THRACE PLASTICS HOLDING S.A.

SEMI-ANNUAL FINANCIAL REPORT

1st January - 30th June 2018

(According to the article 5 of Law 3556/2007)

General Commerce Reg. No. 12512246000
Domicile: Magiko, Municipality of Avdira, Xanthi Greece
Offices: 20 Marinou Antypa Str., 17455 Alimos, Attica, Greece

Information regarding the preparation
of the Semi-Annual Financial Report

For the period from 1st January to 30th June 2018

The present Financial Report, which refers to the period from 1.1.2018 to 30.06.2018, was prepared in accordance with the provisions of article 5 of L.3556/2007 and the relevant decisions issued by the Board of Directors of the Hellenic Capital Market Commission under Reg. No. 8/754/14-4-2016 and 1/434/03-07-2007 as well as with the protocol no. 62784/06-06-2017 Circular of the Division of Enterprises and GEMI of the Ministry of Finance, Development and Tourism. The present Report was approved by the Board of Directors of "THRACE PLASTICS HOLDING S.A." ("Company") on September 6, 2018, and has been posted on the Company's website www.thracegroup.gr where such will remain available to investors for a period of at least (10) ten years from the publication date and includes:

- The comparative amounts of the previous fiscal year 01/01/2017 – 30/06/2017 of the Company have been adjusted and depict the continuing activities of the Company.

- Any deviation in the numbers' last digit is due to rounding.

Amounts in thousand Euro, unless stated otherwise

I. STATEMENTS BY REPRESENTATIVES OF THE BOARD OF DIRECTORS

(according to the article 5 paragraph 2 of Law 3556/2007)

We hereby state that to our knowledge, the attached interim Condensed Financial Information of THRACE PLASTICS HOLDING S.A., which concern the semi-annual period from 1st January 2018 to 30th June 2018, which was prepared in accordance with the international accounting standards in effect, accurately and reliably presents the Assets and Liabilities, Equity and Results of THRACE PLASTICS HOLDING S.A., as well as those of the companies included in the consolidation and considered aggregately as a whole, in accordance with the provisions of par. 3 – 5 of article 5 of Law 3556/2007 and the relevant executive decisions issued by the BOD of the Hellenic Capital Market Commission.

We also state that to our knowledge, the Semi-Annual Report by the Company's Board of Directors accurately presents the information required by the paragraph 6 of article 5 of Law 3556/2007 and the relevant executive decisions issued by the BOD of the Hellenic Capital Market Commission.

Xanthi, 6 September 2018

The signatories:

The Chairman of the Board and Chief Executive Officer	The Vice-Chairman of the Board of Directors	The Member of the Board
Konstantinos Chalioris	**Theodosios Kolyvas**	**Dimitris Malamos**

II. SEMI-ANNUAL REPORT BY THE BOARD OF DIRECTORS OF THRACE PLASTICS HOLDING S.A. FOR THE PERIOD FROM 1-1-2018 TO 30-06-2018

The present Semi-Annual Management Report by the Board of Directors (called hereinafter for abbreviation purposes as "Report") was prepared in accordance with the relevant provisions of Law 2190/1920, Law 3556/2007, nd the relevant decisions issued by the Board of Directors of the Hellenic Capital Market Commission, and especially the decisions with number 1/434/3.7.2007 and 8/754/14.4.2016.

The Report includes the total required information with a concise as well as comprehensive, objective and adequate manner and with the principle of providing the complete and substantial information with regards to the issues included in such.

Given the fact that the Company prepares consolidated and non-consolidated (separate) financial statements, the present Report constitutes a single report referring mainly to the consolidated financial data of the Company. Any reference to non-consolidated financial data takes place in certain areas which have deemed as necessary by the Board of Directors of the Company for the better understanding of the contents of the report.

It is noted that the present Report includes, along with the first half 2018 financial statements, the required by law data and statements in the Semi-Annual Financial Report, which concern the first half of the year 2018.

The sections of the Report and the contents of such are in particularly as follows:

SECTION I: Significant events that took place during the first half of 2018

Decisions of the Annual Ordinary General Meeting of Shareholders on 15th May 2018

Among other issues, the shareholders approved the distribution (payment) of dividend from the earnings of the closing year 2017 as well as from the earnings of previous years. Specifically, the Meeting approved the distribution of an amount of 2,058,217.79 Euros (gross amount), or 0.047054 Euro per Company's share (gross amount), which after the incremental increase of the dividend concerning 4,324 treasury shares (held by the Company and not entitled to any dividend) amounted to 0.047059 Euro. From the above amount, the corresponding tax of 15% on the dividend was withheld, according to the article 40, paragraph 1 of Law 4172/2013 as it is currently in effect, and therefore the final payable amount of dividend settled at 0.04 Euro per share.
Friday, May 18th, 2018 was set as the ex-dividend date.
The shareholders entitled to the dividend as noted above were the ones registered in the Dematerialized Securities System (D.S.S.) on the record date, meaning on Monday, May 21st, 2018.
The payment of the dividend commenced on Friday, May 25th, 2018.

SECTION II: Review of Basic Fundamentals for 1st Half of 2018

1. **Group Results**

The basic characteristics of the period are summarized as follows:

- Increase in the consolidated sales volume by 2.3% and increase in the consolidated turnover by 2.6%. The higher turnover level was mainly due to the Packaging Unit as the Technical Fabrics Unit posted only a marginal increase compared to the year 2017. The additional volumes generated from the investments implemented in the Technical Fabrics sector during the period 2015-2016 (concerning mainly the Greek subsidiaries of the Group) have been allocated almost to their entirety, whereas the investments which are being implemented during the period 2017-2018 will be completed within the first quarter of 2019 and the higher utilization of these investments will occur within the year 2019.
- Sustaining the Gross Profits at the levels of year 2017 (however with a contraction of the Gross Profit margin) due to the following reasons:
  - The raw material prices during the first half of the year continued their upward trend. Despite the fact that the Group's subsidiaries proceeded with respective increases in the sale prices, the time delay and the inability to transfer the entire cost increase into the final prices in certain cases, affected negatively the Gross Profit margin.
  - The Greek subsidiaries of the Technical Fabrics Unit which invested in higher production levels and new product offering during the period 2015-2016 set the target of higher production capacity during 2017 following the new investments, whereas during 2018 they set the target of improved Gross Profit margin. That objective had been already fulfilled during the first half of year 2018 when a significant improvement was realized compared to 2017. In contrast, the subsidiaries of the Group in Scotland and America experienced pressures on their Gross Profit margin and as result no improvement took place in the above cases. More specifically:
    - The Group's subsidiary in Scotland has been affected by BREXIT since the EUR/GBP exchange rate has led to a significant incremental increase of the raw material prices, which was not feasible to be transferred in the final sale price. Also, the uncertainty prevailing in the market due to the BREXIT has resulted into the lower demand for certain products. The Management of the Company has directed its efforts in markets outside Great Britain in order to take advantage of the improved competitive position given the trend in the exchange rate.
    - The market of the geosynthetics in US in the first half of the year was characterized by a significant reduction in demand and also by a pressure on the sale prices due to lower demand. However, this trend appears to be reversed in the third quarter of the year. Moreover, the Company has encountered a situation of increased costs as during the year a new investment is under progress which will in turn result into higher production capacity and lower production cost.
  - Increase in the sales volume and Turnover along with contraction of the Gross Profit margin in the Packaging sector due to the particular conditions prevailing in the Bulgarian market, as well as due to the inability to transfer the higher raw material cost into the final sale price.
- Containment of Administrative and Distribution Expenses at the levels of year 2017, as well as the positive foreign exchange differences that mainly resulted from the appreciation of the dollar versus the Euro had a positive effect on the results of the Group.

The following table depicts the course of the Group's results during the first half of 2018 compared to the respective period of the year 2017:

Amounts in thousand Euro, unless stated otherwise

	1st Half 2018	1st Half 2017	*Change %*
Turnover	**165,214**	**161,101**	***2.6%***
Gross Profit	**34,448**	**34,461**	***0.0%***
Gross Profit Margin	***20.9%***	***21.4%***	
Other Operating Income	784	1,109	*-29.3%*
As % of Turnover	0.5%	*0.7%*	
Distribution Expenses	15,637	15,445	*1.2%*
As % of Turnover	*9.5%*	*9.6%*	
Administrative Expenses	8,606	8,704	*-1.1%*
As % of Turnover	*5.2%*	*5.4%*	
Research & Development Expenses	1,005	938	*7.1%*
As % of Turnover	*0.6%*	*0.6%*	
Other Operating Expenses	701	916	*-23.5%*
As % of Turnover	0.4%	*0.6%*	
Other Income / (Losses)	279	-839	-
EBIT*	**9,562**	**8,728**	***9.6%***
EBIT Margin	***5.8%***	***5.4%***	
EBITDA*	**16,275**	**15,357**	***6.0%***
EBITDA Margin	***9.9%***	***9.5%***	
Financial Income / (Expenses)	-2,420	-2,774	*-12.8%*
Income/(Expenses) from Companies consolidated with the Equity Method	427	739	*-42.2%*
Profit / (Losses) from Participation	0	-180	-
EBT	**7,569**	**6,513**	***16.2%***
EBT Margin	***4.6%***	***4.0%***	
Income Tax	2,105	1,785	*17.9%*
Total EAT	**5,464**	**4,728**	***15.6%***
EAT Margin	***3.3%***	***2.9%***	
Minority Interest	131	148	
Total EATAM	**5,333**	**4,580**	***16.4%***
EATAM Margin	***3.2%***	***2.8%***	
Earnings per Share (in euro)	**0.1219**	**0.1047**	***16.4%***

***** ***Note: The alternative performance measures are presented and described analytically in the section III of the present Report.***

Turnover **€ 165,214 *(+2.6 %)***

Increase in the consolidated sales volume by 2.3% and increase in the consolidated turnover by 2.6%. The higher turnover level was mainly due to the Packaging Unit as the Technical Fabrics Unit posted only a marginal increase compared to the year 2017.

Gross Profit **€ 34,448 *(0.0%)***

Gross profit margin settled at 20.9% compared to 21.4% in the respective period of the previous year.

Other Operating Income **€ 784 *(-29.3%)***

The Other Operating Income includes mainly income from leases, provision of services and maquettes. The reduction in the Other Operating Income in the first half of 2018 is mainly due to the decrease of the income from maquettes compared to the first half 2017.

Distribution Expenses **€ 15,637 *(+1.2%)***

As percentage of turnover, distribution expenses settled at 9.5% compared to 9.6% during the first half of 2017.

Administrative Expenses € 8,606 (-1.1%)

As percentage of turnover, administrative expenses settled at 5.2% compared to 5.4% during the first half of 2017.

Research & Development Expenses € 1,005 (7.1%)

Research & Development Expenses amounted to € 1,005 compared to € 938 in the first half of 2017, posting an increase of 7.1%.

Other Operating Expenses € 701 (-23.5%)

The Other Operating Expenses mainly include Provisions for Doubtful Receivables, Taxes and Duties, Depreciation, Personnel Indemnities, Bank Expenses and Expenditures for the purchase of prototype materials.

Other Earnings / (Losses) € 279 (compared to loss of € 839)

The other earnings in the first half of 2018 amounted to € 279 compared to a Loss of € 839 in the first half of 2017 and concerned mainly foreign exchange differences.

EBITDA € 16,275 *(+6.0%)*

EBITDA margin settled at 9.9% compared to 9.5% in the first half of the year 2017.

Financial Results (Income - Expenses) - € 2,420 *(-12.8%)*

The reduction in the Financial Results was mainly due to the positive foreign exchange differences.

Profit from the companies that are consolidated with the Equity method € 427*(-42.2%)*

The particular profit concerns the Group's companies which are being consolidated via the Equity method. These companies are the following: Lumite Inc (participation stake of 50.0%) Thrace Greenhouses S.A. (participation stake of 50.91%), Thrace Greiner Packaging SRL (participation stake of 46.42%) and Thrace Eurobent S.A. (participation stake of 51.0%).

Earnings before Taxes € 7,569 *(+16.2%)*

EBT margin settled at 4.6% in the first half of 2018 as compared to 4.0% in the first half of 2017.

Earnings after Taxes (EAT) € 5,464 *(+15.6%)*

EAT margin settled at 3.3% in the first half of 2018 as compared to 2.9% in the same period of 2017.

EATAM € 5,333 *(+16.4%)*

EATAM margin settled at 3.2% during the first half of 2018 compared to 2.8% in the same period of the year 2017.

Amounts in thousand Euro, unless stated otherwise

3. Results of the Group per Business Unit

The business units of the Group are the following:

Technical Fabrics Sector

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

Packaging Sector

Production and trade of packaging materials, plastic bags, and plastic boxes for the packaging of food and colors 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.

The following table summarizes the course of the results of the business segments which the Group activates in, for the first half of the current year:

Sector	Technical Fabrics			Packaging			Other		Elimination of Transactions		Group	
	1st Half 2018	1st Half 2017	*Change %*	**1st Half 2018**	1st Half 2017	*Change %*	**1st Half 2018**	1st Half 2017	**1st Half 2018**	1st Half 2017	**1st Half 2018**	1st Half 2017
Turnover	**125,087**	124,630	*0.4%*	**47,326**	42,647	*11.0%*	**2,522**	2,632	**-9,721**	-8,808	**165,214**	161,101
Gross Profit	**24,332**	24,676	*-1.4%*	**9,712**	9,451	*2.8%*	**227**	25	**177**	309	**34,448**	34,461
Gross Profit Margin	***19.5%***	*19.8%*		***20.5%***	*22.2%*		***9.0%***	*0.9%*	-	-	***20.9%***	*21.4%*
Total EBITDA	**10,045**	9,113	*10.2%*	**6,451**	6,664	*-3.2%*	**-144**	-395	-77	-25	**16,275**	15,357
EBITDA Margin	***8.0%***	*7.3%*		***13.6%***	*15.6%*		-	-	-	-	***9.9%***	*9.5%*

4. Consolidated Balance Sheet of the Group

The following table summarizes the basic information of the Group’s financial position as of 30.06.2018:

	30.06.2018	**31.12.2017**	***Change %***
Tangible Fixed Assets	121,558	114,394	*6.3%*
Investment Property	113	113	*0.0%*
Intangible Assets	11,670	11,424	*2.2%*
Interests in Related Companies	12,721	12,839	*-0.9%*
Other Long-term Receivables	7,374	7,669	*-3.8%*
Deferred Tax Assets	1,168	1,334	*-12.4%*
Total Fixed Assets	**154,604**	**147,773**	***4.6%***

Amounts in thousand Euro, unless stated otherwise

	30.06.2018	31.12.2017	*Change %*
Inventories	63,950	59,634	*7.2%*
Income Tax Prepaid	2,136	1,702	*25.5%*
Trade Receivables	68,019	57,332	*18.6%*
Other Receivables	13,379	7,672	*74.4%*
Cash & Cash Equivalents	28,250	30,593	*-7.7%*
Total Current Assets	**175,734**	**156,933**	***12.0%***
TOTAL ASSETS	**330,338**	**304,706**	***8.4%***
Shareholders' Equity	142,508	135,113	*5.5%*
Minority Interest	2,495	2,365	*5.5%*
TOTAL EQUITY	**145,003**	**137,478**	***5.5%***
Long-term Loans	34,697	15,737	*120.5%*
Provisions for Employee Benefits	10,814	15,847	*-31.8%*
Other Long-term Liabilities	5,375	5,130	*4.8%*
Total Long-term Liabilities	**50,886**	**36,714**	***38.6%***
Short-term Bank Debt	66,073	72,663	*-9.1%*
Suppliers	44,971	37,021	*21.5%*
Other Short-term Liabilities	23,405	20,830	*12.4%*
Total Short-term Liabilities	**134,449**	**130,514**	***3.0%***
TOTAL LIABILITIES	**185,335**	**167,228**	***10.8%***
TOTAL EQUITY & LIABILITIES	**330,338**	**304,706**	***8.4%***

ASSETS

Fixed Assets **€ 121,558 *(+6.3%)***

Fixed assets increased to € 121,558 on 30.06.2018 compared to€ 114,394 on 30.06.2017 due to the new investments that were implemented in the context of the Group's investment plan for the period 2017-2018.

Current Assets **€ 175,934 *(+12.1%)***

- **Trade receivables: € 68,019 (+18.6%)**

Trade receivables are increased due to seasonality.

- **Inventories: € 63,950 (+7.2%)**

The increase of the inventories is due to the higher sales volume as well as due to the seasonality.

EQUITY & LIABILITIES

Equity **€ 145,003 *(+5.5%)***

The change in Equity derived from the contribution of the current period's earnings by € 5,464, the actuarial gain that resulted from the pension plan of Don & Low Ltd by € 4,132, as well as the positive foreign exchange differences that resulted from the conversion of balance sheets in foreign currency by € 223.

Provisions for Employee Benefits **€ 10,814 *(-31.8%)***

The provisions for employee benefits are lower due to the reduction of the actuarial deficit of the pension plan of Don & Low LTD.

Amounts in thousand Euro, unless stated otherwise

The total liability of the Don & Low LTD pension plan as depicted in the balance sheet of 30.06.2018 is analyzed as follows:

Don & Low Ltd	**30.6.2018**	**31.12.2017**
Present Value of Liabilities	**138,923**	145,401
Present Value of Fixed Assets	**130,685**	132,101
Net Liability recognized in the Balance Sheet	**8,238**	13,300

The Asset allocation of the plan as of 30.06.2017 is as follows:

Don & Low Ltd	**30.6.2018**	**31.12.2017**
Mutual Funds (Stock Market)	**17,041**	37,534
Mutual Funds (Bond Market)	**64,665**	32,236
Mutual Funds (Diversified Growth Funds)	**48,414**	62,106
Other	**564**	225
Total	**130,685**	132,101

Net Bank Debt **€ 72,520 *(+25.5%)***

Net Bank Debt (Long-term Loans + Short-term Loans – Cash & Cash Equivalents) amounted to € 72,520 compared to € 57,807 on 31.12.2017, while the Net Bank Debt/Equity ratio settled at 0.50x compared to 0.42x on 31.12.2017.

Short-term Liabilities **€ 134,449 *(+3.0%)***

Short-term liabilities amounted to € 134,449 thousand compared to € 130,514 thousand on 31.12.2017, thus increased by 3.0%.

- **Suppliers:** **€ 44,971 (+21.5%)**

Increase of Suppliers due to seasonality factors

CASH FLOWS

	30.06.2018	**30.6.2017**
EBITDA	16,275	15,357
Non Cash and Non Operating Movements	2,028	3,207
Change in Working Capital	-14,427	-8,210
Cash from Operating Activities	**3,876**	**10,354**
Interest and Income Tax Paid & Other Financial Income	-3,692	-3,806
Total Inflows / Outflows from Operating Activities	**184**	**6,548**
Investment Activities	-12,788	-12,865
Financing Activities	10,285	4,337
Net Increase / (Decrease) in Cash	**-2,319**	**-1,980**
Cash at beginning of period	30,593	31,080
FX changes on cash	-24	-628
Cash at end of period	**28,250**	**28,472**

Amounts in thousand Euro, unless stated otherwise

SECTION III : Definition and Reconciliation of Alternative Performance Measures (APM)

In the context of its decision making concerning the financial, operating and strategic planning as well as the evaluation of its performance, the Group utilizes Alternative Performance Measures (APM). These indicators mainly serve the better understanding of the financial and operating results of the Group, its financial position as well as its cash flow statement. The Alternative Performance Measures (APM) should be always taken into account in line with the financial statements which have been prepared according to the IFRS and in no case the APM replace the above.

Alternative Performance Measures

During the description of the developments and the performance of the Group, ratios such as the EBIT and the EBITDA are utilized.

EBIT (The indicator of earnings before the financial and investment activities as well as the taxes)

The EBIT serves the better analysis of the Group's operating results and is calculated as follows: Turnover plus other operating income minus the total operating expenses, before the financial and investment activities. The EBIT margin (%) is calculated by dividing the EBIT by the turnover.

EBITDA (The indicator of operating earnings before the financial and investment activities as well as the depreciation, amortization, impairment and taxes)

The EBITDA serves the better analysis of the Group's operating results and is calculated as follows: Turnover plus other operating income minus the total operating expenses before the depreciation of fixed assets, the amortization of grants and the impairments, as well as before the financial and investment activities. The EBITDA margin (%) is calculated by dividing the EBITDA by the turnover.

SECTION IV: Significant transactions with related parties during the 1st Half of 2018

The most significant transactions of the Company with the related parties during the 1st half of 2018, and following the offsetting of receivables/liabilities, are presented below:

Sales - Income	Sales*	Income *	Total
Thrace NW & Geosynthetics	718.9	0	718.9
Thrace IPOMA	170.2	0	170.2
Thrace Plastics Pack	327.4	0	327.4
Don & Low LTD	554.4	0	554.4
Thrace Polybulk AB	127.2	0	127.2
Thrace Linq Inc	144.6	0	144.6
Synthetics Holdings LTD	131.3	0	131.3
Thrace Polyfilms	131.1	0	131.1
Total	**2,305.1**	**0**	**2,305.1**

* Sales refer to charges for Administrative Services rendered from the Parent company to the subsidiaries.

The Company has granted guarantees to banks against credit lines for the account of its subsidiaries amounting in total to € 101,237. On 30.06.2018, the outstanding amount of the loans for which the Company had granted guarantees accounted for € 58,174.

The remuneration of the members of the Management during the 1st half of the current year amounted to euro 2,308 thousand at the Group level compared to euro 2,027 thousand during the respective period of 2017, and at the company level to euro 835 thousand compared to 787 thousand the previous year.

There were no changes in transactions between the Company and its related parties, which could have significant effects on the financial position and performance of the Company during the 1st Half of 2018.

All transactions described above have taken place under normal market terms.

SECTION V: Basic Risks and Uncertainties – Outlook for 2nd Half of 2018

The interim condensed financial information does not include the disclosure of the entire risk factors as required in the preparation of the annual consolidated financial statements and should be examined in conjunction with the annual financial statements of the Group for the year ended on 31 December 2017.

The financial assets used by the Group, mainly consist of bank deposits, bank overdrafts, receivable accounts, payable accounts and loans.

In general, the Group's activities face several risks. Such risks include market risk (foreign exchange risk and risk from changes and raw materials prices), credit risk, liquidity risk and interest rate risk.

Foreign exchange risk

The Group is exposed to foreign exchange risks arising from existing or expected cash flows in foreign currency and investments that have been made in foreign countries. The management of the various risks is made by the use of natural hedge instruments. In particular, the Group's policy is to take out loans at the level of balances of revenues that the Group's companies generate in foreign currency.

Risk from fluctuation of prices of raw materials

The Company is exposed to fluctuations in the price of polypropylene, which is faced with a corresponding change in the sale price of the final product. The possibility that the increase in polypropylene prices will not be fully transferred to the sale price, induces pressure on profit margins.
Also, risk from fluctuation of prices of raw materials arises in the case of a large drop in prices.

Credit Risk

The Group is exposed to credit risk, and in order to manage such consistently, it applies a clearly defined credit policy that is continuously monitored and reviewed, in order to assure that the provided credit does not exceed the credit limit per customer. Also, insurance contracts are made to cover sales per customer, while collateral is not required on the assets of customers. During the preparation date of the financial statements, provisions were made for doubtful debts and the Management considers that there is no other substantial credit risk that is not covered by insurance coverage or provisions.

Amounts in thousand Euro, unless stated otherwise

Liquidity Risk

The monitoring of liquidity risk is focused on managing cash inflows and outflows on a constant basis, in order for the Group to have the ability to meet its cash flow obligations. The management of liquidity risk is applied by maintaining cash equivalents and approved bank credits. During the preparation date of the financial statements, there were adequate cash reserves and also available unused approved bank credits towards the Group, which are considered sufficient to face a possible shortage of cash equivalents.

Capital Adequacy Risk

The Group controls capital adequacy using the Net Debt to Operating Profit ratio and the Net Bank Debt to Equity ratio. The Group's objective in relation to capital management is to ensure the ability for its smooth operation in the future, while providing satisfactory returns to shareholders and benefits to other parties, as well as to maintain an ideal capital structure so as to ensure a low cost of capital. For this purpose, it systematically monitors working capital in order to maintain the lowest possible level of external financing.

Capital Adequacy Risk	***Group***	
	30.6.2018	**31.12.2017**
Long-term debt	34,697	15,737
Short-term debt	66,073	72,663
Total debt	**100,770**	**88,400**
Minus cash & cash equivalents	28,250	30,593
Net debt	**72,520**	**57,808**
EQUITY	**145,003**	**137,478**
NET BANK DEBT / EQUITY	**0.50**	**0.42**

Macroeconomic Conditions in Greece – Capital Controls

The Greek banks entered into a bank holiday period on 28.06.2015 via an Act of Legislative Content which imposed capital controls in accordance with the respective decision of the Ministry of Finance. The bank holiday was terminated on 20.07.2015 whereas capital controls still remain intact despite the constant improvements in the relevant legislative framework towards the relaxation of initial capital control measures.

It is noted that the capital controls did not have any negative effect on the Group's sales in the Greek market until today (Greek sales represent only 18% of the total turnover). However at the current stage it is difficult to estimate any future effect on the results due to the imposed capital controls.

In any case, the Management has concluded that there is no need for additional provisions for impairment with regard to the financial and non-financial assets of the Group and the Company on 30th June 2018, whereas it constantly monitors the developments in order to take measures and proceed with actions for the minimization of the negative effect on the activity of the Company and the Group.

Amounts in thousand Euro, unless stated otherwise

Prospects for the 2nd Half 2018

The third quarter of the current fiscal year follows the same trend with the first half of the year in terms of both Turnover and Earnings and also as compared to the same period of 2017. This trend is estimated to continue during the fourth quarter of the year 2018. With regard to the entire fiscal year 2018, the Group's Management estimates that there will be no significant changes in the conditions of the market compared to the first half of the year and therefore it anticipates the same improvement outlook compared to the year 2017. However the above estimates may be affected by a possible international event or development.

The Group, following the successful implementation of the investment plan of the 2-year period 2015-2016 that amounted to 52 million Euros, proceeds into the further utilization of these investments whereas at the same time it continues to implement the new investment plan of the period 2017-2018 which will account for 44 million Euros. The new plan aims at further increasing the production capacity as well as at the development of innovative products. The maintenance of the healthy capital structure of the Group, despite the expanded investment plan of the last 4 years, in combination with the healthy operating and organizational structures which it currently possesses provides the Group's Management with the ability to continue achieving its strategic goals.

SECTION V: *Treasury Shares*

The Extraordinary General Meeting of the Company's Shareholders that convened on February 2nd, 2017, unanimously approved the stock repurchase plan of the Company according to article 16 of P.L. 2190/1920 as it is currently in effect. Specifically, the shareholders approved the purchase within a period of twenty four (24) months from the current decision's date namely until 02.02.2019 at the latest, of up to 4,374,145 common registered shares or 10% of the Company's outstanding shares (today at 43,741,452), with a purchase price range from one Euro and fifty cents (1.50 €) to three Euros and fifty cents (3.50 €).

Since the date of the above decision and until 30.06.2018, the Company had acquired 4,324 treasury shares.

SECTION VI: Significant Events after 30.06.2018

There are no events subsequent to the Balance Sheet date (30.06.2018) which may have a material effect on the financial statements of the Company and the Group.

Xanthi, 06/09/2017

The Chairman and Chief Executive Officer	The Vice-Chairman of the Board	The Board Member
Konstantinos Chalioris	**Theodosios Kolyvas**	**Dimitrios Malamos**

[Translation from the original text in Greek]

Report on Review of six-month financial report

To the Board of directors of "THRACE PLASTICS Holding and Commercial S.A."
Introduction

We have reviewed the accompanying condensed company and consolidated statement of financial position of "THRACE PLASTICS Holding and Commercial S.A." (the "Company"), as of 30 June 2018 and the related condensed company and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flow statements for the six-month period then ended, with the selected explanatory notes that comprise the interim condensed financial information and the other data of the six-month financial report. Management is responsible for the preparation and presentation of this condensed interim financial information in accordance with International Financial Reporting Standards as they have been adopted by the European Union and applied to interim financial reporting (International Accounting Standard "IAS 34") and of the other data of the six-month financial report. Our responsibility is to express a conclusion on this six-month financial report based on our review.

Scope of Review

We conducted our review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, as they have been transposed into Greek Law and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34, and the other data of the six-month financial report in accordance with article 5 of Law 3556/2007.

Athens, 07 September 2017

PricewaterhouseCoopers SA
268 Kifissias Avenue,
152 32 Halandri, Greece
SOEL Reg.No 113

The Certified Auditor
Dimitrios Sourbis
SOEL Reg. No. 16891

INTERIM CONDENSED FINANCIAL INFORMATION

IV. INTERIM FINANCIAL STATEMENTS (SEPARATE AND CONSOLIDATED)

Contents of the Notes

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2018 – 30.06.2018)

	Note	Group		Σημ.	Company	
		1/1 - 30/06/2018	1/1 - 30/6/2017*		1/1 - 30/06/2018	1/1 - 30/6/2017*
Turnover		165,214	161,101	3.19	2,522	2,633
Cost of Sales		(130,766)	(126,640)	3.19	(2,293)	(2,603)
Gross Profit/(loss)		34,448	34,461		229	30
Other Operating Income	3.2	784	1,109		14	18
Selling Expenses		(15,637)	(15,445)		-	-
Administrative Expenses		(8,606)	(8,704)		(405)	(455)
Research and Development Expenses		(1,005)	(938)		-	-
Other Operating Expenses	3.3	(701)	(916)		(57)	(91)
Other profit / (losses)	3.4	279	(839)		(2)	(21)
Operating Profit /(loss) before interest and tax		9,562	8,728		(221)	(519)
Financial Income	3.5	902	407		-	-
Financial Expenses	3.5	(3,322)	(3,181)		(440)	(457)
Profit / (losses) from companies consolidated with the Equity Method	3.17	427	739		-	-
Profit / (losses) from participations		-	(180)		-	-
Profit/(loss) before Tax		7,569	6,513		(661)	(976)
Income Tax	3.7	(2,105)	(1,785)		(13)	209
Profit/(loss) after tax continued activities (A)		5,464	4,728		(674)	(767)
Profit/(loss) after tax discontinued activities	3.19	-	-		-	724
Profit/(loss) after tax discont. & cont. activities		5,464	4,728		(674)	(43)
Other comprehensive income						
Items transferred to the results						
FX differences from translation of foreign Balance Sheets		223	(2,100)		-	-
Items not transferred to the results						
Actuarial profit/(loss)		4,132	951		-	-
Other comprehensive income after taxes cont. activities (B)		4,355	(1,149)		-	-
Other comprehensive income after taxes discont. activities		-	-		-	-
Other comprehensive income after taxes disc. & cont. activities		4,355	(1,149)		-	-
Total comprehensive income after taxes cont. activities (A) + (B)		9,819	3,579		(674)	(43)
Profit / (loss) after tax (A)						
Attributed to:						
Owners of the parent		5,333	4,580		-	-
Minority interest		131	148		-	-
Total comprehensive income after taxes (A) + (B)						
Attributed to:						
Owners of the parent		9,689	3,431		-	-
Minority interest		130	148		-	-
Profit/(loss) allocated to shareholders from continued activities per share (A)						
Number of shares		43,737	43,741		-	-
Earnings/(loss) per share		0.1219	0.1047		-	-

The accompanying notes that are presented in pages 24 - 49 form an integral part of the present financial statements.

** The IFRS 9 and 15 were applied via the recognition of their total effect in the account "Results carried forward" and without the adjustment of the comparative items of 2017 (note 2.3).*

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.04.2018 – 30.06.2018)

		Group			Company	
	Note	1/4 - 30/06/2018	1/4 - 30/6/2017 *	Σημ.	1/4 - 30/06/2018	1/4 - 30/6/2017 *
Turnover		86.697	84.556		1.240	1.355
Cost of Sales		(69.221)	(66.860)		(1.164)	(1.348)
Gross Profit/(loss)		17.476	17.696		76	7
Other Operating Income		379	449		3	18
Selling Expenses		(7.962)	(7.687)		-	-
Administrative Expenses		(4.470)	(4.339)		(194)	(227)
Research and Development Expenses		(523)	(557)		-	-
Other Operating Expenses		(391)	(436)		(35)	(68)
Other profit / (losses)		483	(861)		(2)	(12)
Operating Profit /(loss) before interest and tax		4.992	4.265		(152)	(282)
Financial Income		486	319		-	-
Financial Expenses		(1.419)	(1.489)		(223)	(196)
Profit / (losses) from companies consolidated with the Equity Method		368	488		-	-
Profit / (losses) from participations		-	127		-	-
Profit/(loss) before Tax		4.427	3.710		(375)	(478)
Income Tax		(1.258)	(1.214)		(10)	191
Profit/(loss) after tax continued activities (A)		3.169	2.496		(385)	(287)
Profit/(loss) after tax discontinued activities		-	-		-	341
Profit/(loss) after tax discont. & cont. activities		3.169	2.496		(385)	54
Other comprehensive income						
Items transferred to the results						
FX differences from translation of foreign Balance Sheets		143	(1.941)		-	-
Items not transferred to the results						
Actuarial profit/(loss)		1.963	(2.419)		-	-
Other comprehensive income after taxes cont. activities (B)		2.106	(4.360)		-	-
Other comprehensive income after taxes discont. activities		-	-		-	-
Other comprehensive income after taxes disc. & cont. activities		2.106	(4.360)		-	-
Total comprehensive income after taxes cont. activities (A) + (B)		5.275	(1.864)		(385)	54
Profit / (loss) after tax (A)						
Attributed to:						
Owners of the parent		3.084	2.433		-	-
Minority interest		85	63		-	-
Total comprehensive income after taxes (A) + (B)						
Attributed to:						
Owners of the parent		5.191	(1.927)		-	-
Minority interest		84	63		-	-
Profit/(loss) allocated to shareholders from continued activities per share (A)						
Number of shares		43.737	43.741		-	-
Earnings/(loss) per share		0,0705	0,0556		-	-

The accompanying notes that are presented in pages 24 - 49 form an integral part of the present financial statements.

** The IFRS 9 and 15 were applied via the recognition of their total effect in the account "Results carried forward" and without the adjustment of the comparative items of 2017 (note 2.3).*

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF FINANCIAL POSITION

	Note	Group 30-06-2018	Group 31-12-2017 *	Company 30-06-2018	Company 31-12-2017 *
ASSETS					
Non-Current Assets					
Tangible fixed assets	3.9	**121.558**	114.394	**412**	441
Investment property	3.9	**113**	113	**-**	-
Intangible Assets	3.9	**11.670**	11.424	**644**	687
Participation in subsidiaries	3.17	**-**	-	**70.316**	70.316
Participation in related companies	3.17	**12.721**	12.839	**3.004**	3.004
Other long term receivables	3.10	**7.374**	7.669	**1.610**	1.613
Deferred tax assets		**1.168**	1.334	**923**	936
Total non-Current Assets		**154.604**	147.773	**76.909**	76.997
Current Assets					
Inventories		**63.950**	59.634	**-**	-
Income tax prepaid		**2.136**	1.702	**168**	152
Trade receivables	3.11	**68.019**	57.332	**8.542**	10.469
Other debtors	3.11	**13.379**	7.672	**176**	227
Cash and Cash Equivalents		**28.250**	30.593	**3.842**	4.790
Total Current Assets		**175.734**	156.933	**12.728**	15.638
TOTAL ASSETS		**330.338**	304.706	**89.637**	92.635
EQUITY AND LIABILITIES					
Equity					
Share Capital		**28.869**	28.869	**28.869**	28.869
Share premium		**21.520**	21.540	**21.644**	21.644
Other reserves		**20.438**	20.131	**14.213**	14.139
Retained earnings		**71.681**	64.573	**5.032**	7.838
Total Shareholders' equity		**142.508**	135.113	**69.758**	72.490
Minority Interest		**2.495**	2.365	**-**	-
Total Equity		**145.003**	137.478	**69.758**	72.490
Long Term Liabilities					
Long Term loans	3.12	**34.697**	15.737	**-**	-
Provisions for Employee Benefits	3.13	**10.814**	15.847	**262**	257
Other provisions		**760**	689	**681**	681
Deferred Tax Liabilities		**4.076**	3.843	**-**	-
Other Long Term Liabilities		**539**	598	**480**	480
Total Long Term Liabilities		**50.886**	36.714	**1.423**	1.418
Short Term Liabilities					
Short Term loans	3.12	**66.073**	72.663	**16.724**	16.695
Income Tax		**4.636**	3.239	**160**	160
Suppliers	3.14	**44.971**	37.021	**48**	84
Other short-term liabilities	3.14	**18.769**	17.591	**1.524**	1.788
Total Short Term Liabilities		**134.449**	130.514	**18.456**	18.727
TOTAL LIABILITIES		**185.335**	167.228	**19.879**	20.145
TOTAL EQUITY & LIABILITIES		**330.338**	304.706	**89.637**	92.635

The accompanying notes that are presented in pages 24 - 49 form an integral part of the present financial statements.

** The IFRS 9 and 15 were applied via the recognition of their total effect in the account “Results carried forward” and without the adjustment of the comparative items of 2017 (note 2.3).*

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 / (losses) for the period	-	-	-	-	-	4,580	**4,580**	148	**4,728**
Other comprehensive income	-	-	-	-	(2,100)	951	**(1,149)**	-	**(1,149)**
Distribution of earnings	-	-	35	-	-	(35)	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	15	**15**	-	**15**
Purchase of treasury shares	(893)	-	(867)	1,760	-	-	-	-	-
Changes during the period	(893)	-	(832)	1,760	(2,100)	5,511	3,446	148	3,594
Balance as at 30/06/2017	**28,869**	**21,526**	**25,715**	-	**(4,348)**	**52,356**	**124,118**	**2,264**	**126,382**
Balance as at 01/01/2018	**28,869**	**21,540**	**25,713**	**(10)**	**(5,572)**	**64,573**	**135,113**	**2,365**	**137,478**
Change in accounting policy (Note 2.3)	-	-	-	-	-	(142)	(142)	-	(142)
Αναπροσαρμοσμένα υπόλοιπα 01/01/2018	**28,869**	**21,540**	**25,713**	**(10)**	**(5,572)**	**64,431**	**134,971**	**2,365**	**137,336**
Profit / (losses) for the period	-	-	-	-	-	5,333	**5,333**	131	**5,464**
Other comprehensive income	-	-	-	-	223	4,132	**4,355**	-	**4,355**
Distribution of earnings	-	-	74	-	-	(74)	**-**	-	**-**
Dividends	-	-	-	-	-	(2,058)	(2,058)	(1)	**(2,059)**
Changes in percentages	-	-	-	-	-	-	-	-	**-**
Other changes	-	(10)	-	-	-	(83)	**(93)**	-	**(93)**
Purchase of treasury shares	-	-	-	-	-	-	-	-	**-**
Changes during the period	-	(10)	74	-	223	7,250	7,537	130	7,667
Balance as at 30/06/2018	**28,869**	**21,530**	**25,787**	**(10)**	**(5,349)**	**71,681**	**142,508**	**2,495**	**145,003**

The accompanying notes that are presented in pages 24 - 49 form an integral part of the present financial statements.

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	-	-	-	-	(43)	**(43)**
Other comprehensive income	-	-	-	-	15	**15**
Distribution of earnings	-	-	-	-	-	**-**
Dividends	-	-	-	-	-	**-**
Changes in percentages	-	-	-	-	-	**-**
Purchase of treasury shares	(893)	-	(867)	1,760	-	**-**
Changes during the period	(893)	-	(867)	1,760	(28)	**(28)**
Balance as at 30/06/2017	**28,869**	**21,644**	**14,149**	**0**	**6,127**	**70,789**
Balance as at 01/01/2018	**28,869**	**21,644**	**14,149**	**(10)**	**7,838**	**72,490**
Profit / (loss) for the period	-	-	-	-	(674)	**(674)**
Other comprehensive income	-	-	-	-	-	**-**
Distribution of earnings	-	74	-	-	(74)	**-**
Dividends	-	-	-	-	(2,058)	**(2,058)**
Other changes	-	-	-	-	-	**-**
Purchase of treasury shares		-	-	-	-	**-**
Changes during the period	-	74	-	-	(2,806)	**(2,732)**
Balance as at 30/06/2018	**28,869**	**21,718**	**14,149**	**(10)**	**5,032**	**69,758**

The accompanying notes that are presented in pages 24 - 49 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CASH FLOWS

	Note	Group		Company	
		1/1 - 30/06/2018	1/1 - 30/06/2017	1/1 - 30/06/2018	1/1 - 30/06/2017
Cash flows from Operating Activities					
Profit before Taxes and Minority Interest, continued		7.569	6.513	(661)	(978)
Profit before Taxes and Minority Interest, discontinued		-	-	-	740
Profit before Taxes and Minority Interest		7.569	6.513	(661)	(238)
Plus / (minus) adjustments for:					
Depreciation		6.713	6.629	77	373
Provisions		2.595	2.480	372	639
FX differences		(273)	944	1	18
(Profit)/loss from sale of fixed assets		(94)	(105)	-	3
Debit interest and related (income) / expenses		2.420	2.774	440	672
(Profit) / losses from companies consolidated with the Equity method		(427)	(559)	-	-
Operating Profit before adjustments in working capital		18.503	18.676	229	1.467
(Increase)/decrease in receivables		(13.502)	(13.890)	1.965	(1.072)
(Increase)/decrease in inventories		(4.236)	(3.362)	-	(260)
Increase/(decrease) in liabilities (apart from banks-taxes)		2.973	9.032	(970)	223
Other non cash movements		138	(102)	-	-
Cash generated from Operating activities		3.876	10.354	1.224	358
Interest Paid		(2.195)	(2.371)	(434)	(668)
Other financial income/(expenses)		(540)	(210)	-	(2)
Taxes		(957)	(1.225)	-	-
Cash flows from operating activities (a)		184	6.548	790	(312)
Cash flows from discontinued operating activities (a)		-	-	-	1.196
Cash flows from continued operating activities (a)		184	6.548	790	(1.508)
Investing Activities					
Receipts from sales of tangible and intangible assets		28	94	4	11
Interest received		5	14	-	-
Dividends received		242	335	-	-
Increase of interests in subsidiaries / associates		-	(111)	-	(111)
Investment grants		40	-	-	-
Purchase of tangible and intangible assets		(13.103)	(12.296)	(8)	(907)
Increase of cash from acquisition of subsidiary		-	-	-	-
Cash due to change in the consolidation method of subsidiaries		-	(901)	-	-
Cash flow from investing activities (b)		(12.788)	(12.865)	(4)	(1.007)
Cash flow from discontinued investing activities (b)		-	-	-	(768)
Cash flow from continued investing activities (b)		(12.788)	(12.865)	(4)	(239)
Financing activities					
Increase of interests in subsidiaries / associates		(10)	-	-	-
Proceeds from loans		8.361	8.396	29	-
Repayment of Loans		(2.411)	(1.921)	-	(44)
Financial leases		6.109	(2.138)	-	-
Dividends paid		(1.764)	-	(1.764)	-
Cash flow from financing activities (c)		10.285	4.337	(1.735)	(44)
Net increase /(decrease) in Cash and Cash Equivalents		(2.319)	(1.980)	(949)	(1.363)
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		(24)	(628)	-	-
Cash and Cash Equivalents at end of period		28.250	28.472	3.842	490

The accompanying notes that are presented in pages 24 - 49 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

1 Information about the Group

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 30.06.2018 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 30th June 2018, the Group employed in total 1,920 employees, from which 970 in Greece.

The structure of the Group as of 30th June 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 A.B.E.E.	**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

Amounts in thousand Euro, unless stated otherwise

Thrace Plastics Pack S.A.	**GREECE-Ioannina**	**92.94%**	**92.94%**	**Full**
Thrace Greiner Packaging SRL	ROMANIA - Sibiou	-	46.47%	Equity
Thrace Plastics Packaging D.O.O.	SERBIA-Nova Pazova	-	92.94%	Full
Trierina Trading LTD	CYPRUS-Nicosia	-	92.94%	Full
Thrace Ipoma A.D.	BULGARIA-Sofia	-	92.74%	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
Thrace Polybulk A.B.	SWEDEN -Köping	-	100.00%	Full
Thrace Polybulk A.S.	NORWAY-Brevik	-	100.00%	Full
Lumite INC.	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. (former Thrace Sarantis 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 Interim Condensed Financial Information has 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 Interim Condensed Financial Information 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 of the Group THRACE PLASTICS 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 on 01.01.2018 or subsequently. The Group's assessment regarding the effect of these new standards, amendments to standards and interpretations is presented below.

<u>Standards and Interpretations mandatory for the current financial year</u>

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

IFRS 9 replaces the requirement 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 currently in effect. The IFRS 9 Hedging Accounting establishes an approach for hedging accounting based on principles and deals with inconsistencies and weaknesses of the current model of IAS 39. The effect due to the adoption of the standard on the Group is described in note 2.3.

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. The effect due to the adoption of the standard on the Group is described in note 2.3.

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 are in the phase of assessing the effect of the IFRS 16 on their financial statements and are planning to apply the standard from 01.01.2019 onwards.

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.

2.3 Changes in Accounting Policies

IFRS 15 " Revenues from Contracts with Customers"

The IFRS 15 supersedes the IAS 11 "Construction Contracts", IAS 18 "Revenues" and all the relevant interpretations for the revenues from contracts with customers unless these are governed by the application scope of other standards. The new standard establishes a model of five steps in determining the revenues from contracts with customers. According to the IFRS 15, revenues are being recognized based on the amount which an economic entity is entitled to receive in exchange for the transfer of goods or services towards a customer. Furthermore, the standard defines the accounting monitoring of the additional expenses incurred in order to undertake a contract and the direct expenses which are required for the completion of this contract. On 1st January 2018, the Group and the Company adopted the IFRS 15, by utilizing the adjusted / revised retroactive method, meaning that the effect from the transition was recognized cumulatively in the "Results carried forward", whereas the comparative amounts were not restated. However the Group and the Company were not affected in terms of profitability or financial position during the first adoption of the IFRS 15. Therefore, no adjustment was made in the "Result Carried Forward" on 1st January 2018.

The revenue is defined as the amount which an economic entity anticipates to be entitled to as an exchange for the transfer of goods or services to a customer, except for the amounts that are being collected for the account of third parties (value added tax, other taxes on sales). The variable amounts are included in the price consideration and are calculated with the method of the "expected value" or via the method of the "most probable amount". An economic entity recognizes revenues when it fulfills the obligation concerning the execution of a contract by transferring the goods or the services. The customer acquires the control of the good or the service when it possesses the ability to control the utilization and also when it essentially collects all the economic benefits from this good or service. The control is being transferred during a specified period or at a certain point in time.

The revenues from the sale of goods are recognized when the control of the good is transferred to the customer, usually upon delivery of the good, and therefore all relevant obligations have been fulfilled meaning that the acceptance of the good by the customer cannot be negatively affected. The basic product categories are the technical fabrics (Geosynthetics and garments for construction purposes, landscape / gardening works, medical and hygiene, filtration industry, automotive industry, industrial uses, sports and leisure, floor covering, yarn and strap industries, etc.) and the packaging products (large bags, bags, packaging films, container liners, containers, buckets, cups, trays, plastic boxes, bottles, bags in box, garbage bags, ropes and twines).

The receivable is recognized when the economic entity possesses the right to receive unconditionally the price amount in exchange for the executed obligations of the contract towards the customer. The conventional asset is recognized when the Group (or the Company) has satisfied its obligations towards the customer, and before the customer makes the respective payment or before the payment becomes claimable. The conventional obligation is recognized when the Group (or the Company) receives an amount (price) from the customer (advance payment) or when it maintains the right over a price consideration which is unconditional (deferred income) prior to the execution of the obligations of the contract and the transfer of the goods or the services. The conventional obligation is de-recognized when all the terms of the contracts have been executed and the revenue has been recorded in the statement of income.

The leasing income from operating leases is recognized in the results according to the straight line method during the leasing period.

Amounts in thousand Euro, unless stated otherwise

IFRS 9 – "Financial Instruments"

The IFRS 9 "Financial Instruments" supersedes the IAS 39 "Financial Instruments: Recognition and Instrument" for the annual accounting periods beginning on or after 1st January 2018. On 1st January 2018, the Group and the Company adopted the IFRS 9 by applying the adjusted retroactive method meaning that the effect from the transition into the new standard was recognized cumulatively in the "Results carried forward" whereas the comparative amounts were not revised.

During the initial adoption of the IFRS 9, following the relevant assessment made by the management of the Group and the Company, the major effect of the revised standard on the financial assets of the Group and the Company is the following:

The Group and the Company applied the simplified method of the standard for the impairment of the expected credit losses in the trade and other receivables as of 01.01.2018. The result was the increase in the provisions for doubtful receivables of the Group by €200 and the reduction of the deferred tax liabilities by €58 with a corresponding effect on the beginning balance of the account "Results carried forward". The effect on the Company was at zero level.

There was no effect in the classification and the measurement of the financial liabilities. The effect of the above changes in the Group's Equity is as following:

Results carried forward	***Group***
Beginning balance 01/01/2018	**64,573**
Increase of provisions for doubtful receivables	**(200)**
Increase in tax liabilities due to doubtful receivables	**58**
Total effect	**(142)**
Adjusted balance on 01/01/2018 due to IFRS 9	**64,431**

- **Classification and Measurement**

The Group and the Company measure the financial assets initially at fair value by adding any transaction costs. The trade receivables initially are being measured / valued according to the transaction price. The financial assets with embedded derivatives are being reviewed in their entirety whenever it is examined if their cash flows are only the payment of capital (principal) and interest. According to the provisions of IFRS 9, the securities are measured at a later stage at fair value via the other comprehensive income or at fair value via the results for the year. The classification is based on two criteria: a) the business model concerning the management of financial assets and b) the conventional cash flows of the instrument, meaning if they represent "only payments of capital and interest" (SPPI criterion) against the pending balance. The new classification and measurement of the securities of the Group and the Company is performed as below:

➢ Securities at net value with regard to the financial assets which are acquired in the context of a business model which aims at their maintenance and collection of the contractual cash flows which fulfill the SPPI criterion. The interest income from these assets is included in the financial income and is being recognized with the use of the effective interest rate. Any profit or loss arising from the elimination is immediately recognized in the statement of income.

Amounts in thousand Euro, unless stated otherwise

- **Impairment**

The Group and the Company recognize provisions for impairment with regard to the expected credit losses of all financial assets. The expected credit losses are based on the difference between the contractual cash flows and the entire cash flows which the Group (or the Company) anticipates to receive. The difference is discounted by using an estimate concerning the initial effective interest rate of the financial asset. With regard to the trade receivables, the Group and the Company applied the simplified approach of the standard and estimated the expected credit losses based on the anticipated losses for the entire life of these assets. Regarding the remaining financial assets, the expected credit losses are being calculated according to the losses of the next 12 months. The expected credit losses of the following 12 months is part of the anticipated credit losses for the entire life of the financial assets, which emanates from the probability of a default in the payment of the contractual obligations within the next 12-month period starting from the reporting date. In case of a significant increase in credit risk since the initial recognition, the provision for impairment will be based on the expected credit losses of the entire life of the asset.

The following table summarizes the adjustments that were recognized for each item of the statement of financial position on 1st January 2018 due to the adoption of IFRS 9 and 15:

	Group			
	31/12/2017	IFRS 15 adjustments	IFRS 9 adjustments	1-1-2018 adjusted
ASSETS				
Non-Current Assets				
Tangible fixed assets	114,394	-	-	114,394
Investment property	113	-	-	113
Intangible Assets	11,424	-	-	11,424
Participation in subsidiaries	-	-	-	-
Participation in related companies	12,839	-	-	12,839
Other long term receivables	7,669	-	-	7,669
Deferred tax assets	1,334	-	-	1,334
Total non-Current Assets	147,773	-	-	147,773
Current Assets				
Inventories	59,634	-	-	59,634
Income tax prepaid	1,702	-	-	1,702
Trade receivables	57,332	-	(200)	57,132
Other debtors	7,672	-	-	7,672
Cash and Cash Equivalents	30,593	-	-	30,593
Total Current Assets	156,933	-	(200)	156,733
TOTAL ASSETS	304,706	-	(200)	304,506
EQUITY AND LIABILITIES				
Equity				
Share Capital	28,869	-	-	28,869
Share premium	21,540	-	-	21,540
Other reserves	20,131	-	-	20,131
Retained earnings	64,573	-	(142)	64,431
Total Shareholders' equity	135,113	-	(142)	134,971
Minority Interest	2,365	-	-	2,365
Total Equity	137,478	-	(142)	137,336
Long Term Liabilities				
Long Term loans	15,737	-	-	15,737
Provisions for Employee Benefits	15,847	-	-	15,847
Other provisions	689	-	-	689
Deferred Tax Liabilities	3,843	-	(58)	3,785
Other Long Term Liabilities	598	-	-	598
Total Long Term Liabilities	36,714	-	(58)	36,656
Short Term Liabilities				
Short Term loans	72,663	-	-	72,663
Income Tax	3,239	-	-	3,239
Suppliers	37,021	-	-	37,021
Other short-term liabilities	17,591	-	-	17,591
Total Short Term Liabilities	130,514	-	-	130,514
TOTAL LIABILITIES	167,228	-	(58)	167,170
TOTAL EQUITY & LIABILITIES	304,706	-	(200)	304,506

Amounts in thousand Euro, unless stated otherwise

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 into 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 30.6.2018	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Total consolidated assets	**216,291**	**102,068**	**89,303**	**(77,324)**	**330,338**

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 30.06.2018	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Turnover	125,087	47,326	2,522	(9,721)	165,214
Cost of sales	(100,755)	(37,614)	(2,295)	9,898	(130,766)
Gross profit	**24,332**	**9,712**	**227**	**177**	**34,448**
Other operating income	596	488	14	(196)	902
Distribution expenses	(11,885)	(3,396)	-	(356)	(15,637)
Administrative expenses	(6,183)	(2,317)	(404)	298	(8,606)
Research and Development Expenses	(914)	(91)	-	-	(1,005)
Other operating expenses	(140)	(528)	(57)	-	(725)
Other Income / (Losses)	183	3	(1)	-	185

Amounts in thousand Euro, unless stated otherwise

Operating profit / (loss)	**5,989**	**3,871**	**(221)**	**(77)**	**9,562**
Interest & other financial (expenses)/income	(1,046)	(933)	(440)	-	(2,419)
(Profit) / loss from companies consolidated with the Equity method	232	258	(64)	-	426
Total Earnings / (losses) before tax	**5,175**	**3,196**	**(724)**	**(77)**	**7,569**
Depreciations	**4,056**	**2,580**	**77**	**-**	**6,713**
Total Earnings / (losses) before interest, tax, depreciation & amortization	**10,045**	**6,451**	**(144)**	**(77)**	**16,275**

BALANCE SHEET 31.12.2017	**TECHNICAL FABRICS**	**PACKAGING**	**OTHER**	**WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS**	**GROUP**
Total consolidated assets	**193,829**	**97,148**	**92,365**	**(78,636)**	**304,706**

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 30.6.2017	**TECHNICAL FABRICS**	**PACKAGING**	**OTHER**	**WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS**	**GROUP**
Turnover	124,630	42,647	2,632	(8,808)	161,101
Cost of sales	(99,954)	(33,196)	(2,607)	9,117	(126,640)
Gross profit	**24,676**	**9,451**	**25**	**309**	**34,461**
Other operating income	647	480	5	85	1,217
Distribution expenses	(12,025)	(3,179)	-	(241)	(15,445)
Administrative expenses	(6,363)	(1,669)	(455)	(217)	(8,704)
Research and Development Expenses	(814)	(124)	-	-	(938)
Other operating expenses	(182)	(685)	(91)	39	(919)
Other Income / (Losses)	(931)	5	(18)		(944)
Operating profit / (loss)	**5,008**	**4,279**	**(534)**	**(25)**	**8,728**
Interest & other financial (expenses)/income	(1,241)	(1,046)	(487)	-	(2,774)
Income (expenses) from participation	-	(307)	127	-	(180)
(Profit) / loss from companies consolidated with the Equity method	215	434	90	-	739
Total Earnings / (losses) before tax	**3,982**	**3,360**	**(804)**	**(25)**	**6,513**
Depreciations	**4,105**	**2,385**	**139**	**-**	**6,629**
Total Earnings / (losses) before interest, tax, depreciation & amortization	**9,113**	**6,664**	**(395)**	**(25)**	**15,357**

Amounts in thousand Euro, unless stated otherwise

3.2 Other Operating Income

Other Operating Income	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Grants	**1**	72	**-**	-
Income from rents	**250**	228	**-**	-
Income from provision of services	**112**	114	**-**	-
Income from prototype materials	**156**	434	**-**	-
Reverse entry of not utilized provisions	**5**	107	**-**	-
Other operating income	**260**	154	**14**	18
Total	**784**	1.109	**14**	18

3.3 Other Operating Expenses

Other Operating Expenses	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Provisions for doubtful receivables	**184**	194	**-**	-
Other taxes and duties non-incorporated in operating cost	**115**	103	**13**	33
Depreciations	**28**	71	**-**	-
Staff indemnities	**22**	78	**-**	11
Commissions / other bank expenses	**46**	63	**-**	-
Expenses for the purchase of prototype materials (maquettes)	**211**	246	**-**	-
Other operating expenses	**95**	161	**44**	47
Total	**701**	916	**57**	91

3.4 Other Profit / Losses

Other Profit / (losses)	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Earnings / (Losses) from the sale of fixed assets	**94**	105	-	(3)
Foreign Exchange Differences	**185**	(944)	(2)	(18)
Total	**279**	(839)	(2)	(21)

Amounts in thousand Euro, unless stated otherwise

3.5 Financial Income /(Expenses)

3.5.1 Financial Income

Financial Income	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Interest and related income	**(29)**	25	-	-
Foreign exchange differences	**931**	382	**-**	-
Total	**902**	407	-	-

3.5.2 Financial Expenses

Financial Expenses	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Debit interest and similar expenses	**(2,207)**	(2,432)	**(435)**	(455)
Foreign exchange differences	**(756)**	(269)	**-**	-
Financial result from Pension Plans	**(359)**	(480)	**(5)**	(2)
Total	**(3,322)**	(3,181)	**(440)**	(457)

3.6 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)	*30.6.2018*	*30.6.2017*
Earnings allocated to shareholders	**5,333**	4,580
Number of shares outstanding (weighted)	**43,737**	43,741
Basic and adjusted earnings per share *(Euro in absolute terms)*	**0.1219**	0.1047

Following decision of the Extraordinary General Meeting on February 2nd, 2017, the Company's share capital was reduced by a total amount of € 893,090.88 due to the cancellation of 1,353,168 treasury shares previously held by the Company.
At the same time, the new stock repurchase plan of the Company was approved, for a term of 24 months and for a maximum number of 4,374,145 common registered shares based on a price range of € 1.50 - € 3.50 per share.
On June 30th, 2018, the Company held 4,324 treasury shares.

3.7 Income Tax

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

Amounts in thousand Euro, unless stated otherwise

Income Tax	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Income tax	**(2,473)**	(2,087)	**-**	-
Deferred tax (expense)/income	**368**	302	**(13)**	209
Total	**(2,105)**	(1,785)	**(13)**	209

From the fiscal year 2011 and onwards, the Group's Greek companies receive an "Annual Tax Certificate". The "Annual Tax Certificate" is issued from the Legal Certified Auditor who audits the annual financial statements. Following the completion of the tax audit, the Legal Auditor grants the company with a "Tax Compliance Report" which is later submitted electronically to the Ministry Finance.

The tax audit for the financial year 2017, which was conducted in accordance with the provisions of article 65a of L. 4172/2013, was completed by the audit firm "PricewaterhouseCoopers SA" and revealed no additional tax obligations apart from those recorded and depicted in the Financial Statements.

The fiscal years whose tax liabilities concerning the Group's companies active in the Greek market have not been finalized, and therefore the probability of a tax audit from the tax authorities exists, are presented in the following table:

Company	*Tax un-audited fiscal years*
THRACE PLASTICS HOLDING SA	2014-2017
THRACE NON WOVENS & GEOSYNTHETICS SA	2014-2017
THRACE PLASTICS PACK SA	2014-2017
THRACE POLYFILMS SA	2014-2017
THRACE PROTECT SINGLE PERSON I.K.E.	2017
THRACE EUROBENT SA	2015-2017
THRACE GREENHOUSES SA	2014-2017
EVISAK SA	2014-2017

From the tax audits conducted in Thrace Plastics Pack SA and in Thrace Nonwovens & Geosynthetics SA, and completed in 2016 and 2017 respectively, the following issues are under progress:

- Thrace Plastics Pack SA appealed to the tax courts concerning an amount of € 203 which the Company contradicts with regard to the tax audits of the years 2007 – 2009. The consolidated financial statements include a respective provision of € 174 which could be utilized in case of a negative outcome of the above legal case.

- The company Thrace Nonwovens & Geosynthetics SA had received from the tax authorities an audit invitation for the fiscal years 2005 – 2011. The tax authorities taking into account the no. 1738/2017 decision of the Plenary Session of the Council of State conducted a tax audit only for the fiscal year 2011. The particular audit completed on 27th December 2017, and additional taxes of €239 as well as tax surcharges of € 288 were imposed. The Management of the Company did not accept the outcome of the tax audit and appealed to the authorities by paying in cash only 50% of the aggregate imposed amount as the law requires. The consolidated financial statements include a relevant provision of € 330.

Amounts in thousand Euro, unless stated otherwise

- Moreover, the Parent Company has formed provisions of € 174 with regard to any tax audit differences of previous fiscal years, therefore increasing the aggregate amount of the provision for the Group's companies active in Greece to € 677. The Group's Management views the above amount as sufficient.

The following table depicts the years for which the tax liabilities of the foreign companies of the Group have not been finalized.

Company	*Tax un-audited fiscal years*
DON& LOW LTD	2016-2017
DON & LOW AUSTRALIA LTD	2015-2017
SYNTHETICHOLDINGS LTD	2016-2017
SYNTHETICTEXTILES LTD	2016-2017
SYNTHETICPACKAGINGLTD	2006-2017
THRACEPOLYBULKA.B	2013-2017
THRACE POLYBULK A.S	2015-2017
THRACE GREINER PACKAGING SRL.	2002-2017
TRIERINA TRADING LTD	2014-2017
THRACE IPOMA A.D.	2013-2017
THRACE PLASTICS PACKAGING D.O.O.	2014-2017
LUMITE INC.	2013-2017
THRACE LINQ INC.	2013-2017
ADFIRMATELTD	2014-2017
PAREEN LTD	2014-2017
SAEPE LTD	2014-2017
THRACE ASIA LTD	2012-2017

3.8 Number of employees

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

Number of employees	*Group*		*Company*	
	30.6.2018	**30.6.2017**	**30.6.2018**	**30.6.2017**
Regular & day-wage employees	**1,920**	1,814	**20**	62

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.

Amounts in thousand Euro, unless stated otherwise

3.9 Tangible and Intangible Assets

3.9.1 Tangible Fixed Assets

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

Tangible Fixed Assets	*Group*	*Company*
Balance 01.01.2018	**114.394**	**441**
Additions	13,557	8
Sales	(912)	(4)
Depreciation	(6,511)	(34)
Depreciation of sold assets	858	1
FX differences	273	-
Other changes	(103)	-
Balance 30.6.2018	**121,558**	**412**

Tangible Fixed Assets	*Group*	*Company*
Balance 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
FX differences	(1,887)	-
Spin-off of business segment	-	(3,955)
Change in consolidation method	(147)	-
Acquisition of subsidiary	842	-
Transfers	(385)	(39)
Balance 31.12.2017	**114,394**	**441**

The Group's fixed assets include assets acquired via leasing agreement (buildings, machinery equipment, means of internal transportation) with acquisition cost of € 37,621 and cumulative depreciations of € 6,141 as of 30/6/2018.

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.

3.9.2 Intangible Assets

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

Amounts in thousand Euro, unless stated otherwise

Intangible Assets	*Group*	*Company*
Balance as at 01.01.2018	**11,424**	**687**
Additions	430	-
Sales	-	-
Amortization	(202)	(43)
FX differences	(8)	-
Other	26	-
Balance as at 30.6.2018	**11,670**	**644**

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

3.9.3 Investment Property

Investment Property	*Group*	*Company*
Balance as at 01.01.2018	113	-
Additions / (Reductions)	-	-
Depreciations	-	-
Foreign exchange differences	-	-
Balance as at 30.6.2018	**113**	-

3.10 Other Long-Term Receivables

The Group's Management, due to delays observed in the collection of grants receivable from the Greek State over the last years, reclassified part of the above claims from the current to the non-current assets and also proceeded with an impairment of the above claims based on present value.

The receivable had been formed due to a 12% grant on the payroll cost concerning the personnel employed in Xanthi and was to be collected from OAED (Greek Manpower Employment Organization).

Amounts in thousand Euro, unless stated otherwise

Other Long-Term Receivables	Group		Company	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
Grants receivable	**6,903**	6,903	**1,560**	1,560
Other accounts receivable	**471**	766	**50**	53
Total	**7,374**	7,669	**1,610**	1,613

3.11 Trade and Other Receivables

3.11.1 Trade Receivables

Trade Receivables (Customers)	Group		Company	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
Customers	**59,672**	49,187	**6**	6
Notes–checks overdue	**7,240**	8,077	**-**	-
Doubtful customers - Checks–Notes in delay	**5,599**	5,341	**2,371**	2,371
Customers (Subsidiaries - Associates)	**2,470**	1,319	**8,536**	10,463
Provisions for doubtful customers	**(6,963)**	(6,592)	**(2,371)**	(2,371)
Total	**68,019**	57,332	**8,542**	10,469

The fair value of the receivables approaches the book values.
The Group’s dispersion of sales is deemed satisfactory. There is no concentration of sales in a limited number of clients and as a result there is no increased risk with regard to loss of income, nor is there increased credit risk.

3.11.2 Other Receivables

Other receivables	Group		Company	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
Debtors	**1,833**	1,594	**115**	118
Advances to suppliers	**5,716**	1,489	**2**	-
Receivable due to investment grant	**2,353**	2,391	**-**	-
Accrued income	**3,496**	2,219	**59**	109
Provisions for doubtful debtors	**(19)**	(21)	**-**	-
Total	**13,379**	**7,672**	**176**	227

3.12 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 margin.
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 on 30 June 2018.

Amounts in thousand Euro, unless stated otherwise

Analytically, the bank debt at the end of the period was as follows:

Debt	**Group**		**Company**	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**
Long-term loans	14,740	4,744	-	-
Financial leases	19,957	10,993	-	-
Total long-term loans	**34,697**	**15,737**	**-**	**-**
Long-term debt payable in the next year	3,021	3,424	-	-
Short-term loans	58,552	64,859	16,724	16,695
Financial leases	4,500	4,380	-	-
Total short-term loans	**66,073**	**72,663**	**16,724**	**16,695**
Grand Total	**100,770**	**88,400**	**16,724**	**16,695**

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 are calculated by an actuarial study annually. The accounting depiction is made on the basis of the accrued entitlement of each employee, 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***	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**
Defined contribution plans	**2,584**	2,555	**262**	257
Defined benefit plans	**8,230**	13,292	**-**	-
Total provision at the end of the year	**10,814**	15,847	**262**	257

3.13.1 *Defined benefit 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***	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**
Amounts recognized in the balance sheet				
Present value of liabilities	2,584	2,555	262	257
Net liability recognized in the balance sheet	**2,584**	**2,555**	**262**	**257**

Amounts in thousand Euro, unless stated otherwise

Defined contribution plans – Not self financed	*Group*		*Company*	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**
Amounts recognized in the results				
Cost of current employment	50	89	3	10
Net interest on the liability / (asset)	18	33	2	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	(3)	14	-	(15)
Total expense recognized in the account of results	(52)	314	5	27
Total amount recognized in the Net Worth	84	85	-	(106)
Net liability at the end of year	**2,584**	**2,555**	**262**	**257**

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	*Greek Companies*		*Thrace Ipoma AD*	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**
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	16.10 years	16.10 years	11.5 years	11.5 years

3.13.2 *Defined benefit plans – Self financed*

The subsidiaries DON & LOW LTD and THRACE POLYBULK AS have formed Defined Benefit Plans which operate as separate entities in the form of trusts. Therefore the assets of the plans are not dependent on the assets of the companies.

The accounting entries of the plans according to the revised IAS 19 are as follows:

Defined Benefit Plans – Self Financed	*Group 30.6.2018*	*Group 31.12.2017*
Amounts recognized in the balance sheet		
Present value of liabilities	140,235	146,669
Fair value of the plan's assets	(132,005)	(133,377)
Net liability recognized in the balance sheet	**8,230**	**13,292**
Asset allocation *		
Mutual Funds - Shares	17,106	37,596
Mutual Funds - Bonds	65,674	33,211
Diversified Growth Funds	48,414	62,106
Other	811	464
Total	**132,005**	**133,377**

Amounts in thousand Euro, unless stated otherwise

Defined Benefit Plans – Self Financed	*Group 30.6.2018*	*Group 31.12.2017*
Changes in the Net Liability recognized in Balance Sheet		
Net liability / (receivable) at the beginning of year	13,292	22,226
Benefits paid from the employer and the members	(455)	(1,453)
Total expense recognized in the account of results	341	1,862
Total amount recognized in the Net Worth	(5,001)	(8,665)
Foreign exchange differences	53	(678)
Net liability / (receivable) at the end of year	**8,230**	**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.

Actuarial Assumptions	*Don & Low LTD*		*Thrace Polybulk AS*	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
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

The decrease in deficit (liability) during the current period is mainly due to the increase of the plan's assets whereas the liabilities of the plan were reduced due to the foreign exchange differences.

3.14 Suppliers & Other Short-Term Liabilities

The suppliers and the other short-term liabilities are analyzed in the following tables:

3.14.1 Suppliers

Suppliers	*Group*		*Company*	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
Suppliers	**44,784**	36,906	**43**	84
Suppliers(Subsidiaries - related)	**187**	115	**5**	-
Total	**44,971**	37,021	**48**	84

3.14.2 Other Short-Term Liabilities

Other Short-Term Liabilities	*Group*		*Company*	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
Sundry creditors	**3,884**	4,125	**462**	571
Liabilities from taxes and social security organizations	**4,241**	4,572	**490**	519

Amounts in thousand Euro, unless stated otherwise

Other Short-Term Liabilities	Group		Company	
	30.6.2018	31.12.2017	30.6.2018	31.12.2017
Dividends payable	**57**	85	**55**	45
Customer advances	**1,412**	850	**-**	-
Personnel fees payable	**945**	1,933	**48**	538
Accrued expenses – Other accounts payable	**8,220**	6,026	**467**	106
Liabilities to Associate companies	**10**	-	**2**	9
Total Short-Term Liabilities	**18,769**	17,591	**1,524**	1,788

The fair value of the liabilities approaches the book values.

3.15 Dividend

The Ordinary General Meeting of the Company's Shareholders on May 15th, 2018, approved the distribution of a total gross dividend amounting to 2,058,217 Euros for the year 2017. Specifically, it was approved the distribution of a gross dividend amounting to 0.047054 Euros per share, which had included the incremental dividend corresponding to the treasury shares held by the Company (4,324 own shares). The net amount which was received by the shareholders after the withheld tax of 15% according to L. 4172/2013 settled at 0.04 Euros per share.

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 – 30/6/2018 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 are presented below

Income	*1.1 – 30.6.2018*		*1.1 - 30.6.2017*	
	Group	*Company*	*Group*	*Company*
Subsidiaries	-	2,492	-	5,460
Related Companies	3,315	31	2,852	110
Total	**3,315**	**2,523**	**2,852**	**5,570**

Expenses	*1.1 – 30.6.2018*		*1.1 - 30.6.2017*	
	Group	*Company*	*Group*	*Company*
Subsidiaries	-	15	-	315
Related Companies	909	92	1,119	67
Total	**909**	**107**	**1,119**	**382**

Amounts in thousand Euro, unless stated otherwise

Trade and other receivables	30.6.2018		31.12.2017	
	Group	Company	Group	Company
Subsidiaries	-	8,387	-	10,268
Related Companies	3,247	243	1,645	277
Total	**3,247**	**8,630**	**1,645**	**10,546**

Suppliers and Other Liabilities	30.6.2018		31.12.2017	
	Group	Company	Group	Company
Subsidiaries	-	6	-	10
Related Companies	195	-	115	-
Total	**195**	**6**	**115**	**10**

The "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 amounting in total to € 101,237. On 30.06.2018, the outstanding amount of the loans for which the Company had granted guarantees accounted for € 58,174 and is analyzed as follows on per company basis:

Guarantees in favor of Subsidiaries (Amount due)	2018
Thrace Non Wovens & Geosynthetics SA	21,319
Don & Low LTD	451
Thrace Greenhouses SA	5,765
Thrace Plastics Pack SA	16,988
Thrace Polyfilms	7,787
Synthetic Holdings	5,864

3.17 Participations

3.17.1 Participation in companies consolidated with the full consolidation method

The value of the Company's participations in the subsidiaries, as of 30 June 2018, was as follows:

Companies consolidated with the full consolidation method	30.6.2018	31.12.2017
DON & LOW LTD	33,953	33,953
THRACE PLASTICS PACK SA	15,507	15,507
THRACE NONWOVENS & GEOSYNTHETICS SA	5,710	5,710
SYNTHETIC HOLDINGS LTD	11,728	11,728
THRACE POLYFILMS	3,418	3,418
Total	**70,316**	**70,316**

Amounts in thousand Euro, unless stated otherwise

3.17.2 Participation in companies consolidated 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.

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 – 30.6.2018*	*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	427	976
Dividends	(726)	(417)
Foreign exchange differences and other reserves	181	(977)
Balance at end	**12,721**	**12,839**

3.18 Commitments and Contingent Liabilities

On 30 June 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.

Amounts in thousand Euro, unless stated otherwise

3.19 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.

The financial information concerning the discontinued activity for the period until the transformation date is presented below:

Statement of Comprehensive Income	**1/1 – 30/6/2018**			**1/1 – 30/6/2017**		
	Continuing	***Discontinued***	***Total***	***Continuing***	***Discontinued***	***Total***
Turnover	**2,522**	**-**	**2,522**	2,633	8,025	10,658
Cost of sales	**(2,293)**	**-**	**(2,293)**	(2,603)	(6,570)	(9,173)
Gross profit	**229**	**-**	**229**	**30**	**1,455**	**1,485**
Other operating income	**14**	**-**	**14**	-	4	4
Distribution expenses	**-**	**-**	**-**	18	(350)	(332)
Administrative expenses	**(405)**	**-**	**(405)**	(455)	(143)	(598)
Other operating expenses	**(57)**	**-**	**(57)**	(91)	(13)	(104)
Other profit / losses	**(2)**	**-**	**(2)**	(21)	-	(21)
Operating profit / loss	**(221)**	**-**	**(221)**	**(519)**	**953**	**434**
Financial income	**-**	**-**	**-**	-	-	-
Financial expenses	**(440)**	**-**	**(440)**	(457)	(215)	(672)
Profit / loss before Taxes	**(661)**	**-**	**(661)**	**(976)**	**738**	**(238)**
Taxes	**(13)**	**-**	**(13)**	209	(14)	195
Profit/(loss) after Taxes	**(674)**	**-**	**(674)**	**(767)**	**724**	**(43)**

3.20 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.

3.21 Financial Risk Management

The financial assets used by the Group, mainly consist of bank deposits, bank overdrafts, receivable accounts, payable accounts and loans. In general, the Group's activities face several financial risks. Such risks include market risk (foreign exchange risk and risk from changes and raw materials prices), credit risk, liquidity risk and interest rate risk.

3.21.1 Risk from fluctuation of prices of raw materials

The Company is exposed to fluctuations in the price of polypropylene (represents approximately 55% of the cost of sales), which is faced with a corresponding change in the sale price of the final product. The possibility that the increase in polypropylene prices will not be fully transferred to the sale price, induces pressure on profit margins.

3.21.2 Credit Risk

The Group is exposed to credit risk, and in order to manage such consistently, it applies a clearly defined credit policy that is continuously monitored and reviewed, in order to assure that the provided credit does not exceed the credit limit per customer. Also, insurance contracts are made to cover sales per customer, while collateral is not required on the assets of customers. During the preparation date of the financial statements, provisions were made for doubtful debts and the Management considers that there is no other substantial credit risk that is not covered by insurance coverage or provision.

3.21.3 Liquidity Risks

The monitoring of liquidity risk is focused on managing cash inflows and outflows on a constant basis, in order for the Group to have the ability to meet its cash flow obligations. The management of liquidity risk is applied by maintaining cash equivalents and approved bank credits. During the preparation date of the financial statements, there were adequate cash reserves and also available unused approved bank credits towards the Group, which are considered sufficient to face a possible shortage of cash equivalents.

Short-term liabilities are renewed at their maturity, as they are part of the approved bank credits.

3.21.4 Foreign Exchange Risk

The Group is exposed to foreign exchange risks arising from existing or expected cash flows in foreign currency and investments that have been made in foreign countries. The management of the various risks is made by the use of natural hedge instruments. In particular, the Group's policy is to take out loans at the level of balances in foreign currency for the rest of the customers too.

3.21.5 Interest rate Risk

The Group’s long-term loans have been provided by Greek and foreign banks and are mainly denominated in Euro. The repayment period varies, according to the loan (credit) contract each time, while long-term loans are mainly linked to Euribor plus a margin.

The Group’s short-term loans have been provided by several banks, under Euribor, plus a margin and Libor plus a margin.

3.21.6 Capital Adequacy Risk

The Group controls capital adequacy using the Net Debt to Operating Profit ratio and the Net Bank Debt to Equity ratio. The Group’s objective in relation to capital management is to ensure the ability for its smooth operation in the future, while providing satisfactory returns to shareholders and benefits to other parties, as well as to maintain an ideal capital structure so as to ensure a low cost of capital. For this purpose, it systematically monitors working capital in order to maintain the lowest possible level of external financing.

Amounts in thousand Euro, unless stated otherwise

Capital Adequacy Risk	*Group*		*Company*	
	30.6.2018	**31.12.2017**	**30.6.2018**	**31.12.2017**
Long-term debt	34,697	15,737	-	-
Short-term debt	66,073	72,663	16,724	16,695
Total debt	**100,770**	**88,400**	**16,724**	**16,695**
Minus cash & cash equivalents	28,250	30,593	3,842	4,790
Net debt	**72,520**	**57,808**	**12,882**	**11,905**
EQUITY	**145,003**	**137,478**	**69,758**	**72,490**
NET BANK DEBT / EQUITY	**0,50**	**0,42**	**0,18**	**0,16**

3.22 Significant Events

Decisions of the Annual Ordinary General Meeting of Shareholders on 15th May 2018

During the Annual Ordinary Meeting, the shareholders approved among other issues the distribution (payment) of a dividend from the earnings of the closing year 2017 as well as from earnings of previous years. Specifically, the Meeting approved the payment of an amount of 2,058,217.79 Euros (gross amount). The final payable amount of the dividend settled at 0.04 Euros per share.
The ex-dividend date was set on Friday, 18 May 2018.
The payment of the dividend commenced on Friday, May 25th, 2018.

3.23 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.

3.24 Online availability of financial report

The Interim Condensed Financial Information of the company THRACE PLASTICS HOLDING S.A. is available on the internet, on the website www.thracegroup.gr .

The Interim Condensed Financial Information has been prepared in accordance with International Accounting Standard 34 (I.A.S.) "Interim Financial Statements", was approved by the Board of Directors on 6 September 2018 and is 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
KONSTANTINOS ST. CHALIORIS	THEODOSIOS A. KOLYVAS	SPYRIDON A. NTAKAS	FOTINI K. KYRLIDOU
ID NO. AM 919476	ID NO. AI 101026	ID NO. AE 044759	ID NO. AK 104541 Accountant Lic. Reg. No. 34806 A' CLASS