

THRACE PLASTICS CO S.A.

INTERIM FINANCIAL INFORMATION

1.1-31.3.2020

IN ACCORDANCE WITH THE INTERNATIONAL
FINANCIAL REPORTING STANDARDS

General Commerce Reg. No. 12512246000

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 **THRACE GROUP**

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INTERIM FINANCIAL INFORMATION

STATEMENTS

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STATEMENT OF RESULTS AND OTHER COMPREHENSIVE INCOME (01.01.2020 – 31.03.2020)

	Note	Group		Company	
		1/1 - 31/03/2020	1/1 - 31/03/2019	1/1 - 31/03/2020	1/1 - 31/03/2019
Turnover		78,401	83,574	1,220	1,275
Cost of Sales		(60,881)	(66,795)	(1,077)	(1,081)
Gross Profit/(loss)		17,520	16,779	143	194
Other Operating Income	3.3	355	402	9	8
Selling Expenses		(8,082)	(7,921)	-	-
Administrative Expenses		(4,078)	(4,230)	(262)	(239)
Research and Development Expenses		(426)	(349)	-	-
Other Operating Expenses	3.4	(674)	(264)	-	-
Other profit / (losses)	3.5	117	139	5	(1)
Operating Profit / (loss) before interest and tax		4,732	4,556	(105)	(38)
Financial Income	3.6	487	141	-	-
Financial Expenses	3.6	(1,150)	(1,441)	(129)	(159)
Income from Dividends		-	-	-	-
Profit / (losses) from companies consolidated with the Equity Method	3.20	41	(192)	-	-
Profit / (Losses) from Participations		-	-	-	-
Profit/(loss) before Tax		4,110	3,064	(234)	(197)
Income Tax	3.8	(1,220)	(971)	1	-
Profit/(loss) after tax (A)		2,890	2,093	(233)	(197)
Other comprehensive income					
Items transferred to the results					
FX differences from translation of foreign Balance Sheets		(2,548)	1,824	-	-
Items not transferred to the results					
Actuarial profit/(loss)		4,356	(5,777)	-	-
Other comprehensive income after taxes (B)		1,808	(3,953)	-	-
Total comprehensive income after taxes (A) + (B)		4,698	(1,860)	(233)	(197)
Profit / (loss) after tax (A)					
<u>Attributed to:</u>					
Owners of the parent		2,789	2,038	-	-
Minority interest		101	55	-	-
Total comprehensive income after taxes (A) + (B)					
<u>Attributed to:</u>					
Owners of the parent		4,599	(1,910)	-	-
Minority interest		99	50	-	-
Profit/(loss) allocated to shareholders per share (A)					
Number of shares		43,737	43,737	-	-
Earnings/(loss) per share	3.7	0.0638	0.0466	-	-

The accompanying notes that are presented in pages 9-38 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31/3/2020	31/12/2019	31/3/2020	31/12/2019
ASSETS					
Non-Current Assets					
Tangible fixed assets	3.10	122,236	123,210	386	398
Rights-of-use assets	3.11	13,879	14,972	132	176
Investment property		113	113	-	-
Intangible Assets	3.13	11,096	11,350	477	503
Participation in subsidiaries	3.20	-	-	73,858	73,858
Participation in joint ventures	3.20	14,184	14,547	3,819	3,819
Other long term receivables	3.14	5,091	5,091	1,167	1,168
Deferred tax assets		874	833	709	708
Total non-Current Assets		167,473	170,116	80,548	80,630
Current Assets					
Inventories		57,073	59,158	-	-
Income tax prepaid		391	588	38	32
Trade receivables	3.15	63,173	57,428	2,385	2,838
Other debtors	3.15	7,801	7,844	4,151	4,254
Fixed assets held for sale	3.12	6,311	6,155	-	-
Cash and Cash Equivalents		30,700	22,051	208	505
Total Current Assets		165,449	153,224	6,782	7,629
TOTAL ASSETS		332,922	323,340	87,330	88,259
EQUITY AND LIABILITIES					
Equity					
Share Capital		28,869	28,869	28,869	28,869
Share premium		21,524	21,524	21,644	21,644
Other reserves		22,086	24,632	14,214	14,214
Retained earnings		75,492	68,353	5,783	6,016
Total Shareholders' equity		147,971	143,378	70,510	70,743
Minority Interest		3,070	2,971	-	-
Total Equity		151,041	146,349	70,510	70,743
Long Term Liabilities					
Long Term loans	3.16	50,929	52,871	4,000	4,000
Liabilities from leases	3.11	3,492	4,439	17	43
Provisions for Employee Benefits	3.17	9,581	15,252	218	215
Other provisions		36	36	438	382
Deferred Tax Liabilities		3,338	2,507	-	-
Other Long Term Liabilities		90	93	1	1
Total Long Term Liabilities		67,466	75,198	4,674	4,641
Short Term Liabilities					
Short Term loans	3.16	53,834	43,496	11,096	11,098
Liabilities from leases	3.11	4,521	4,773	118	156
Income Tax		1,960	1,076	-	56
Suppliers	3.18	38,962	36,187	313	297
Other short-term liabilities	3.18	15,138	16,261	619	1,268
Total Short Term Liabilities		114,415	101,793	12,146	12,875
TOTAL LIABILITIES		181,881	176,991	16,820	17,516
TOTAL EQUITY & LIABILITIES		332,922	323,340	87,330	88,259

The accompanying notes that are presented in pages 9-38 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY

Group

	Share Capital	Share Premium	Other Reserves	Treasury shares reserve	Reserve of FX differences from translation of subsidiaries	Retained earnings	Total before minority interest	Minority interest	Total
Balance as at 01/01/2019	28,869	21,524	31,493	(10)	(11,189)	68,248	138,935	2,680	141,615
Balance as at 01/01/2019	28,869	21,524	31,493	(10)	(11,189)	68,248	138,935	2,680	141,615
Profit / (losses) for the period	-	-	-	-	-	2,038	2,038	55	2,093
Other comprehensive income	-	-	-	-	1,824	(5,772)	(3,948)	(5)	(3,953)
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(6)	(6)	-	(6)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	1,824	(3,740)	(1,916)	50	(1,866)
Balance as at 31/03/2019	28,869	21,524	31,493	(10)	(9,365)	64,508	137,019	2,730	139,749
Balance as at 01/01/2020	28,869	21,524	33,596	(10)	(8,954)	68,353	143,378	2,971	146,349
Profit / (losses) for the period	-	-	-	-	-	2,789	2,789	101	2,890
Other comprehensive income	-	-	-	-	(2,546)	4,356	1,810	(2)	1,808
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(6)	(6)	-	(6)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	(2,546)	7,139	4,593	99	4,692
Balance as at 31/03/2020	28,869	21,524	33,596	(10)	(11,500)	75,492	147,971	3,070	151,041

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Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY (continues from previous page)

Company

	Share Capital	Share Premium	Other Reserves	Treasury shares reserve	Reserve of FX differences from translation of subsidiaries	Retained earnings	Total
Balance as at 01/01/2019	28,869	21,644	14,207	(10)	16	5,720	70,446
Balance as at 01/01/2019	28,869	21,644	14,207	(10)	16	5,720	70,446
Profit / (losses) for the period	-	-	-	-	-	(197)	(197)
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Changes in percentages	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Spin-off	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	-	(197)	(197)
Balance as at 31/03/2019	28,869	21,644	14,207	(10)	16	5,523	70,249
Balance as at 01/01/2020	28,869	21,644	14,208	(10)	16	6,016	70,743
Profit / (losses) for the period	-	-	-	-	-	(233)	(233)
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	-	(233)	(233)
Balance as at 31/03/2020	28,869	21,644	14,208	(10)	16	5,783	70,510

The accompanying notes that are presented in pages 9-38 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CASH FLOWS

	Note	Group		Company	
		1/1 - 31/03/2020	1/1 - 31/03/2019	1/1 - 31/03/2020	1/1 - 31/03/2019
Cash flows from Operating Activities					
Profit before Taxes and Minority Interest		4,110	3,064	(234)	(197)
<i>Plus / (minus) adjustments for:</i>					
Depreciation		4,388	3,833	72	80
Provisions		1,612	479	156	217
FX differences		(259)	(117)	1	1
(Profit)/loss from sale of fixed assets		140	(22)	(5)	-
Dividends		-	-	-	-
(Profit) / losses from investments		-	-	-	-
Debit interest and related (income) / expenses		663	1,310	129	159
(Profit) / losses from companies consolidated with the Equity method		(41)	193	-	-
Operating Profit before adjustments in working capital		10,613	8,740	119	260
(Increase)/decrease in receivables		(5,905)	(9,145)	546	(111)
(Increase)/decrease in inventories		1,093	(1,844)	-	-
Increase/(decrease) in liabilities (apart from banks-taxes)		(459)	1,614	(783)	(691)
Other non cash movements		(5)	1,004	2	2
Cash generated from Operating activities		5,337	369	(116)	(540)
Interest Paid		(809)	(857)	(126)	(162)
Other financial income/(expenses)		(48)	(104)	(3)	(5)
Taxes		(570)	(383)	-	-
Cash flows from operating activities (a)		3,910	(975)	(245)	(707)
Investing Activities					
Receipts from sales of tangible and intangible assets		104	-	(5)	(45)
Interest received		2	4	-	-
Dividends received		99	119	-	-
Increase of interests in subsidiaries / associates		-	(815)	-	(815)
Investment grants		-	-	-	-
Purchase of tangible and intangible assets		(3,725)	(5,557)	18	-
Increase in cash due to acquisition of a subsidiary		-	-	-	-
Cash due to change in the consolidation of subsidiary		-	-	-	-
Cash flow from investing activities (b)		(3,520)	(6,249)	13	(860)
Financing activities					
Increase of participations in subsidiaries / associates		-	-	-	-
Collections from subsidies - grants		-	-	-	-
Proceeds from loans		10,996	4,290	-	36
Purchase of treasury stock		-	-	-	-
Repayment of Loans		(1,296)	(392)	(1)	-
Financial leases		(1,201)	(1,167)	(64)	-
Dividends paid		-	-	-	-
Cash flow from financing activities (c)		8,499	2,731	(65)	36
Net increase /(decrease) in Cash and Cash Equivalents		8,889	(4,493)	(297)	(1,531)
Cash and Cash Equivalents at beginning of period		22,051	22,824	505	3,172
Effect from changes in foreign exchange rates on cash reserves		(240)	367	-	-
Cash and Cash Equivalents at end of period		30,700	18,698	208	1,641

The accompanying notes that are presented in pages 9-38 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

▶ 1. Information about the Group

The company THRACE PLASTICS CO S.A. (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 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 services.

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, Greece, since June 26, 1995.

The company's shareholders, with equity

stakes above 5%, as of 31/03/2020 were the following:

Chalioris Konstantinos	43.29%
Chaliori Eyfimia	20.85%

The Group maintains production and trade facilities in Greece, United Kingdom, Ireland, Sweden, Norway, Serbia, Bulgaria, U.S.A. and Romania. On 31st March 2020, the Group employed in total 1,611 employees, from which 923 in Greece.

The structure of the Group along with the participation percentages as of 31st March 2020 was as follows:

Company	Registered Offices	Participation Percentage of Parent Company	Participation Percentage of Group	Consolidation Method
Thrace Plastics CO S.A.	GREECE-Xanthi	Parent	-	Full
Don & Low LTD	SCOTLAND-Forfar	100.00%	100.00%	Full
Don & Low Australia Pty LTD	AUSTRALIA	-	100.00%	Full
Thrace Nonwovens & Geosynthetics S.A.	GREECE-Xanthi	100.00%	100.00%	Full
Saepe Ltd	CYPRUS-Nicosia	-	100.00%	Full
Thrace Asia	HONG KONG	-	100.00%	Full
Thrace China	CHINA – Shanghai	-	100.00%	Full
Thrace Protect S.M.P.C.	GREECE-Xanthi	-	100.00%	Full
Thrace Plastics Pack S.A.	GREECE-Ioannina	92.94%	92.94%	Full
Thrace Greiner Packaging SRL	ROMANIA - Sibiu	-	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	-	92.83%	Full
Synthetic Holdings LTD	N. IRELAND-Belfast	100.00%	100.00%	Full
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
Thrace Polyfilms S.A.	GREECE - Xanthi	100.00%	100.00%	Full
Thrace Greenhouses S.A.	GREECE - Xanthi	50.91%	50.91%	Equity
Thrace Eurobent S.A.	GREECE - Xanthi	51.00%	51.00%	Equity

▶ 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 31st March 2020. The basic accounting principles that were applied for the preparation of the Interim Condensed Financial Information are the same as those applied for the preparation of the financial statements for the year ended on 31 December 2019 and are included in such.

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

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

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

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.thrace-group.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 01/01/2020 or subsequent years. The Group's assessment regarding the effect of these new standards, amendments to standards and interpretations is presented below.

STANDARDS AND INTERPRETATIONS MANDATORY FOR THE CURRENT FINANCIAL YEAR

IFRS 3 (Amendments) "Definition of Business Combination"

The new definition focuses on the concept of a company's return in the form of provision of services and goods towards cus-

tomers. 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.

IAS 1 and IAS 8 (Amendments)

«Definition of material»

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.

IFRS 9, IAS 39 and IFRS 7(Amendments)

“Interest Rate Benchmark Reform”

The amendments change certain requirements regarding risk accounting in order to facilitate the possible effects of uncertainty caused by the change in benchmark rates. In addition, the amendments require companies to provide additional information to investors about their hedging relationships, which are directly affected by these uncertainties.

Standards and Interpretations effective for subsequent financial years.

IFRS 17 «Insurance Contracts» *(effective for annual periods beginning on or after 1 January 2023)*

IFRS 17 was issued in May 2017 and replaces IFRS 4. IFRS 17 establishes the principles for the recognition, measurement and presentation of insurance policies within the scope of the standard and dis-

closures. 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.

IAS 1 (Amendment) “Classification of Liabilities as Short-term or Long-term” *(effective for annual periods beginning on or after 1 January 2022)*

The amendment clarifies that the liabilities are classified as short-term or long-term based on the rights in force at the end of the reference period. The classification is not affected by the entity's expectations or events after the reference date. In addition, the amendment clarifies the importance of the term «settlement» of a liability of IAS 1. The amendment has not yet been adopted by the European Union.

▶ 3. Notes on the Financial Statements

3.1 Developments and Performance of the Group

Results of the Group	1.1 – 31.3.2020	1.1 - 31.03.2019	% Change
Turnover	78,401	83,574	-6.2%
Gross Profit	17,520	16,779	4.4%
Gross Profit Margin	22.3%	20.1%	
Operating Profit /(loss) before interest and tax (EBIT)*	4,732	4,556	3.9%
EBIT Margin*	6.0%	5.5%	
Total Profit / (loss) before interest, taxes, depreciation and amortization (EBITDA)*	9,120	8,389	8.7%
EBITDA Margin*	11.6%	10.0%	
Adjusted Total Profit / (loss) before interest, taxes, depreciation and amortization (Adjusted EBITDA)*	9,521	8,389	13.5%
Adjusted EBITDA Margin*	12.1%	10.0%	
Profit / (losses) before taxes (EBT)	4,110	3,064	34.1%
Profit after tax and minority interests (EATMI)	2,789	2,038	36.8%
EATMI Margin	3.6%	2.4%	
Earnings per share (in Euros)	0.0638	0.0466	36.8%

* **Definitions and Agreement of Alternative Performance Measures (APM)**

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

Alternative Performance Measures

For the review of Group's developments and performance, 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 minus Cost of Sales 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 minus Cost of

Sales 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.

Adjusted EBITDA (the adjusted figure of operating earnings before financial and investment activities, depreciation / amortization, impairments and taxes)

The Adjusted EBITDA equals with the EBITDA after restructuring expenses, merger and acquisition expenses and other non-recurring expenses have been deducted.

The Adjusted EBITDA (%) margin is calculated by dividing the Adjusted EBITDA by the total turnover.

Gross Profit Margin

The Gross Profit margin (%) is calculated by dividing the Gross Profit by the total turnover.

EATMI Margin (Profits after Taxes and Minority Interests)

The EATMI Margin (%) is calculated by dividing the EATMI by the total turnover.

3.2 Segment reporting

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

The Group's operating segments are as follows:

Technical Fabrics	Packaging	Other
 <p>Production and trade of technical fabrics for industrial and technical use.</p>	 <p>Production and trade of packaging products, plastic bags, plastic boxes for packaging of food and paints and other packaging materials for agricultural use.</p>	 <p>The category "Other" includes Thrace Greenhouses SA, which is owned by 50.91% by the Group and is consolidated according to the equity method, and also the Parent Company which apart from the investment activities is also providing Administrative – Financial – IT services to its subsidiaries.</p>

BALANCE SHEET OF 31.3.2020	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Total consolidated assets	209,784	114,835	87,235	(78,932)	332,922

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 31.3.2020	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Turnover	56,155	23,757	1,220	(2,731)	78,401
Cost of sales	(44,743)	(17,744)	(1,077)	2,683	(60,881)
Gross profit	11,412	6,013	143	(48)	17,520
Other operating income	327	41	15	(28)	355
Distribution expenses	(5,951)	(2,013)	-	(118)	(8,082)
Administrative expenses	(3,041)	(928)	(265)	156	(4,078)
Research and Development Expenses	(341)	(85)	-	-	(426)
Other operating expenses	(393)	(286)	3	2	(674)
Other Income / (Losses)	146	(28)	(1)	-	117
Operating profit / (loss)	2,159	2,714	(105)	(36)	4,732
Interest & related (expenses)/ income	(183)	(358)	(129)	7	(663)
(Profit) / loss from companies consolidated with the Equity method	175	142	(276)	-	41
Total Earnings / (losses) before tax	2,151	2,498	(510)	(29)	4,110
Depreciations	2,859	1,456	73	-	4,388
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	5,018	4,170	(32)	(36)	9,120

BALANCE SHEET OF 31.12.2019	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Total consolidated assets	211,121	103,865	88,441	(80,087)	323,340

INCOME STATEMENT FOR THE PERIOD FROM 1.1 - 31.3.2019	TECHNICAL FABRICS	PACKAGING	OTHER	WRITE-OFF OF TRANSACTIONS BETWEEN SEGMENTS	GROUP
Turnover	63,790	23,175	1,275	(4,666)	83,574
Cost of sales	(51,977)	(18,410)	(1,081)	4,673	(66,795)
Gross profit	11,813	4,765	194	7	16,779
Other operating income	278	179	9	(64)	402
Distribution expenses	(5,971)	(1,775)	-	(175)	(7,921)
Administrative expenses	(3,143)	(1,079)	(240)	232	(4,230)
Research and Development Expenses	(299)	(50)	-	-	(349)
Other operating expenses	(23)	(242)	-	1	(264)
Other Income / (Losses)	148	(8)	(1)	-	139
Operating profit / (loss)	2,803	1,790	(38)	1	4,556
Interest & related (expenses)/income	(743)	(398)	(159)	-	(1,300)
(Profit) / loss from companies consolidated with the Equity method	(46)	116	(262)	-	(192)
Total Earnings / (losses) before tax	2,014	1,508	(459)	1	3,064
Depreciations	2,331	1,424	79	(1)	3,833
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	5,134	3,214	41	-	8,389

3.3 Other Operating Income

Other Operating Income	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Grants	18	18	-	-
Income from rents	174	130	-	-
Income from provision of services	-	-	-	-
Income from prototype materials	9	51	-	-
Reverse entry of not unutilized provisions	5	11	-	8
Income from electric energy management programs	69	148	-	-
Other operating income	80	44	9	-
Total	355	402	9	8

3.4 Other operating expenses

Other Operating Expenses	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Provisions for doubtful customers	112	81	-	-
Other taxes and duties non-incorporated in operating cost	45	38	-	-
Depreciation / Amortization	71	3	-	-
Personnel's indemnities	22	4	-	-
Commission fees / other banking expenses	21	20	-	-
Expenses for the purchase of maquettes	13	75	-	-
Other operating expenses	92	43	-	-
Sub Total	376	264	-	-
Extraordinary and non recurring expenses	298	-	-	-
Total	674	264	-	-

3.5 Other Income / Losses

Other Income / (Losses)	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Profit / (Losses) from sale of fixed assets	(139)	22	5	-
Foreign Exchange Differences	256	117	-	(1)
Total	117	139	5	(1)

3.6 Financial income/(expenses)

3.6.1 Financial Income

Financial Income	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Interest and related income	10	1	-	-
Foreign exchange differences	477	140	-	-
Total	487	141	-	-

3.6.2 Financial Expenses

Financial Expenses	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Debit interest and similar expenses	(890)	(1,018)	(129)	(157)
Foreign exchange differences	(77)	(235)	-	-
Interest on rights for the year	(5)	(8)	-	(2)
Financial result from Pension Plans	(178)	(180)	-	-
Total	(1,150)	(1,441)	(129)	(159)

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 period under consideration, after the deduction of any treasury shares held.

Basic earnings per share (Consolidated)	31.3.2020	31.3.2019
Earnings allocated to shareholders	2,789	2,038
Number of shares outstanding (weighted)	43,737	43,737
Basic and adjusted earnings per share (Euro in absolute terms)	0.0638	0.0466

As of 31st March 2020, the Company held 4,324 treasury shares.

3.8 Income Tax

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

Income Tax	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Income tax	(1,247)	(1,000)	-	-
Deferred tax (expense)/income	27	29	1	-
Total	(1,220)	(971)	1	-

3.9 Number of Employees

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

Number of employees	Group		Company	
	31.3.2020	31.3.2019	31.3.2020	31.3.2019
Regular employees - Day-wage employees	1,611	1,865	20	20

3.10 Tangible Fixed Assets

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

Tangible Fixed Assets	Group	Company
Balance as at 01.01.2020	123,210	398
Additions	4,319	2
Sales	(883)	(5)
Depreciation	(3,595)	(14)
Depreciation of sold assets	627	5
Transfer from fixed assets with right of use	413	-
FX differences	(1,855)	-
Balance as at 31.3.2020	122,236	386

Tangible Fixed Assets	Group	Company
Balance as at 31.12.2018	135,963	412
Change in accounting policy IFRS 16	(24,428)	-
Balance as at 1.1.2019	111,535	412
Additions	22,126	50
Sales	(5,989)	-
Depreciation	(13,004)	(64)
Depreciation of sold assets	5,338	-
FX differences	2,170	-
Transfer from fixed assets with right of use	8,364	-
Impairments	(1,175)	-
Transfers to assets held for sale	(6,155)	-
Balance as at 31.12.2019	123,210	398

There are no liens and guarantees on the Company's tangible fixed assets, while the liens on the Group's tangible assets amount to € 5,305.

3.11 Leases

The Group by applying the IFRS 16 recognizes assets with regard to all leasing contracts with duration over 12 months, unless the underlying asset is of non-significant value.

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

Assets with right of use	Group	Company
Balance 01.01.2020	14,972	176
Additions	76	19
Reductions	(31)	(42)
Depreciation	(692)	(21)
Transfer to fixed assets	(413)	-
Foreign exchange difference	(33)	-
Balance 31.3.2020	13,879	132

Assets with right of use	Group	Company
Balance 01.01.2019	-	-
Adjustments due to IFRS 16	2,412	316
Reclassifications from tangible fixed assets due to IFRS 16	24,428	-
Balance 01.01.2019	26,841	316
Additions	644	-
Reductions	(977)	-
Depreciation	(3,186)	(140)
Transfer to fixed assets	(8,364)	-
Foreign exchange difference	13	-
Balance 31.12.2019	14,972	176

The consolidated and separate statement of financial position includes the following amounts related to lease liabilities:

Liabilities from Leasing	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Short-term liabilities from leasing	4,521	4,773	118	156
Long-term liabilities from leasing	3,492	4,439	17	43
Total Liabilities from Leasing	8,013	9,212	135	199

The above amounts include leases for buildings, cars, machinery, printers and other equipment that were recognized due to the application of IFRS 16. These amounts for the Group amount to € 1,121 for 2020 and € 1,333 for 2019. For the Company the amounts settled at € 135 and € 199 respectively.

3.12 Fixed assets held for sale

It is the industrial property of Thrace Linq which the management of the Group has decided to sell. This property is included in the technical fabrics unit.

3.13 Intangible Assets

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

Intangible Assets	Group	Company
Balance 01.01.2020	11,350	503
Additions	-	-
Amortization	(100)	(26)
FX differences	(160)	-
Other	6	-
Balance 31.3.2020	11,096	477

Intangible Assets	Group	Company
Balance 01.01.2019	11,567	611
Additions	351	9
Impairments	(256)	-
Amortization	(423)	(117)
Impairments of amortization	99	-
FX differences	12	-
Balance 31.12.2019	11,350	503

3.14 Other Long-Term Receivables

Due to delays observed in the collection of grants receivable from the Greek State over the last years, the Group reclassified the aggregate Greek State related receivable from the current to the non-current assets and also proceeded with an impairment of the above claims.

The receivable was formed due to a 12% grant on the payroll cost concerning the personnel employed in Xanthi and is to be collected from OAED.

Other Long-Term Receivables	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Grants receivable	4,879	4,879	1,119	1,119
Other accounts receivable	212	212	48	49
Total	5,091	5,091	1,167	1,168

3.15 Trade and other receivables

3.15.1 Trade Receivables

Trade Receivables	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Customers	69,797	63,969	4,732	5,185
Provisions for doubtful debts	(6,624)	(6,541)	(2,347)	(2,347)
Total	63,173	57,428	2,385	2,838

The fair value of the receivables approaches their book value.

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

3.15.2 Other receivables

Other receivables	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Debtors	2,431	2,717	4,077	4,075
Investment Grant Receivable *	2,257	2,257	-	-
Prepaid expenses **	3,113	2,870	74	179
Provisions for doubtful debtors	-	-	-	-
Total	7,801	7,844	4,151	4,254

* It concerns a grant receivable of Law 3299/2004 of the subsidiary Thrace Plastics Pack concerning an implemented investment.

** Accrued expenses mainly concern mainly the receivable for government subsidies, advance payments of taxes other than income tax and other provisions.

3.16 Bank Debt – Net Debt

3.16.1 Bank Debt

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

The Group's short term loans have been granted from various banks with interest rates of Euribor plus a margin.

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

Bank Debt	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Long-term loans	50,929	52,871	4,000	4,000
Total long-term loans	50,929	52,871	4,000	4,000
Long-term debt payable in the next year	9,036	9,125	-	-
Short-term loans	44,798	34,371	11,096	11,098
Total short-term loans	53,834	43,496	11,096	11,098
Grand Total	104,763	96,367	15,096	15,098

3.16.2 Net Debt

Net Debt	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Bank debt	104,763	96,367	15,096	15,098
Liabilities from leases	8,013	9,212	135	199
Total Debt	112,776	105,579	15,231	15,297
Minus: Cash equivalents	(30,700)	(22,051)	(208)	(505)
Net Debt	82,076	83,528	15,023	14,792

3.17 Employee Benefits

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

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

Employee Benefits	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Defined contribution plans – Not self financed	2,621	2,599	218	215
Defined benefit plans – Self financed	6,960	12,653	-	-
Total provision at the end of the year	9,581	15,252	218	215

3.17.1 Defined contribution plans – Not self financed

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

Defined contribution plans – Not self financed	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Amounts recognized in the balance sheet				
Present value of liabilities	2,621	2,599	218	215
Net liability recognized in the balance sheet	2,621	2,599	218	215
Amounts recognized in the results				
Cost of current employment	16	93	2	5
Net interest on the liability / (asset)	10	40	1	3
Recognition of termination service cost	(4)	-	-	-
Changes in the Net Liability recognized in Balance Sheet				
Net liability / receivable at the beginning of period	2,599	2,268	215	195
Benefits paid from the employer - Other	-	(476)	-	(102)
Total expense recognized in the account of results	20	501	2	88
Total amount recognized in the Net Worth	2	306	1	34
Net liability at the end of period	2,621	2,599	218	215

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	Greek Companies		Thrace Ipoma AD	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Discount rate	0.80%	0.80%	0.60%	0.60%
Inflation	1.16%	1.16%	3.80%	3.80%
Average annual increase of personnel salaries	1.16%	1.16%	5%	5%
Duration of liabilities	15.7 years	15.6 years	12.8 years	12.8 years

3.17.2 Defined Benefit Plans – Self financed

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

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

Defined Benefit Plans – Self financed	Group	
	31.3.2020	31.12.2019
Amounts recognized in the balance sheet		
Present value of liabilities	134,410	154,901
Fair value of the plan's assets	(127,450)	(142,248)
Net liability recognized in the balance sheet	6,960	12,653
Amounts recognized in the results		
Cost of current employment	174	147
Net interest on the liability / (asset)	-	684
Recognition of termination service cost	-	-
Total expense in the results	174	831
Asset allocation*		
Equity Funds	12,990	15,765
Mutual Funds	71,756	72,615
Diversified Growth Funds	40,162	50,752
Other	2,541	3,116
Total	127,449	142,248
Changes in the Net Liability recognized in Balance Sheet		
Net liability / (receivable) at the beginning of year	12,653	13,200
Contributions from employer - employees	(232)	(1,134)
Total expense recognized in the account of results	174	831
Total amount recognized in the Net Worth	(5,276)	(886)
Foreign exchange differences	(359)	642
Net liability / (asset) at the end of year	6,960	12,653

* 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	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Discount rate	2.40%	2.00%	2.30%	2.30%
Inflation	2.47%	2.86%	1.50%	1.50%
Average annual increase of personnel salaries	2.47%	2.86%	2.25%	2.25%
Duration of liabilities	17 years	17 years	11 years	11 years

The reduction of deficit (liability) in the current fiscal year is mainly due to the higher discount rate of Don & Low LTD.

3.18 Suppliers and Other Short-Term Liabilities

The following tables present the analysis of suppliers and other short-term liabilities.

3.18.1 Suppliers

Suppliers	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Suppliers	38,962	36,187	313	297
Total	38,962	36,187	313	297

3.18.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Sundry creditors	3,103	2,943	4	60
Liabilities from taxes and pensions	2,675	4,717	165	387
Dividends payable	64	64	62	62
Customer prepayments	1,318	1,034	-	-
Personnel salaries payable	1,056	2,272	50	484

Other Short-Term Liabilities	Group		Company	
	31.3.2020	31.12.2019	31.3.2020	31.12.2019
Accrued expenses – Other accounts payable	6,922	5,231	338	274
Total short-term liabilities	15,138	16,261	619	1,268

The fair value of the liabilities approaches the book values

3.19 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 1/1/2020–31/3/2020 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 according to the IFRS 24 are presented below.

Income	1.1 – 31.3.2020		1.1 - 31.3.2019	
	Group	Company	Group	Company
Subsidiaries	-	1,197	-	1,253
Joint Ventures	1,842	29	1,819	15
Related Companies	3	-	3	-
Total	1,845	1,226	1,822	1,268

Expenses	1.1 – 31.3.2020		1.1 - 31.3.2019	
	Group	Company	Group	Company
Subsidiaries	-	6	-	15
Joint Ventures	104	-	366	-
Related Companies	272	130	341	103
Total	376	136	707	118

Trade and other receivables	31.3.2020		31.12.2019	
	Group	Company	Group	Company
Subsidiaries	-	6,365	-	6,833
Joint Ventures	2,898	66	1,980	50
Related Companies	34	26	27	26
Total	2,932	6,457	2,007	6,909

Suppliers and Other Liabilities	31.3.2020		31.12.2019	
	Group	Company	Group	Company
Subsidiaries	-	1,017	-	1,173
Joint Ventures	58	-	42	19
Related Companies	145	89	44	3
Total	203	1,106	86	1,195

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

3.20 Participations

3.20.1 Participation in companies consolidated with the full consolidation method

The value of the Company's participations in the subsidiaries, as of 31st March 2020, is as follows:

Companies consolidated with the full consolidation method	31.3.2020	31.12.2019
DON & LOW LTD	37,495	37,495
THRACE PLASTICS PACK SA	15,508	15,508
THRACE NON WOVENS & GEOSYNTHETICS SA	5,710	5,710
SYNTHETIC HOLDINGS LTD	11,728	11,728
THRACE POLYFILMS	3,418	3,418
Total	73,858	73,858

3.20.2 Participation in companies consolidated with the equity method

The following table presents the companies in which the management is jointly controlled with another shareholder with the right to participate in their net assets. The companies are consolidated according to the Equity method in line with the provisions of IFRS 11.

The parent Company holds direct business interest 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 31/03/2020. The company Thrace Greiner Packaging SRL is 50% owned by Thrace Plastics Pack SA whereas Lumite Inc is 50% owned by Synthetic Holdings LTD.

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

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

Interests in companies consolidated with the equity method	1.1 – 31.3.2020	1.1 - 31.12.2019
Balance at beginning	14,547	13,356
Share capital increase (Thrace Greenhouses)	-	815
Participation in profit / (losses) of joint ventures	41	1,166
Dividends	(544)	(809)
Foreign exchange differences and other reserves	140	20
Balance at end	14,184	14,547

3.21 Commitments and Contingent Liabilities

On 31 March 2020, there are no significant legal issues pending where the final resolution of which may have a material effect on 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.

3.22 Significant Events



Macroeconomic Environment and the Impact of COVID-19

The worldwide spread of COVID-19 pandemic, during the first quarter of 2020, has affected both the business environment and the internal operations of the Group. The Group has set up a structured action plan in a timely and effective manner to address the potential impact of the COVID-19 pandemic in all of its countries of activity, with the primary and main goal of ensuring the health and safety of its employees which, by the way, has been achieved to a maximum degree. The internal operation of the Group has remained unaffected, given the fact that the implementation of the action plan to ensure the health of employees, combined with the utilization of the available technological tools, contributed to the smooth continuation of business activities.

On the macroeconomic and financial level, the volatility of the business environment, along with the development of the course of pandemic, are risk factors which the Group constantly evaluates. The overall impact of the pandemic on the economies of the countries in which the Group operates as well as the duration of the recession or the timing of the respective recovery remains uncertain. The gradual lifting of restrictive measures is creating, in principle, a gradual increase in demand, but it is not clear whether this trend will continue.

At the same time, the respective governments, both at the national level and more broadly on the level of European Union, have taken and continue to take measures to support local economies and restart their economies.

To date, the Group does not face any significant impact from the adverse and uncertain conditions created by the pandemic. Regarding its product portfolio, it still includes products with lower than expected sales, mainly related to the sectors with currently limited activity (e.g. catering, tourism), which however are being offset by the increase in sales of products related to health, personal protection and food packaging, products that continue to be in high demand. The timely focus on these products, according to the needs of the markets, as well as the internal reorganization that has been implemented in the last two years have significantly contributed to the improvement of the Group's results.

The framework and the broader action plan developed by the Group's Management since the beginning of the pandemic, remain in full implementation to this day, having been considered a complete success and yielding at the same time the expected results in all areas of operation, always with primary concern the health and safety of the Group's employees.

Global conditions in relation to the macroeconomic environment and demand remain uncertain, whereas the same stands for their economic impact in the near future. The Management of the Group constantly evaluates the current situation and its possible effects, in order to ensure that

all necessary and possible measures are taken in time to limit any potential effect on its business activities, and in order to ensure the necessary liquidity and more broadly the uninterrupted business of the Group..

Change in the Composition of the Board of Directors

The Board of Directors of the Company, during its meeting held on 10.01.2020, accepted the resignation of Mr. Georgios Braimis, Executive Member of the Board of Directors, who left the Group and submitted his resignation as executive member of the Board of Directors. During the same meeting on 10.01.2020, the Board of Direc-

tors decided in accordance with article 8 of the Company's Articles of Association and article 82, par. 2 of Law 4548/2018 the non-immediate replacement of above member and the continuation of the management and representation of the Company by the remaining members of the Board of Directors.

Change of Senior Executives

By decision of the Board of Directors of March 20th, 2020, Mr. Dimitris Malamos, Executive Member of the Board of Directors, took over the duties of Deputy CEO of the Group (Deputy Group CEO). Mr. Malamos, who has held the position of Group CFO since 2010, has many years of experience in financial analysis and internal restructuring, has demonstrated his administrative and managerial skills and at the same time has gained deep knowledge and experience about the organization, operation and business activities of the Company and the Group.

The position of Group CFO was assumed by

Mr. Dimitrios Fragkou, Certified Accountant (member of ACCA), who for many years held managerial positions in a well-known auditing company and has significant and valuable expertise in providing financial, auditing and consulting services. This expertise will be further used to improve the organization, efficiency and operation of the relevant Divisions and Departments of the Company and the Group. Mr. Fragkou is a graduate of the Department of Business Administration and holds a Master's degree in Accounting and Finance from the Athens University of Economics and Business.

Group Restructuring

Further implementing the internal restructuring plan within the financial year 2020, the Group decided the following:

- The transfer of the second production line of non-woven fabrics (needle

punch) from the 100% subsidiary Thrace Linq Inc. which is headquartered in South Carolina, USA, to the 100% subsidiary Thrace Nonwovens & Geosynthetics, based in Magiko of Xanthi,

Greece, in order to strengthen the production capacity of the subsidiary and thus expand its sales growth potential. The transfer of the production line started in April 2020 and its installation will be completed within the second half of 2020. Following the above, the final termination of the operations of Thrace Linq Inc. was also approved whereas it was decided that the US geotextiles market would be served by the Group's facilities in Europe and by Lumite Inc., which is the Group's joint venture in the United States. The Management considers that the above action will strongly contribute to the improvement of the Group's profitability.

- The sale of the industrial property where Thrace Linq Inc. is housed. The Management has already taken the necessary actions towards this direction.

- The liquidation of Thrace China and its parent company (Thrace Asia). The liquidation will be completed within the year. The latter company operates as the sales offices Thrace Nonwovens & Geosynthetics in the Chinese market, with extremely limited activity in recent years, as most of the sales in the Asian market are made directly by Thrace Nonwovens & Geosynthetics. Therefore, the Group's Management decided to suspend the operation of this office. The parent company's, SAEPE LTD, participation value in the above companies settled at € 631 and there was also an intra-group receivable of € 30. The participation and the receivable will be impaired by 100%.

It is noted that this impairment charge will not affect the results of the Group but only the results of the subsidiary SAEPE LTD.

New production line of protective masks

Thrace Plastics Group has been active in the production of non-woven polypropylene fabrics, which are used as raw materials by manufacturers of surgical masks and other protective medical products. This activity takes place in the production facilities of the Group's subsidiaries in Xanthi and Forfar in Scotland. Due to the COVID pandemic, the above products are in increased demand. In this context, the Group has decided each of the above subsidiaries to give priority to the supply of these products to local manufacturers of surgical masks and other protective medical products in the Greek market and that of the UK respectively.

In addition, with the possibility of utilizing its existing production facilities and infra-

structure as well as its strong know-how in this field, the Group made an unplanned investment of 200 thousand Euros in order to add the required mechanical equipment for the production of Type I, Type II and Type IIR surgical masks.

The purpose of this decision was, on the one hand, to take advantage of a profitable business opportunity and, on the other hand, to make a significant social contribution.

The new production line has already been installed in the Group's production facilities in Xanthi and its production capacity is expected to reach approximately 100 thousand masks per day.

Distribution of Dividend for the Financial Year 2019

The Board of Directors of the Company intends to propose to the General Meeting a dividend distribution, however, taking into account the extraordinary conditions created as a result of Covid-19 and the uncertainty regarding their future impact on

the Group's financial results, the Board will reconsider its position until the convening of the General Meeting, depending on the conditions that will have been formed at the time.

3.23 Events after the Balance Sheet Date

New investment from Don & Low Ltd in Meltblown fabric production line

The Management of the Company has decided to invest in the 100% subsidiary Don & Low Ltd, based in Forfar, Scotland, GBP 4.5 million for the purchase and installation of mechanical equipment for the production of meltblown material which will be used for production of all types of masks, from surgical masks to FFP2 and FFP3 masks. The new production line is expected to be operational in September.

To implement the investment, Don & Low agreed with Scottish Enterprise to finance 80% of the investment. Funding will be returned to Scottish Enterprise within the next five years depending on the company's sales volume during that time.

Donation of surgical masks

The Board of Directors of Thrace Plastics Group decided to support our fellow human beings who do not have the financial means to procure the masks necessary for

their protection, donating 50% of the production of surgical masks in May and June to Social Welfare Institutions and other social groups.

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

3.24 Online availability of financial report

The Interim Condensed Financial Information of the Company "THRACE PLASTICS CO SA" has been uploaded on the Internet, at the domain www.thracegroup.gr.

The Interim Condensed Financial Information has been prepared in accordance with the International Accounting Standard 34 "Interim Financial Reporting", was approved by the Board of Directors on May 26th, 2020 and is signed by the Company's representatives.

**The Chairman and Chief
Executive Officer**

The Deputy CEO

The Head Accountant

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 **THRACE GROUP**