

THRACE PLASTICS CO S.A.

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# INTERIM FINANCIAL INFORMATION

01.01-30.09.2020

IN ACCORDANCE WITH THE INTERNATIONAL  
FINANCIAL REPORTING STANDARDS

**General Commerce Reg. No. 12512246000**

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 **THRACE GROUP**



## INTERIM CONDENSED FINANCIAL INFORMATION FOR THE PERIOD 01.01.2020 – 30.09.2020

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## STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2020 – 30.09.2020)

	Note	Group		Company	
		1/1 - 30/09/2020	1/1 - 30/09/2019	1/1 - 30/09/2020	1/1 - 30/09/2019
Turnover		<b>253,729</b>	230,497	<b>3,723</b>	3,875
Cost of Sales		<b>(176,390)</b>	(181,940)	<b>(3,377)</b>	(3,310)
<b>Gross Profit/(loss) - continuing operations</b>		<b>77,339</b>	48,557	<b>346</b>	565
Other Operating Income	3.4	<b>816</b>	927	<b>78</b>	27
Selling Expenses		<b>(22,776)</b>	(21,986)	-	-
Administrative Expenses		<b>(11,575)</b>	(11,232)	<b>(901)</b>	(893)
Research and Development Expenses		<b>(1,058)</b>	(1,163)	-	-
Other Operating Expenses	3.7	<b>(3,390)</b>	(1,343)	<b>(98)</b>	(110)
Other gain / (loss)	3.5	<b>29</b>	1,128	<b>3</b>	(2)
<b>Operating Profit / (loss) before interest and tax - continuing operations</b>		<b>39,385</b>	14,888	<b>(572)</b>	(413)
Financial Income	3.8	<b>557</b>	673	-	-
Financial Expenses	3.8	<b>(3,322)</b>	(3,943)	<b>(291)</b>	(477)
Income from Dividends		-	-	<b>6,046</b>	-
Profit / (loss) from companies consolidated with the Equity Method	3.22	<b>1,789</b>	1,314	-	-
Profit / (Loss) from Participations		-	-	-	-
<b>Profit/(loss) before Tax - continuing operations</b>		<b>38,409</b>	12,932	<b>5,183</b>	(890)
<b>Income Tax</b>	3.10	<b>(9,489)</b>	(3,542)	<b>(563)</b>	(4)
<b>Profit/(loss) after tax (A) - continuing operations</b>		<b>28,920</b>	9,390	<b>4,620</b>	(894)
<b>Profit/(loss) after tax (A) - discontinued operations</b>	3.2	<b>(3,421)</b>	(1,147)	-	-
<b>Profit/(loss) after tax (A)</b>		<b>25,499</b>	8,243	4,620	(894)
FX differences from translation of foreign Balance Sheets		<b>(3,858)</b>	612	-	-
Actuarial profit/(loss)		<b>(494)</b>	(6,489)	-	-
<b>Other comprehensive income after taxes (B) - continuing operations</b>		<b>(4,352)</b>	(5,877)	-	-
FX differences from translation of foreign Balance Sheets		<b>22</b>	120	-	-
Actuarial profit/(loss)		-	-	-	-
<b>Other comprehensive income after taxes (B) - discontinued operations</b>		<b>22</b>	120	-	-
FX differences from translation of foreign Balance Sheets		<b>(3,836)</b>	732	-	-
Actuarial profit/(loss)		<b>(493)</b>	(6,489)	-	-
<b>Other comprehensive income after taxes (B)</b>		<b>(4,329)</b>	(5,757)	-	-
<b>Total comprehensive income after taxes (A) + (B) - continuing operations</b>		<b>24,568</b>	3,513	<b>4,620</b>	(894)
<b>Total comprehensive income after taxes (A) + (B) - discontinued operations</b>		<b>(3,399)</b>	(1,027)	-	-
<b>Total comprehensive income after taxes (A) + (B)</b>		<b>21,170</b>	2,486	<b>4,620</b>	(894)

The accompanying notes that are presented in pages 12-54 form an integral part of the present financial statements.

	Group		Company	
	1/1 - 30/09/2020	1/1 - 30/09/2019	1/1 - 30/09/2020	1/1 - 30/09/2019
<b>Continuing operations</b>				
<b>Profit / (loss) after tax</b>				
<u>Attributed to:</u>				
Owners of the parent	28,368	9,147	-	-
Minority interest	552	243	-	-
<b>Total comprehensive income after taxes</b>				
<u>Attributed to:</u>				
Owners of the parent	24,021	3,275	-	-
Minority interest	547	238	-	-
<b>Discontinued operations</b>				
<b>Profit / (loss) after tax</b>				
<u>Attributed to:</u>				
Owners of the parent	(3,421)	(1,147)	-	-
Minority interest	-	-	-	-
<b>Total comprehensive income after taxes</b>				
<u>Attributed to:</u>				
Owners of the parent	(3,399)	(1,027)	-	-
Minority interest	-	-	-	-
<b>Total Operations</b>				
<b>Profit / (loss) after tax</b>				
<u>Attributed to:</u>				
Owners of the parent	24,947	8,000	-	-
Minority interest	552	243	-	-
<b>Total comprehensive income after taxes</b>				
<u>Attributed to:</u>				
Owners of the parent	20,622	2,248	-	-
Minority interest	547	238	-	-
<b>Profit/(loss) allocated to shareholders per share - continuing operations</b>				
Number of shares		43,673	43,737	
Earnings/(loss) per share	3.9	0.6496	0.2091	
<b>Profit/(loss) allocated to shareholders per share - discontinued operations</b>				
Number of shares		43,673	43,737	
Earnings/(loss) per share	3.9	(0.0783)	(0.0262)	
<b>Profit/(loss) allocated to shareholders per share</b>				
Number of shares		43,673	43,737	
Earnings/(loss) per share	3.9	0.5712	0.1829	

The accompanying notes that are presented in pages 12-54 form an integral part of the present financial statements.

## STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2020 – 30.09.2020)

	Group		Company	
	Note 1/7 - 30/09/2020	1/7 - 30/09/2019	1/7 - 30/09/2020	1/7 - 30/09/2019
Turnover	98,353	75,324	1,154	1,273
Cost of Sales	(63,155)	(59,207)	(1,293)	(908)
<b>Gross Profit/(loss) - continuing operations</b>	<b>35,198</b>	<b>16,117</b>	<b>(139)</b>	<b>365</b>
Other Operating Income	546	140	3	1
Selling Expenses	(8,010)	(7,111)	-	-
Administrative Expenses	(4,039)	(3,596)	(379)	(387)
Research and Development Expenses	(325)	(388)	-	-
Other Operating Expenses	(1,604)	(711)	1	(1)
Other gain / (loss)	(115)	1,003	(1)	(1)
<b>Operating Profit /(loss) before interest and tax - continuing operations</b>	<b>21,651</b>	<b>5,454</b>	<b>(515)</b>	<b>(23)</b>
Financial Income	158	329	-	-
Financial Expenses	(1,092)	(1,209)	(17)	(155)
Income from Dividends	-	-	1,046	-
Profit / (loss) from companies consolidated with the Equity Method	837	871	-	-
Profit / (Loss) from Participations	-	-	-	-
<b>Profit/(loss) before Tax - continuing operations</b>	<b>21,554</b>	<b>5,445</b>	<b>514</b>	<b>(178)</b>
<b>Income Tax</b>	<b>(5,464)</b>	<b>(1,310)</b>	<b>(549)</b>	<b>-</b>
<b>Profit/(loss) after tax (A) - continuing operations</b>	<b>16,090</b>	<b>4,135</b>	<b>(35)</b>	<b>(178)</b>
<b>Profit/(loss) after tax (A) - discontinued operations</b>	<b>(612)</b>	<b>(245)</b>	<b>-</b>	<b>-</b>
<b>Profit/(loss) after tax (A)</b>	<b>15,478</b>	<b>3,890</b>	<b>(35)</b>	<b>(178)</b>
FX differences from translation of foreign Balance Sheets	(652)	718	-	-
Actuarial profit/(loss)	692	(5,221)	-	-
<b>Other comprehensive income after taxes (B) - continuing operations</b>	<b>40</b>	<b>(4,503)</b>	<b>-</b>	<b>-</b>
FX differences from translation of foreign Balance Sheets	112	107	-	-
Actuarial profit/(loss)	-	-	-	-
<b>Other comprehensive income after taxes (B) - discontinued operations</b>	<b>112</b>	<b>107</b>	<b>-</b>	<b>-</b>
FX differences from translation of foreign Balance Sheets	(540)	825	-	-
Actuarial profit/(loss)	693	(5,221)	-	-
<b>Other comprehensive income after taxes (B)</b>	<b>153</b>	<b>(4,396)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income after taxes (A) + (B) - continuing operations</b>	<b>16,130</b>	<b>(368)</b>	<b>(35)</b>	<b>(178)</b>
<b>Total comprehensive income after taxes (A) + (B) - discontinued operations</b>	<b>(500)</b>	<b>(138)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income after taxes (A) + (B)</b>	<b>15,631</b>	<b>(506)</b>	<b>(35)</b>	<b>(178)</b>

The accompanying notes that are presented in pages 12-54 form an integral part of the present financial statements.

	Group		Company	
	1/7 - 30/09/2020	1/7 - 30/09/2019	1/7 - 30/09/2020	1/7 - 30/09/2019
<b>Continuing operations</b>				
<b>Profit / (loss) after tax</b>				
<u>Attributed to:</u>				
Owners of the parent	15,538	3,892	-	-
Minority interest	552	243	-	-
<b>Total comprehensive income after taxes</b>				
<u>Attributed to:</u>				
Owners of the parent	15,583	(606)	-	-
Minority interest	547	238	-	-
<b>Discontinued operations</b>				
<b>Profit / (loss) after tax</b>				
<u>Attributed to:</u>				
Owners of the parent	(612)	(245)	-	-
Minority interest	-	-	-	-
<b>Total comprehensive income after taxes</b>				
<u>Attributed to:</u>				
Owners of the parent	(500)	(138)	-	-
Minority interest	-	-	-	-
<b>Total Operations</b>				
<b>Profit / (loss) after tax</b>				
<u>Attributed to:</u>				
Owners of the parent	14,926	3,647	-	-
Minority interest	552	243	-	-
<b>Total comprehensive income after taxes</b>				
<u>Attributed to:</u>				
Owners of the parent	15,083	(744)	-	-
Minority interest	(9,192)	(3,963)	-	-
<b>Profit/(loss) allocated to shareholders per share - continuing operations</b>				
Number of shares	43,673	43,737		
Earnings/(loss) per share	0.3558	0.0890		
<b>Profit/(loss) allocated to shareholders per share - discontinued operations</b>				
Number of shares	43,673	43,737		
Earnings/(loss) per share	(0.0140)	(0.0056)		
<b>Profit/(loss) allocated to shareholders per share</b>				
Number of shares	43,673	43,737		
Earnings/(loss) per share	0.3418	0.0834		

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## STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30/9/2020	31/12/2019	30/9/2020	31/12/2019
<b>ASSETS</b>					
<b>Non-Current Assets</b>					
Tangible fixed assets	3.11	130,315	123,210	366	398
Rights-of-use assets	3.12	13,199	14,972	87	176
Investment property		113	113	-	-
Intangible Assets	3.14	10,635	11,350	426	503
Participation in subsidiaries		-	-	73,858	73,858
Participation in joint ventures	3.22	15,404	14,547	3,819	3,819
Other long term receivables	3.15	5,074	5,091	1,154	1,168
Deferred tax assets		695	833	146	708
<b>Total non-Current Assets</b>		<b>175,435</b>	<b>170,116</b>	<b>79,856</b>	<b>80,630</b>
<b>Current Assets</b>					
Inventories		55,695	59,158	-	-
Income tax prepaid		538	588	51	32
Trade receivables	3.16	68,407	57,428	231	2,838
Other debtors	3.16	7,354	7,844	150	4,254
Fixed assets held for sale	3.13	5,760	6,155	-	-
Cash and Cash Equivalents		35,287	22,051	532	505
<b>Total Current Assets</b>		<b>173,041</b>	<b>153,224</b>	<b>964</b>	<b>7,629</b>
<b>TOTAL ASSETS</b>		<b>348,476</b>	<b>323,340</b>	<b>80,820</b>	<b>88,259</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		20,728	24,632	13,957	14,214
Retained earnings		90,491	68,353	8,524	6,016
<b>Total Shareholders' equity</b>		<b>161,612</b>	<b>143,378</b>	<b>72,994</b>	<b>70,743</b>
Minority Interest		3,438	2,971	-	-
<b>Total Equity</b>		<b>165,050</b>	<b>146,349</b>	<b>72,994</b>	<b>70,743</b>
<b>Long Term Liabilities</b>					
Long Term loans	3.17	45,528	52,871	-	4,000
Liabilities from leases		3,019	4,439	28	43
Provisions for Employee Benefits	3.19	14,780	15,252	191	215
Other provisions		12	36	336	382
Deferred Tax Liabilities		2,399	2,507	-	-
Other Long Term Liabilities		3,306	93	1	1
<b>Total Long Term Liabilities</b>		<b>69,044</b>	<b>75,198</b>	<b>556</b>	<b>4,641</b>
<b>Short Term Liabilities</b>					
Short Term loans	3.17	23,667	43,496	5,000	11,098
Liabilities from leases		3,319	4,773	59	156
Income Tax		8,568	1,076	56	56
Suppliers	3.20	39,690	36,187	271	297
Other short-term liabilities	3.20	39,138	16,261	1,884	1,268
<b>Total Short Term Liabilities</b>		<b>114,382</b>	<b>101,793</b>	<b>7,270</b>	<b>12,875</b>
<b>TOTAL LIABILITIES</b>		<b>183,426</b>	<b>176,991</b>	<b>7,826</b>	<b>17,516</b>
<b>TOTAL EQUITY &amp; LIABILITIES</b>		<b>348,476</b>	<b>323,340</b>	<b>80,820</b>	<b>88,259</b>

The accompanying notes that are presented in pages 12-54 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 01/01/2019</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	-	-	-	-	-	8,000	8,000	243	8,243
Other comprehensive income	-	-	-	-	732	(6,484)	(5,752)	(5)	(5,757)
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(1,944)	(1,944)	-	(1,944)
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	43	43	-	43
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	732	(385)	347	238	585
<b>Balance as at 30/09/2019</b>	<b>28,869</b>	<b>21,524</b>	<b>31,493</b>	<b>(10)</b>	<b>(10,457)</b>	<b>67,863</b>	<b>139,282</b>	<b>2,918</b>	<b>142,200</b>
<b>Balance as at 01/01/2020</b>	<b>28,869</b>	<b>21,524</b>	<b>33,596</b>	<b>(10)</b>	<b>(8,954)</b>	<b>68,353</b>	<b>143,378</b>	<b>2,971</b>	<b>146,349</b>
Profit / (losses) for the period	-	-	-	-	-	24,947	24,947	552	25,499
Other comprehensive income	-	-	-	-	(3,831)	(493)	(4,324)	(5)	(4,329)
Distribution of earnings	-	-	296	-	-	(296)	-	-	-
Dividends	-	-	-	-	-	(2,000)	(2,000)	(80)	(2,080)
Changes in percentages	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(20)	(20)	-	(20)
Purchase of treasury shares	-	-	-	(369)	-	-	(369)	-	(369)
Changes during the period	-	-	296	(369)	(3,831)	22,138	18,234	467	18,701
<b>Balance as at 30/09/2020</b>	<b>28,869</b>	<b>21,524</b>	<b>33,892</b>	<b>(379)</b>	<b>(12,785)</b>	<b>90,491</b>	<b>161,612</b>	<b>3,438</b>	<b>165,050</b>

The accompanying notes that are presented in pages 12-54 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 01/01/2019</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 / (losses) for the period	-	-	-	-	-	(894)	(894)
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	(1,944)	(1,944)
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	-	(2,838)	(2,838)
<b>Balance as at 30/09/2019</b>	<b>28,869</b>	<b>21,644</b>	<b>14,208</b>	<b>(10)</b>	<b>16</b>	<b>2,882</b>	<b>67,609</b>
<b>Balance as at 01/01/2020</b>	<b>28,869</b>	<b>21,644</b>	<b>14,208</b>	<b>(10)</b>	<b>16</b>	<b>6,016</b>	<b>70,743</b>
Profit / (losses) for the period	-	-	-	-	-	4,620	4,620
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	113	-	-	(113)	-
Dividends	-	-	-	-	-	(2,000)	(2,000)
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	(369)	-	-	(369)
Changes during the period	-	-	113	(369)	-	2,507	2,251
<b>Balance as at 30/09/2020</b>	<b>28,869</b>	<b>21,644</b>	<b>14,321</b>	<b>(379)</b>	<b>16</b>	<b>8,523</b>	<b>72,994</b>

The accompanying notes that are presented in pages 12-54 form an integral part of the present financial statements.

## STATEMENT OF CASH FLOWS

	Note	Group		Company	
		1/1 - 30/09/2020	1/1 - 30/09/2019	1/1 - 30/09/2020	1/1 - 30/09/2019
<b>Cash flows from Operating Activities</b>					
Profit before Taxes and Minority Interest - continuing operations		38,409	12,932	5,183	(890)
Profit before Taxes and Minority Interest - discontinued operations		(3,415)	(1,141)	-	-
<i>Plus / (minus) adjustments for:</i>					
Depreciation		13,391	11,715	215	238
Provisions		4,376	2,984	888	477
Subsidies		(55)	-	-	-
FX differences		(432)	(383)	2	2
(Profit)/loss from sale of fixed assets		495	(874)	(5)	-
Dividends		-	-	(6,046)	-
Impairment of fixed assets		1,000	-	-	-
Debit interest and related (income) / expenses		2,766	3,277	291	477
(Profit) / losses from companies consolidated with the Equity method		(1,789)	(1,314)	-	-
<b>Operating Profit before adjustments in working capital</b>		<b>54,746</b>	<b>27,196</b>	<b>528</b>	<b>304</b>
(Increase)/decrease in receivables		(11,415)	(13,313)	6,698	114
(Increase)/decrease in inventories		1,785	4,467	-	-
Increase/(decrease) in liabilities (apart from banks-taxes)		17,179	(2,013)	(276)	(689)
Other non cash movements		-	56	-	(16)
<b>Cash generated from Operating activities</b>		<b>62,295</b>	<b>16,393</b>	<b>6,950</b>	<b>(287)</b>
Interest Paid		(2,371)	(2,989)	(388)	(467)
Other financial income/(expenses)		(318)	(496)	(7)	(10)
Taxes		(1,986)	(1,597)	(1)	-
<b>Cash flows from operating activities (a)</b>		<b>57,620</b>	<b>11,311</b>	<b>6,554</b>	<b>(764)</b>
<b>Investing Activities</b>					
Receipts from sales of tangible and intangible assets		306	1,171	5	-
Receipt from transfer of property of Thrace Linq		9,436	-	-	-
Interest received		7	7	-	-
Dividends received		498	440	6,046	-
Increase of interests in subsidiaries / associates		-	(815)	-	(815)
Purchase of tangible and intangible assets		(22,503)	(15,163)	(8)	(45)
Investment grants		43	-	-	-
Changes in minority rights		-	-	-	-
<b>Cash flow from investing activities (b)</b>		<b>(12,213)</b>	<b>(14,360)</b>	<b>6,043</b>	<b>(860)</b>
<b>Financing activities</b>					
Proceeds from loans		6,183	9,818	5,000	987
Purchase of treasury stock		(369)	-	(369)	-
Repayment of Loans		(32,054)	(4,351)	(15,098)	-
Financial leases		(3,407)	(4,186)	(112)	(29)
Dividends paid		(1,992)	(1,936)	(1,991)	(1,936)
<b>Cash flow from financing activities (c)</b>		<b>(31,639)</b>	<b>(655)</b>	<b>(12,570)</b>	<b>(978)</b>
Net increase /(decrease) in Cash and Cash Equivalents		13,768	(3,704)	27	(2,602)
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		(532)	314	-	-
<b>Cash and Cash Equivalents at end of period</b>		<b>35,287</b>	<b>19,434</b>	<b>532</b>	<b>570</b>

The accompanying notes that are presented in pages 12-54 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 registration of the alteration of its name on GEMI (hereinafter for abbreviation purposes the "Company") was founded in 1977. It is based in Magiko of municipality of Avdira in Xanthi, Northern Greece and is registered in the General Electronic Commercial Registry (GEMI) under Reg. No. 12512246000 (formerly registered in Public Companies (S.A.) Registry under Reg. No. 11188/06/B/86/31).

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 related legal entities.

The Company is the parent of Group of companies (hereinafter for abbreviation purposes 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 30/09/2020 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 30th September 2020, the Group employed in total 1,781 employees, from which 1,098 in Greece.

The structure of the Group along with the participation percentages as of 30th September 2020 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>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 S.A.</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 Protect S.M.P.C.	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 - 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
<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 S.A.</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 S.A.</b>	<b>GREECE - Xanthi</b>	<b>51.00%</b>	<b>51.00%</b>	<b>Equity</b>

## ▶ 2. Basis for the Preparation of the interim condensed financial information 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<sup>th</sup> September 2020. The basic accounting principles that were applied for the preparation of the interim condensed financial information for the period ended on 30<sup>th</sup> September 2020 are the same as those applied for the preparation of the Annual Financial Statements for the year ended 31<sup>st</sup> December 2019.

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

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

The interim condensed financial information has 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 interim condensed financial information has 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 interim condensed financial information was approved by the Company's BoD at its meeting on 17<sup>th</sup> November 2020.

The interim condensed financial information of the Group THRACE PLASTICS Co. S.A. is posted on the internet, on the website [www.thracegroup.gr](http://www.thracegroup.gr).

## 2.2 New standards, amendments to standards and interpretations

Certain new standards, amendments to standards and interpretations have been issued that are mandatory for periods beginning on or after 1<sup>st</sup> January 2020. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows:

### STANDARDS AND INTERPRETATIONS EFFECTIVE FOR THE CURRENT FINANCIAL YEAR

#### **IFRS 3 (Amendments) 'Definition of a business'**

The amended definition emphasizes that the output of a business is to provide goods and services to customers, whereas the previous definition focused on returns in the form of dividends, lower costs or other economic benefits to investors and others. It further clarifies that, to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. Finally, it introduces an optional concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business.

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

The amendments clarify the definition of material and how it should be applied by including in the definition guidance which until now was featured elsewhere in IFRS. In addition, the explanations accompanying the definition have been improved. Finally, the amendments ensure that the

definition of material is consistent across all IFRSs.

#### **IFRS 9, IAS 39 and IFRS 7 (Amendments) 'Interest rate benchmark reform'**

The amendments modify some specific hedge accounting requirements to provide relief from potential effects of the uncertainty caused by the IBOR reform. 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 PERIODS

#### **IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'** *(effective for annual periods beginning on or after 1st June 2020)*

The amendment provides lessees (but not lessors) with relief in the form of an optional exemption from assessing whether a rent concession related to COVID-19 is a lease modification. Lessees can elect to account for rent concessions in the same way as they would for changes which are not considered lease modifications. The amendment has not yet been endorsed by the EU.

#### **IFRS 4 (Amendment) 'Extension of the Temporary Exemption from Applying IFRS 9'** *(effective for annual periods beginning on or after 1st January 2021)*

The amendment changes the fixed expiry date for the temporary exemption in IFRS 4 'Insurance Contracts' from applying

IFRS 9 'Financial Instruments', so that entities would be required to apply IFRS 9 for annual periods beginning on or after 1 January 2023. The amendment has not yet been endorsed by the EU.

**IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments) 'Interest rate benchmark reform – Phase 2'** *(effective for annual periods beginning on or after 1st January 2021)*

The amendments complement those issued in 2019 and focus on the effects on financial statements when a company replaces the old interest rate benchmark with an alternative benchmark rate as a result of the reform. More specifically, the amendments relate to how a company will account for changes in the contractual cash flows of financial instruments, how it will account for the change in its hedging relationships and the information it should disclose. The amendments have not yet been endorsed by the EU.

**IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use'** *(effective for annual periods beginning on or after 1st January 2022)*

The amendment prohibits an entity from deducting from the cost of an item of PP&E any proceeds received from selling items produced while the entity is preparing the asset for its intended use. It also requires entities to separately disclose the amounts of proceeds and costs relating to such items produced that are not an output of the entity's ordinary activities. The amendment has not yet been endorsed by the EU.

**IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract'** *(effective for annual periods beginning on or after 1st January 2022)*

The amendment clarifies that 'costs to ful-

fill a contract' comprise the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling contracts. The amendment also clarifies that, before a separate provision for an onerous contract is established, an entity recognizes any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract. The amendment has not yet been endorsed by the EU.

**IFRS 3 (Amendment) 'Reference to the Conceptual Framework'** *(effective for annual periods beginning on or after 1st January 2022)*

The amendment updated the standard to refer to the 2018 Conceptual Framework for Financial Reporting, in order to determine what constitutes an asset or a liability in a business combination. In addition, an exception was added for some types of liabilities and contingent liabilities acquired in a business combination. Finally, it is clarified that the acquirer should not recognize contingent assets, as defined in IAS 37, at the acquisition date. The amendment has not yet been endorsed by the EU.

**IAS 1 (Amendment) 'Classification of liabilities as current or non-current'** *(effective for annual periods beginning on or after 1st January 2023)*

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

## ANNUAL IMPROVEMENTS TO IFRS STANDARDS 2018–2020

*(effective for annual periods beginning on or after 1st January 2022)*

The amendments set out below include changes to three IFRSs. The amendments have not yet been endorsed by the EU.

### *IFRS 9 'Financial instruments'*

The amendment addresses which fees should be included in the 10% test for de-recognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the amendment, costs or fees paid to third parties will not be included in the 10% test.

### *IFRS 16 'Leases'*

The amendment removed the illustration of payments from the lessor relating to leasehold improvements in Illustrative Example 13 of the standard in order to remove any potential confusion about the treatment of lease incentives.

### *IAS 41 'Agriculture'*

The amendment has removed the requirement for entities to exclude cash flows for taxation when measuring fair value under IAS 41

## 2.3 Significant Accounting Estimates and Assumptions

The preparation of the interim condensed financial information in accordance with International Financial Reporting Standards (IFRS) requires the management to make estimates and assumptions that may affect the accounting balances of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the interim condensed financial information as well as the amounts of revenues and expenses that have been recognized during the reported period. The use of the available information, which is based in historical data and assumptions and the implementation of subjective evaluation are necessary in order to conduct estimates. The actual future results may differ from the above estimates and these differences may affect the interim condensed financial information. Estimates and relative assumptions are revised constantly. The revisions in accounting estimations are recognized in the period they occur if the revision affects only the specific period or in the revised period and the future pe-

riods if the revisions affect the current and the future periods.

For the preparation of the interim condensed financial information, the significant accounting estimates and assumptions by the Management in the application of the accounting policies of the Group and the Company, as well as the main sources for the assessment of uncertainty are the same as those adopted during the preparation of the annual financial statements as of December 31<sup>st</sup>, 2019.

## ▶ 3. Notes on the Financial Statements

### 3.1 Evolution and Performance of the Group

The following table depicts the course of the Group's results from continuing operations during the period ended on September 30<sup>th</sup>, 2020:

<b>Results for 9-Month 2020 (CONTINUING ACTIVITIES)</b>			
<i>(amounts in EUR thousand)</i>	<b>9-Month 2020</b>	<b>9-Month 2019</b>	<b>% Change</b>
<b>Turnover</b>	<b>253,729</b>	<b>230,497</b>	<b>10.1%</b>
<b>Gross Profit</b>	<b>77,339</b>	<b>48,557</b>	<b>59.3%</b>
<b>Gross Profit Margin</b>	<b>30.5%</b>	<b>21.1%</b>	
<b>EBIT</b>	<b>39,385</b>	<b>14,888</b>	<b>164.5%</b>
<b>EBIT Margin</b>	<b>15.5%</b>	<b>6.5%</b>	
<b>EBITDA</b>	<b>52,404</b>	<b>25,555</b>	<b>105.1%</b>
<b>EBITDA Margin</b>	<b>20.7%</b>	<b>11.1%</b>	
<b>Adjusted EBITDA</b>	<b>54,596</b>	<b>25,555</b>	<b>113.6%</b>
<b>Adjusted EBITDA Margin</b>	<b>21.5%</b>	<b>11.1%</b>	
<b>EBT</b>	<b>38,409</b>	<b>12,932</b>	<b>197.0%</b>
<b>EBT Margin</b>	<b>15.1%</b>	<b>5.6%</b>	
<b>Total EAT</b>	<b>28,920</b>	<b>9,390</b>	<b>208.0%</b>
<b>EAT Margin</b>	<b>11.4%</b>	<b>4.1%</b>	
<b>Total EATAM</b>	<b>28,368</b>	<b>9,147</b>	<b>210.1%</b>
<b>EATAM Margin</b>	<b>11.2%</b>	<b>4.0%</b>	
<b>Earnings per Share (in euro)</b>	<b>0.6496</b>	<b>0.2091</b>	<b>210.7%</b>

Adjusted EBITDA does not include expenditures of € 2,192 related to the operational reorganization of Don & Low Ltd. The subsidiary company reduced its presence in woven technical fabrics while increased its production capacity in non-woven technical fabrics. These costs are analyzed below:

- a. Personnel indemnity costs of € 1,181
- b. Impairment of mechanical equipment of 1,000
- c. Losses from sale of fixed assets of € 11

For reasons of completeness, the following table is presented, which summarizes the financial results of the Group during the period ended on September 30<sup>th</sup>, 2020 as a total, from continuing and discontinued operations:

<b>Results for 9-Month 2020 (CONTINUING &amp; DISCONTINUED OPERATIONS)</b>			
<i>(amounts in EUR thousand)</i>	<b>9-Month 2020</b>	<b>9-Month 2019</b>	<b>% Change</b>
<b>Turnover</b>	<b>258,891</b>	<b>254,358</b>	<b>1.8%</b>
<b>Gross Profit</b>	<b>77,570</b>	<b>50,404</b>	<b>53.9%</b>
<b>Gross Profit Margin</b>	<b>30.0%</b>	<b>19.8%</b>	
<b>EBIT</b>	<b>35,971</b>	<b>13,754</b>	<b>161.5%</b>
<b>EBIT Margin</b>	<b>13.9%</b>	<b>5.4%</b>	
<b>EBITDA</b>	<b>49,360</b>	<b>25,469</b>	<b>93.8%</b>
<b>EBITDA Margin</b>	<b>19.1%</b>	<b>10.0%</b>	
<b>Adjusted EBITDA</b>	<b>54,596</b>	<b>25,469</b>	<b>114.4%</b>
<b>Adjusted EBITDA Margin</b>	<b>21.1%</b>	<b>10.0%</b>	
<b>EBT</b>	<b>34,994</b>	<b>11,791</b>	<b>196.8%</b>
<b>EBT Margin</b>	<b>13.5%</b>	<b>4.6%</b>	
<b>Total EAT</b>	<b>25,499</b>	<b>8,243</b>	<b>209.3%</b>
<b>EAT Margin</b>	<b>9.8%</b>	<b>3.2%</b>	
<b>Total EATAM</b>	<b>24,947</b>	<b>8,000</b>	<b>211.8%</b>
<b>EATAM Margin</b>	<b>9.6%</b>	<b>3.1%</b>	
<b>Earnings per Share (in euro)</b>	<b>0.5712</b>	<b>0.1829</b>	<b>212.3%</b>

## 3.2 Discontinued Operations

Due to the decision to permanently discontinue the production of Thrace Linq (see relevant announcements on 27.11.2019 and 24.04.2020), which was decided in order for the Group to focus on more beneficial activities, this activity is reported in the income statement and other comprehensive income as discontinued operations.

<b>Discontinued Operations Statement of income and other comprehensive income</b>	<b>Thrace Linq company</b>	
	<b>30.09.2020</b>	<b>30.09.2019</b>
Turnover	<b>5,162</b>	23,861
Cost of Goods Sold	<b>(4,931)</b>	(22,014)
<b>Gross Profit / (Loss)</b>	<b>231</b>	1,847
Non operating income / (expenses)	<b>(3,228)</b>	(3,447)
<b>Profit / (loss) before taxes</b>	<b>(2,997)</b>	(1,600)
Taxes	<b>(6)</b>	(6)
<b>Profit / (loss) after taxes</b>	<b>(3,003)</b>	(1,606)
Intra-company transactions	<b>(418)</b>	459
<b>Profit / (loss) after taxes</b>	<b>(3,421)</b>	(1,147)

<b>Discontinued Operations Cash Flows</b>	<b>Thrace Linq company 30.09.2020</b>
Cash from operating activities	(4,745)
Cash from investing activities	11,802
Cash from financing activities	(9,546)
Change in cash and cash equivalents	(2,489)
<b>Cash and cash equivalents 31.12.2019</b>	<b>2,837</b>
Foreign Exchange Differences	(17)
<b>Cash and cash equivalents 30.09.2020</b>	<b>331</b>

### 3.3 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 three segments: the technical fabrics segment, the packaging segment and the "Other" segment which includes the agricultural segment and the activities of the Parent Company.

The Group's operating segments are the following:

<b>Technical Fabrics</b>	<b>Packaging</b>	<b>Other</b>
		
<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>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 its related legal entities.</p>

<b>BALANCE SHEET OF 30.09.2020</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>INTRA- SEGMENT ELIMINATIONS</b>	<b>GROUP</b>
<b>Total consolidated assets</b>	<b>225,491</b>	<b>116,745</b>	<b>81,310</b>	<b>(75,070)</b>	<b>348,476</b>

<b>INCOME STATEMENT FOR THE PERIOD FROM 01.01 –30.09.2020</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>INTRA- SEGMENT ELIMINATIONS</b>	<b>GROUP</b>
Turnover	178,164	82,412	3,723	(10,571)	253,729
Cost of sales	(126,390)	(57,034)	(3,377)	10,411	(176,390)
<b>Gross profit</b>	<b>51,774</b>	<b>25,378</b>	<b>346</b>	<b>(160)</b>	<b>77,339</b>
Other operating income	698	180	78	(140)	816
Distribution expenses	(15,840)	(6,717)	-	(219)	(22,776)
Administrative expenses	(8,206)	(2,913)	(901)	445	(11,575)
Research and Development Expenses	(844)	(215)	-	1	(1,058)
Other operating expenses	(2,388)	(908)	(98)	4	(3,390)
Other Gain / (Loss)	82	(56)	3	-	29
<b>Operating profit / (loss)</b>	<b>25,276</b>	<b>14,749</b>	<b>(572)</b>	<b>(69)</b>	<b>39,385</b>
Interest & other financial (expenses)/income	(1,422)	(1,072)	(292)	21	(2,765)
Income from dividends	-	-	6,046	(6,046)	-
Profit / (loss) from companies consolidated with the Equity method	867	614	308	-	1,789
<b>Profit / (loss) before tax (Continuing operations)</b>	<b>24,721</b>	<b>14,291</b>	<b>5,490</b>	<b>(6,094)</b>	<b>38,409</b>
<b>Profit / (loss) before tax (Discontinued operations)</b>	<b>(3,415)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,415)</b>
<b>Total Profit / (loss) before tax</b>	<b>21,306</b>	<b>14,291</b>	<b>5,490</b>	<b>(6,094)</b>	<b>34,994</b>
<b>Depreciation of continuing operations</b>	<b>7,868</b>	<b>4,937</b>	<b>215</b>	<b>-</b>	<b>13,020</b>

<b>INCOME STATEMENT FOR THE PERIOD FROM 01.01 –30.09.2020</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>INTRA-SEGMENT ELIMINATIONS</b>	<b>GROUP</b>
Depreciation of discount operations	371	-	-	-	371
<b>Total depreciation</b>	<b>8,239</b>	<b>4,937</b>	<b>215</b>	<b>-</b>	<b>13,391</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization (EBITDA) of continuing operations</b>	<b>33,144</b>	<b>19,686</b>	<b>(357)</b>	<b>(69)</b>	<b>52,404</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization (EBITDA) of discontinued operations</b>	<b>(3,044)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,044)</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>30,100</b>	<b>19,686</b>	<b>(357)</b>	<b>(69)</b>	<b>49,360</b>

<b>BALANCE SHEET OF 31.12.2019</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>INTRA-SEGMENT ELIMINATIONS</b>	<b>GROUP</b>
<b>Total consolidated assets</b>	<b>211,121</b>	<b>103,865</b>	<b>88,441</b>	<b>(80,087)</b>	<b>323,340</b>

<b>INCOME STATEMENT FOR THE PERIOD FROM 01.01 –30.09.2019</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>INTRA-SEGMENT ELIMINATIONS</b>	<b>GROUP</b>
Turnover	163,404	73,267	3,875	(10,049)	230,497
Cost of sales	(130,832)	(57,488)	(3,310)	9,690	(181,940)
<b>Gross profit</b>	<b>32,572</b>	<b>15,779</b>	<b>565</b>	<b>(359)</b>	<b>48,557</b>
Other operating income	700	400	27	(200)	927
Distribution expenses	(15,868)	(5,894)	-	(224)	(21,986)
Administrative expenses	(7,725)	(3,299)	(893)	685	(11,232)
Research and Development Expenses	(998)	(165)	-	-	(1,163)
Other operating expenses	(512)	(732)	(110)	11	(1,343)
Other Gain / (Loss)	1,061	69	(2)	-	1,128
<b>Operating profit / (loss)</b>	<b>9,230</b>	<b>6,158</b>	<b>(413)</b>	<b>(87)</b>	<b>14,888</b>
Interest & other financial (expenses)/income	(1,608)	(1,185)	(477)	-	(3,270)

<b>INCOME STATEMENT FOR THE PERIOD FROM 01.01 – 30.09.2019</b>	<b>TECHNICAL FABRICS</b>	<b>PACKAGING</b>	<b>OTHER</b>	<b>INTRA-SEGMENT ELIMINATIONS</b>	<b>GROUP</b>
Income from dividends	-	-	-	-	-
Profit / (loss) from companies consolidated with the Equity method	239	552	523	-	1,314
<b>Profit / (loss) before tax (Continuing operations)</b>	<b>7,861</b>	<b>5,525</b>	<b>(367)</b>	<b>(87)</b>	<b>12,932</b>
<b>Profit / (loss) before tax (Discontinued operations)</b>	<b>(1,141)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,141)</b>
<b>Total Profit / (loss) before tax</b>	<b>6,720</b>	<b>5,525</b>	<b>(367)</b>	<b>(87)</b>	<b>11,791</b>
<b>Depreciation of continuing operations</b>	<b>6,129</b>	<b>4,300</b>	<b>238</b>	<b>-</b>	<b>10,667</b>
<b>Depreciation of discontinued operations</b>	<b>1,048</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,048</b>
<b>Total depreciation</b>	<b>7,177</b>	<b>4,300</b>	<b>238</b>	<b>-</b>	<b>11,715</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization (EBITDA) of continuing operations</b>	<b>15,359</b>	<b>10,458</b>	<b>(175)</b>	<b>(87)</b>	<b>25,555</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization (EBITDA) of discontinued operations</b>	<b>(86)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(86)</b>
<b>Total Earnings / (losses) before interest, tax, depreciation &amp; amortization (EBITDA)</b>	<b>15,273</b>	<b>10,458</b>	<b>(175)</b>	<b>(87)</b>	<b>25,469</b>

### 3.4 Other Operating Income

Other Operating Income	Group		Company	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Grants *	142	64	-	-
Income from rents	12	22	-	-
Income from provision of services	172	136	-	-
Income from prototype materials	41	155	-	-
Reverse entry of not utilized provisions	47	34	-	8
Income from electric energy management programs	328	515	-	-
Other operating income	74	1	78	19
<b>Total</b>	<b>816</b>	<b>927</b>	<b>78</b>	<b>27</b>

\* refers to the grants for VAT, hiring new graduates as well as to the professional training of the Group's employees.

### 3.5 Other Gain / Loss

Other Gain / (Loss)	Group		Company	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Gain / (Loss) from the sale of fixed assets	24	770	5	-
Foreign Exchange Differences	5	358	(2)	(2)
<b>Total</b>	<b>29</b>	<b>1,128</b>	<b>3</b>	<b>(2)</b>

### 3.6 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	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Regular & day-wage employees	1,781	1,615	21	20

### 3.7 Other Operating Expenses

Other Operating Expenses	Group		Company	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Provisions for doubtful receivables	460	78	-	-
Other taxes and duties non-incorporated in operating cost	119	157	-	-
Depreciation	53	56	-	-
Staff indemnities	196	524	98	101
Commissions / other bank expenses	73	107	-	3
Expenses for the purchase of prototype materials (maquettes)	78	226	-	-
Other operating expenses	230	195	-	6
<b>Sub Total</b>	<b>1,209</b>	<b>1,343</b>	<b>98</b>	<b>110</b>
Extraordinary and non-recurrent expenses	2,181	-	-	-
<b>Total</b>	<b>3,390</b>	<b>1,343</b>	<b>98</b>	<b>110</b>

Analysis of Extraordinary and non-recurrent expenses	Group	
	30.09.2020	30.09.2019
Don & Low staff indemnities	1,181	-
Impairment of fixed assets	1,000	-
<b>Total</b>	<b>2,181</b>	<b>-</b>

In the context of the restructuring of Group's participations, expenses of € 1,181 and € 1,000 emerged as a result of the operational reorganization of the subsidiary Don & Low Ltd. This company reduced its presence in woven technical fabrics while increasing its production capacity in non-woven technical fabrics.

## 3.8 Financial Income /(Expenses)

### 3.8.1 Financial Income

Financial Income	Group		Company	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Interest and related income	9	3	-	-
Foreign exchange differences	548	670	-	-
<b>Total</b>	<b>557</b>	<b>673</b>	<b>-</b>	<b>-</b>
Income from dividends	-	-	6,046	-

### 3.8.2 Financial Expenses

Financial Expenses	Group		Company	
	30.09.2020	30.09.2019	30.09.2020	30.09.2019
Debit interest and similar expenses	(2,480)	(3,169)	(290)	(470)
Foreign exchange differences	(326)	(241)	-	-
Financial result from Pension Plans	(516)	(533)	(1)	(7)
<b>Total</b>	<b>(3,322)</b>	<b>(3,943)</b>	<b>(291)</b>	<b>(477)</b>

## 3.9 Earnings per Share (Consolidated)

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

Basic earnings per share (Consolidated, continuing operations)	30.09.2020	30.09.2019
Earnings allocated to shareholders	28,368	9,147
Number of shares outstanding (weighted)	43,673	43,737
Basic and adjusted earnings per share (Euro in absolute terms)	0.6495	0.2091

<b>Basic earnings per share (Consolidated, discontinued operations)</b>	<b>30.09.2020</b>	30.09.2019
Earnings allocated to shareholders	<b>(3,421)</b>	(1,147)
Number of shares outstanding (weighted)	<b>43,673</b>	43,737
Basic and adjusted earnings per share (Euro in absolute terms)	<b>(0.0783)</b>	(0.0262)

<b>Basic earnings per share (Consolidated, total operations)</b>	<b>30.09.2020</b>	30.09.2019
Earnings allocated to shareholders	<b>24,947</b>	8,000
Number of shares outstanding (weighted)	<b>43,673</b>	43,737
Basic and adjusted earnings per share (Euro in absolute terms)	<b>0.5712</b>	0.1829

On September 30<sup>th</sup>, 2020, the Company held 184,145 treasury shares.

### 3.10 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>30.09.2020</b>	30.09.2019	<b>30.09.2020</b>	30.09.2019
Income tax	<b>(9,327)</b>	(3,595)	-	-
Deferred tax (expense)/income	<b>(162)</b>	53	<b>(563)</b>	(4)
<b>Total</b>	<b>(9,489)</b>	(3,542)	<b>(563)</b>	(4)

The income tax for the period is calculated based on the domestically applicable tax rates. Deferred taxes are calculated on temporary differences using the effective tax rate in the countries where the Group's companies operate on 30.09.2020.

The actual tax rate of the Group differs from the nominal tax rate, as there are tax losses in the companies of the Group for which no deferred tax asset is recognized as well as non tax-deductible expenses.

From the year 2011 onwards, the Greek companies of the Group receive an "Annual Tax Certificate". This "Annual Tax Certificate" is issued by the same Statutory Auditor who audits the annual financial statements. After the completion of the tax audit, the Statutory Auditor issues to the respective company a "Tax Compliance Report" which is then sub-

mitted electronically to the Ministry of Finance.

The tax audit for the year 2019 which was carried out in accordance with the provisions of article 65A of L.4172 / 2013 (Income Tax Code), was completed by the auditing company 'PricewaterhouseCoopers' S.A., without incurring significant tax liabilities other than those recorded in the Financial Statements and the Tax Certificates were subsequently issued with unqualified opinion per company. (see note 3.26).

### 3.11 Tangible Assets

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

<b>Tangible Fixed Assets</b>	<b>Group</b>	<b>Company</b>
<b>Balance 01.01.2020</b>	<b>123,210</b>	<b>398</b>
Additions	22,651	7
Sales	(4,250)	(5)
Transfer from right-of-use assets	414	-
Impairment	(1,000)	-
Depreciation	(11,098)	(39)
Depreciation of sold assets	3,580	5
FX differences	(3,192)	-
<b>Balance 30.09.2020</b>	<b>130,315</b>	<b>366</b>

<b>Tangible Fixed Assets</b>	<b>Group</b>	<b>Company</b>
<b>Balance 01.01.2019</b>	<b>135,963</b>	<b>412</b>
Change in accounting policy due to IFRS 16	(24,428)	-
<b>Balance 01.01.2019</b>	<b>111,535</b>	<b>412</b>
Additions	22,126	50
Disposals-Destructions	(5,989)	-
Transfer to held for sale	(6,155)	-
Impairments	(1,175)	-
Transfer from right-of-use assets	8,364	-
Depreciation	(13,004)	(64)
Depreciation of sold assets	5,338	-
FX differences	2,170	-
Other changes	-	-
<b>Balance 31.12.2019</b>	<b>123,210</b>	<b>398</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 € 4,828.

### 3.12 Right-of-use assets

The right-of-use assets are analyzed as follows:

Assets with right of use	Group	Company
<b>Balance 01.01.2020</b>	<b>14,972</b>	<b>176</b>
Additions	927	40
Reductions	(214)	(30)
Transfer to fixed assets	(414)	-
Depreciation	(2,030)	(99)
Foreign exchange difference	(42)	-
<b>Balance 30.09.2020</b>	<b>13,199</b>	<b>87</b>

Assets with right of use	Group	Company
<b>Balance 31.12.2018</b>	-	-
Adjustments due to IFRS 16	2,412	316
Reclassifications due to IFRS 16	24,429	-
<b>Balance 01.01.2019</b>	<b>26,841</b>	<b>316</b>
Additions	644	-
Reductions	(977)	-
Transfer to fixed assets	(8,364)	-
Depreciation	(3,186)	(140)
Foreign exchange difference	14	-
<b>Balance 31.12.2019</b>	<b>14,972</b>	<b>176</b>

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

Liabilities from Leasing	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Short-term liabilities from leasing	<b>3,319</b>	4,773	<b>59</b>	156
Long-term liabilities from leasing	<b>3,019</b>	4,439	<b>28</b>	43
<b>Total Liabilities from Leasing</b>	<b>6,338</b>	9,212	<b>87</b>	199

The above amounts, among others, include leases for buildings, cars, machinery, printers and other equipment that were initially recognized due to the application of IFRS 16. These amounts for the Group amount to € 875 for 2020 and € 1,333 for 2019. For the Company the amounts settled at € 101 and € 199 respectively.

### 3.13 Fixed assets held for sale

This is the industrial property that housed Thrace Linq Inc., located in South Carolina, USA. The management of the Group decided to sell the particular property. This property is included in the segment of technical fabrics.

During the current period, the transfer of the above property was completed.

The total price consideration of the sale amounted to USD 14.5 million. As a result of the existing agreement, Thrace Linq received the amount of USD 11 million, while an amount of USD 3.5 million will have to be paid by the Buyer at a later time, i.e. within twelve months from the date of the sale of property. However, according to the existing agreements and its special covenants (both with the Buyer and with the Bank involved), in case for any reason the Buyer breaches its obligation to repay the remaining amount at the agreed time horizon (up until 15/06/2021 at the latest), the company Thrace Linq has the right to repurchase the property (based on priority and also based on its own discretion), covering the outstanding balance of the loan (and any interest or expenses that will be due) of the buyer as it will have been formed at the time when Thrace Linq will exercise this right, thus permanently canceling the sale or alternatively in case this is deemed unprofitable, has the right to participate in the sale process (having as collateral the second registered mortgage).

Given the above and as the existence of the aforementioned right to repurchase the property creates conditions of uncertainty regarding the final completion of the transaction, its accounting recognition will take place when, by 15/06/2021 the latest, unless agreed otherwise, the relevant events become certain and final. The amount of USD 11 million received was recorded in the cash and cash equivalents, respectively increasing the «Other current liabilities».

### 3.14 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 01.01.2020</b>	<b>11,350</b>	<b>503</b>
Additions	-	-
Amortization	(262)	(77)
Impairments	(334)	-
FX differences	(119)	-
<b>Balance 30.09.2020</b>	<b>10,635</b>	<b>426</b>

<b>Intangible Assets</b>	<b>Group</b>	<b>Company</b>
<b>Balance 01.01.2019</b>	<b>11,567</b>	<b>611</b>
Additions	351	9
Amortization	(423)	(117)
Impairments	(157)	-
FX differences	12	-
<b>Balance 31.12.2019</b>	<b>11,350</b>	<b>503</b>

Intangible assets relate mainly to goodwill accounts of subsidiaries which are analyzed in the annual financial statements.

### 3.15 Other Long-Term Receivables

Due to delays observed in the repayment from the Greek State of grants receivable over the last years, the Group has reclassified in the previous financial years 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 of the Group before the impairments that have been recorded amounts to € 11,062.

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.

<b>Other Long-Term Receivables</b>	<b>Group</b>		<b>Company</b>	
	<b>30.09.2020</b>	31.12.2019	<b>30.09.2020</b>	31.12.2019
Grants receivable	<b>4,879</b>	4,879	<b>1,119</b>	1,119
Other accounts receivable	<b>195</b>	212	<b>35</b>	49
<b>Total</b>	<b>5,074</b>	<b>5,091</b>	<b>1,154</b>	<b>1,168</b>

On July 17, 2020, the Law 4706/2020 was passed, according to which the outstanding claims of the beneficiaries until 31.12.2015, which as mentioned amount to € 11,062 for the Group, are offset by existing and future claims of the State against them, from the entry into force of the law.

The obligations of OAED and the Greek State are exhausted according to the provisions of the article 87 par. 2 of Law 4706/2020. At the preparation time of this report, no relevant guidance and further details have been issued for the specific elements, the timing and the respective procedure concerning the application of the provisions of this Law.

## 3.16 Trade and other receivables

### 3.16.1 Trade Receivables

Trade Receivables	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Customers	<b>75,571</b>	63,969	<b>2,578</b>	5,185
Provisions for doubtful debts	<b>(7,164)</b>	(6,541)	<b>(2,347)</b>	(2,347)
<b>Total</b>	<b>68,407</b>	<b>57,428</b>	<b>231</b>	<b>2,838</b>

The Group's Customers include promissory notes and checks of € 10,325 for 2020 and € 8,507 for 2019.

#### 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.

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 2.10 in the Annual Financial Statements of the year ended on 31/12/2019.

### 3.16.2 Other receivables

Other receivables	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Debtors	2,246	2,717	24	4,075
Investment Grant Receivable	2,193	2,257	-	-
Prepaid expenses	2,915	2,870	126	179
Provisions for doubtful debtors	-	-	-	-
<b>Total</b>	<b>7,354</b>	<b>7,844</b>	<b>150</b>	<b>4,254</b>

The investment grant receivable concerns a grant 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 prepaid expenses.

### 3.17 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 Greek and foreign banks with interest rates of Euribor plus a margin. The book value of loans approaches their fair value on 30 September 2020.

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

Debt	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Long-term loans	45,528	52,871	-	4,000
<b>Total long-term loans</b>	<b>45,528</b>	<b>52,871</b>	-	4,000
Long-term debt payable in the next year	9,975	9,125	-	-
Short-term loans	13,692	34,371	5,000	11,098
<b>Total short-term loans</b>	<b>23,667</b>	<b>43,496</b>	<b>5,000</b>	<b>11,098</b>
<b>Grand Total</b>	<b>69,195</b>	<b>96,367</b>	<b>5,000</b>	<b>15,098</b>

Short-term loans include an amount of € 332 which relates to a Factoring agreement of the subsidiary Thrace Plastics Company with ABC Factors, which has been received by the aforementioned subsidiary and corresponds to non-reinsured customers.

The Company repaid its entire bank debt whereas the balance of the short-term loans refer to an intragroup loan which at the time of preparation of this report has been repaid. Interest rates are linked on a case by case basis with a Euribor or Libor plus a margin ranging from 2.0% to 3.5%.

### 3.18 Net Debt

Net Debt	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Long-term debt	45,528	52,871	-	4,000
Long-term liabilities from leases	3,019	4,439	28	43
Short-term debt	23,667	43,496	5,000	11,098
Short-term liabilities from leases	3,319	4,773	59	156
<b>Debt</b>	<b>75,533</b>	<b>105,579</b>	<b>5,087</b>	<b>15,297</b>
Minus cash and cash equivalents	35,287	22,051	532	505
<b>Net debt</b>	<b>40,246</b>	<b>83,528</b>	<b>4,555</b>	<b>14,792</b>
<b>EQUITY</b>	<b>165,050</b>	<b>146,349</b>	<b>72,994</b>	<b>70,743</b>
<b>NET DEBT / EQUITY</b>	<b>0.24</b>	<b>0.57</b>	<b>0.06</b>	<b>0.21</b>

The Company repaid its entire bank debt whereas the balance of the short-term loans refer to an intragroup loan which at the time of preparation of this report has been repaid.

The Net Debt / EBITDA ratio for the period amounted to 0.76 (EBITDA refers to the period from 01.10.2019 to 30.09.2020).

It is noted that, on 31.12.2019 the level of the ratio was 2.91 while on 30.09.2019 it had reached 3.04.

### 3.19 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:

<b>Employee Benefits</b>	<b>Group</b>		<b>Company</b>	
	<b>30.09.2020</b>	31.12.2019	<b>30.09.2020</b>	31.12.2019
Defined contribution plans – Not financed	<b>2,650</b>	2,599	<b>191</b>	215
Defined contribution plans – Financed	<b>12,130</b>	12,653	-	-
<b>Total provision at the end of the year</b>	<b>14,780</b>	<b>15,252</b>	<b>191</b>	<b>215</b>

### 3.19.1 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>30.09.2020</b>	31.12.2019	<b>30.09.2020</b>	31.12.2019
<b>Amounts recognized in the balance sheet</b>				
Present value of liabilities	2,650	2,599	191	215
<b>Net liability recognized in the balance sheet</b>	<b>2,650</b>	<b>2,599</b>	<b>191</b>	<b>215</b>
<b>Amounts recognized in the results</b>				
Cost of current employment	73	93	6	5
Net interest on the liability / (asset)	15	40	2	3
Ordinary expense in the results	88	133	8	8
Recognition of prior service cost	-	-	-	-
Curtailment / settlement / service termination cost	65	369	66	80
Other expense / (income)		-		-
<b>Total expense in the results</b>	<b>153</b>	<b>502</b>	<b>74</b>	<b>88</b>

<b>Defined contribution plans – Not self financed</b>	<b>Group</b>		<b>Company</b>	
	<b>30.09.2020</b>	31.12.2019	<b>30.09.2020</b>	31.12.2019
<b>Changes in the Net Liability recognized in Balance Sheet</b>				
Net liability / receivable at the beginning of period	2,599	2,268	215	195
Benefits paid from the employer - other	(102)	(476)	(98)	(102)
Total expense recognized in the account of results	153	501	74	88
Total amount recognized in the Net Worth	-	306	-	34
<b>Net liability at the end of year</b>	<b>2,650</b>	<b>2,599</b>	<b>191</b>	<b>215</b>

The actuarial assumptions are presented in the following table.

<b>Actuarial Assumptions</b>	<b>Greek Companies</b>		<b>Thrace Ipoma AD</b>	
	<b>30.09.2020</b>	31.12.2019	<b>30.09.2020</b>	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%	5.00%	5.00%
Duration of liabilities	15.6 years	15.6 years	12.8 years	12.8 years

### 3.19.2 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:

<b>Defined Benefit Plans – Self Financed</b>	<b>Group</b>	
	<b>30.09.2020</b>	<b>31.12.2019</b>
<b>Amounts recognized in the balance sheet</b>		
Present value of liabilities	150,071	154,901
Fair value of the plan's assets	(137,941)	(142,248)
<b>Net liability recognized in the balance sheet</b>	<b>12,130</b>	<b>12,653</b>
<b>Amounts recognized in the results</b>		
Current employment cost	-	147
Net interest on the liability / (fixed asset)	508	684
Ordinary expense in the results	508	831
Recognition of previous years' cost	-	-
Curtailment / settlement / service termination cost	-	-
Other expense / (income)	-	-
Foreign exchange differences	-	-
<b>Total expense in the results</b>	<b>508</b>	<b>831</b>
<b>Asset allocation *</b>		
Mutual Funds - Shares	17,451	15,765
Mutual Funds - Bonds	71,868	72,615
Diversified Growth Funds	46,032	50,752
Other	2,590	3,116
<b>Total</b>	<b>137,941</b>	<b>142,248</b>
<b>Changes in the Net Liability recognized in Balance Sheet</b>		
Net liability / (receivable) at the beginning of year	12,653	13,200
Benefits paid from the employer / Other	(960)	(1,134)
Total expense recognized in the account of results	508	831
Total amount recognized in the Net Worth	791	(886)
Foreign exchange differences	(862)	642
<b>Net liability / (receivable) at the end of year</b>	<b>12,130</b>	<b>12,653</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	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Discount rate	1.60%	2.00%	2.30%	2.30 %
Inflation	2.75%	2.86%	1.50%	1.50 %
Average annual increase of personnel salaries	2.75%	2.86%	2.25%	2.25 %
Duration of liabilities	17 years	17 years	11 years	11 years

### 3.20 Suppliers & Other Short-Term Liabilities

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

#### 3.20.1 Suppliers

Suppliers	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Suppliers	<b>39,690</b>	36,187	<b>271</b>	297
<b>Total</b>	<b>39,690</b>	<b>36,187</b>	<b>271</b>	<b>297</b>

#### 3.20.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	30.09.2020	31.12.2019	30.09.2020	31.12.2019
Sundry creditors *	12,904	2,943	4	60
Liabilities from taxes and social security organizations	5,329	4,717	166	387
Dividends payable	74	64	71	62
Customer advances **	8,995	1,034	514	-
Personnel fees payable	1,066	2,272	49	484
Accrued expenses – Other accounts payable	10,770	5,231	1,080	275
<b>Total Short-Term Liabilities</b>	<b>39,138</b>	<b>16,261</b>	<b>1,884</b>	<b>1,268</b>

The fair value of the liabilities approaches the book values.

\* Includes the amount of 11 million US dollars that the company Thrace Linq received for the sale of its property. (see analytically in note 3.13).

\*\* Customer advance payments of the Group 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. The advances of the Company's customers refer to advances of its subsidiaries for the provision of services to them.

### 3.21 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 01.01.2020 – 30.09.2020 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 during the period 01.01.2020 – 30.09.2020 are presented below:

<b>Income</b>	<b>01.01 – 30.09.2020</b>		<b>01.01 – 30.09.2019</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	3,711	-	3,828
Joint Ventures	4,597	88	4,659	44
Related Companies	8	-	8	-
<b>Total</b>	<b>4,605</b>	<b>3,799</b>	<b>4,667</b>	<b>3,872</b>

<b>Expenses</b>	<b>01.01 – 30.09.2020</b>		<b>01.01 – 30.09.2019</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	22	-	38
Joint Ventures	332	-	1,011	-
Related Companies	723	351	660	279
<b>Total</b>	<b>1,055</b>	<b>373</b>	<b>1,671</b>	<b>317</b>

<b>Trade and other receivables</b>	<b>30.09.2020</b>		<b>31.12.2019</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	225	-	6,833
Joint Ventures	2,227	-	1,980	50
Related Companies	39	26	27	26
<b>Total</b>	<b>2,266</b>	<b>251</b>	<b>2,007</b>	<b>6,909</b>

<b>Suppliers and Other Liabilities</b>	<b>30.09.2020</b>		<b>31.12.2019</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	538	-	1,173
Joint Ventures	12	-	42	19
Related Companies	115	89	44	3
<b>Total</b>	<b>127</b>	<b>627</b>	<b>86</b>	<b>1,195</b>

<b>Long-term Liabilities</b>	<b>30.09.2020</b>		<b>31.12.2019</b>	
	<b>Group</b>	<b>Company</b>	<b>Group</b>	<b>Company</b>
Subsidiaries	-	326	-	359
Joint Ventures	-	11	-	24
Related Companies	-	-	-	-
<b>Total</b>	<b>-</b>	<b>337</b>	<b>-</b>	<b>383</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.

The Company has granted guarantee in favor of its subsidiaries to banks to secure from the latter long-term loans. As at 30.09.2020, the outstanding amount for which the Company has granted guarantees settled at € 53,846 and is analyzed as follows:

<b>Guarantees in favor of Subsidiaries</b>	<b>30.09.2020</b>
Thrace Nonwovens & Geosynthetics S.A.	21,059
Thrace Greenhouses S.A.	1,731
Thrace Plastics Pack S.A.	22,147
Thrace Polyfilms	8,909
<b>Total</b>	<b>53,846</b>

## 3.22 Participations

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

The value of the Company's participations in the subsidiaries, as of 30th September 2020, is as follows:

Companies consolidated with the full consolidation method	30.09.2020	31.12.2019
DON & LOW LTD	37,495	37,495
THRACE PLASTICS PACK S.A.	15,507	15,507
THRACE NONWOVENS & GEOSYNTHETICS S.A.	5,710	5,710
SYNTHETIC HOLDINGS LTD	11,728	11,728
THRACE POLYFILMS	3,418	3,418
<b>TOTAL</b>	<b>73,858</b>	73,858

### 3.22.2 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 as at 30/09/2020. 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.	<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 S.A.	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 and belongs to the technical fabrics sector. 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:

<b>Interests in companies consolidated with the equity method</b>	<b>01.01 – 30.09.2020</b>	<b>01.01 - 31. 12.2019</b>
<b>Balance at beginning</b>	<b>14,547</b>	<b>13,356</b>
Share capital increase (Thrace Greenhouses)	-	815
Participation in profit / (losses) of joint ventures	1,789	1,166
Dividends	(550)	(809)
Foreign exchange differences and other reserves	(382)	20
<b>Balance at end</b>	<b>15,404</b>	<b>14,547</b>

### 3.23 Commitments and Contingent Liabilities

On 30th September 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.

### 3.24 Reclassifications of accounts

In the present financial statements, there have been reclassifications of not significant accounts for the purpose of comparability with the ones of the present year.

## 3.25 Significant Events



### IMPACT OF COVID-19 PANDEMIC ON THE FINANCIAL RESULTS FOR THE PERIOD ENDED ON 30TH SEPTEMBER 2020 AND ON THE OPERATION OF GROUP'S SUBSIDIARIES

#### I. Impact of the pandemic on the operation of the Group in the nine months of 2020

Despite the fact that the rapid spread of COVID-19 (coronavirus) from the beginning of 2020 until today has caused significant disruptions in the global supply and demand, including Greece and the other countries in which the Group operates, the business and financial activity or operation of the Group continued not to be adversely affected until the end of the 9-month period of the current year. At the same time, there is still an inability to assess both the duration and intensity of the pandemic, as well as the time point of the recovery's restart, but also its dynamics.

Regarding the production activities, it is noted that all production units within the Group continued to operate smoothly for the entire 9-month period, without facing any substantial operational problem from the spread of the pandemic, concerning the health of the Group's employees.

From a financial point of view, the Group managed not only to deter any contraction in its revenues, but instead to maintain its sales at pre-pandemic levels, as the lower demand in some areas of activity was offset or more than offset by a significant sales growth in other areas of activities. More specifically it was observed:

- Retention of higher demand for products related to personal protection and health and in particular for technical fabrics, used in personal protection and health applications during the third

quarter of the year.

- Growth in sales of new products and activities related to personal protection products, including the installation and operation of surgical mask production lines in Greece, Scotland and Ireland.
- Retention of higher demand for products targeting the food packaging sector during the third quarter of the year.
- Retention of low demand for packaging products related to tourism and catering, as a result of the limited business activity of this sector, especially in Greece and during the summer months.
- Maintenance and further strengthening of the Group's customer base.

Following the above, in quantitative terms, the Group managed to increase its sales from continuing activities. As result, sales of the 9-month period of the year amounted to € 253.7 million, increased by 10.1%, compared to the corresponding period of the previous year and the Profit before Tax (EBT) from continuing activities amounted to 38.4 million € increased by 197% compared to the corresponding period of the previous year.

At the same time, during the 9-month period of the year, extraordinary expenses were incurred, mainly related to the measures taken to deal with the pandemic such as increased expenses related to worker protection measures, virus detection tests, costs related to preventive disinfection, etc., which amounted to € 1.1 million. It is noted, however, that the reduction of

other categories of operating expenses, mainly related to the participation in exhibitions and corporate trips, offset part of the extraordinary expenses incurred.

Regarding the liquidity levels of the Group and the trading cycle of the companies, there was no negative or unfavorable impact from the adverse conditions on the Group as a whole. On the contrary, during the 9-month period of the year, the Group was able to strengthen its liquidity position and reduce Net Debt by € 43.3 million with the primary purpose of further strengthening its financial position.

At the same time, the Group increased and currently maintains a higher level of inventories in basic raw materials, compared to the average level of inventories (attaining an increase of 56% in terms of quantities compared to the level of 31/12/2019), thus ensuring its smooth production operation, at the level of supply chain, in order to be able to meet obligations towards its customers.

Regarding the investment plan, in addition to the planned actions carried out, the Group up to this date made extraordinary investments which can be summarized as follows:

- Extraordinary investment of € 3 million as of 30/09/2020 for the installation of surgical mask production lines in the production facilities in Greece, Scotland and Ireland, achieving full vertical integration in the production of surgical masks (more details are included in the relevant Corporate Announcement as of 01/10/2020).
- Extraordinary investment of € 5.1 million for the installation of mechanical equipment for the production of "Meltblown" material, which will be used in the production of all types of

masks, from surgical masks to FFP2 and FFP3 type masks. To implement the investment, the subsidiary Don & Low reached an agreement with the state-owned Scottish Enterprise to finance 80% of the specific investment plan. The funding will be reimbursed to Scottish Enterprise within the next five years in proportion to the company's sales during the period under consideration (more details are included in the relevant Corporate Announcement as of 04/05/2020).

From the above it is demonstrated that during the 9-month period of this year, the Group despite the unprecedented conditions in the global economy due to the pandemic did not suffer any negative, from a financial point of view, consequence in both its financial results and trading cycle and therefore it did not face any material financial risk that would adversely affect its business continuity.

## II. Measures taken to reduce the impact of the pandemic

The Management of the Group continues to closely monitor the developments related to the pandemic crisis and to fully implement a plan to ensure the health and safety of the personnel and the uninterrupted business continuity of the Group.

In particular, in accordance with the guidelines and recommendations of the World Health Organization (WHO) and the local Public Health and Civil Protection Organizations, the following measures were implemented:

- Creation of sub-crisis management teams with the participation of the Managements of the subsidiaries and the Group, the Human Resources Di-

rectorates, the Occupational Physicians and the Safety Technicians.

- Informing employees about the coronavirus, the mode of transmission, the prevention and protection measures and providing recommendations and instructions for personal hygiene, in accordance with the local instructions of the competent authorities.
- Provision of personal protective equipment to the personnel (masks, antiseptics, gloves).
- Carrying out disinfections at the Company's premises on a regular basis.
- Conduct Covid-19 tests on the personnel as a whole and repeat them, as appropriate.
- Remote work for office employees to the greatest possible extent.
- Protection of workers belonging to vulnerable groups, by removal from the premises, without curtailing their wages.
- Creation of specific procedures and protocols for all visitors to the Company's facilities (carriers, contractors, technicians, etc.)
- Conducting meetings of the employees of all the Companies as well as the Management of the Group and conducting meetings of the Board of Directors without physical presence using electronic or audiovisual means (e.g. video conference).
- Restriction of movements to all facilities of the Companies and restriction of travel for business purposes.
- Continuous monitoring of liquidity, maintaining a high level of cash reserves, for safety reasons.

### III. Assessing the impact of the pandemic in the future

Regarding the prospects until the end of the current year, at the time of preparing the present note, the Management estimates that the financial performance of the Group will continue to show a significant improvement compared to the corresponding period of the previous year, both in terms of profitability and in terms of liquidity. The commitment towards stronger free cash flows creates conditions for even greater improvement in financial performance. The retention of higher demand for products targeting emerging sectors of the economy (also due to the pandemic), the stable demand for a large part of the product portfolio compared to previous year, the expanded customer base, the enhanced liquidity and the continuous implementation of strict safeguards are the key factors for minimizing the negative impact of the current situation.

Despite the fact that the full development of the second wave of pandemic and the re-imposition of restrictive measures (including the latest lockdowns) in most of the countries in which the Group operates, make any assessment regarding the possible impact of the pandemic on the commercial activity and the financial results of the Company and the Group uncertain, however based on the above the Management estimates that neither the Group nor any of its individual activities face a possible threat that would endanger its uninterrupted business continuity ("going concern"). Nevertheless, the Management of the Group maintains significant reservations regarding the financial effects that the pandemic will have on the economies of the countries in the near future and how these may affect the business activities 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. During the same meeting on 10.01.2020, the Board of Directors decided in accordance with arti-

cle 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 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 whereas its installation and commencement of operation will take place within the fourth quarter of 2020. Following the above, the final termination of the operations of Thrace Linq Inc. was approved whereas it was decided that the US geotextiles market would still be served by the Group's facilities in Europe and by Lumite Inc. in the USA, in which the Group participates with 50%. The Management considers that the above action will strongly contribute to the improvement of the Group's profitability.

- The liquidation of Thrace China (already completed) and its parent company Thrace Asia (expected to 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.

### **Sale of Industrial Property of Thrace Linq Inc.**

The sale of the privately owned industrial property, which housed Thrace Linq Inc and is located in South Carolina, USA, has taken place.

The total price consideration of the sale amounted to USD 14.5 million. As a result of the existing agreement, Thrace Linq received the amount of USD 11 million, while an amount of USD 3.5 million will have to be paid by the Buyer at a later time, i.e. within twelve months from the date of the sale of property. However, according to the existing agreements and its special covenants (both with the Buyer and with the Bank involved), in case for any reason the Buyer breaches its obligation to repay the remaining amount at the agreed time horizon (up until 15/06/2021 at the latest), the company Thrace Linq has the right to repurchase the property (based on priority and also based on its own discretion), covering the outstanding balance of the loan (and any interest or expenses that will be due) of the buyer as it will have been formed at the time when Thrace Linq will exercise this right, thus permanently canceling the

sale or alternatively in case this is deemed unprofitable, has the right to participate in the sale process (having as collateral the second registered mortgage).

Given the above and as the existence of the aforementioned right to repurchase the property creates conditions of uncertainty regarding the final completion of the transaction, its accounting recognition will take place when, by 15/06/2021 the latest, unless agreed otherwise, the relevant events become certain and final. The amount of USD 11 million received was recorded in the cash and cash equivalents, respectively increasing the «Other current liabilities».

It should be noted that the cash received (USD 11 million) was used to reduce the Group's Net Debt.

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

The fully owned by 100% subsidiary Don & Low Ltd, based in Forfar, Scotland, has decided to invest GBP 4.5 million in the purchase and installation of mechanical equipment for the production of meltblown material. The meltblown material 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 the last quar-

ter of the year.

To implement the investment, Don & Low agreed with the state-owned institution "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.

## **New production line of protective masks**

The Group activates 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 the context of the social responsibility, 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 infrastructure as well as its strong know-how in this field, the Group made an unplanned investment of over 400 Euros in order to

add the required mechanical equipment for the production of Type I, Type II and Type IIR surgical masks. The new production lines have already been installed in the production facilities of the Group in Xanthi and their production capacity exceeds 400 thousand masks per day.

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.

At the same time, the Group is investing in the purchase and installation of mechanical equipment for the production of surgical masks in the facilities of its subsidiaries in Scotland and Ireland. The daily capacity of these production lines is of the order of 800 thousand and 200 thousand masks per day respectively.

## **Donation of surgical masks**

The Board of Directors of the Company decided to support our fellow human beings who do not have the financial means to purchase the masks necessary for their protection, donating 50% of the produc-

tion of surgical masks in May and June to Social Welfare Institutions and other social groups.

## **Decisions of the Ordinary General Meeting of Shareholders of 15th July 2020**

At the Ordinary General Meeting of July 15, 2020, among others, the shareholders:

**a)** voted unanimously the appropriation of results from the financial year 2019 (01.01.2019-31.12.2019) and in particular the distribution (payment) of a total dividend of 2,000,003.25 Euros (gross amount) from the profits of the closing financial year 2019. Beneficiaries of the collection of the above dividend were the shareholders of the Company registered in the records of the Dematerialized Securities System (DSS) on July 20, 2020 (record date). The cut-off date of the dividend for the year 2019 was set on July 17, 2020. The payment of the dividend began on July 23rd,

2020 through Piraeus Bank and in accordance with the procedure provided by the Athens Exchange Regulation.

**b)** approved by majority the Remuneration Report, which was prepared in accordance with the provisions of article 112 of Law 4548/2018, contains a comprehensive overview of the total remuneration of the members of the Board of Directors (executive and non-executive) and explains the manner by which the Remuneration Policy of the Company was implemented during the immediately preceding financial year.

## **Acceptance by the competent authority of the appeal of Thrace Nonwovens & Geosynthetics SA to the Administrative Court of Appeal for taxes charged for the year 2011**

The Administrative Court of Appeal, according to its decision under No. 2826/2020, accepted the appeal of the company Thrace Nonwovens & Geosynthetics SA and cancels the accrued taxes and surcharges from the tax authorities

amounting to € 527 for the year 2011. The company had paid the above amount and had formed an equal claim in its accounting books, which was offset by the Company's tax liabilities.

## **Offsetting of Claims from OAED (Greek Manpower Employment Organization) with Liabilities towards the Greek State**

On July 17, 2020, the Law 4706/2020 was passed, according to which the outstanding claims of the beneficiaries until 31.12.2015 are offset by existing and future claims of the State against them, from the entry into force of the law. The obligations of OAED and the Greek State are exhausted according to the provisions of article 87 par. 2 of Law 4706/2020. The Group has a long-term receivable from OAED amounting to € 4,879, which con-

cerns a subsidy of 12% on the payroll costs of personnel and recruitment of new graduates in the area of Xanthi. The receivable of the Group before the impairments that have been recorded, amounts to € 11,062. At the preparation time of this report, no relevant guidance and further details have been issued for the specific elements, the timing and the respective procedure concerning the application of the provisions of this Law.

### 3.26 Events after the Balance Sheet Date

#### **Changes in Top Executives of the Group – Formation of the Board of Directors into body**

The Board of Directors of the Company, during the meeting that took place on Wednesday, October 14, 2020, aiming to ensure the profitable future growth of the Group and also to form a highly experienced management team, and always with the objective to make best use of the skills of its managers, decided the following:

Mr. Dimitris Malamos, executive member of the Board of Directors, assumed the duties of Chief Executive Officer of the Company and of the Group (Group CEO). Mr. Malamos, from 2010 until today, held the positions of Group CFO (from June 2010 to February 2020) and of Deputy Chief Executive Officer (Deputy Group CEO - from March 2020 until today), and has gained deep knowledge and experience regarding the organization, operation and activities of the Company and the Group.

Mr. Konstantinos Halioris, current CEO of the Company and the Group (Group CEO), remained Chairman of the Board of Directors of the Company and also assumed the position of Chief Entrepreneur. The

specific position, which was added to the organizational chart of the Group, based on the above decision of the Board of Directors, aims to ensure the continuation of the profitable growth of the Group in areas that fall both in the existing activities of the Group and in new beneficial activities in the future. The Management of the Group believes that the creation of this position and its assumption by Mr. Halioris, who has a significant career and valuable experience in «entrepreneurship», will ensure the future development of the Group.

The starting date for the implementation of the above changes in relation to the Organization Chart of the Group was set on Monday, October 19, 2020.

**As a result of the above, it was deemed as absolutely important and necessary to form the Board of Directors of the Company into a body and for this reason the Board of Directors with a decision of the same meeting approved the composition of the Board of Directors as follows:**

- 1) Konstantinos Chalioris of Stavros,  
**Chairman of the Board of Directors (executive member).**
- 2) Christos-Alexis Komninos of Konstantinos,  
**Vice Chairman of the Board of Directors (non-executive member).**
- 3) Dimitrios Malamos of Petros,  
**Chief Executive Officer of the Company (executive member).**
- 4) Vassilios Zairopoulos of Stylianos,  
**Member of the Board of Directors (non-executive member).**
- 5) Christos Siatis of Panagiotis,  
**Member of the Board of Directors (non-executive member).**

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- 6) Petros Fronistas of Christos,  
**Member of the Board of Directors (independent non-executive member).**
  - 7) Ioannis Apostolakos of Georgiou,  
**Member of the Board of Directors (independent non-executive member).**
  - 8) Konstantinos Gianniris of Ioannis,  
**Member of the Board of Directors (independent non-executive member).**
  - 9) Theodoros Kitsos of Konstantinos,  
**Member of the Board of Directors (independent non-executive member).**
  - 10) Nikitas Glykas of Ioannis, resident of Athens,  
**Member of the Board of Directors (independent non-executive member).**
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### **Completion of Surgical Protective Masks Investment Plan**

The Company with its announcement on October 1, 2020 informed the investor community about the completion of investments in surgical protective mask production lines. In particular and according to the relevant announcement of the Company: From April 2020 onwards, Thrace Group implemented a number of ad-hoc investments in the production of Type I, Type II and Type IIR surgical masks in the Group's facilities in Xanthi, Greece, in Forfar, Scotland and in Clara, Ireland. The total investment cost amounted to 3 million Euro.

The investment plan was completed with great success and in a timely manner. The production lines are now in operation, while their total capacity has been set at the level of 1.5 million masks per day. Apart from the sales generated in the Greek market, a large proportion of the production capacity is channeled to the United King-

dom and to the European Union.

The surgical masks produced are fully complied with the relevant quality standards, while the production is now performed through automated and efficient processes, thus making the overall process very competitive in financial terms, utilizing the strong technical know-how and the expertise developed.

It should be noted that the investment plan included the installation of production lines for ear loops and nose wires, through which the Group has achieved a fully vertical integration of its operations. All raw materials required for surgical masks production are now produced in-house, hence strengthening the competitive advantage of the Group in this particular business activity.



## **SUPPLEMENTARY NOTE TO THE SEMI-ANNUAL REPORT FOR THE PERIOD 01.01-30.6.2020, RELATING TO THE IMPACT OF THE COVID-19 PANDEMIC ON THE FINANCIAL PERFORMANCE AND OPERATION OF THE GROUP'S COMPANIES**

Following the Letter with protocol number 2331 / 27.10.2020 of the Capital Market Commission, the Company, in the context of the proper, valid and timely information of the investor community, in accordance with the article 23 of Law 3556/2007 for the purpose of adequate preparation of the Semi-Annual Financial Report, regarding the period that ended on 30.06.2020,

which (Report) was made available to the investor community on 21st September 2020, issued a supplementary announcement regarding the ongoing pandemic of Covid-19, which (announcement) was published both on the website of the Company and on the website of the Athens Exchange (more details in the relevant announcement as of 05/11/2020).



## **Issuance of Tax Certificate for Fiscal Year 2019 according to article 65 of Law 4174/2013**

The Company pursuant to the provisions of paragraph 4.1.3.1, section 12 of the Athens Exchange Regulation and the article 17 with number 596/2014 of the Regulation of the European Parliament and the Council informed the investor community that following the special tax audit for the fiscal year 2019, that was carried out by the statutory auditors in accordance with article 65A of Law 4174/2013, in both the Company and the subsidiaries "Thrace Nonwovens & Geosynthetics SA", "Thrace-Polyfilms SA", "Thrace Plastics Pack SA", "Thrace Eurobent SA", and "Thrace Green-

houses SA", the respective tax certificates were subsequently issued with unqualified opinion per company.

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

### 3.27 Online availability of financial report

The Interim Condensed Financial Information of the Company is available on the internet, on the website [www.thracegroup.gr](http://www.thracegroup.gr).

**The condensed interim financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, was approved by the Meeting of the Company's Board of Directors on 17<sup>th</sup> November 2020 and is signed by the representatives of such.**

The Chairman of the BoD	The CEO	The CFO	The Chief Accountant
KONSTANTINOS ST. CHALIORIS	DIMITRIOS P. MALAMOS	DIMITRIOS V. FRAGKOU	FOTINI K. KYRLIDOU
ID NO. AM 919476	ID NO. AO 000311	ID NO. AH 027548	ID NO. AK 104541 Accountant Lic. Reg. No. 34806 A' CLASS



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

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 **THRACE GROUP**