

THRACE PLASTICS CO S.A.

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# SEMI-ANNUAL FINANCIAL REPORT

1.1-30.6.2019

ACCORDING TO THE ARTICLE 5 OF LAW 3556/2007

**General Commerce Reg. No. 12512246000**

**Domicile: Magiko, Municipality of Avdira,  
Xanthi Greece**

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 **THRACE GROUP**

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## Information regarding the preparation of the Semi-Annual Financial Report For the period from 1st January to 30th June 2019

The present Financial Report, which refers to the period from 1.1.2019 to 30.06.2019, 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 CO S.A." ("Company") on September 17, 2019, and has been posted on the Company's website [www.thracegroup.gr](http://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:

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- Any deviation in the numbers' last digit is due to rounding.
  - The information contained in this Consolidated Interim Financial information has been translated from the original Consolidated Interim Financial information that has been prepared in the Greek language. In the event that differences exist between this translation and the original Greek language Consolidated Interim Financial information, the Greek language Consolidated Interim Financial information will prevail over this document.
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**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 Co. S.A., which concern the semi-annual period from 1st January 2019 to 30th June 2019, 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 Co. 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, 17 September 2019**

### THE SIGNATORIES

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**The Chairman of the Board  
and  
Chief Executive Officer**

**The Executive Member of  
the Board of Directors**

**The Executive Member of  
the Board of Directors**

**Konstantinos St. Chalioris**

**Georgios P. Braimis**

**Dimitris P. Malamos**

## ▶ II. SEMI-ANNUAL REPORT BY THE BOARD OF DIRECTORS OF THRACE PLASTICS Co. S.A. FOR THE PERIOD FROM 1-1-2019 TO 30-06-2019

### INTRODUCTION

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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 4548/2018 (Gov. Gaz. 104A/13.06.2018) as well as of Law 3556/2007 (following its amendment by Law 4374/2016), and 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 2019 financial statements, the required by law data and statements in the Semi-Annual Financial Report, which concern the first half of the year 2019.

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

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## **SECTION I: Significant events that took place during the first half of 2019**

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### **Decisions of the Annual Ordinary General Meeting of Shareholders on 18th May 2019**

Among other issues, the shareholders approved the distribution (payment) of dividend from the earnings of 2018 as well as from the earnings of previous years. Specifically, the Meeting approved the distribution of an amount of 1,944,000 Euros (gross amount), or 0.044443 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 0.044447 Euro. From the above amount, the corresponding tax of 10% on the dividend was withheld (according to the article 40, paragraph 1 of Law 4172/2013 as it was amended by Law 4603/2019), and therefore the final payable amount of dividend settled at 0.040023 Euro per share.

Thursday, June 20th, 2019 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 Friday, June 21st, 2019.

The payment of the dividend commenced on Wednesday, June 26th, 2019.

## SECTION II: Review of Basic Fundamentals for 1st Half of 2019

### 1. Group Results

The following table depicts the course of the Group's results during the first half of 2019 compared to the respective period of the year 2018:

	<b>1st Half 2019</b>	<b>1st Half 2018</b>	<b>% change</b>
<b>Turnover</b>	<b>171,125</b>	<b>165,214</b>	<b>3.6%</b>
<b>Gross Profit</b>	<b>33,649</b>	<b>34,448</b>	<b>-2.3%</b>
<b>Gross Profit Margin</b>	<b>19.7%</b>	<b>20.9%</b>	
Other Operating Income	1,046	784	33.4%
<i>As % of Turnover</i>	<i>0.6%</i>	<i>0.5%</i>	
Distribution Expenses	16,068	15,637	2.8%
<i>As % of Turnover</i>	<i>9.4%</i>	<i>9.5%</i>	
Administrative Expenses	8,782	8,606	2.0%
<i>As % of Turnover</i>	<i>5.1%</i>	<i>5.2%</i>	
Research & Development Expenses	806	1,005	-19.8%
<i>As % of Turnover</i>	<i>0.5%</i>	<i>0.6%</i>	
Other Operating Expenses	623	701	-11.1%
<i>As % of Turnover</i>	<i>0.4%</i>	<i>0.4%</i>	
Other Income / (Losses)	125	279	-55%
<b>EBIT*</b>	<b>8,541</b>	<b>9,562</b>	<b>-10.7%</b>
<b>EBIT Margin</b>	<b>5.0%</b>	<b>5.8%</b>	
<b>EBITDA*</b>	<b>16,292</b>	<b>16,275</b>	<b>0.1%</b>
<b>EBITDA Margin</b>	<b>9.5%</b>	<b>9.9%</b>	
<b>Financial Income / (Expenses)</b>	<b>-2,393</b>	<b>-2,420</b>	<b>-1.1%</b>
Income/(Expenses) from Companies consolidated with the Equity Method	443	427	3.7%
Profit / (Losses) from Participation	0	0	-
<b>EBT</b>	<b>6,591</b>	<b>7,569</b>	<b>-12.9%</b>
<b>EBT Margin</b>	<b>3.9%</b>	<b>4.6%</b>	
Income Tax	2,238	2,105	6.3%
<b>Total EAT</b>	<b>4,353</b>	<b>5,464</b>	<b>-20.3%</b>
<b>EAT Margin</b>	<b>2.5%</b>	<b>3.3%</b>	
Minority Interest	152	131	
<b>Total EATAM</b>	<b>4,201</b>	<b>5,333</b>	<b>-21.2%</b>
<b>EATAM Margin</b>	<b>2.5%</b>	<b>3.2%</b>	
<b>Earnings per Share (in euro)</b>	<b>0.0961</b>	<b>0.1219</b>	<b>-21.2%</b>

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

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**Turnover** **€ 171,125 (+3.6 %)**

Increase in the consolidated sales volume by 0.4% and increase in the consolidated turnover by 3.6%. The higher turnover level was mainly due to the Packaging Unit as the Technical Fabrics Unit posted a decrease of 1.3% compared to the first half of year 2018.

**Gross Profit** **€ 33,649 (-2.3%)**

Gross profit margin settled at 19.7% compared to 20.9% in the respective period of the previous year.

**Other Operating Income** **€1,046 (+33.4%)**

The other operating income includes mainly income from rent, provision of services, prototype materials and also income from electric energy management programs. The higher other operating income during the first half of 2019 was mainly due to the higher revenues from electric energy management programs.

**Distribution Expenses** **€ 16,068 (+2.8%)**

As percentage of turnover, distribution expenses settled at 9.4% compared to 9.5% during the first half of 2018.

**Administrative Expenses** **€ 8,782 (+2.0%)**

As percentage of turnover, administrative expenses settled at 5.1% compared to 5.2% during the first half of 2018.

**Research & Development Expenses** **€ 806 (-19.8%)**

The Research & Development Expenses settled at € 806 compared to €1,005 in the first half of 2018 posting a decrease by 19.8%. The Research & Development Expenses concern mainly the following: a) Study and specification of requirements concerning the new materials and products, b) Purchase and use of equipment for the production of new product samples, and c) Expenses concerning the demonstration of the new products to potential new clients.

**Other Operating Expenses** **€ 623 (-11.1%)**

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

**Other Earnings / (Losses)** **€ 125 (-55.0%)**

The reduction of the Other Earnings in the first half of 2019 to € 125 versus € 279 in the first half 2018 was due to the lower foreign exchange differences.

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<b>EBITDA</b>	<b>€ 16,292 (+0.1%)</b>
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EBITDA margin settled at 9.5% compared to 9.9% in the first half of the year 2018.

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<b>Financial Results (Income - Expenses)</b>	<b>€ -2,393 (-1.1%)</b>
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The reduction of the Financial Result was mainly due to the lower debit interest following the reduction of interest rates.

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<b>Profit from the companies that are consolidated with the Equity method</b>	<b>€ 443 (+3.7%)</b>
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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 46.47%) and Thrace Eurobent S.A. (participation stake of 51.0%).

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<b>Earnings before Taxes</b>	<b>€ 6,591 (-12.9%)</b>
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EBT margin settled at 3.9% in the first half of 2019 as compared to 4.6% in the first half of 2018.

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<b>Earnings after Taxes (EAT)</b>	<b>€ 4,353 (-20.3%)</b>
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EAT margin settled at 2.5% in the first half of 2019 as compared to 3.3% in the same period of 2018.

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<b>EATAM</b>	<b>€ 4,201 (-21.2%)</b>
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EATAM margin settled at 2.5% during the first half of 2019 compared to 3.2% in the same period of the year 2018.

## 2. 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 sector "Other" includes the agricultural activity as well as the activity of the Parent Company (investment activity and also provision of Administrative, Financial and IT services to the 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 2019	1st Half 2018	Change %	1st Half 2019	1st Half 2018	Change %	1st Half 2019	1st Half 2018	1st Half 2019	1st Half 2018	1st Half 2019	1st Half 2018
<b>Turnover</b>	<b>127,863</b>	125,087	2.2%	<b>48,227</b>	47,326	1.9%	<b>2,619</b>	2,522	<b>-7,584</b>	-9,721	<b>171,125</b>	165,214
<b>Gross Profit</b>	<b>23,225</b>	24,332	-4.5%	<b>10,218</b>	9,712	5.2%	<b>274</b>	227	<b>-68</b>	177	<b>33,649</b>	34,448
<b>Gross Profit Margin</b>	<b>18.2%</b>	19.5%		<b>21.2%</b>	20.5%		<b>10.5%</b>	9.0%	-	-	<b>19.7%</b>	20.9%
<b>Total EBITDA</b>	<b>9,783</b>	10,045	-2.6%	<b>6,839</b>	6,451	6.0%	<b>-299</b>	-144	<b>-31</b>	-77	<b>16,292</b>	16,275
<b>EBITDA Margin</b>	<b>7.7%</b>	8.0%		<b>14.2%</b>	13.6%		-	-	-	-	<b>9.4%</b>	9.9%

### 3. Consolidated Balance Sheet of the Group

The following table summarizes the basic information of the Group's financial position as of 30.06.2019:

	30.06.2019	31.12.2018	Change %
Tangible Fixed Assets	116,828	135,963	-14.1%
Rights-of-use assets	24,817	0	-
Investment Property	113	113	0.0%
Intangible Assets	11,490	11,567	-0.7%
Interests in Joint Ventures	13,761	13,355	3.0%
Other Long-term Receivables	5,042	5,087	-0.9%
Deferred Tax Assets	1,097	935	17.3%
<b>Total Fixed Assets</b>	<b>173,148</b>	<b>167,020</b>	<b>3.7%</b>
Inventories	<b>66,440</b>	66,896	-0.7%
Income Tax Prepaid	<b>1,080</b>	2,058	-47.5%
Trade Receivables	<b>70,907</b>	53,603	32.3%
Other Receivables	<b>6,825</b>	7,824	-12.8%
Cash & Cash Equivalents	<b>16,090</b>	22,824	-29.5%
<b>Total Current Assets</b>	<b>161,342</b>	<b>153,205</b>	<b>5.3%</b>
<b>TOTAL ASSETS</b>	<b>334,490</b>	<b>320,225</b>	<b>4.5%</b>
Shareholders' Equity	<b>139,805</b>	138,935	0.6%
Minority Interest	<b>2,827</b>	2,680	5.5%
<b>TOTAL EQUITY</b>	<b>142,632</b>	<b>141,615</b>	<b>0.7%</b>
Long-term Loans	<b>21,272</b>	29,136	-27.0%
Liabilities from Leases	<b>10,701</b>	-	-
Provisions for Employee Benefits	<b>16,794</b>	15,468	8.6%
Other Long-term Liabilities	<b>2,802</b>	2,946	-4.9%
<b>Total Long-term Liabilities</b>	<b>51,569</b>	<b>47,550</b>	<b>8.5%</b>
Short-term Bank Debt	<b>69,149</b>	72,050	-4.0%
Liabilities from Leases	<b>6,049</b>	-	-
Suppliers	<b>47,271</b>	40,163	17.7%
Other Short-term Liabilities	<b>17,820</b>	18,847	-5.4%
<b>Total Short-term Liabilities</b>	<b>140,289</b>	<b>131,060</b>	<b>7.0%</b>
<b>TOTAL LIABILITIES</b>	<b>191,858</b>	<b>178,610</b>	<b>7.4%</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>334,490</b>	<b>320,225</b>	<b>4.5%</b>

## ASSETS

**Fixed Assets** **€ 173,148 (+3.7%)**

The Total Fixed Assets presented an increase by € 6,128, of which € 2,412 are due to the adoption of IFRS 16 and concerns the right-of-use assets.

**Current Assets** **€ 161,342 (+5.3%)**

▶ **Trade receivables:** **€ 70,907 (+32.3%)**

Trade receivables are increased due to seasonality.

▶ **Inventories:** **€ 66,440 (-0.7%)**

Marginal Decrease of Inventories.

## EQUITY & LIABILITIES

**Equity** **€ 142,632 (+0.7%)**

The change in Equity derived from the contribution of the current period's earnings by € 4,201, the actuarial loss that resulted from the pension plan of Don & Low Ltd by € 4,307, as well as the dividend payment of € 1,944.

**Provisions for Employee Benefits** **€ 16,794 (+8.6%)**

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

The total liability of the Don & Low LTD pension plan as depicted in the balance sheet of 30.06.2019 is analyzed as follows:

<i>Don &amp; Low Ltd</i>	<b>30.6.2019</b>	31.12.2018
Present Value of Liabilities	146,665	136,389
Present Value of Fixed Assets	132,166	123,197
<b>Net Liability recognized in the Balance Sheet</b>	<b>14,499</b>	<b>13,192</b>

The Asset allocation of the plan is as follows:

<i>Don &amp; Low Ltd</i>	<b>30.6.2019</b>	31.12.2018
Mutual Funds (Stock Market)	14,276	13,304
Mutual Funds (Bond Market)	67,700	63,086
Mutual Funds (Diversified Growth Funds)	<b>46,509</b>	44,986
Other	<b>3,681</b>	1,822
<b>Total</b>	<b>132,166</b>	<b>123,197</b>

**Net Bank Debt** **€ 91,081 (+16.2%)**

Net Bank Debt (Long-term Loans + Short-term Loans – Cash & Cash Equivalents) amounted to € 91,081 compared to € 78,362 on 31.12.2018, while the Net Bank Debt/Equity ratio settled at 0.64x compared to 0.55x on 31.12.2018. It is noted that due to the application of IFRS 16, the bank debt has been burdened by an amount of € 1,335 concerning liabilities from utilization rights of buildings and vehicles.

**Short-term Liabilities** **€ 140,289 (+7.0%)**

Short-term liabilities amounted to € 140,289 compared to € 131,060 on 31.12.2018, thus increased by 7.0%.

▶ **Suppliers:** **€ 47,271 (+17.7%)**

Increase of Suppliers due to seasonality factors

#### 4. Consolidated Cash Flows

<b>CASH FLOWS</b>	<b>30.06.2019</b>	<b>30.06.2018</b>
EBITDA	16,292	16,275
Non Cash and Non Operating Movements	1,137	2,028
Change in Working Capital	-13,022	-14,427
<b>Cash from Operating Activities</b>	<b>4,407</b>	<b>3,876</b>
Interest and Income Tax Paid & Other Financial Income	-2855	-3,692
<b>Total Inflows / Outflows from Operating Activities</b>	<b>1,552</b>	<b>184</b>
Investment Activities	-11,520	-12,788
Financing Activities	30,74	10,285
<b>Net Increase / (Decrease) in Cash</b>	<b>-6,894</b>	<b>-2,319</b>
Cash at beginning of period	22,824	30,593
FX changes on cash	160	-24
<b>Cash at end of period</b>	<b>16,090</b>	<b>28,250</b>

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

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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 2019

The most significant transactions of the Company with the related parties during the 1st half of 2019, and following the offsetting of receivables/liabilities, are presented below:

<b>Sales*-Income (amounts in Euro)</b>	<b>30.06.2019</b>	<b>Suppliers - Liabilities (amounts in Euro)</b>	<b>30.06.2019</b>
Thrace NW & Geosynthetics	701,372	Thrace Plastics Pack	1,000,000
Thrace IPOMA	170,258	<b>Total</b>	<b>1,000,000</b>
Thrace Plastics Pack	332,864		
Don & Low LTD	555,496		
Thrace Polybulk AB	127,634		
Thrace Linq Inc	144,677		
Synthetics Holdings LTD	145,766		
Thrace Polyfilms	148,150		
<b>Total</b>	<b>2,326,217</b>		
<b>Customers - Receivables (amounts in Euro)</b>	<b>30.06.2019</b>		
Don & Low LTD	278,435		
Thrace NW & Geosynthetics	6,704,908		
Thrace Eurobent	117,966		
<b>Total</b>	<b>7,101,309</b>		

The Company has granted guarantees to banks against credit lines for the account of its subsidiaries. On 30.06.2019, the outstanding amount of the loans for which the Company had granted guarantees accounted for € 76,890.

The remuneration of the Management during the 1st half of the current year amounted to € 2,109 at the Group level compared to € 2,308 during the respective period of 2018, and at the company level to € 719 compared to € 835 the previous year.

There were no transactions between the Company, the Group and its related parties, which could have significant effects on the financial position and performance of the Company during the 1st Half of 2019.

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

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

## SECTION V: Basic Risks and Uncertainties – Outlook for 2nd Half of 2019

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 2018.

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.

### 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 credit risk to which the Group and the Company are exposed is the likelihood that a counterparty will cause financial loss to the Group and the Company as a result of the breach of its contractual obligations.

The maximum credit risk to which the

Group and the Company are exposed at the date of preparation of the financial statements is the book value of their financial assets. In order to address credit risk, the Group consistently applies a clear credit policy, which is monitored and evaluated on an ongoing basis so that the credit granted does not exceed the credit limit per customer. Client sales insurance policies are also concluded per customer and no tangible guarantees on the assets of clients are required.

In order to monitor credit risk, customers are grouped according to the category they belong to, their credit risk characteristics, the maturity of their receivables and any previous problematic incidents concerning the receivables, taking into account future factors as well as the economic environment.

### ● Impairment

The Group and the Company, in the financial assets that are subject to the new model of expected credit losses, include receivables from customers and other financial assets.

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.

#### **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.

#### **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.

#### **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.

<b>Capital Adequacy Risk</b>	<b>Group</b>	
	<b>30.6.2019*</b>	31.12.2018
Long-term debt	31,973	29,136
Short-term debt	75,198	72,050
<b>Total debt</b>	<b>107,171</b>	<b>101,186</b>
Minus cash & cash equivalents	16,090	22,824
<b>Net debt</b>	<b>91,081</b>	<b>78,362</b>
 <b>EQUITY</b>	 <b>142,632</b>	 <b>141,615</b>
<b>NET BANK DEBT / EQUITY</b>	<b>0.64</b>	<b>0.55</b>

\*The bank debt of the current period was burdened with an amount of € 1,335 due to the adoption of the IFRS 16.

## Prospects for the 2nd Half 2019

The Group's Management taking into account the market conditions prevailing in the current year as well as the seasonality of the product sales in the two business segments of the Group, estimates that both Turnover and Operating Profit in the 2nd half 2019 will be slightly improved compared to the corresponding figures of the 2nd half 2018.

Moreover, due to the Group's significant geographic dispersion in terms of business activities, any major international event such as the disruption of the trading relations between countries and specifically the scenario of Great Britain's final and definitive withdrawal from the European Union generate conditions of uncertainty in the market. Despite the above, the Group's Management estimates that through a strong capital structure and risk diversification, is in a position to minimize any negative effect on the Group's business activity and therefore continue on an uninterrupted basis the operations and fulfillment of its strategic objectives.

## SECTION V: Treasury Shares

The Extraordinary General Meeting of the Company's shareholders on February 2, 2017 decided, inter alia, to approve the purchase of own shares through the Athens Stock Exchange under the provisions of the pre-existing article 16 of Codified Law 2190/1920, which expired on 02-02-2019. Under the aforementioned plan, the Company has acquired 4,324 own shares at the date of preparation of this Report.

The Extraordinary General Meeting of the Company's shareholders on March 19, 2019 decided, inter alia, to approve the acquisition of own shares through the Athens Stock Exchange in accordance with the provisions of article 49 of law 4548/2018 as currently in force and in particular the Meeting approved purchase within a period of twenty-four (24)

months from the date of the decision, i.e. no later than 19.03.2021, of a maximum of 4,373,713 common registered shares representing 10% of the total existing today voting shares of the Company, as the latter holds 4,324 treasury shares, with a market price per share of one Euro and fifty cents Euro (€ 1.50) up to three Euros and fifty cents Euro (€ 3.50).

Since the above decision concerning the stock repurchase program, it is noted that until 30.06.2019 the Company did not proceed with any purchase of shares. Therefore the Company still holds those 4,324 treasury shares that were purchased according to the previous program that ended on 02-02-2019 as mentioned above.

## SECTION VI: Significant Events after 30.06.2019

There are no events subsequent to the Balance Sheet date (30.06.2019) which may have a material effect on the financial statements of the Company and the Group.

**Xanthi, 17/09/2019**

<b>The Chairman of the Board and Chief Executive Officer</b>	<b>The Member of the Board of Directors</b>	<b>The Member of the Board of Directors</b>
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**Konstantinos St. Chalioris**

**Georgios P. Braimidis**

**Dimitris P. Malamos**



[Translation from the original text in Greek]

## **Report on Review of Interim Financial Information**

To the Board of directors of “Thrace Plastics Co S.A.”

### **Report on Review of Interim Financial Information**

#### **Introduction**

We have reviewed the accompanying condensed company and consolidated statement of financial position of “Thrace Plastics Co S.A.” (the “Company”), as of 30 June 2019 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, and the selected explanatory notes that comprise the interim condensed financial information and which form an integral part of the six-month financial report as required by L.3556/2007.

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”). Our responsibility is to express a conclusion on this interim condensed financial information 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 condensed interim financial information is not prepared, in all material respects, in accordance with IAS 34.



**Report on other legal and regulatory requirements**

Our review has not revealed any material inconsistency or misstatement in the statements of the members of the Board of Directors and the information of the six-month Board of Directors Report, as defined in articles 5 and 5a of Law 3556/2007, in relation to the accompanying condensed interim financial information.

18 September 2019

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

The Certified Auditor  
Despina Marinou  
SOEL Reg. No 17681





IV.

## INTERIM CONDENSED FINANCIAL INFORMATION

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## STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2019 – 30.06.2019)

	Note	Group		Company	
		1/1 - 30/06/2019	1/1 - 30/06/2018	1/1 - 30/06/2019	1/1 - 30/06/2018
Turnover	3.1	171,125	165,214	2,602	2,522
Cost of Sales		(137,476)	(130,766)	(2,402)	(2,293)
<b>Gross Profit/(loss)</b>		<b>33,649</b>	<b>34,448</b>	<b>200</b>	<b>229</b>
Other Operating Income	3.2	1,046	784	26	14
Selling Expenses		(16,068)	(15,637)	-	-
Administrative Expenses		(8,782)	(8,606)	(506)	(405)
Research and Development Expenses		(806)	(1,005)	-	-
Other Operating Expenses	3.5	(623)	(701)	(109)	(57)
Other profit / (losses)	3.3	125	279	(1)	(2)
<b>Operating Profit / (loss) before interest and tax</b>		<b>8,541</b>	<b>9,562</b>	<b>(390)</b>	<b>(221)</b>
Financial Income	3.6	345	902	-	-
Financial Expenses	3.6	(2,738)	(3,322)	(322)	(440)
Income from dividends		-	-	-	-
Profit / (losses) from companies consolidated with the Equity Method	3.18	443	427	-	-
Profit / (losses) from participations		-	-	-	-
<b>Profit/(loss) before Tax</b>		<b>6,591</b>	<b>7,569</b>	<b>(712)</b>	<b>(661)</b>
Income Tax	3.8	(2,238)	(2,105)	(4)	(13)
<b>Profit/(loss) after tax (A)</b>		<b>4,353</b>	<b>5,464</b>	<b>(716)</b>	<b>(674)</b>
<b>Other comprehensive income</b>					
<b>Items transferred to the results</b>					
FX differences from translation of foreign Balance Sheets		(93)	223	-	-
<b>Items not transferred to the results</b>					
Actuarial profit/(loss)		(1,268)	4,132	-	-
<b>Other comprehensive income after taxes (B)</b>		<b>(1,361)</b>	<b>4,355</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income after taxes (A) + (B)</b>		<b>2,992</b>	<b>9,819</b>	<b>(716)</b>	<b>(674)</b>
<b>Profit / (loss) after tax (A)</b>					
<u>Attributed to:</u>					
Owners of the parent		4,201	5,333	-	-
Minority interest		152	131	-	-
<b>Total comprehensive income after taxes (A) + (B)</b>					
<u>Attributed to:</u>					
Owners of the parent		2,845	9,689	-	-
Minority interest		147	130	-	-
<b>Profit/(loss) allocated to shareholders per share (A)</b>					
Number of shares		43,737	43,737	-	-
Earnings/(loss) per share	3.7	0.0961	0.1219	-	-

The accompanying notes that are presented in pages 30-62 form an integral part of the present financial statements.

## STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.04.2019 – 30.06.2019)

	Note	Group		Company	
		01/04 - 30/06/2019	01/04 - 30/06/2018	01/04 - 30/06/2019	01/04 - 30/06/2018
Turnover	3.1	87,551	86,697	1,327	1,240
Cost of Sales		(70,681)	(69,221)	(1,321)	(1,164)
<b>Gross Profit/(loss)</b>		<b>16,870</b>	<b>17,476</b>	<b>6</b>	<b>76</b>
Other Operating Income	3.2	644	379	18	3
Selling Expenses		(8,147)	(7,962)	-	-
Administrative Expenses		(4,552)	(4,470)	(267)	(194)
Research and Development Expenses		(457)	(523)	-	-
Other Operating Expenses	3.5	(359)	(391)	(109)	(35)
Other profit / (losses)	3.3	(14)	483	-	(2)
<b>Operating Profit / (loss) before interest and tax</b>		<b>3,985</b>	<b>4,992</b>	<b>(352)</b>	<b>(152)</b>
Financial Income	3.6	204	486	-	-
Financial Expenses	3.6	(1,297)	(1,419)	(163)	(223)
Income from dividends		-	-	-	-
Profit / (losses) from companies consolidated with the Equity Method	3.18	635	368	-	-
Profit / (losses) from participations		-	-	-	-
<b>Profit/(loss) before Tax</b>		<b>3,527</b>	<b>4,427</b>	<b>(515)</b>	<b>(375)</b>
<b>Income Tax</b>	3.8	<b>(1,267)</b>	<b>(1,258)</b>	<b>(4)</b>	<b>(10)</b>
<b>Profit/(loss) after tax (A)</b>		<b>2,260</b>	<b>3,169</b>	<b>(519)</b>	<b>(385)</b>
<b>Other comprehensive income</b>					
<b>Items transferred to the results</b>					
FX differences from translation of foreign Balance Sheets		(1,917)	143	-	-
<b>Items not transferred to the results</b>					
Actuarial profit/(loss)		4,509	1,963	-	-
<b>Other comprehensive income after taxes (B)</b>		<b>2,592</b>	<b>2,106</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income after taxes (A) + (B)</b>		<b>4,852</b>	<b>5,275</b>	<b>(519)</b>	<b>(385)</b>
<b>Profit / (loss) after tax (A)</b>					
<u>Attributed to:</u>					
Owners of the parent		2,163	3,084		
Minority interest		97	85		
<b>Total comprehensive income after taxes (A) + (B)</b>					
<u>Attributed to:</u>					
Owners of the parent		4,755	5,191		
Minority interest		97	84		
<b>Profit/(loss) allocated to shareholders per share (A)</b>					
Number of shares		43,737	43,737		
Earnings/(loss) per share	3.7	0.0495	0.0705		

The accompanying notes that are presented in pages 30-62 form an integral part of the present financial statements.

## STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30/6/2019	31/12/2018	30/6/2019	31/12/2018
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Tangible fixed assets	3.9	116,828	135,963	422	412
Rights-of-use assets	2.3	24,817	-	246	-
Investment property		113	113	-	-
Intangible Assets	3.10	11,490	11,567	558	611
Participation in subsidiaries	3.18	-	-	70,316	70,316
Participation in joint ventures	3.18	13,761	13,355	3,819	3,004
Other long term receivables	3.11	5,042	5,087	1,168	1,168
Deferred tax assets		1,097	935	729	733
<b>Total non-Current Assets</b>		<b>173,148</b>	<b>167,020</b>	<b>77,258</b>	<b>76,244</b>
<b>Current Assets</b>					
Inventories		66,440	66,896	-	-
Income tax prepaid		1,080	2,058	359	343
Trade receivables	3.12	70,907	53,603	3,258	2,836
Other debtors	3.12	6,825	7,824	4,256	4,616
Cash and Cash Equivalents		16,090	22,824	557	3,172
<b>Total Current Assets</b>		<b>161,342</b>	<b>153,205</b>	<b>8,430</b>	<b>10,967</b>
<b>TOTAL ASSETS</b>		<b>334,490</b>	<b>320,225</b>	<b>85,688</b>	<b>87,211</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
Share Capital		28,869	28,869	28,869	28,869
Share premium		21,524	21,524	21,644	21,644
Other reserves		20,206	20,294	14,214	14,214
Retained earnings		69,206	68,248	3,060	5,720
Total Shareholders' equity		139,805	138,935	67,787	70,447
Minority Interest		2,827	2,680	-	-
<b>Total Equity</b>		<b>142,632</b>	<b>141,615</b>	<b>67,787</b>	<b>70,447</b>
<b>Long Term Liabilities</b>					
Long Term loans	3.13	21,272	29,136	-	-
Liabilities from leases	3.13	10,701	-	109	-
Provisions for Employee Benefits	3.14	16,794	15,468	177	195
Other provisions		723	752	587	618
Deferred Tax Liabilities		2,040	2,099	-	-
Other Long Term Liabilities		39	95	1	55
<b>Total Long Term Liabilities</b>		<b>51,569</b>	<b>47,550</b>	<b>874</b>	<b>868</b>
<b>Short Term Liabilities</b>					
Short Term loans	3.13	69,149	72,050	15,104	14,117
Liabilities from leases	3.13	6,049	-	176	-
Income Tax		1,413	714	-	-
Suppliers	3.15	47,271	40,163	556	356
Other short-term liabilities	3.15	16,407	18,133	1,191	1,423
<b>Total Short Term Liabilities</b>		<b>140,289</b>	<b>131,060</b>	<b>17,027</b>	<b>15,896</b>
<b>TOTAL LIABILITIES</b>		<b>191,858</b>	<b>178,610</b>	<b>17,901</b>	<b>16,764</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>334,490</b>	<b>320,225</b>	<b>85,688</b>	<b>87,211</b>

The accompanying notes that are presented in pages 30-62 form an integral part of the present financial statements.

## 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
<b>Balance as at 01/01/2018</b>	<b>28,869</b>	<b>21,540</b>	<b>25,713</b>	<b>(10)</b>	<b>(5,572)</b>	<b>64,573</b>	<b>135,113</b>	<b>2,365</b>	<b>137,478</b>
Change in accounting policy	-	-	-	-	-	(142)	(142)	-	(142)
<b>Balance as at 01/01/2018</b>	<b>28,869</b>	<b>21,540</b>	<b>25,713</b>	<b>(10)</b>	<b>(5,572)</b>	<b>64,431</b>	<b>134,971</b>	<b>2,365</b>	<b>137,336</b>
Profit / (losses) for the period	-	-	-	-	-	5,333	<b>5,333</b>	131	<b>5,464</b>
Other comprehensive income	-	-	-	-	223	4,132	<b>4,355</b>	-	<b>4,355</b>
Distribution of earnings	-	-	74	-	-	(74)	-	-	-
Dividends	-	-	-	-	-	(2,058)	<b>(2,058)</b>	(1)	<b>(2,059)</b>
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	(10)	-	-	-	(83)	<b>(93)</b>	-	<b>(93)</b>
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes during the period	-	(10)	74	-	223	7,250	<b>7,537</b>	130	<b>7,667</b>
<b>Balance as at 30/06/2018</b>	<b>28,869</b>	<b>21,530</b>	<b>25,787</b>	<b>(10)</b>	<b>(5,349)</b>	<b>71,681</b>	<b>142,508</b>	<b>2,495</b>	<b>145,003</b>
<b>Balance as at 01/01/2019</b>	<b>28,869</b>	<b>21,524</b>	<b>31,493</b>	<b>(10)</b>	<b>(11,189)</b>	<b>68,248</b>	<b>138,935</b>	<b>2,680</b>	<b>141,615</b>
Profit / (losses) for the period	-	-	-	-	-	4,201	<b>4,201</b>	152	<b>4,353</b>
Other comprehensive income	-	-	-	-	(88)	(1,268)	<b>(1,356)</b>	(5)	<b>(1,361)</b>
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(1,944)	<b>(1,944)</b>	-	<b>(1,944)</b>
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(31)	<b>(31)</b>	-	<b>(31)</b>
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	(88)	958	<b>870</b>	147	<b>1,017</b>
<b>Balance as at 30/06/2019</b>	<b>28,869</b>	<b>21,524</b>	<b>31,493</b>	<b>(10)</b>	<b>(11,277)</b>	<b>69,206</b>	<b>139,805</b>	<b>2,827</b>	<b>142,632</b>

The accompanying notes that are presented in pages 30-62 form an integral part of the present financial statements.

## STATEMENT OF CHANGES IN EQUITY (continues from previous page)

### Company

	Share Capital	Share Premium	Other Reserves	Treasury shares reserve	Reserve of FX differences from translation of subsidiaries	Retained earnings	Total
<b>Balance as at 01/01/2018</b>	<b>28,869</b>	<b>21,644</b>	<b>14,133</b>	<b>(10)</b>	<b>16</b>	<b>7,838</b>	<b>72,490</b>
Change in accounting policy	-	-	-	-	-	-	-
<b>Balance as at 01/01/2018</b>	<b>28,869</b>	<b>21,644</b>	<b>14,133</b>	<b>(10)</b>	<b>16</b>	<b>7,838</b>	<b>72,490</b>
Profit / (loss) for the period	-	-	-	-	-	(674)	(674)
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	74	-	-	-	(74)	0
Dividends	-	-	-	-	-	(2,058)	(2,058)
Changes in percentages	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Divestiture	-	-	-	-	-	-	-
Changes during the period	-	74	-	-	-	(2,806)	(2,732)
<b>Balance as at 30/06/2018</b>	<b>28,869</b>	<b>21,718</b>	<b>14,133</b>	<b>(10)</b>	<b>16</b>	<b>5,032</b>	<b>69,758</b>
<b>Balance as at 01/01/2019</b>	<b>28,869</b>	<b>21,644</b>	<b>14,208</b>	<b>(10)</b>	<b>16</b>	<b>5,720</b>	<b>70,447</b>
Profit / (loss) for the period	-	-	-	-	-	(716)	(716)
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(1,944)	(1,944)
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	-	(2,660)	(2,660)
<b>Balance as at 30/06/2019</b>	<b>28,869</b>	<b>21,644</b>	<b>14,208</b>	<b>(10)</b>	<b>16</b>	<b>3,060</b>	<b>67,787</b>

The accompanying notes that are presented in pages 30-62 form an integral part of the present financial statements.

## STATEMENT OF CASH FLOWS

	Note	Group		Company	
		1/1 - 30/06/2019	1/1 - 30/06/2018	1/1 - 30/06/2019	1/1 - 30/06/2018
<b>Cash flows from Operating Activities</b>					
Profit before Taxes and Minority Interest		6,591	7,569	(712)	(661)
<i>Plus / (minus) adjustments for:</i>					
Depreciation		7,751	6,713	159	77
Provisions		1,262	2,595	374	372
FX differences		(41)	(273)	1	1
(Profit)/loss from sale of fixed assets		(85)	(94)	-	-
Debit interest and related (income) / expenses		2,393	2,420	322	440
(Profit) / losses from companies consolidated with the Equity method		(442)	(427)	-	-
<b>Operating Profit before adjustments in working capital</b>		<b>17,429</b>	<b>18,503</b>	<b>144</b>	<b>229</b>
(Increase)/decrease in receivables		(16,995)	(13,502)	(174)	1,965
(Increase)/decrease in inventories		385	(4,236)	-	-
Increase/(decrease) in liabilities (apart from banks-taxes)		3,588	2,973	(590)	(970)
Other non cash movements			138		-
<b>Cash generated from Operating activities</b>		<b>4,407</b>	<b>3,876</b>	<b>(620)</b>	<b>1,224</b>
Interest Paid		(1,945)	(2,195)	(315)	(434)
Other financial income/(expenses)		(267)	(540)	(5)	-
Taxes		(643)	(957)	-	-
<b>Cash flows from operating activities (a)</b>		<b>1,552</b>	<b>184</b>	<b>(940)</b>	<b>790</b>
<b>Investing Activities</b>					
Receipts from sales of tangible and intangible assets		139	28	-	4
Interest received		6	5	-	-
Dividends received		276	242	-	-
Increase of interests in subsidiaries / associates		(815)	-	(815)	-
Investment grants		-	40	-	-
Purchase of tangible and intangible assets		(11,126)	(13,103)	(45)	(8)
<b>Cash flow from investing activities (b)</b>		<b>(11,520)</b>	<b>(12,788)</b>	<b>(860)</b>	<b>(4)</b>
<b>Financing activities</b>					
Increase of interests in subsidiaries / associates		-	(10)	-	-
Proceeds from loans		10,793	8,361	987	29
Repayment of Loans		(3,315)	(2,411)	-	-
Financial leases		(2,643)	6,109	(41)	-
Dividends paid		(1,761)	(1,764)	(1,761)	(1,764)
<b>Cash flow from financing activities (c)</b>		<b>3,074</b>	<b>10,285</b>	<b>(815)</b>	<b>(1,735)</b>
Net increase /(decrease) in Cash and Cash Equivalents		(6,894)	(2,319)	(2,615)	(949)
Cash and Cash Equivalents at beginning of period		22,824	30,593	3,172	4,791
Effect from changes in foreign exchange rates on cash reserves		160	(24)	-	-
<b>Cash and Cash Equivalents at end of period</b>		<b>16,090</b>	<b>28,250</b>	<b>557</b>	<b>3,842</b>

The accompanying notes that are presented in pages 30-62 form an integral part of the present financial statements.

## ▶ 1. Information about the Group

The company THRACE PLASTICS CO 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, as well as the provision of Administrative - Financial - IT Services to its Subsidiaries.

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 30.06.2019 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 2019, the Group employed in total 1,824 employees, from which 956 in Greece.

The structure of the Group as of 30th June 2019 was as follows:

Company	Registered Offices	Participation Percentage of Parent Company	Participation Percentage of Group	Consolidation Method
<b>Thrace Plastics CO S.A.</b>	<b>GREECE-Xanthi</b>	<b>Parent</b>	<b>-</b>	<b>Full</b>
<b>Don &amp; Low LTD</b>	<b>SCOTLAND-Forfar</b>	<b>100.00%</b>	<b>100.00%</b>	<b>Full</b>
Don & Low Australia Pty LTD	AUSTRALIA	-	100.00%	Full
<b>Thrace Nonwovens &amp; Geosynthetics A.B.E.E.</b>	<b>GREECE-Xanthi</b>	<b>100.00%</b>	<b>100.00%</b>	<b>Full</b>
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
<b>Thrace Plastics Pack S.A.</b>	<b>GREECE-Ioannina</b>	<b>92.94%</b>	<b>92.94%</b>	<b>Full</b>
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	-	92.84%	Full
<b>Synthetic Holdings LTD</b>	<b>N. IRELAND-Belfast</b>	<b>100.00%</b>	<b>100.00%</b>	<b>Full</b>
Thrace Synthetic Packaging LTD	IRELAND - Clara	-	100.00%	Full
Arno LTD	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
<b>Thrace Polyfilms A.B.E.E.</b>	<b>GREECE - Xanthi</b>	<b>100.00%</b>	<b>100.00%</b>	<b>Full</b>
<b>Thrace Greenhouses S.A.</b>	<b>GREECE - Xanthi</b>	<b>50.91%</b>	<b>50.91%</b>	<b>Equity</b>
<b>Thrace Eurobent A.B.E.E</b>	<b>GREECE - Xanthi</b>	<b>51.00%</b>	<b>51.00%</b>	<b>Equity</b>

## ▶ 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 30 June 2019. 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 Annual Financial Statements as of 31st December 2018 with the exception of IFRS 16 which was applied from 01/01/2019 (see note 2.3).

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 Co. S.A. are posted on the internet, on the website [www.thracegroup.gr](http://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 01.01.2019 or subsequently. The Group's assessment regarding the effect of these new standards, amendments to standards and interpretations is presented below.

## STANDARDS AND INTERPRETATIONS MANDATORY FOR THE CURRENT FINANCIAL YEAR

### **IFRS 16 «Leases»**

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 effect of the standard on the Group is presented in note 2.3.

### **IFRS 9 (Amendments) “Prepayment features with negative compensation”**

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.

### **IAS 28 (Amendments) “Long-term interests in associates and joint ventures”**

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.

### **IFRIC 23 “Uncertainty over Income Tax Treatments”**

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.

### **IAS 19 (Amendments) “Plan amendments, curtailments, and settlements”**

The amendments determine the manner with which the entities must define the pension expenses whenever a change takes place in defined benefit plans.

### **Annual Improvements in IFRS 2014 (Cycle 2015 – 2017)**

The amendments presented below include changes in four IFRS.

#### *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.

### STANDARDS AND INTERPRETATIONS MANDATORY FOR SUBSEQUENT PERIODS

#### **IFRS 17 «Insurance Contracts»**

(effective for annual periods beginning on or after 1 January 2021)

IFRS 17 establishes the principles for the recognition, measurement and presentation of insurance policies within the scope of the standard and for the relevant disclosures. The purpose of the standard is to ensure that an entity provides relevant information that in turn provides reasonable insight into these contracts. The new standard solves the comparability problems created by IFRS 4 as it requires all insurance policies to be accounted for in a consistent manner. Insurance liabilities

will be measured at current values and not at historical cost. The standard has not yet been adopted by the European Union.

#### **IFRS 3 (Amendments) "Definition of Business Combination"**

(effective for annual accounting periods beginning on or after 1 January 2020)

The new definition focuses on the concept of a company's return in the form of provision of services and goods towards customers. It is in contrast with the previous definition which focused on returns in the form of dividends, lower cost or of other economic benefits towards investors and other parties. The amendments have not been yet adopted from the European Union.

#### **IAS 1 and IAS 8 (Amendments) «Definition of material»**

(effective for annual periods beginning on or after 1 January 2020)

The amendments clarify the definition of the material and how it should be used, supplementing the definition with instructions that have been provided so far in other parts of the IFRS. In addition, the clarifications accompanying the definition have been improved. Finally, the amendments ensure that the definition of the material is consistently applied to all IFRSs. The amendments have not yet been adopted by the European Union.

## 2.3 Changes in Accounting Principles

The Group applied for the first time the IFRS 16 "Leases" which replaces the provisions of IAS 17 and sets the principles for the recognition, measurement, presentation and disclosures concerning the leases. The standard is mandatory for the accounting periods that begin on 1st January 2019 or after. The IFRS 16 has a significant effect on the financial statements of the Group, particularly in the total assets and total liabilities, the results, the net cash flows from operating activities, the net cash flows from financing activities, and the presentation of financial position.

The Group applied the new standard by utilizing the amended retroactive method, meaning that the impact was recognized on cumulative basis in the "Results carried forward", whereas the comparative amounts were not restated. During the transition into the IFRS 16, the liabilities deriving from the existing operating leases are being discounted according to the relevant discount rate (or incremental borrowing rate). The present value that is calculated is then recognized as liability from lease. The right-of-use assets are being measured on equivalent basis with the liability from lease and are adjusted for any prepaid or accrued leases.

Regarding the options and the exemptions allowed according to IFRS 16, the Group adopted the following approach:

- The right-of-use assets and the liabilities from leases are depicted separately in the statements of financial position
- The requirements concerning the recognition, measurement

and disclosures of IFRS 16 were applied in all leases except for the leases of "small value" and the leases with shorter term, meaning 12 months or less.

The Group used the option not to separate the parts of the contract which are not a lease (non-lease components) from the lease components and therefore treated each element of the lease and any related parts of it as a single lease.

The following tables summarize the effect of the adoption of IFRS 16 in the statement of financial position of the Group and the Company as of 1st January 2019, for each of the elements that have been affected:

	Group			
	31/12/2018	IFRS 16 Adjustments	IFRS 16 Reclassification	01-01-2019 Adjusted
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Tangible fixed assets	135,963	-	(24,427)	111,536
Rights-of-use assets	-	2,412	24,427	26,839
Investment property	113	-	-	113
Intangible Assets	11,567	-	-	11,567
Participation in subsidiaries	-	-	-	-
Participation in joint ventures	13,355	-	-	13,355
Other long term receivables	5,087	-	-	5,087
Deferred tax assets	935	-	-	935
<b>Total non-Current Assets</b>	<b>167,020</b>	<b>2,412</b>	<b>-</b>	<b>169,432</b>
<b>Current Assets</b>				
Inventories	66,896	-	-	66,896
Income tax prepaid	2,058	-	-	2,058
Trade receivables	53,603	-	-	53,603
Other debtors	7,824	-	-	7,824
Cash and Cash Equivalents	22,824	-	-	22,824
<b>Total Current Assets</b>	<b>153,205</b>	<b>-</b>	<b>-</b>	<b>153,205</b>
<b>TOTAL ASSETS</b>	<b>320,225</b>	<b>2,412</b>	<b>-</b>	<b>322,637</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	28,869	-	-	28,869
Share premium	21,524	-	-	21,524
Other reserves	20,294	-	-	20,294
Retained earnings	68,248	-	-	68,248
<b>Total Shareholders' equity</b>	<b>138,935</b>	<b>-</b>	<b>-</b>	<b>138,935</b>
Minority Interest	2,680	-	-	2,680
<b>Total Equity</b>	<b>141,615</b>	<b>-</b>	<b>-</b>	<b>141,615</b>
<b>Long Term Liabilities</b>				
Long Term loans	29,136	-	(10,927)	18,209
Liabilities from leases	-	1,677	10,927	12,604
Provisions for Employee Benefits	15,468	-	-	15,468
Other provisions	752	-	-	752
Deferred Tax Liabilities	2,099	-	-	2,099
Other Long Term Liabilities	95	-	-	95
<b>Total Long Term Liabilities</b>	<b>47,550</b>	<b>1,677</b>	<b>-</b>	<b>49,227</b>
<b>Short Term Liabilities</b>				
Short Term loans	72,050	-	(5,341)	66,709
Liabilities from leases	-	735	5,341	6,076
Income Tax	714	-	-	714
Suppliers	40,163	-	-	40,163
Other short-term liabilities	18,133	-	-	18,133
<b>Total Short Term Liabilities</b>	<b>131,060</b>	<b>735</b>	<b>-</b>	<b>131,795</b>
<b>TOTAL LIABILITIES</b>	<b>178,610</b>	<b>2,412</b>	<b>-</b>	<b>181,022</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>320,225</b>	<b>2,412</b>	<b>-</b>	<b>322,637</b>

	Company			
	31/12/2018	IFRS 16 Adjustments	IFRS 16 Reclassification	01-01-2019 Adjusted
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
Tangible fixed assets	412	-	-	412
Rights-of-use assets	-	316	-	316
Investment property	-	-	-	-
Intangible Assets	611	-	-	611
Participation in subsidiaries	70,316	-	-	70,316
Participation in joint ventures	3,004	-	-	3,004
Other long term receivables	1,168	-	-	1,168
Deferred tax assets	733	-	-	733
<b>Total non-Current Assets</b>	<b>76,244</b>	<b>316</b>	<b>-</b>	<b>76,560</b>
<b>Current Assets</b>				
Inventories	-	-	-	-
Income tax prepaid	343	-	-	343
Trade receivables	2,836	-	-	2,836
Other debtors	4,616	-	-	4,616
Cash and Cash Equivalents	3,172	-	-	3,172
<b>Total Current Assets</b>	<b>10,967</b>	<b>-</b>	<b>-</b>	<b>10,967</b>
<b>TOTAL ASSETS</b>	<b>87,211</b>	<b>316</b>	<b>-</b>	<b>87,527</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Share Capital	28,869	-	-	28,869
Share premium	21,644	-	-	21,644
Other reserves	14,214	-	-	14,214
Retained earnings	5,720	-	-	5,720
<b>Total Shareholders' equity</b>	<b>70,447</b>	<b>-</b>	<b>-</b>	<b>70,447</b>
Minority Interest	-	-	-	-
<b>Total Equity</b>	<b>70,447</b>	<b>-</b>	<b>-</b>	<b>70,447</b>
<b>Long Term Liabilities</b>				
Long Term loans	-	-	-	-
Liabilities from leases	-	178	-	178
Provisions for Employee Benefits	195	-	-	195
Other provisions	618	-	-	618
Deferred Tax Liabilities	-	-	-	-
Other Long Term Liabilities	55	-	-	55
<b>Total Long Term Liabilities</b>	<b>868</b>	<b>178</b>	<b>-</b>	<b>1,046</b>
<b>Short Term Liabilities</b>				
Short Term loans	14,117	-	-	14,117
Liabilities from leases	-	138	-	138
Income Tax	-	-	-	-
Suppliers	356	-	-	356
Other short-term liabilities	1,423	-	-	1,423
<b>Total Short Term Liabilities</b>	<b>15,896</b>	<b>138</b>	<b>-</b>	<b>16,034</b>
<b>TOTAL LIABILITIES</b>	<b>16,764</b>	<b>316</b>	<b>-</b>	<b>17,080</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>	<b>87,211</b>	<b>316</b>	<b>-</b>	<b>87,527</b>

The agreement between the commitments from operating leases as of 31st December 2018 (the commitments from operating leases are disclosed in Note 3.26 of the Annual Financial Statements as of 31st December 2018) and the liabilities from leases that were recognized on 1st January 2019, are as following:

<b>Commitments from Operating Leases</b>	<b>Group</b>	<b>Company</b>
<b>Commitments from operating leases as they have been disclosed on 31.12.2018</b>	<b>2,864</b>	<b>330</b>
Plus : commitments from operating leases on 31.12.2018	<b>16,268</b>	-
(Minus): short-term leases on 1.1.2019	<b>(116)</b>	-
(Minus): leases of fixed assets of non-significant value on 1.1.2019	<b>(100)</b>	-
<b>Liabilities from leases on 1.1.2019, non-discounted</b>	<b>18,916</b>	<b>330</b>
Discounting	<b>(236)</b>	<b>(14)</b>
<b>Liabilities from leases on 1.1.2019</b>	<b>18,680</b>	<b>316</b>
<b>Analyzed in:</b>		
Short-term liabilities from leases	6,076	138
Long-term liabilities from leases	12,604	178

The recognized right-of-use assets as of 30/06/2019 are analyzed as following:

<b>Right-of-use Assets</b>							
<b>Group 2019</b>	<b>Land Plots</b>	<b>Buildings and Technical Works</b>	<b>Machinery Equipment</b>	<b>Transportation Means</b>	<b>Furniture &amp; Other Equipment</b>	<b>Fixed Assets under Construction or Installation</b>	<b>Total</b>
<b>ACQUISITION COST</b>							
<b>Acquisition Cost 31.12.2018</b>	-	-	-	-	-	-	-
Adjustments due to IFRS 16 Note 2.3	-	1,744	49	620	-	-	2,413
Reclassifications from tangible fixed assets due to IFRS 16 Note 2.3	-	2,761	28,191	1,083	40	-	32,075
<b>Acquisition Cost 01.01.2019</b>	-	<b>4,505</b>	<b>28,240</b>	<b>1,703</b>	<b>40</b>	-	<b>34,488</b>
Additions	-	-	731	166	-	-	897
Sales - disposals	-	(980)	-	-	-	-	(980)
Foreign exchange difference	-	6	(32)	1	-	-	(25)
<b>Acquisition Cost 30.06.2019</b>	-	<b>3,531</b>	<b>28,939</b>	<b>1,870</b>	<b>40</b>	-	<b>34,380</b>
<b>DEPRECIATION</b>							
<b>Cumulative depreciation 31.12.2018</b>	-	-	-	-	-	-	-
Adjustments due to IFRS 16 Note 2.3	-	-	-	-	-	-	-
Reclassifications due to IFRS 16 Note 2.3	-	(610)	(6,987)	(49)	(2)	-	(7,648)
<b>Cumulative depreciation 01.01.2019</b>	-	<b>(610)</b>	<b>(6,987)</b>	<b>(49)</b>	<b>(2)</b>	-	<b>(7,648)</b>
Depreciation for the year	-	(209)	(1,545)	(217)	(4)	-	(1,975)
Sale - disposals	-	48	-	-	-	-	48
Foreign exchange difference	-	1	11	-	-	-	12
<b>Cumulative depreciation 30.06.2019</b>	-	<b>(770)</b>	<b>(8,521)</b>	<b>(266)</b>	<b>(6)</b>	-	<b>(9,563)</b>
<b>UNAMORTIZED VALUE</b>							
31.12.2018	-	3,895	21,253	1,654	38	-	26,840
<b>30.06.2019</b>	-	<b>2,761</b>	<b>20,418</b>	<b>1,604</b>	<b>34</b>	-	<b>24,817</b>

## ▶ 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 the following segments:

Technical Fabrics	Packaging	Other
Production and trade of technical fabrics for industrial and technical use.	Production and trade of packaging products, plastic bags, plastic boxes for packaging of food and paints and other packaging materials for agricultural use.	It includes the Agricultural activity and the business activity of the Parent company which apart from the investment activities it also provides Administrative – Financial – IT services to subsidiaries.

BALANCE SHEET OF 30.6.2019	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
<b>Total consolidated assets</b>	<b>220,407</b>	<b>106,438</b>	<b>85,537</b>	<b>(77,892)</b>	<b>334,490</b>

<b>INCOME STATEMENT FOR THE PERIOD FROM 1.1 – 30.06.2019</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>WRITE-OFF OF TRANS-ACTIONS BETWEEN SEGMENTS</b>	<b>GROUP</b>
Turnover	127,863	48,227	2,619	(7,584)	171,125
Cost of sales	(104,638)	(38,009)	(2,345)	7,516	(137,476)
<b>Gross profit</b>	<b>23,225</b>	<b>10,218</b>	<b>274</b>	<b>(68)</b>	<b>33,649</b>
Other operating income	872	280	(59)	(47)	1,046
Distribution expenses	(12,042)	(3,824)	-	(202)	(16,068)
Administrative expenses	(6,310)	(2,190)	(563)	281	(8,782)
Research and Development Expenses	(698)	(108)	-	-	(806)
Other operating expenses	(74)	(445)	(109)	5	(623)
Other Income / (Losses)	82	44	(1)	-	125
<b>Operating profit / (loss)</b>	<b>5,055</b>	<b>3,975</b>	<b>(458)</b>	<b>(31)</b>	<b>8,541</b>
Interest & other financial (expenses)/income	(1,282)	(789)	(322)	-	(2,393)
Income from dividends	-	-	-	-	-
(Profit) / loss from companies consolidated with the Equity method	79	358	6	-	443
<b>Total Earnings / (losses) before tax</b>	<b>3,852</b>	<b>3,544</b>	<b>(774)</b>	<b>(31)</b>	<b>6,591</b>
<b>Depreciations</b>	<b>4,728</b>	<b>2,864</b>	<b>159</b>	<b>-</b>	<b>7,751</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization</b>	<b>9,783</b>	<b>6,839</b>	<b>(299)</b>	<b>(31)</b>	<b>16,292</b>

BALANCE SHEET OF 31.12.2018	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANS-ACTIONS BETWEEN SEGMENTS	GROUP
<b>Total consolidated assets</b>	<b>212,325</b>	<b>96,690</b>	<b>87,050</b>	<b>(75,840)</b>	<b>320,225</b>

INCOME STATEMENT FOR THE PERIOD FROM 1.1 – 30.06.2018	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANS-ACTIONS 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)
<b>Gross profit</b>	<b>24,332</b>	<b>9,712</b>	<b>227</b>	<b>177</b>	<b>34,448</b>
Other operating income	566	400	14	(196)	784
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	(116)	(528)	(57)	-	(701)
Other Income / (Losses)	189	91	(1)	-	279
<b>Operating profit / (loss)</b>	<b>5,989</b>	<b>3,871</b>	<b>(221)</b>	<b>(77)</b>	<b>9,562</b>
Interest & other financial (expenses)/ income	(1,046)	(933)	(440)	-	(2,419)
(Earnings) / losses from participations	-	-	-	-	-
Income from dividends	-	-	-	-	-
(Profit) / loss from companies consolidated with the Equity method	232	258	(64)	-	426
<b>Total Earnings / (losses) before tax</b>	<b>5,175</b>	<b>3,196</b>	<b>(724)</b>	<b>(77)</b>	<b>7,569</b>
<b>Depreciations</b>	<b>4,056</b>	<b>2,580</b>	<b>77</b>	<b>-</b>	<b>6,713</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization</b>	<b>10,045</b>	<b>6,451</b>	<b>(144)</b>	<b>(77)</b>	<b>16,275</b>

### 3.2 Other Operating Income

Other Operating Income	GROUP		COMPANY	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Grants	43	1	-	-
Income from rents	269	250	-	-
Income from provision of services	96	112	-	-
Income from prototype materials	113	156	-	-
Reverse entry of not utilized provisions	34	5	8	-
Income from electric energy management programs	300	242	-	-
Other operating income	191	18	18	14
<b>Total</b>	<b>1,046</b>	<b>784</b>	<b>26</b>	<b>14</b>

### 3.3 Other Profit / Losses

Other Earnings / (Losses)	GROUP		COMPANY	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Earnings / (Losses) from the sale of fixed assets	85	94	1	-
Foreign Exchange Differences	40	185	(2)	(2)
<b>Total</b>	<b>125</b>	<b>279</b>	<b>(1)</b>	<b>(2)</b>

### 3.4 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	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Regular & day-wage employees	1,824	1,920	20	20

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

### 3.5 Other Operating Expenses

Other Operating Expenses	GROUP		COMPANY	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Provisions for doubtful receivables	(23)	184	-	-
Other taxes and duties non-incorporated in operating cost	82	115	-	13
Depreciations	8	28	-	-
Staff indemnities	195	22	101	-
Commissions / other bank expenses	76	46	-	-
Expenses for the purchase of prototype materials (maquettes)	169	211	-	-
Other operating expenses	116	95	8	44
<b>Total</b>	<b>623</b>	<b>701</b>	<b>109</b>	<b>57</b>

### 3.6 Financial Income /(Expenses)

#### 3.6.1 Financial Income

Financial Income	GROUP		COMPANY	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Interest and related income	2	(29)	-	-
Foreign exchange differences	343	931	-	-
<b>Total</b>	<b>345</b>	<b>902</b>	<b>-</b>	<b>-</b>
Income from dividends	-	-	-	-

#### 3.6.2 Financial Expenses

Financial Expenses	GROUP		COMPANY	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Debit interest and similar expenses	(2,150)	(2,207)	(322)	(435)
Foreign exchange differences	(229)	(756)	-	-
Financial result from Pension Plans	(359)	(359)	-	(5)
<b>Total</b>	<b>(2,738)</b>	<b>(3,322)</b>	<b>(322)</b>	<b>(440)</b>

### 3.7 Earnings per Share (Consolidated)

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

<b>Basic earnings per share (Consolidated)</b>	<b>30.6.2019</b>	30.6.2018
Earnings allocated to shareholders	<b>4,201</b>	5,333
Number of shares outstanding (weighted)	<b>43,737</b>	43,737
<b>Basic and adjusted earnings per share (Euro in absolute terms)</b>	<b>0.0961</b>	0.1219

**On June 30th, 2019, the Company held 4,324 treasury shares.**

### 3.8 Income Tax

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

<b>Income Tax</b>	<b>GROUP</b>		<b>COMPANY</b>	
	<b>30.6.2019</b>	30.6.2018	<b>30.6.2019</b>	30.6.2018
Income tax	<b>(2,231)</b>	(2,473)	-	-
Deferred tax (expense)/income	<b>(7)</b>	368	<b>(4)</b>	(13)
<b>Total</b>	<b>(2,238)</b>	<b>(2,105)</b>	<b>(4)</b>	<b>(13)</b>

From the fiscal year 2011 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 year 2018 for the Greek subsidiaries of the Group "THRACE PLASTICS CO SA", namely for the companies THRACE NONWOVENS & GEOSYNTHETICS SA, THRACE PLASTICS PACK SA, THRACE POLYFILMS SA, THRACE EUROBENT SA, EVISAK SA, which was conducted in accordance with the provisions of article 65a of L. 4172/2013, will be 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:

<b>Company</b>	<b>Tax un-audited fiscal years</b>
THRACE PLASTICS CO SA	2014-2018
THRACE NON WOVENS & GEOSYNTHETICS SA	2014-2018
THRACE PLASTICS PACK SA	2014-2018
THRACE POLYFILMS SA	2014-2018
THRACE PROTECT SINGLE PERSON I.K.E.	2017-2018
THRACE EUROBENT SA	2015-2018
THRACE GREENHOUSES SA	2014-2018
EVISAK SA	2014-2018

From the tax audits conducted in Thrace Plastics Pack SA for the fiscal years 2007 – 2009 which was completed in 2016 and in Thrace Nonwovens & Geosynthetics SA for the fiscal year ended in 2017, 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 appeal was rejected and the Company proceeded with an appeal to the Appellate Court by paying the full amount as per above. The Company awaits the final court decision whereas the entire payment of € 527 is treated as a claim from the Greek State and has been recorded in other receivables. The consolidated financial statements include a relevant provision of € 330.

- The Parent Company has formed provisions of € 174 with regard to potential 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	Company	Tax un-audited fiscal years
DON & LOW LTD	2016-2018	TRIERINA TRADING LTD	2014-2018
DON & LOW AUSTRALIA LTD	2015-2018	THRACE IPOMA A.D.	2013-2018
SYNTHETIC HOLDINGS LTD	2016-2018	THRACE PLASTICS PACKAGING D.O.O.	2014-2018
SYNTHETIC TEXTILES LTD	2016-2018	LUMITE INC.	2013-2018
SYNTHETIC PACKAGING LTD	2006-2018	THRACE LINQ INC.	2013-2018
THRACE POLYBULK A.B	2013-2018	ADFIRMATE LTD	2014-2018
THRACE POLYBULK A.S	2015-2018	PAREEN LTD	2014-2018
THRACE GREINER PACKAGING SRL.	2002-2018	SAEPE LTD	2014-2018
		THRACE ASIA LTD	2012-2018

### 3.9 Tangible Assets

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

Tangible Fixed Assets	Group	Company
<b>Balance 31.12.2018</b>	<b>135,963</b>	<b>412</b>
Change in accounting policy due to IFRS 16 note 2.3	(24,427)	-
<b>Balance 01.01.2019</b>	<b>111,536</b>	<b>412</b>
Additions	10,878	40
Sales	(815)	-
Depreciation	(5,549)	(30)
Depreciation of sold assets	748	-
FX differences	(12)	-
<b>Balance 30.06.2019</b>	<b>116,828</b>	<b>422</b>

<b>Tangible Fixed Assets</b>	<b>Group</b>	<b>Company</b>
<b>Balance 01.01.2018</b>	114,394	441
Additions	34,888	14
Sales-Destructions	(1,734)	(156)
Depreciation	(13,347)	(65)
Depreciation of sold assets	1,508	141
FX differences	218	-
Other changes	36	36
<b>Balance 31.12.2018</b>	<b>135,963</b>	<b>412</b>

There are no liens and guarantees on the Company's tangible fixed assets, while the liens on the Group's tangible assets amount to € 5,255.

### 3.10 Intangible Assets

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

<b>Intangible Assets</b>	<b>Group</b>	<b>Company</b>
<b>Balance 01.01.2019</b>	11,567	611
Additions	135	5
Amortization	(227)	(58)
FX differences	-	-
Other	15	-
<b>Balance 30.6.2019</b>	<b>11,490</b>	<b>558</b>

<b>Intangible Assets</b>	<b>Group</b>	<b>Company</b>
<b>Balance 01.01.2018</b>	11,424	687
Additions	615	27
Amortization	(456)	(103)
FX differences	(16)	-
Other	-	-
<b>Balance 31.12.2018</b>	<b>11,567</b>	<b>611</b>

### 3.11 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. The initial receivable amounting to € 11,291 for the Group and € 2,328 for the Company has been impaired in the previous years by € 6,412 for the Group and € 1,208 for the Company.

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).

Other Long-Term Receivables	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Grants receivable	<b>4,879</b>	4,879	<b>1,119</b>	1,119
Other accounts receivable	<b>163</b>	208	<b>49</b>	49
<b>Total</b>	<b>5,042</b>	<b>5,087</b>	<b>1,168</b>	<b>1,168</b>

### 3.12 Trade and Other Receivables

#### 3.12.1 Trade Receivables

Trade Receivables (Customers)	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Customers	<b>77,609</b>	60,288	<b>5,621</b>	5,207
Provisions for doubtful customers	<b>(6,702)</b>	(6,685)	<b>(2,363)</b>	(2,371)
<b>Total</b>	<b>70,907</b>	<b>53,603</b>	<b>3,258</b>	<b>2,836</b>

The Group's customers included notes and checks overdue of € 6,189 for the year 2018 and € 7,682 for the first half of 2019 respectively.

#### Classification of customer receivables

Receivables from customers consist of the amounts due from customers from the sale of products that occur during the normal operation of the Group. In general, credit terms range from 30 to 180 days and therefore customer receivables are classified as short-term. Receivables from customers are initially recognized in the transaction amount if the Group has the unconditional right to receive the transaction price. The Group holds the receivables from customers in order to collect the contractual cash flows and therefore measures them at amortized cost using the effective interest rate method. Details of the Group's impairment policies are given in note 2.9.

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.

### Fair value of receivables from customers

Given their short-term nature, the fair value of receivables approximates book value.

### Impairment of receivables from customers

For the accounting policy on impairment of receivables from customers, see note 2.9 in the Financial Statements of the year ended on 31/12/2018. For information on financial risk management, see note 3.21.

#### 3.12.2 Other receivables

Other receivables	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Debtors	1,566	2,737	4,088	4,524
Investment Grant Receivable (*)	2,257	2,257	-	-
Prepaid expenses (**)	3,002	2,849	168	92
Provisions for doubtful debtors	-	(19)	-	-
<b>Total</b>	<b>6,825</b>	<b>7,824</b>	<b>4,256</b>	<b>4,616</b>

\* It concerns a receivable in relation to Law 3299/2004 of the subsidiary company Thrace Plastics Pack concerning a completed investment.

\*\* The prepaid expenses mainly concern receivable from grants of the Greek State, other taxes prepayments apart from the income tax, and other provisions.

### 3.13 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 1%-4% and Libor plus a margin of 2%. The book value of loans approaches their fair value on 30 June 2019.

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

Debt	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Long-term loans	21,272	18,209	-	-
Financial leases *	10,004	10,927	-	-
Liabilities related to rights-of-use assets**	697	-	<b>109</b>	-
<b>Total long-term loans</b>	<b>31,973</b>	29,136	<b>109</b>	-
Long-term debt payable in the next year	3,717	4,185	-	-
Short-term loans	65,432	62,524	<b>15,104</b>	14,117
Liabilities related to rights-of-use assets *	5,411	5,341	-	-
Liabilities related to rights-of-use assets **	638	-	<b>176</b>	-
<b>Total short-term loans</b>	<b>75,198</b>	<b>72,050</b>	<b>15,280</b>	<b>14,117</b>
<b>Grand Total</b>	<b>107,171</b>	<b>101,186</b>	<b>15,389</b>	<b>14,117</b>

\* It concerns financial leases signed by the Group and recognized according to IAS 17.

\*\* It concerns right-of-use assets recognized due to the adoption of IFRS 16.

Short-term loans include an amount of € 3,960 which relates to a Factoring agreement of Thrace Plastics Company with ABC Factors, which has been received by the aforementioned subsidiary and corresponds to non-reinsured customers.

### 3.14 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:

<b>Employee Benefits</b>	<b>Group</b>		<b>Company</b>	
	<b>30.6.2019</b>	30.6.2018	<b>30.6.2019</b>	30.6.2018
Defined contribution plans – Not financed	<b>2,286</b>	2,268	<b>177</b>	195
Defined contribution plans – Financed	<b>14,508</b>	13,200	-	-
<b>Total provision at the end of the year</b>	<b>16,794</b>	<b>15,468</b>	<b>177</b>	<b>195</b>

### 3.14.1 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.

<b>Defined contribution plans – Not self financed</b>	<b>Group</b>		<b>Company</b>	
	<b>30.6.2019</b>	30.6.2018	<b>30.6.2019</b>	30.6.2018
<b>Amounts recognized in the balance sheet</b>				
Present value of liabilities	2,286	2,268	177	195
<b>Net liability recognized in the balance sheet</b>	<b>2,286</b>	<b>2,268</b>	<b>177</b>	<b>195</b>
<b>Amounts recognized in the results</b>				
Cost of current employment	37	96	2	6
Net interest on the liability / (asset)	27	35	2	4
Recognition of termination service cost	<b>(15)</b>	520	-	(67)
<b>Changes in the Net Liability recognized in Balance Sheet</b>				
Net liability / receivable at the beginning of period	2,268	2,555	195	257
Benefits paid from the employer - other	(31)	(965)	(22)	-
Total expense recognized in the account of results	49	651	4	(57)
Total amount recognized in the Net Worth	-	<b>27</b>	-	<b>(5)</b>
<b>Net liability at the end of year</b>	<b>2,286</b>	<b>2,268</b>	<b>177</b>	<b>195</b>

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	Greek Companies		Thrace Ipoma AD	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Discount rate	1.80%	1.80%	1.00 %	1.00 %
Inflation	1.50%	1.50%	2.80 %	2.80 %
Average annual increase of personnel salaries	1.50%	1.50%	5.00 %	5.00 %
Duration of liabilities	15.69 years	15.69 years	12.7 years	12.7 years

### 3.14.2 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	Όμιλος	
	30.6.2019	31.12.2018
<b>Amounts recognized in the balance sheet</b>		
Present value of liabilities	148,165	137,851
Fair value of the plan's assets	(133,657)	(124,651)
<b>Net liability recognized in the balance sheet</b>	<b>14,508</b>	<b>13,200</b>
<b>Asset allocation *</b>		
Mutual Funds - Shares	14,396	13,420
Mutual Funds - Bonds	68,864	64,219
Diversified Growth Funds	46,509	44,986
Other	3,889	2,026
<b>Total</b>	<b>133,658</b>	<b>124,651</b>
<b>Changes in the Net Liability recognized in Balance Sheet</b>		
Net liability / (receivable) at the beginning of year	13,200	13,292
Benefits paid from the employer / Other	(458)	(1,812)
Total expense recognized in the account of results	343	1,528
Total amount recognized in the Net Worth	1,488	301
Foreign exchange differences	(66)	(109)
<b>Net liability / (receivable) at the end of year</b>	<b>14,508</b>	<b>13,200</b>

\* 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	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Discount rate	2.80%	2.80%	2.60%	2.60%
Inflation	3.25%	3.25%	2.50%	2.50%
Average annual increase of personnel salaries	3.5%	3.5%	2.50%	2.50%
Duration of liabilities	17 years	17 years	11 years	11 years

### 3.15 Suppliers & Other Short-Term Liabilities

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

#### 3.15.1 Suppliers

Suppliers	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Suppliers	47,271	40,163	556	356
<b>Total</b>	<b>47,271</b>	<b>40,163</b>	<b>556</b>	<b>356</b>

#### 3.15.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	30.6.2019	30.6.2018	30.6.2019	30.6.2018
Sundry creditors	3,637	3,601	316	358
Liabilities from taxes and social security organizations	3,664	5,313	352	396
Dividends payable	64	56	62	55
Customer advances	1,096	1,122	-	-
Personnel fees payable	1,181	2,201	50	448
Accrued expenses – Other accounts payable	6,765	5,840	411	166
<b>Total Short-Term Liabilities</b>	<b>16,407</b>	<b>18,133</b>	<b>1,191</b>	<b>1,423</b>

The fair value of the liabilities approaches the book values.

Customer advance payments refer to a Group's obligation to deliver products to third parties. Revenue will be recognized in the results when the order is delivered. Revenue accruing to prepaid customer advances has been recognized in the current year.

### 3.16 Dividend

Based on decision of the annual Ordinary General Meeting of shareholders as of 18th June 2019, it was approved the distribution (payment) of dividend from the earnings of 2018 as well as from the earnings of previous years. Specifically, the Meeting approved the distribution of an amount of 1,944,000 Euros (gross amount), or 0.044443 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 0.044447 Euro. From the above amount, the corresponding tax of 10% on the dividend was withheld (according to the article 40, paragraph 1 of Law 4172/2013 as it is in effect following the amendment by Law 4603/2019), and therefore the final payable amount of dividend settled at 0.040023 Euro per share.

### 3.17 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 1/1/2019 – 30/6/2019 have been conducted according to market terms and in the context of the ordinary business activities.

The transactions with the subsidiaries, joint ventures and related companies during the period 1/1/2019– 30/6/2019 according to the IAS 24 are presented below:

<b>Income</b>	<b>1.1 – 30.6.2019</b>		<b>1.1 - 30.6.2018</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	2,575	-	2,492
Joint Ventures	3,194	31	-	-
Related Companies	6	-	3,315	31
<b>Total</b>	<b>3,200</b>	<b>2,606</b>	<b>3,315</b>	<b>2,523</b>

<b>Expenses</b>	<b>1.1 – 30.6.2019</b>		<b>1.1 - 30.6.2018</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	33	-	15
Joint Ventures	754	-	-	-
Related Companies	445	189	909	92
<b>Total</b>	<b>1,199</b>	<b>222</b>	<b>909</b>	<b>107</b>

<b>Trade and other receivables</b>	<b>1.1 – 30.6.2019</b>		<b>1.1 - 30.6.2018</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	7,269	-	6,648
Joint Ventures	3,246	121	2,419	500
Related Companies	25	-	120	82
<b>Total</b>	<b>3,271</b>	<b>7,391</b>	<b>2,539</b>	<b>7,230</b>

<b>Suppliers and Other Liabilities</b>	<b>1.1 – 30.6.2019</b>		<b>1.1 - 30.6.2018</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	1,083	-	82
Joint Ventures	129	19	39	19
Related Companies	314	203	46	22
<b>Total</b>	<b>443</b>	<b>1,305</b>	<b>85</b>	<b>123</b>

<b>Long-term Liabilities</b>	<b>1.1 – 30.6.2019</b>		<b>1.1 - 30.6.2018</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	381	-	401
Joint Ventures	-	34	-	44
Related Companies	79	79	-	-
<b>Total</b>	<b>79</b>	<b>494</b>	<b>-</b>	<b>445</b>

The "Subsidiaries" include all companies consolidated with "Thrace Plastics Group" via the full consolidation method. The "Joint Ventures" include those consolidated with the equity method.

<b>BoD Fees</b>	<b>1.1 – 30.6.2019</b>		<b>1.1 - 30.6.2018</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
<b>BoD Fees</b>	<b>2,109</b>	<b>719</b>	<b>2,308</b>	<b>835</b>

The Company has granted guarantees to banks against credit lines for the account of its subsidiaries. On 30.06.2019, the outstanding amount of the loans for which the Company had granted guarantees accounted for € 76,890 and is analyzed as follows on per subsidiary basis.

<b>Guarantees in favor of Subsidiaries</b>	<b>30.6.2019</b>
Thrace Nonwovens & Geosynthetics S.A.	25,407
DON & LOW	15,884
Thrace Greenhouses SA	2,716
Thrace Plastics Pack SA	15,668
Thrace Polyfilms	9,219
Synthetic Holdings	7,996

### 3.18 Participations

#### 3.18.1 Participation in companies consolidated with the full consolidation method

The value of the Company's participations in the subsidiaries, as of 30 June 2019, is as follows:

<b>Companies consolidated with the full consolidation method</b>	<b>30.6.2019</b>	<b>31.12.2018</b>
DON & LOW LTD	33,953	33,953
ΠΛΑΣΤΙΚΑΘΡΑΚΗΣΡΑΚΑ,Β,Ε,Ε,	15,508	15,508
THRACE NONWOVENS & GEOSYNTHETICS A,B,E,E,	5,710	5,710
SYNTHETIC HOLDINGS LTD	11,728	11,728
THRACE POLYFILMS	3,418	3,418
<b>Total</b>	<b>70,316</b>	<b>70,316</b>

#### 3.18.2 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. According to IFRS 11, the companies are consolidated according to the Equity method. The parent Company holds direct business interests of 50.91% in Thrace Greenhouses SA with a value of € 3,615 and of 51% in Thrace Eurobent SA with a value of € 204 on

30/06/2019. The company Thrace Greiner Packaging SRL is 50% owned by Thrace Plastics Pack SA whereas Lumite Inc is 50% owned by Synthetic Holdings LTD.

Company	Country of Activities	Business Activity	Percentage of Group
Thrace Greiner Packaging SRL	Romania	The company activates in the production of plastic boxes for food products and paints and belongs to the packaging sector. The company's shares are not listed.	<b>46.47%</b>
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.	<b>50.00%</b>
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.	<b>50.91%</b>
Thrace Eurobent S.A.	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.	<b>51.00%</b>

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 – 30.6.2019	1.1 - 31. 12.2018
<b>Balance at beginning</b>	<b>13,356</b>	<b>12,839</b>
Share capital increase (Thrace Greenhouses)	815	-
Participation in profit / (losses) of joint ventures	443	856
Dividends	(832)	(624)
Foreign exchange differences and other reserves	(21)	285
<b>Balance at end</b>	<b>13,761</b>	<b>13,356</b>

### 3.19 Commitments and Contingent Liabilities

On 30 June 2019, there are no significant legal issues pending that may have a material effect in the financial position of the Companies in the Group.

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

### 3.20 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, 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 credit risk to which the Group and the Company are exposed is the likelihood that a counterparty will cause financial loss to the Group and the Company as a result of the breach of its contractual obligations.

The maximum credit risk to which the Group and the Company are exposed at the date of preparation of the financial statements is the book value of their financial assets. In order to address credit risk, the Group consistently applies a clear credit policy, which is monitored and evaluated on an ongoing basis so that the credit granted does not exceed the credit limit per customer. Client sales insurance policies are also concluded per customer and no tangible guarantees on the assets

of clients are required.

In order to monitor credit risk, customers are grouped according to the category they belong to, their credit risk characteristics, the maturity of their receivables and any previous receivables that they have demonstrated, taking into account future factors as well as the economic environment.

#### ● Impairment

The Group and the Company, in the financial assets that are subject to the new model of expected credit losses, include receivables from customers and other financial assets.

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.

### **3.21.3 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.

The short-term liabilities are renewed upon maturity since they are part of the approved credit lines from the banking institutions.

### **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. With the objective to hedge the currency risk in relation to trade receivables in foreign currency, the Group's management according to its judgment signs loan agreements for an equivalent amount.

### **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.

Capital Adequacy Risk	Group		Company	
	30.6.2019*	30.6.2018	30.6.2019*	30.6.2018
Long-term debt	31,973	29,136	109	-
Short-term debt	75,198	72,050	15,280	14,117
<b>Total debt</b>	<b>107,171</b>	<b>101,186</b>	<b>15,389</b>	<b>14,117</b>
Minus cash & cash equivalents	16,090	22,824	557	3,172
<b>Net debt</b>	<b>91,081</b>	<b>78,362</b>	<b>14,832</b>	<b>10,945</b>
<b>EQUITY</b>	<b>142,632</b>	<b>141,615</b>	<b>67,787</b>	<b>70,447</b>
<b>NET BANK DEBT / EQUITY</b>	<b>0.64</b>	<b>0.55</b>	<b>0.22</b>	<b>0.16</b>

\* The bank debt of the current period was burdened with an amount of € 1,335 for the Group and € 285 for the Company respectively due to the adoption of the IFRS 16.

### 3.22 Significant Events

#### ● Decisions of the Annual Ordinary General Meeting of Shareholders on 18th May 2019

The shareholders approved, among other, the distribution (payment) of dividend from the earnings of 2018 as well as from the earnings of previous years. Specifically, the Meeting approved the distribution of an amount of 1,944,000 Euros (gross amount), or 0.044443 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 0.044447 Euro. From the above amount, the corresponding tax of 10% on the dividend was withheld (according to the article 40, paragraph 1 of Law 4172/2013 as it was amended by Law 4603/2019), and therefore the final payable amount of dividend settled at 0.040023 Euro per share.

### 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.

**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 17 September 2019 and is signed by the representatives of such.**

**The Chairman and Chief  
Executive Officer**

**The Group CFO and  
member of the Board of  
Directors**

**The Head Accountant**

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## v. ONLINE AVAILABILITY OF FINANCIAL REPORT

The Interim Condensed Financial Information of the company THRACE PLASTICS CO S.A. is available on the internet, on the website [www.thracegroup.gr](http://www.thracegroup.gr).



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 **THRACE GROUP**