be finalized within the 12-month period which is provided by the IFRS 10 and will specify any impact on the financial statements.

3.20 Commitments and Contingent Liabilities

On 31 March 2018, there are no significant legal issues pending that may have a material effect in the financial position of the Companies in the Group.

The letters of guarantee issued by the banks for the account of the Company and in favor of third parties (Greek State, suppliers and customers) amount to € 834.

3.21 Discontinued Activities

On 2/10/2017, in the context of the internal restructuring of the Group's participations, the Boards of Directors of the parent Company and of its subsidiary (100% owned) company under the name "THRACE POLYFILMS INDUSTRIAL AND COMMERCIAL SOCIETE ANONYME" (henceforth "Thrace Polyfilms") approved the terms of the agreement with regard to the spinoff of the sector of production and trade of Industrial Packaging products (henceforth "the Sector") from the parent Company and its contribution into the subsidiary "Thrace Polyfilms". The spinoff and contribution of the sector was decided to be implemented according to the clauses of Law 2166/1993, whereas the date of 30.06.2017 was set as the Transformation Balance Sheet date.

The industrial sector of the parent Company which was contributed into the subsidiary Thrace Polyfilms is presented in the current period as discontinued activity.

Following the spin-off of the Industrial business segment of the Parent Company and the segment's contribution into the Subsidiary company Thrace Polyfilms, the Company's revenues mainly derive from the Provision of Administrative – Financial – IT Infrastructure Services to its subsidiaries comprising part of its main activity. As a result, the Company reclassified the particular revenues from the other operating income into the turnover and the respective expenses from the administrative expenses into the cost of services rendered.

The financial information concerning the discontinued activity is presented below:

Statement of Comprehensive Income	1/1 – 31/03/2018			1/1 – 31/03/2017		
	Continuing	Discontinued	Total	Continuing	Discontinued	Total
Turnover	1,282	-	1,282	1,278	4,170	5,448
Cost of sales	(1,129)	-	(1,129)	(1,255)	(3,388)	(4,643)
Gross profit	153	-	153	23	782	805
Other operating income	11	-	11	-	-	-
Distribution expenses	-	-	-	-	(173)	(173)
Administrative expenses	(211)	-	(211)	(228)	(118)	(346)
Other operating expenses	(22)	-	(22)	(23)	(17)	(40)
Other expenses / income	-	-	-	(9)	-	(9)
Operating profit / loss	(69)	-	(69)	(237)	474	237
Financial income	-	-	-	-	-	-
Financial expenses	(217)	-	(217)	(261)	(96)	(357)
Profit/(loss) before Taxes	(286)	-	(286)	(498)	378	(120)
Taxes	(3)	-	(3)	18	5	23
Profit/(loss) after Taxes	(289)	-	(289)	(480)	383	(97)

3.22 Reclassifications of accounts

In the present financial statements, there have been reclassifications of not significant comparative accounts in the Statement of Total Comprehensive Income for the purpose of comparability with the ones of the present year.

3.23 Significant Events

During the period, there were no significant events which may have an effect on the financial statements of the Group.

3.24 Events after the Balance Sheet Date

There are no events subsequent to the date of the balance date, which significantly affect the financial statements of the Group.

The Financial Statements have been prepared in accordance with the International Financial Reporting Standards as they have been adopted by the European Union, were approved by the Board of Directors on 06 June 2018 and are signed by the representatives of such.

The Chairman and Chief Executive Officer	The Vice-Chairman of the Board	The Head of Financial Services	The Head Accountant
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