THRACE PLASTICS CO S.A.

ANNUAL FINANCIAL REPORT

01/01-31/12/2022

22

General Commerce Reg. No. 12512246000

Domicile: Magiko, Municipality of Avdira
Xanthi Greece

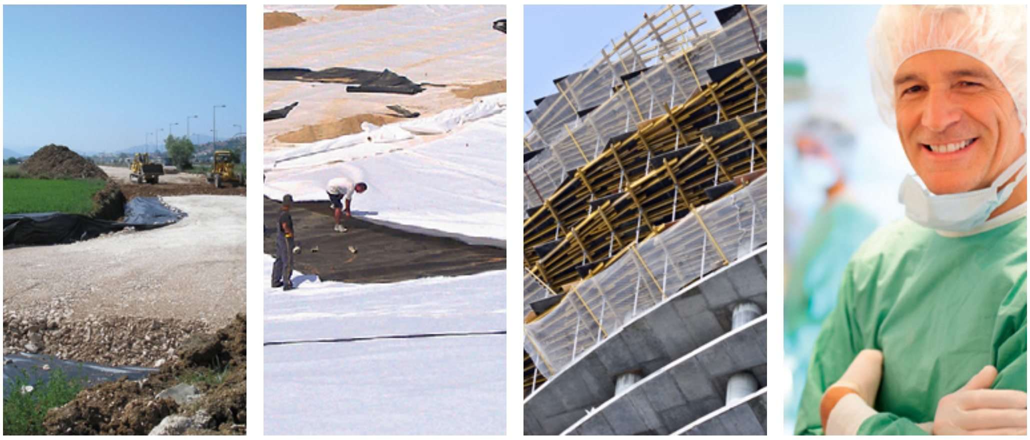
Offices: 20 Marinou Antypa Str.
174 55 Alimos, Attica Greece

www.thracegroup.com

THRACE GROUP

THE GROUP AT A GLACE

TECHNICAL FABRICS SECTOR



PACKAGING SECTOR

AGRICULTURE SECTOR WITH GEOTHERMAL HYDROPONIC GREENHOUSES

TECHNICAL FABRICS SECTOR

The technical fabrics segment concerns the production and trading of synthetic fabrics for industrial and technical uses, has an international orientation and operates through 7 companies of the Group. (Thrace Nonwovens & Geosynthetics SA, Thrace Eurobent SA, Don & Low Ltd, Thrace Synthetic Packaging Ltd, Lumite Inc, Thrace Polybulk AB, Thrace Polybulk AS).

PRODUCT CATEGORIES:

- Geosynthetic products (woven, non-woven) with application in large road construction, drainage, erosion control projects, etc.
- Membranes, nets with application in constructions
- Fabrics, nets, films, ropes with application in agriculture / horticulture / aquaculture
- Products with application in landscape / gardening
- Fabrics with application in sports / leisure products
- Hygiene / medical products
- Filter fabrics
- Fabrics with application in furniture / bedding
- Fabrics with application in the automotive industry
- Fabrics for industrial packaging
- Advanced fabrics
- Fabrics for floor covering
- Industrial fabrics
- Straps / ropes
- Yarns / fibers for industrial use








THRACE NG THRACE eurobent — GREECE

Don & Low MEMBER OF THRACE GROUP — SCOTLAND

THRACE SYNTHETIC — IRLAND

THRACE POLYBULK — NORWAY AND SWEDEN

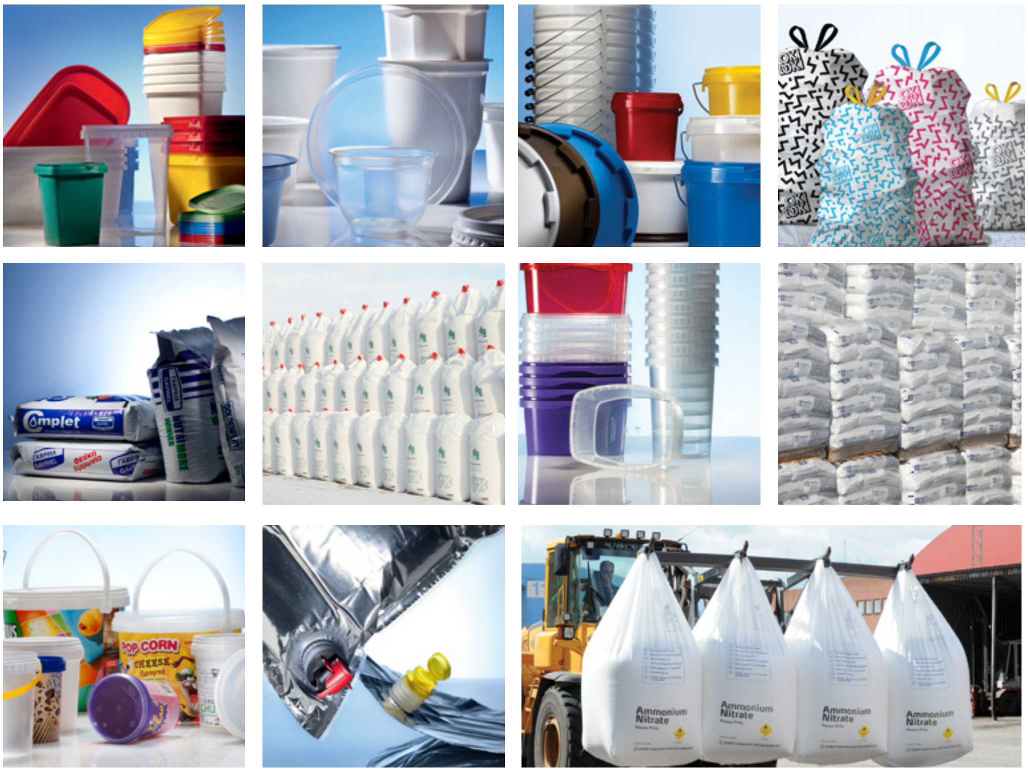
Lumite — USA

PACKAGING SECTOR

The packaging segment concerns the production and trading of packaging for food and industrial products, it is mainly European oriented and operates through 8 companies of the Group (Thrace Polyfilms SA, Thrace Pack SA, Thrace Synthetic Packaging Ltd, Thrace Ipoma SA, Thrace Greiner Packaging SRL, Thrace Polybulk AB, Thrace Polybulk AS, Thrace Plastics Packaging DOO).

PRODUCT CATEGORIES:

- FIBC/ filling solutions
- Bags/ FFS Films (Form, Fill, Seal)
- Packaging film / Pallet covering
- Container liners / Cargo protection
- Packaging fabrics
- Buckets / pails / containers
- cups/ thermoforming glasses
- Plastic crates
- Bag in box
- Garbage bags
- Ropes / twines



THRACE PACK
GREECE AND SERBIA

THRACE POLYFILMS
GREECE

THRACE IPOMA
BULGARIA

THRACE greiner packaging
ROUMANIA

THRACE SYNTHETIC
IRLAND

THRACE POLYBULK
NORWAY AND SWEDEN

AGRICULTURE SECTOR WITH GEOTHERMAL HYDROPONIC GREENHOUSES

Operating since 2013, with respect towards the environment and the end customer, growing pure and delicious hydroponic vegetables on 185 acres in Xanthi, using geothermal energy and photovoltaics, with controlled up to zero applications of plant protection products. The total arable area of Thermokipia Thrace S.A. it now amounts to 196 acres plot of land, including the Attica Greenhouses. Thrace Greenhouses' vision is "the systematic and organized business activity in the primary agricultural sector with a target of an optimum production with the minimum environmental footprint".

PRODUCT CATEGORIES:

- Tomato beef
- Cluster tomato
- Mini tomatoes
- Cucumber
- Cucumber of Knossos
- Eggplant







Thrace Greenhouses
FRESH HYDROPONIC VEGETABLES

The Group

The Group consists of

14 companies

worldwide (that have an active trading or production activity)

Activity in

3 sectors

Technical fabrics
Packaging solutions
Hydroponic agriculture

Sales network in

80 countries

around the world

Capacity for

28 different technologies

in production

Employs

2,069 personnel

including joint ventures

Operating in

9 countries

with production, commercial and distribution companies

Use of

13,407 MT recycled

material originate from both the production process residues and from external sources

Processing

more than 110 MT

of PP/PE per year

Pledge to the EU

8,500 MT

replacement of virgin raw material with post consuming recycled by 2025

Covering

25 market segments

with products and solutions

Supports the principles of the circular economy with

120 product groups

Producing

100% recyclable

products

Group Net sales of

394,4 ml.

Vision

To be the most valuable partner for our customers and suppliers and to consistently increase shareholders' value while ensuring a prosperous future for all the people working in THRACE GROUP.

Mission

- Adhering closely to our Group core values: integrity, focus on results, innovation, flexibility, responsiveness, cooperation, leadership.
- Investing in our people, by encouraging lifelong learning, individuality, personal initiatives and self-achievement.
- Creating new business standards through innovation and smart thinking, aiding our customers' leadership in their markets.
- Providing not just products but complete & innovative solutions, tailor-made upon our customers' specific requirements and needs.
- Acting local – being global, serving thousands of companies worldwide through strategic geographic dispersion.
- Pursuing profitability through organic growth and strategic acquisitions.
- Achieving competitive prices through economies of scale, vertical integration and internal synergies.
- Combining diverse high-end technologies with a long know-how and an extensive experience in the markets we operate.
- Respecting our global environment and the societies where we work and live.
- Adapting to the ever-changing market environment and promptly adjusting our practices to successfully meet the global trends that will shape the future of business, economy and society.

Values

History

1977 Mr. Stavros Chalioris establishes Thrace Plastics Co S.A. in Xanthi, Greece.

1980 Operation of production lines for woven bags, ropes & twines in Xanthi.

1986 Operation of production line for technical fabrics in Xanthi.

1992 Operation of production line for industrial and carpet Yarns in Xanthi.

1995 Listing in the Athens Stock Exchange.

1997 Establishment of **Thrace Pack SA** (Ioannina, Greece) and operation of production lines for rigid packaging through injection technology and thermoforming, as well as establishment of currently operating as **Thrace Polyfilms SA** (Xanthi, Greece) and operation of a flexible packaging production line.

1999 Acquisition of **Don & Low Ltd** (Scotland) and operation of production line for woven and non-woven technical fabrics.

2000 Acquisition of **Thrace Synthetic Packaging Ltd** (Ireland).

2001 Acquisition of **Thrace Polybulk AB & AS** (Norway and Sweden) and operation of production line for of flexible FIBC.

2002 Acquisition of **Thrace Greiner Packaging SRL** (50% JV, Romania) and operation of production line for rigid packaging through injection technology

2004 Acquisition of **Thrace Ipoma** (Bulgaria) and operation of production line for rigid packaging through injection technology.

2005 Establishment of **Thrace Plastics Packaging DOO** (Serbia) as a packaging solutions trading company.

2006 Acquisition of **Lumite Inc** (50% JV, USA) and operation of production line for woven technical fabrics.

2007 Acquisition of **Thrace Linq Inc** (USA).

2008 Operation of production lines for spunbond and needle-punched non-woven fabrics in Xanthi.

2009 Operation of production line for needle-punched non-woven fabrics in USA.

2010 Establishment of **Thrace Nonwovens & Geosynthetics SA** (Xanthi, Greece) undertaking the activities of the company Thrace Plastics SA, and establishment of **Thrace Polyfilms SA**

(Xanthi, Greece) and operation of production line for flexible packaging.

2013 Establishment of the company **Thrace Greenhouse SA** (50% JV, Xanthi, Greece) with operating activity of hydroponic cultivation with the utilization of geothermal energy.

2014 Establishment of **Thrace Eurobent SA** (50% JV, Xanthi, Greece) and operation of production line for sealing products with the utilization of geosynthetic clay liner.

2016 Operation of two new production lines for spunbond and needle-punched non-woven fabrics in Xanthi and a new production line thermoforming technology in Bulgaria.

2017 Internal restructuring of the Group, with the company Thrace Plastics SA to operate as **Thrace Plastics Holdings SA** and operation of new production lines for woven technical fabrics and rigid packaging through injection technology (Ireland).

2018 Operation of new production line for Needle-punched Nonwoven fabrics in USA, while the expansion in Thrace Greenhouses is completed by 45 acres in Xanthi, reaching in total the 185 acres.

2019 Internal restructuring of the Group's activities placing emphasis on the development of new innovative and sustainable products and limiting activities in low-profit margin markets and products.

2020 Operation of new production lines for Needle-punched Non-woven fabrics, meltblown fabrics and surgical masks in Greece, Scotland and Ireland and cessation of Thrace Linq Inc operation (USA).

2021 Operation of net metering photovoltaic systems.

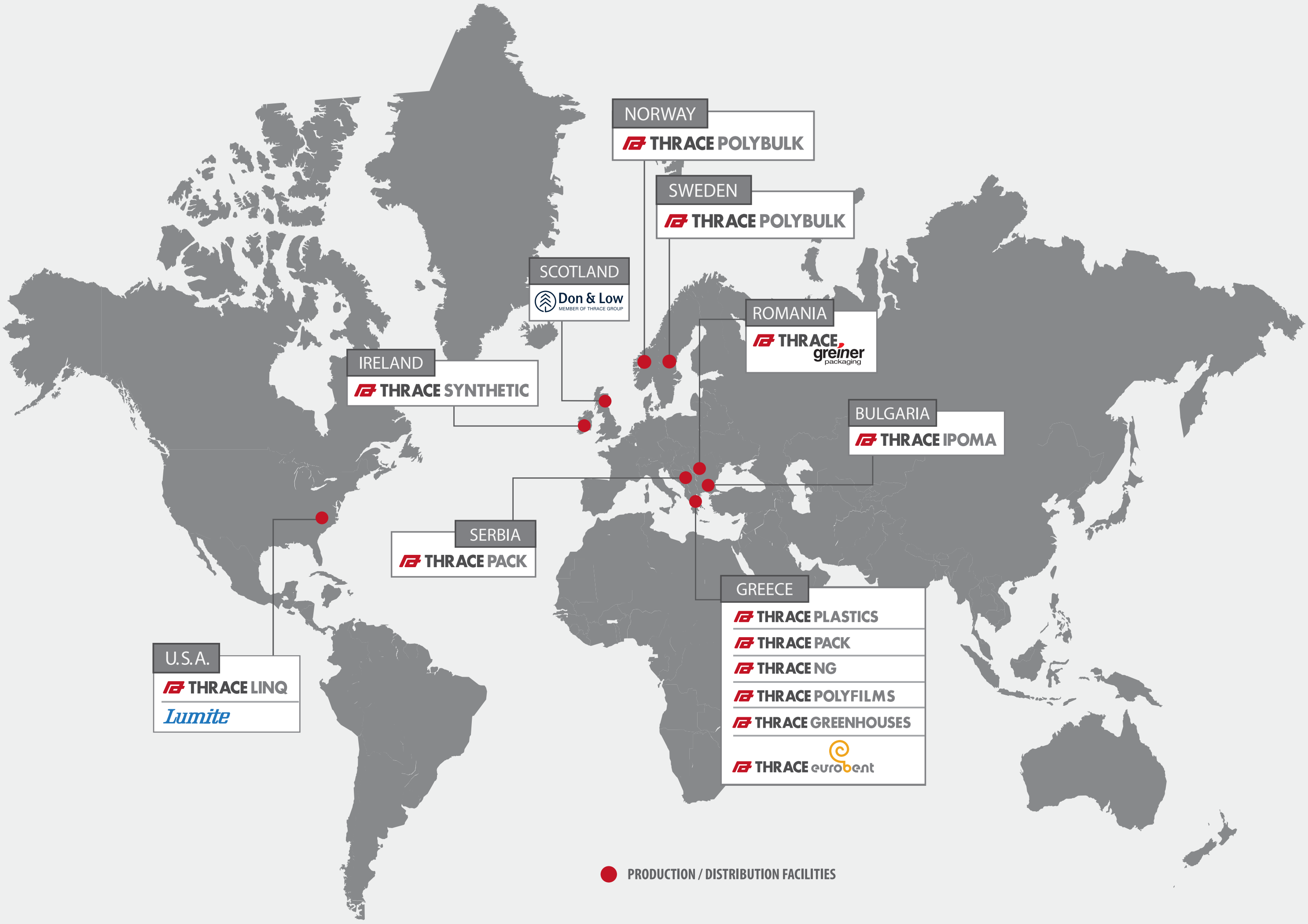
2022 Operation of new recycling line and operation of a new fiber production line to meet the needs of needle-punched nonwoven lines.

Domestic and international presence

The Group consists of the following companies that have an active trading or production activity:

Companies	Headquarters
Thrace Plastics Company SA	Xanthi, Greece
Thrace Nonwovens & Geosynthetics SA	Xanthi, Greece
Thrace Polyfilms SA	Xanthi, Greece
Thrace Eurobent SA	Xanthi, Greece
Thrace Pack SA	Ioannina/Xanthi, Greece
Thrace Greenhouses SA	Xanthi, Greece
Don & Low Ltd	Forfar, Scotland
Thrace Synthetic Packaging Ltd	Clara, Ireland
Thrace Ipoma SA	Sofia, Bulgaria
Thrace Greiner Packaging SRL	Sibiu, Romania
Lumite Inc	Georgia, USA
Thrace Polybulk AB	Köping, Sweden
Thrace Polybulk AS	Brevik, Norway
Thrace Plastics Packaging DOO	Nova Pazova, Serbia

The companies Thrace Eurobent SA, Thrace Greenhouses SA, Thrace Greiner Packaging SRL and Lumite Inc constitute Joint Ventures of the Group. However their aggregate data regarding the non-financial key performance indicators are included, as the same principles and values of Sustainable Development as in the Group are applied.


NORWAY
THRACE POLYBULK
SWEDEN
THRACE POLYBULK
SCOTLAND
Don & Low
ROMANIA
THRACE greiner packaging
IRELAND
THRACE SYNTHETIC
BULGARIA
THRACE IPOMA
SERBIA
THRACE PACK
GREECE
THRACE PLASTICS
THRACE PACK
THRACE NG
THRACE POLYFILMS
THRACE GREENHOUSES
THRACE eurobent
U.S.A.
THRACE LINQ
Lumite
PRODUCTION / DISTRIBUTION FACILITIES

THRACE GROUP

THRACE PLASTICS CO S.A.

ANNUAL FINANCIAL REPORT

1st January - 31st December 2022

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www.thracegroup.com

Information regarding the preparation of the Annual Financial Report for the period from January 1st to December 31st 2022

The present Report was approved unanimously by the Board of Directors of "THRACE PLASTICS CO The present Financial Report, which refers to the period from 1.1.2021 to 31.12.2021, was prepared in accordance with the provisions of article 4 of L.3556/2007 (Gov. Gaz. 91A'/30-04-2017), of Law 4548/2018 and the relevant decisions issued by the Board of Directors of the Hellenic Capital Market Commission under Reg. No. 8/754/14-4-2016 and 1/434/03-07-2007 as well as with the protocol no. 62784/06-06-2017 Circular of the Division of Enterprises and GEMI of the Ministry of Finance, Development and Tourism. The present Report was approved unanimously by the Board of Directors of "THRACE PLASTICS CO S.A." ("Company") on April 24th, 2023, has been posted on the Company's website www.thracegroup.gr where such will remain available to investors for a period of at least (10) ten years from the publication date and includes:

CONTENTS

I. STATEMENTS BY REPRESENTATIVES OF THE BOARD OF DIRECTORS

(according to article 4 par. 2 of L 3556/2007)

We, the representatives of the Board of Directors, hereby state and confirm that to our knowledge:

(a) The Annual Financial Statements (Parent and Consolidated) of the Company, which concern the period from January 1st 2022 to December 31st 2022, were prepared in accordance with the accounting standards in effect, accurately present the Assets and Liabilities, Equity and Financial Results of the Company, as well as those of the companies included in the consolidation and considered aggregately as a whole, and

(b) The Annual Report by the Company's Board of Directors accurately presents the significant events of the year 2022 and their effect on the annual financial statements, the significant transactions between the Company and its related parties, the developments, performance and position of the Company, as well as of the companies included in the consolidation and considered aggregately as a whole, including the description of basic risks and uncertainties they are facing.

Xanthi, 24 April 2023

THE UNDERSIGNED:

The Chairman of the Board of Directors	The Chief Executive Officer & Executive Member of the Board of Directors	The Non-Executive Member of the Board of Directors
Konstantinos St. Chalioris	**Dimitris P. Malamos**	**Vasileios S. Zairopoulos**

II. ANNUAL REPORT BY THE BOARD OF DIRECTORS OF THRACE PLASTICS CO S.A. ON THE FINANCIAL STATEMENTS OF THE YEAR FROM 1-1-2022 TO 31-12-2022

INTRODUCTION

The present Annual Report by the Board of Directors (hereinafter called as "Report") refers to the fiscal year 2022 (01.01.2022 – 31.12.2022). The Report was prepared in accordance with the relevant provisions of Law 4548/2018 (GOV. GAZ. 104A΄/13.06.2018) as it is currently in force and of Law 3556/2007 as it is in effect following its amendment from Law 4374/2016 and the relevant executive decisions issued by the Board of Directors of the Hellenic Capital Market Commission, and especially the decisions with number 1/434/3.7.2007 and 8/754/14.4.2016, as the latter is valid after its amendment by the decision with number 12A / 889 / 31.08.2020 of the Board of Directors of Hellenic Capital Market Commission.

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

Given the fact that the Company prepares consolidated and non-consolidated (stand-alone) financial statements, the present Report constitutes a single report referring mainly to the consolidated financial data of the Company and its subsidiaries or affiliates. Any reference to non-consolidated financial data takes place in certain areas which have been deemed as necessary by the Board of Directors of the Company for the better understanding of the contents of the report and towards providing investors with the most complete information.

It is noted that the present Report includes, along with the 2022 financial statements, the required by law data and statements in the Annual Financial Report, which concern the financial year ended on 31 December 2022.

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

SECTION 1: Significant events that took place during the financial year 2022

Below, the most significant events that took place during the fiscal year 2022 are presented:

Macroeconomic environment, COVID-19 impact and Russia-Ukraine war

2022 has been the first year in the post-pandemic era, which however was affected by a series of macroeconomic and geopolitical factors. The year at its beginning was marked by the war between Ukraine and Russia, a crucial event which in addition to the huge humanitarian issue it created, it was a determining factor for the course of the broader European economy within the year. Furthermore, the post-pandemic era has been characterized by strong inflationary pressures, which have significantly affected the purchasing power of households.

The above factors formed new conditions in the market, clearly more difficult ones than initially expected, such as the following: (a) lower demand for goods and services, especially in the second half of the year, (b) high uncertainty, both for the level of demand and for energy sufficiency, (c) continuation of the already strong inflationary pressures, (d) interest rate hikes and consequent increase in financing costs for businesses and households.

The above shaped an extremely difficult economic environment along with conditions of uncertainty regarding the course of economies and purchasing power internationally.

I. Group's Performance in the Financial Year 2022

In this highly difficult environment as described above and despite the unfavorable conditions that emerged, the Group managed to enter the post-pandemic era by posting enhanced profitability which was almost double the pre-pandemic levels.

In particular, in terms of demand, the first half of the year evolved at satisfactory levels and the Group managed to successfully handle the increased costs and maintain profitability at quite high levels. Nevertheless, the fourth quarter of 2022 proved to be particularly difficult, perhaps one of the most difficult ones that the industrial sector has encountered in recent years, as the combination of the parameters analyzed above brought a large slowdown in demand over the last months of the year. Therefore, the following were observed in the fourth quarter of 2022:

- Reduced demand for products in the construction sector.
- Low demand for products related to the infrastructure sector and to the large-scale construction projects.
- Decreased demand for most of the products of the agricultural sector.
- Steady demand for products related to the packaging sector.
- Almost zero demand for products related to COVID-19.
- Reduction in the cost of raw materials.
- Strong pressures for decreases on sales prices, in all product categories.

- Reduction of customer inventories due to the drop in raw materials prices and in view of the great uncertainty over the course of the European economy.
- Significantly increased energy costs in all countries of operation with significant fluctuations on a monthly basis.
- Steadily rising transport costs, with only some de-escalation on specific routes.
- Significantly increased cost of raw materials and packaging materials.
- Gradually increase of interest rates

From a financial perspective, the Group, in terms of volumes and as a result of the reduced demand in the fourth quarter of the year, posted a relatively small drop by 5.5% compared to 2021. The turnover from continuing operations, as it was expected following the significantly lower demand for products related to COVID-19 pandemic but also due to the declining sale prices as a result of lower raw material prices in the second half of the year, posted a limited decrease of 7.9% compared to 2021. In more specific terms, and despite the especially negative conditions and their impact on the level of demand across the globe, sales amounted to €394.4 million compared to €428.4 million in the previous year. Earnings before Taxes (EBT) from continuing operations amounted to €32.1 million (compared to €83.9 in 2021), of which €22.2 million related to the traditional product portfolio (compared to € 32.1 in 2021), €5.3 million derived from sales of personal protection products (compared to earnings of €51.8 million in 2021), while there was a non-recurring financial income of €4.6 million (see note 3.9).

Earnings before Taxes from the traditional product portfolio, as expected, dropped by 30.8%, compared to the corresponding level of the previous year. However, given the special conditions that prevailed in 2021 due to the outbreak of the pandemic, but also due to the also special conditions prevailing in 2022, due to the ongoing war conflict and the escalating inflationary pressures, it is extremely difficult to make a direct comparison between the two periods.

On the other hand, compared to the pre-pandemic levels, i.e. the year 2019, which is more appropriate for direct comparison, the Earnings before Taxes from the traditional product portfolio in 2022 posted an increase of 166% (€22.2 million compared to €8.3 million in 2019). The above development demonstrates the significantly increased profitability of the Group, despite the especially unfavorable conditions that prevailed in the global market during 2022 and the substantially higher costs of raw materials, energy and transportation.

Therefore, it is now clear that despite the particularly difficult conditions prevailing in the global economy, **the Group is in strong position to achieve stable, sustainable and significantly higher recurring profitability compared to pre-pandemic levels.** Furthermore, this achievement was realized in very different and especially negative conditions compared to the previous years, demonstrating the Group's ability to adapt to the new conditions emerging each time, by demonstrating both flexibility and resilience.

In this context, the Group through the investment and restructuring plan that took place over the previous years, has managed to set new performance standards in terms of financial results, even in a constantly difficult economic environment, creating new prospects for the future.

These prospects can be further enhanced by the time the energy and inflationary crisis de-escalates.

Regarding the liquidity levels of the Group and the trading cycle of the subsidiaries, there was no negative effect due to the difficult conditions observed during the period under consideration. At the same time, the implementation of the Group's planned as well as extraordinary investments progressed smoothly. Investments reached €40 million in 2022 approximately, on a cash basis, consisting of investments mainly in the Group's facilities in Greece, but also in the other countries of operation, and being financed to a significant extent with own funds.

It is noted that the FY2022 investments have been part of the Group's extensive investment plan spanning the 3-year period 2022-2022 and amounting to approximately €100 million. The plan aims to achieve volume increases, cost reduction and stronger competitiveness, while improving the product mix, enhancing the recycling process and ensuring sustainable development. On the other hand, during the last months of the year, as expected, there was an improvement at the level of working capital. As a result of the above, the Group's Net Debt at the end of 2022 amounted to €21.5 million, posting a drop by approximately €4.2 million, as compared to the Net Debt of the 9months 2022 period.

II. Measures taken to reduce the impact of the pandemic

The Group's Management continues to closely monitor the developments related to the pandemic crisis, despite the significantly improving conditions, and to adjust its plans based on the revised health protocols as required by the various pertinent authorities in each country.

III. Prospects of the Group

Regarding the prospects for the year 2023, the Management closely monitors the macroeconomic developments, on a global level, which are still characterized by inflationary trends thus affecting all cost items that constitute the industrial sector's cost base. On the other hand, there is also evidence of some de-escalation in the prices of primary and secondary materials and of transportation costs. At the same time, demand remains at relatively low levels, having however recovered from the levels experienced in the last months of 2022.

For the first quarter of 2023, the Group's Management monitors and adapts to the changes taking place at the macroeconomic level, making an effort to achieve the best possible financial performance, while simultaneously managing the inherent business risks. However, the economic environment remains difficult due to the low demand, persistent inflation levels, high energy costs and also high financing costs.

However, for the first quarter of the year 2023, the Group's Management anticipates that a significant profitability will be achieved, which demonstrates the Group's ability, despite the intense and difficult market environment, to remain focused on its ultimate goals. Therefore, profitability in terms of EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) of the Group from the traditional product portfolio for the first quarter of 2023 will be at the same levels approximately with the EBITDA profitability of the first quarter of 2022. This development is indeed satisfactory in view of the current market conditions (It is noted that according to the relevant corporate announcement, the Earnings before Taxes (EBT) in the first quarter of 2022 from personal protection products related to COVID-19 had amounted to €4.3 million, while it is estimated that also at an EBITDA level in the first quarter of 2022, the favourable effect was approximately the same).

Regarding the prospects for the next year, the Group's Management is constantly contemplating ways to mitigate, as far as possible, the negative consequences of the ongoing economic crisis experienced in Europe, but also at an international level. Despite the unfavorable market conditions and the overall uncertainty, which makes any attempt to estimate the course of next year rather difficult, there are very positive prospects for the Group. Thrace Group is now, more than ever, capable of capitalizing on the significant recurring profitability of the year 2022, but also on the extended investment plan that took place in the past years, with a target to maintain and further enhance the Group's profitability.

Given that the current conditions in the global market place create a lot of uncertainty, making any forecast concerning the production / commercial activity and the financial results of the Company and the Group precarious, the Management of the Group on the other hand strongly believes that neither the Group nor any of its business activities face a possible threat of interruption whatsoever ("going concern" principle).

IV. Climate issues

The Group recognizes the risks and impacts that may arise in its business activity due to the climate crisis and the energy transition, which may affect its production process and activities, while at the same time has identified great opportunities that are emerging through the adoption of the principles of circular economy, the use of recycled raw material and the investment in renewable energy sources.

In order to mitigate the risks arising from climate change, but also to take advantage of the opportunities that arise in order to achieve positive financial results for itself and the environment in which it operates, the Group is constantly adjusting its business model, in order to constantly reduce its environmental footprint. It achieves this through recording direct and indirect greenhouse gas emissions, reducing energy consumption in production processes, self-production and use of energy from renewable sources (solar, geothermal and hydroelectric), reducing the use of natural resources through the use of recycled raw material and proper waste management. In addition, it focuses on the development of innovative and sustainable products and services, applying the principles of the circular economy.

Therefore, it has established and communicated relevant principles and policies, while it has formulated a detailed strategic plan of specific actions, which are implemented with measurable positive results. More details are set out in the Report of Non-Financial Information (Section 12), as well as in the link below:

https://www.thracegroup.com/gr/en/sustainability/

V. Expected Credit Losses

There are no expected credit losses as a result of the current conditions and circumstances. In any case, according to the established policy, a big part of the companies' sales remain insured, while additional measures have been taken to ensure the Group carries out transactions with reliable customers (credit risk assessment, credit scoring, advances, etc.). More information on credit risk can be found in note 3.3.1.1. of financial statements.

Direct Impact of the War Conflict on the Financial Results of the Group

The war outbreak after the Russian military invasion of Ukraine creates geopolitical instability with adverse macroeconomic consequences. These consequences have been evident for all companies across the various economies on a day-to-day basis and are mainly related to the energy cost and the price increase in a series of raw materials and products. The above conditions created within the year 2022 an environment of great uncertainty affecting the level of demand especially in Europe. The Group does not have significant direct business activities in Ukraine and in Russia, i.e. in the areas directly affected by the war. Furthermore, the overall exposure to Ukraine and Russia is minimal. Based on the financial results of 2022, sales in these two countries stood at 0.2% of the Group's total turnover (for 2021, corresponding sales had stood at 0.6% of total Group sales). Therefore, no direct material impact is expected on the financial performance of the Group, given the non-existence of business activity in the specific areas as far as customers sales are concerned. However, the effects on the Group's activities from the negative developments, following the war conflict, in the energy sector, from the wider macroeconomic uncertainty and from the high inflation pressures with a focus on the abruptly rising energy costs, comprise factors which negatively affect the financial performance of the Group and specifically its cost structure. The Group's Management closely monitors all the above developments and has taken actions accordingly and in order to effectively deal with issues concerning the trading cycle and its cost base, to the extent possible.

Appointment of the Head of Regulatory Compliance and Risk Management Department

The Board of Directors of the Company, during its meeting of 21/02/2022, appointed Mr. Michael Psarros of George as Head of the Department (Unit) of Regulatory Compliance and Risk Management. Mr. Psarros has been working in the Group since 2010. He is a graduate of the University of Patras and the University of Leicester and has worked for 21 years as an internal auditor, gaining extensive experience in the areas of regulatory compliance and risk management. Mr. Michael Psarros will assume his duties as Head of the Regulatory Compliance and Risk Management Department (Unit) from 24.02.2022.

Annual Ordinary General Meeting of the Company's shareholders

The Annual Ordinary General Meeting of the Company's shareholders, which took place on May 25, 2022 remotely in real time via videoconference, approved the following among others:

A) the General Meeting unanimously approved the allocation of results for the financial year 2021 (01.01.2021-31.12.2021) and specifically it approved the distribution of a total dividend of Euro 11,750,000.00 (gross amount) from the earnings of the particular financial year.

Given that the Company, by virtue of the relevant decision of the Board of Directors dated 24.09.2021, had already distributed to its shareholders for the fiscal year 2021 an interim dividend of total amount of 4,750,000.00 Euros (gross amount), i.e. 0.109858877 Euros per share (gross amount, along with the increase that corresponds to the treasury shares the Company held on the cut-off date of the interim dividend), the General Meeting unanimously approved the distribution of the remaining amount of the dividend, and in particular of 7,000,000.00 Euros (gross amount), i.e. an amount of 0.1600312674 Euros per share (gross amount). The latter amount per share after the increase corresponding to 659,853 treasury shares held by the Company and which are excluded from the payment of dividend, settled at 0.1624823628 Euros per share (gross amount).

The Company's shareholders registered in the records of the Dematerialized Securities System (SAT) as of Tuesday, 31 May 2022 (record date), were those entitled to receive the above dividend.

Monday 30 May 2022 was set as the ex-dividend date according to the relevant article 5.2 of the Athens Exchange Regulation.

The payment of dividend commenced on Friday, 3 June 2022, and was implemented through the Societe Anonyme under the name "PIRAEUS BANK S.A.", according to the procedure stipulated by the Regulation of the Athens Exchange in effect.

B) the General Meeting approved by majority the Remuneration Report of the closing year 2021 (01.01.2021-31.12.2021), which was prepared in accordance with the provisions of article 112 of Law 4548/2018. The Report contains a comprehensive overview of the total remuneration of the members of the Board of Directors (executive and non-executive) and explains how the Remuneration Policy was implemented by the Company for the immediately preceding financial year.

The decisions of the General Meeting of Shareholders are posted on the Company's website at the link https://www.thracegroup.com/gr/en/general-meetings/

Issuance of Tax Certificate for the Fiscal Year 2021 in accordance with article 65 A of Law 4174/2013

Following the special tax audit carried out for the financial year 2021 by the statutory external auditors in accordance with article 65A of Law 4174/2013, both on the Company and its subsidiaries "Thrace Nonwovens & Geosynthetics S.A.", "Thrace-Polyfilms S.A.", "Thrace Plastics Pack S.A.", "Thrace Eurobent S.A." and "Thrace Greenhouses S.A.", the relevant tax certificates were issued with an unqualified opinion.

Liquidation and permanent Elimination of Subsidiary

With the decision dated 09/09/2022, the Hong Kong business registry approved the permanent elimination of the Group's subsidiary, Thrace Asia Ltd.

Thrace Asia operated as a sales office of Thrace Nonwovens & Geosynthetics Single Person SA in the market of China, with extremely limited activity in recent years, as most of the sales in the Asian market are made directly by Thrace Nonwovens & Geosynthetics Single Person SA. Therefore, the Group's Management decided to close the above sales office. The elimination did not affect the results of the Group and it only had an impact on the results of subsidiary SAEPE LTD.

Interim Dividend for the Year 2022

The Board of Directors of the Company during the meeting of November 22, 2022 approved the distribution of an interim dividend for the financial year 2022 based on the interim financial statements for the period 01.01.2022-30.06.2022. The Interim dividend amounted in total to 3,000 thousand Euros (gross amount), i.e. 0.0685848289 Euros per share of the Company. The above amount through the increase corresponding to the 751,396 treasury shares held by the Company and which are not entitled to an interim dividend, settled at 0.0697835797 Euros per share and was subject to a withholding tax of 5%, in accordance with the provisions of Law 4646/2019 (Government Gazette A' 201/12.12.2019). Therefore, the final amount paid as Interim dividend for the year 2022 amounted to 0.0662944007 Euros per share. The Board of Directors of the Company, during its meeting of December 7th, 2022 set the following dates: Monday, January 30, 2023 as the cut-off date for the interim dividend, Tuesday, January 31, 2023 as the date of determination of the beneficiaries to the above dividend (record date), and Friday, February 3, 2023 as the payment commencement date. The payment of the interim dividend was made through the paying Bank "PIRAEUS BANK SA".

SECTION 2: Main Risks and Uncertainties

Financial Risk Management

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

The Group's activities, in general, create several financial risks. Such risks include market risk (foreign exchange risk and risk from changes of raw materials prices), credit risk, liquidity risk and interest rate risk.

Risk from fluctuation of prices of raw materials

The Group is exposed to fluctuations in the price of polypropylene (represents 49% approximately of the cost of sales), which are mainly faced by a similar change in the selling price of the final product. The possibility that the increase in the price of polypropylene cannot be fully passed on to the selling price, causes unavoidably the compression of margins. For this reason, the Company accordingly adjusts, to the extent it is feasible, its inventory policy as well as its commercial policy in general. Hence, in any case, the particular risk is deemed as relatively controlled.

Credit Risk

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

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

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

Impairment

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

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

At the date of the preparation of the financial statements, impairment of receivables from customers and other financial assets was made on the basis of the above.

The following table presents an analysis of the maturity of Trade Receivables' balances at 31.12.2022.

Maturity of Trade Receivables' balances at 31.12.2022	Group
01 – 30 days	19,708
31 – 90 days	37,429
91 – 180 days	8,196
180 days and over	7,126
Subtotal	**72,459**
Provisions for doubtful receivables	(7,690)
Total	**64,769**

The above amounts are expressed in terms of due days in the table below:

Analysis of not past due/overdue	Group
Trade receivables at 31.12.2022	Group
Receivables current	52,008
Overdue receivables 1 – 30 days	9,838
Overdue receivables 31 – 90 days	3,015
Overdue receivables above 91 days	7,598
Subtotal	**72,459**
Provisions for doubtful receivables	(7,690)
Total	**64,769**

With regard to uninsured receivables overdue more than 90 days, which the Group has classified as doubtful, relevant provisions have been made which are deemed as sufficient.

Correspondingly, the amounts of maturity and past due for the financial year 2021 are presented in the following tables:

Maturity of Trade Receivables' balances at 31.12.2021	Group
01 – 30 days	23,443
31 – 90 days	37,175
91 – 180 days	4,980
180 days and over	6,670
Subtotal	**72,268**
Provisions for doubtful receivables	(7,721)
Total	**64,547**

Amounts in thousand Euro, unless stated otherwise

Analysis of not past due/overdue	Group
Trade receivables at 31.12.2021	Group
Receivables current	53,323
Overdue receivables 1 – 30 days	9,492
Overdue receivables 31 – 90 days	2,639
Overdue receivables above 91 days	6,814
Subtotal	**72,268**
Provisions for doubtful receivables	(7,721)
Total	**64,547**

Liquidity Risk

Liquidity risk monitoring focuses on the management of cash inflows and outflows on a permanent basis, so that the Group has the ability to meet its cash liabilities and retain the cash reserves required for its operations. Liquidity is managed by maintaining cash and approved bank credit lines. At the date of preparation of the financial statements, unused approved bank credits were available to the Group, which are considered sufficient to handle any possible shortage of cash in the future.

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

The following table presents the liabilities – disbursements according to their maturity dates.

Group 31.12.2022	Up to 1 month	1-6 months	6-12 months	1-5 Years	Over 5 years	Total
Suppliers	21,357	19,051	222	-	-	**40,630**
Other short-term liabilities	11,324	10,367	1,279	-	-	**22,970**
Short-term debt	3,658	8,735	14,596	-	-	**26,989**
Liabilities from leasing (short-term portion)	86	383	498	-	-	**967**
Long-term debt	-	-	-	30,993	648	**31,641**
Liabilities from leasing (long-term portion)	-	-	-	1,446	24	**1,470**
Other long-term liabilities	-	-	-	174	-	**174**
Total 31.12.2022	**36,425**	**38,536**	**16,595**	**32,613**	**672**	**124,841**

Amounts in thousand Euro, unless stated otherwise

Group 31.12.2021	Up to 1 month	1-6 months	6-12 months	1-5 Years	Over 5 years	Total
Suppliers	29,665	25,484	292	-	-	**55,441**
Other short-term liabilities	12,723	15,891	381	-	-	**28,995**
Short-term debt	2,601	9,118	5,674	-	-	**17,393**
Liabilities from leasing (short-term portion)	75	330	509	-	-	**914**
Long-term debt	-	-	-	33,610	-	**33,610**
Liabilities from leasing (long-term portion)	-	-	-	1,941	120	**2,061**
Other long-term liabilities	-	-	-	237	-	**237**
Total 31.12.2021	**45,064**	**50,823**	**6,856**	**35,788**	**120**	**138,651**

Foreign Exchange Risk

The Group is exposed to foreign exchange risks arising from existing or expected cash flows in foreign currency and investments that have been made in countries outside Greece. The management uses hedge instruments, mainly foreign currency forward contracts, to hedge the risks arising from changes in foreign exchange rates.

Sensitivity analysis of the effect of exchange rate changes is given in the table below.

Foreign Currency	2022			2021		
Change of foreign currency against Euro * **Profit before tax**	**USD**	**GBP**	**Other**	**USD**	**GBP**	**Other**
+5%	(333)	65	(18)	(74)	(32)	5
-5%	368	(72)	21	81	35	(6)
Equity						
+5%	(56)	(881)	(302)	(218)	(1.358)	(222)
-5%	62	974	334	241	1.500	246

Note

- *Profits before Taxes are converted at the average exchange rates.*
- *Equity is converted at the exchange rate at the closing date of each fiscal year.*

Amounts in thousand Euro, unless stated otherwise

Interest Rate Risk

The long-term loans of the Group have been granted by Greek and foreign banks and are mainly in Euro. Their repayment time varies, depending on the loan agreement and they are usually linked to Euribor plus margin. The Group's short-term loans have been granted by various banks, with Euribor interest rate plus margin as well as Libor interest rate plus margin.

The Group Management monitors the evolution of the interest rates level and initiate actions, to the extent possible, to retain or decrease the spreads. At the same time, effort is being placed on liquidity management, with a target to maintain a rational debt balance, compared with Group's sales volume, profitability level and its investment plans.

It is estimated that a change in the average annual interest rate by 1% will result in a (charge) / improvement of Earnings before Tax as follows:

Possible interest rate change	Effect on Earnings before Tax	
	Group	2021
	2022	2021
Interest rate increase 1%	**(610)**	(540)
Interest rate decrease 1%	**610**	540

Capital Adequacy Risk

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

Capital Adequacy Risk	Group	
	2022	2021
Long-term debt	31,641	33,610
Long-term debt from leases	1,470	2,061
Short-term debt	26,989	17,393
Short-term debt from leases	967	914
Total debt	**61,067**	**53,978**
Minus cash & cash equivalents	39,610	63,240
Net debt	**21,457**	**(9,262)**
EBITDA*	**48,243**	**110,275**
NET DEBT / EBITDA*	**0.44**	**(0.08)**
EQUITY	**267,861**	**252,250**
NET DEBT / EQUITY	**0.08**	**(0.04)**

** Concerns Total Operations*

Amounts in thousand Euro, unless stated otherwise

It should be noted that the Company does not have any bank debt liabilities, while the balance of the debt liabilities reported in its Balance Sheet refers to an intragroup loan.

SECTION 3: Significant Transactions with Related Parties

The most significant transactions between the Company and its related parties, as defined by International Accounting Standard 24, are described below.

It should be noted that the reference to the particular transactions includes the following data:

a) The amount of the most significant transactions for the year 2022

b) Their unpaid balance at the end of the year (31.12.2022)

c) The nature of relation between the related party and the Company, as well as

d) Any information concerning the transactions, which is necessary for the understanding of the Company's financial position, only to the extent that these transactions are material.

Company's Revenues from Related Parties

The following table includes the Company's most important revenues from Related parties, i.e. from company's subsidiaries:

	Income
Don & Low LTD	1,460
Thrace Nonwovens & Geosynthetics Single Person SA	1,584
Thrace Polyfilms Single Person SA	371
Thrace Plastics Pack SA	906
Thrace Ipoma A.D.	286
Synthetic Holdings LTD	261
Thrace Synthetic Packaging LTD	214
Thrace Polybulk AB	267
Thrace Polybulk AS	213
Thrace Linq Inc	200
Total	**5,762**

Amounts in thousand Euro, unless stated otherwise

Short-term Liabilities of the Company to Related Parties

The following table includes the Company's short-term liabilities to Related parties, which essentially consist of an intra-group loan.

Suppliers - Liabilities	31.12.2022
Thrace Synthetic Packaging LTD	**1,023**

The remuneration to the members of the Board of Directors

The remuneration granted to the members of the Company's Board of Directors amounted to € 1,664 in 2022 against € 1,812 in 2021. The remuneration of the members of the Board of Directors for the Group amounted to € 4,797 in 2022 versus € 4,970 in 2021 and relate to the Boards of Directors of 20 companies and to 31 people that participate in these BoDs, and also include salaries of the executive members of the Boards, other remuneration and benefits of both the executive and the non-executive members.

Bank guarantees and grants in favor of its subsidiaries

Bank guarantees issued by banks on behalf of the Company against third parties (State owned companies, Suppliers, Customers) amount to € 834.

The Company has granted guarantees to banks against long-term loans of its subsidiaries. On 31st December 2022, the outstanding amount for which the Company had provided guarantee settled at € 43,616 and is analyzed as follows:

Guarantees for Subsidiaries	2022
Thrace Nonwovens & Geosynthetics Single Person S.A.	21,443
Thrace Plastics Pack S.A.	17,676
Thrace Polyfilms Single Person SA	4,497
Total	**43,616**

Statutory external auditors fees

During the financial year 2022, the total fees paid to the Company's statutory external auditors, for audit and non-audit services, amounted to € 691 for the Group and to € 126 for the Company.

There were no changes in transactions between the Company and its related parties that could have had material effect on the financial position and performance of the Company during the financial year 2022.

All transactions described above have taken place under normal market terms and contain no special or extraordinary features which in opposite case would have made compulsory the further analysis of the above per related party.

Amounts in thousand Euro, unless stated otherwise

SECTION 4: Analytical Information according to Article 4 par. 7 and 8 of Law 3556/2007, as currently in effect

The Company, according to article 4 par. 7 and 8 of L. 3556/2007 is obliged to include in the present Report, analytical information regarding a series of issues, as follows:

1. Structure of Company's share capital

The Company's share capital on 31.12.2022 amounted to twenty eight million eight hundred sixty nine thousand, three hundred fifty eight Euros and thirty two cents (€28,869,358.32) and was divided into forty three million seven hundred forty one thousand, four hundred fifty two (43,741,452) common registered shares, with a nominal value of sixty six cents (€ 0.66) each. All Company shares are common, registered, with voting rights (with the exception of any treasury shares held by the Company), and are listed on the organized Market of the Athens Stock Exchange and specifically in the Main Market under the Chemicals – Specialized Chemicals sector. The structure and the formation of the Company's share capital are presented in detail in article 5 of the Company's Articles of Association. The Company's shares were listed on the Athens Exchange on 26 June 1995 and are being traded on this market up until today, without any interruption. From each share, all rights and obligations stipulated by the law and the Company's Articles of Association emanate. The possession of each share results automatically into the full and with no reservations acceptance of the Company's Articles of Association and the decisions that have been made by the pertinent bodies of the Company in accordance with the law and the Articles of Association. Each share provides for one (1) voting right.

2. Limitations to the transfer of Company shares

The transfer of Company shares takes place as stipulated by the Law and there are no limitations regarding such transfers in relation to its Articles of Association or other special agreements or other regulatory provisions.

3. Significant direct or indirect shareholdings according to the definition of Law 3556/2007

With regards to significant shareholdings in the share capital and voting rights of the Company, according to the definition of provisions of articles 9 to 11 of L. 3556/2007, Mr. Konstantinos Chalioris holds, on 31/12/2022, a percentage of 43.292% of the Company's share capital and voting rights and Mrs. Eufimia Chalioris holds, on 31/12/2022, a percentage of 20.851% of the Company's share capital and voting rights. No other physical or legal entity owned a percentage over 5% of the share capital. The data regarding the number of shares and voting rights held by individuals with a significant shareholdings have been derived from the Shareholder Registry kept by the Company and from disclosures by the shareholders provided to the Company according to Law (and MAR).

4. Shares incorporating special control rights

There are no Company shares that provide special control rights to owners.

5. Limitations on voting rights

According to the Company's Articles of Association, there are no limitations on voting rights.

6. Agreements of Company shareholders

To the knowledge of the Company there are no shareholder agreements, which result in limitations on the transfer of shares or limitations on the exercise of voting rights that emanate from its shares.

7. Rules for appointment and replacement of Board members and the amendment of the Articles of Association, which deviate from the provisions of C.L. 4548/2018

The rules stated by the Company's Articles of Association regarding the appointment and replacement of its Board of Directors' members and the amendment of the provisions of its Articles of Association, do not differ from those stipulated by C.L. 4548/2018 as it is in effect.

8. Responsibility of the Board of Directors or specific Board members for the issuance of new shares or the purchase of treasury shares.

There is no special and permanent competence of the Board of Directors or some of its members for the issuance of new shares or the purchase of treasury shares according to article 49 of law 4548/2018.The relevant power and responsibility is given to the Company's Board of Directors by virtue of a relevant decision of the General Meeting of its shareholders.

9. Significant agreements made by the Company and put into effect, amended or terminated in case of a change in the Company's control following a tender offer.

There are no such agreements, which are put into effect, amended or terminated, in case of a change in the Company's control following a tender offer.

10. Significant agreements made by the Company with Board members or the Company's personnel

There are no agreements of the Company with the members of its Board of Directors or its personnel, which provide for the payment of indemnity specifically in case of resignation or termination of employment without reasonable cause, or of the termination of their term or employment, due to a public offering.

SECTION 5: Treasury Shares

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

The Extraordinary General Meeting of the Company's shareholders on March 19, 2019 decided, inter alia, to approve the acquisition of own shares through the Athens Stock Exchange in accordance with the provisions of article 49 of law 4548/2018 as currently in force, which expired on 19.03.2021. Under the above plan and until its completion, the Company acquired 318,364 treasury shares, with an average purchase price of 2.4373 Euros per share, which correspond to a percentage of 0.728% of the share capital.

The Annual General Meeting of the Company's shareholders of May 21, 2021 decided to approve a share buyback program which provided for the purchase within a period of twenty-four (24) months, i.e. no later than 21.05.2023, of a maximum of 4,341,876 common registered shares, within a price range from fifty cents of Euro (0.50 €) per share (minimum) to ten Euros (10.00 €) per share (maximum).

During the execution of the above share buyback program and in execution-implementation of the above decision of the General Meeting of Shareholders, the Company proceeded, in accordance with the provisions of Regulation (EU) 596/2014 of the European Parliament and of the Council as of 16 April 2014 and of the Commission's Delegated Regulation (EU) 2016/1052 as of 8 March 2016, with the purchase of a total of 428,708 common registered shares carrying voting rights, based on an average price of EUR 5.89 per share, corresponding to 0.98% of the equity.

The Company held on 31.12.2022 a total of 751,396 treasury shares which correspond to a percentage of 1.72% of the share capital.

SECTION 6: Review of material financial figures of 2022

1. Group Financial Results

Continuing Operations

The following table depicts the Group's financial results (from continuing operations) for the year 2022 compared to the year 2021:

Financial Results of Year 2022
(CONTINUING OPERATIONS)

(amounts in thousand Euro)	***Year 2022***	***Year 2021***	***Change %***
Turnover	394,382	428,429	*-7.9%*
Gross Profit	84,263	140,149	*-39.9%*
Gross Profit Margin	*21.4%*	*32.7%*	
EBIT	27,407	83,913	*-67.3%*
EBIT Margin	*6.9%*	*19.6%*	
EBITDA	48,259	103,791	*-53.5%*
EBITDA Margin	*12.2%*	*24.2%*	
Adjusted EBITDA	48,850	105,799	*-53.8%*
Adjusted EBITDA Margin	*12.4%*	*24.7%*	
Earnings before Taxes (EBT)	32,068	83,920	*-61.8%*
EBT Margin	*8.1%*	*19.6%*	
Earnings after Taxes (EAT)	26,270	65,866	*-60.1%*
EAT Margin	*6.7%*	*15.4%*	
Total EATAM	*25,777*	*65,436*	-60.6%
EATAM Margin	*6.5%*	*15.3%*	
Earnings per Share (in euro)	*0.5985*	*1.5093*	-60.3%

* *Note: The alternative performance measures are presented and described analytically in the section 7 of the present Report.*

Below, an analysis of the changes observed in key financial figures of the financial results compared to the previous year is included. **However, it should be noted that the financial figures between the two years are not directly comparable (or versus 2020), due to the special conditions prevailing both in the current year as well as in the previous year (Due to sales related to Covid-19 products) and therefore the pre-pandemia financial figures (i.e. fiscal year 2019) are also supplementary included in total for better interpretation purposes.**

Turnover

€ 394,382 *(-7.9%)*

Decrease in consolidated turnover by 7.9%, demonstrating a relatively controlled but also expected decrease compared to the previous year. Decrease in the volume of consolidated sales by 5.5%. In particular and in terms of sales volume, the Packaging sector posted a decrease by 2.2% and the Technical Fabrics sector recorded a decrease of 5.7%, compared to the year 2021.

Gross Profit

€84,263 *(-39.9%)*

Gross profit amounted to €84,263, posting a drop by 39.9% compared to the previous year. However, the gross profits of the two years are not directly comparable due to the shift of product mix towards the traditional portfolio (as compared to the generation of significant sales of products related to COVID-19 in 2021), and also due to the abrupt increase of major cost items following the macroeconomic and geopolitical developments of the past months.

The gross profit margin settled at 21.4% compared to 32.7% in 2021. The decrease in margin is due to lower sales of personal protective equipment from COVID-19 which had an increased profit margin.

EBIT

€ 27,407 *(-67.3%)*

Earnings before financial and investing activities and taxes amounted to €27,407, posting a decrease of 67.3% compared to the previous year, however, the comparison between the two years becomes extremely difficult due to the shift of product mix towards the traditional portfolio (as compared to the generation of significant sales of products related to COVID-19 in 2021). It is noted that in 2019, EBIT amounted to € 12,102. Accordingly, the EBIT margin stood at 6.9% compared to 19.6% in 2021, while for the respective period of 2019, the EBIT margin stood at 3.7%.

EBITDA

€ 48,259 *(-53.5%)*

Earnings before financial and investing activities, depreciation, amortization, impairments and taxes amounted to €48,259, recording a drop by 53.5% compared to the previous year, however, the comparison between the two years becomes extremely difficult due to the shift of product mix towards the traditional portfolio (as compared to the generation of significant sales of products related to COVID-19 in 2021). It is noted that in 2019, EBITDA amounted to € 28,745. Accordingly, the EBITDA margin settled at 12.2% compared to 24.2% during the previous year, while for the respective period of 2019, the EBITDA margin stood at 8.8%.

Adjusted EBITDA

€ 48,850 ***(-53.8%%)***

The Adjusted EBITDA margin reached 12.4% compared to 24.7% in 2021.

Adjusted EBITDA does not include extraordinary personnel indemnities amounting to €591.

During the year 2021, in the context of the restructuring of the Group's participations, expenses of € 1,973 had emerged as result of the operational reorganization of the subsidiary Don & Low LTD along with a profit of €763 from fixed asset sales (see note 3.5). This subsidiary reduced its presence in woven technical fabrics, while increasing its production capacity in nonwoven technical fabrics. In addition, there was an expense of € 798 from extraordinary allowance to the personnel.

Earnings before Taxes

32,068 ***(-61.8%)***

Earnings before taxes amounted to € 32,068 (in 2021 amounted to €83,920), of which according to the Management's estimates, € 5.3 million were related to the sales of personal protection and health products allocated as follows: €3.0 million was generated from the «Technical Fabrics» Sector, while €2.3 million was generated by the «Packaging» Sector. Accordingly, EBT margin stood at 8.1% compared to 19.6% in the previous year.

Earnings before Taxes posted an increase of 166% compared to the pre-pandemic levels, i.e. versus 2019, where the comparison becomes more reasonable (the comparison refers to the EBT from the traditional product portfolio), demonstrating a significantly increased profitability, despite the extremely unfavorable conditions prevailing in the global market place during the 2022, and the significant increase in the cost of raw materials, energy and transportation.

Earnings after Taxes

€26,270 ***(-60.1%)***

Earnings after taxes amounted to €26,270, posting a reduction of 60.1% compared to the previous year, noted that the total earnings after taxes, the comparable year of 2019 amounted to €4,017. Respectively, the profit margin after taxes settled at 6.7% compared to 15.4% in the previous year.

Earnings after Taxes and Non Controlling Interests

€ 25,777 ***(-60.6%)***

Earnings after Taxes and Non-Controlling Interests amounted to € 25,777, posting a decrease of 60.6% compared to the previous year. Respectively, the profit margin after taxes and non-controlling interests stood 6.5% in 2022 compared to 15.3% in 2021.

Total Operations

Due to the decision to permanently discontinue the production of Thrace Linq INC, which was decided in order for the Group to focus on more profitable activities, this particular activity is reported in the income statement and other comprehensive income as discontinued operations.

For the completeness of information provided, the following table presents the Group's financial results in total (from Continuing and Discontinued Operations) in 2022, in comparison with the year of 2021:

Financial Results of Year 2022
(CONTINUING & DISCONTINUED OPERATIONS)

(amounts in thousand Euro)	*Year 2022*	*Year 2021*	*Change %*
Turnover	394,382	428,429	-7.9%
Gross Profit	84,263	140,149	-39.9%
Gross Profit Margin	*21.4%*	*32.7%*	
EBIT	27,391	90,397	-69.7%
EBIT Margin	*6.9%*	*21.1%*	
EBITDA	48,243	110,275	-56.3%
EBITDA Margin	*12.2%*	*25.7%*	
Adjusted EBITDA	48,850	105,799	-53.8%
Adjusted EBITDA Margin	*12.4%*	*24.7%*	
Earnings before Taxes (EBT)	32,052	90,517	-64.6%
EBT Margin	*8.1%*	*21.1%*	
Earnings after Taxes (EAT)	26,235	72,457	-63.8%
EAT Margin	*6.7%*	*16.9%*	
Total EATAM	*25,742*	*72,027*	-64.3%
EATAM Margin	*6.5%*	*16.8%*	
Earnings per Share (in euro)	*0.5977*	*1.6613*	-64.0%

Note: The alternative performance measures are presented and described analytically in the section 7 of the present Report.

2. Parent Company's Financial Results

The Company's business purpose, apart from being a holding company, relates also to the provision of support services to its subsidiaries. Specifically the Company's income is generated from the provision of administrative, operating and organizational support services, financial and tax services, IT and consulting services in the areas of marketing and sales, the preparation of financial feasibility studies, and the general provision of consulting services which ensure the proper operation of subsidiaries at all levels.

Specifically for the year 2022, the Turnover of the Company concerning the provision of the above services amounted to € 5,658 against € 5,668 in 2021, remaining therefore at the same levels. The Losses before Taxes, Financial and Investment Results amounted to € 648 in 2022 compared to a loss of € 839 in 2021. Earnings before taxes for the year 2022 amounted to 12,775 compared to € € 14,130 in 2021, posting a decrease of 9.6%. Finally, Earnings after taxes in 2022 amounted to € 11,171 compared to € 14,114 in 2021, recording a decrease of 20.9%.

3. Financial Results of the Group per Business Segment

The operating segments are based on the different product category, the structure of the Group's management and the internal reporting system. Using the criteria, as defined in the accounting standards and based on the different activities of the Group, the business activity of the Group is divided into two business segments, namely "Technical Fabrics" and "Packaging". The information about the sectors of activity which are not reported as separate ones has been collected and presented in the category "Other", which includes the agricultural sector as well as the activities of the Parent Company.

The description and financial results of the Group's operating segments are presented as follows:

Technical Fabrics

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

Packaging

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

Other

It includes the Agricultural sector and the business activity of the Parent company which apart from the investing activities, also provides Administrative – Financial – IT services to its subsidiaries.

During the year 2020, which was characterized by the spread of the coronavirus Covid 19 pandemic, the Group faced significantly increased demand for specific products in its existing product portfolio and particularly in the area of technical fabrics used in personal protection and health applications (Personal Protective Equipment).

The Group, taking advantage of the technological capabilities of its modern production lines and the know-how it has developed in technical fabrics, managed to meet the significantly increased demand, using the existing production lines and channeling a large part of the already produced volumes towards applications in this sector. At the same time the Group proceeded with targeted investments, such as the surgical mask production lines and the Meltblown non-woven fabric production line (as it has been already announced to the investor community via the corporate announcements of 04/05/2020 and 01/10/2020). The Group also proceeded with the purchase of machinery for the production of high protection masks (FFP2).

At the same time, there was a very high profitability at the Group level during the year 2021, where the pandemic was in full swing with repeated waves and mutations. The Group supported the market's needs, either through the network of the various retail chains (e.g. super markets) or through delivery of products according to contracts signed with the local health systems.

On the other hand during the year 2022,

a sharp reduction in demand for products related to the COVID-19 pandemic was observed, resulting into significantly lower sales and profitability for the Group compared to the previous year. The first quarter of 2022 was an exception to the above, as due to the spread of "Omicron" variant but mainly due to the execution of the last part of a contractual agreement signed with a local health system, the Group posted strong profitability which was however much lower than the level of the corresponding period of 2021.

More specifically, Earnings before Taxes from Continuing Operations at the Group level for 2022 amounted to €32.1 million, of which, according to Management's estimates, €5.3 million were related to COVID-19 products (compared to €51.8 million in the year 2021). More specifically, €3.0 million were allocated in the Sector of "Technical Fabrics" (versus €49.9 million in 2021), and €2.3 million were allocated in the Sector of "Packaging" (versus €1.9 million in 2021).

From the year 2023 onwards, having entered into the post-pandemic era, personal protection and health products will not be presented separately, following the same pre-pandemic disclosure practice. Instead, they will comprise another product category within the context of the Group's normal business activity.

It should be noted that part of the specific investments that were implemented (such as the Meltblown non-woven technical fabrics production line), can be used to produce products serving other sectors and applications.

The following table summarizes the course of financial results from continuing operations of the individual sectors in which the Group activated during the year 2022:

FINANCIAL RESULTS PER SEGMENT (Continuing Operations)

Sector	Technical Fabrics			Packaging			Other		Intra-Segment Eliminations		Group	
	12M 2022	12M 2021	% Ch.	12M 2022	12M 2021	% Ch.	12M 2022	12M 2021	12M 2022	12M 2021	12M 2022	12M 2021
Turnover	**274,488**	318,878	-13.9%	**132,672**	120,007	10.6%	**5,658**	5,668	**-18,436**	-16,124	**394,382**	428,429
Gross Profit	**56,478**	113,245	-50.1%	**27,239**	26,512	2.7%	**282**	24	**264**	368	**84,263**	140,149
Gross Profit Margin	**20.6%**	35.5%		**20.5%**	22.1%		**5.0%**	0.4%	-	-	**21.4%**	32.7%
Total EBITDA	**29,688**	86,148	-65.5%	**18,892**	18,265	3.4%	**-339**	-512	**19**	-110	**48,259**	103,791
EBITDA Margin	**10.8%**	27.0%		**14.2%**	15.2%		**-6.0%**	-9.0%	-	-	**12.2%**	24.2%

GROUP
Turnover 394,382
12M 2022
GROSS PROFIT 84,263
EBITDA 48,259

PACKAGING
Turnover 132,672
12M 2022
GROSS PROFIT 27,239
EBITDA 18,892

TECHNICAL TEXTILES
Turnover 274,488
12M 2022
GROSS PROFIT 56,478
EBITDA 29,688

OTHER
Turnover 5,658
12M 2022
GROSS PROFIT 282
EBITDA -339

Amounts in thousand Euro, unless stated otherwise

4. Group Consolidated Statement of Financial Position

The following table summarizes the basic financial figures of the Group's financial position as of 31.12.2022:

(amounts in thousand Euro)	31/12/2022	31/12/2021	Change %
Tangible Assets	169,218	153,848	*10.0%*
Rights-of-use assets	2,521	3,051	*-17.4%*
Investment Property	113	113	*0.0%*
Intangible Assets	10,357	10,539	*-1.7%*
Investments in Joint Ventures	19,921	18,012	*10.6%*
Net benefit from funded defined benefit plans	7,169	-	
Other Long-term Receivables	132	5,001	*-97.4%*
Deferred Tax Assets	357	380	*-6.1%*
Total Fixed Assets	**209,788**	**190,944**	***9.9%***
Inventories	76,415	71,835	*6.4%*
Income Tax Prepaid	1,984	274	*624.1%*
Trade Receivables	64,769	64,547	*0.3%*
Other Receivables	11,945	14,359	*-16.8%*
Fixed Assets Held for Sale	284	-	
Cash & Cash Equivalents	39,610	63,240	*-37.4%*
Total Current Assets	**195,007**	**214,255**	***-9.0%***
TOTAL ASSETS	**404,795**	**405,199**	***-0.1%***
TOTAL EQUITY	**267,861**	**252,250**	***6.2%***
Long-term Debt	31,641	33,610	*-5.9%*
Liabilities from Leases	1,470	2,061	*-28.7%*
Provisions for Employee Benefits	1,385	3,499	-60.4%
Other Long-term Liabilities	9,834	6,979	*40.9%*
Total Long-term Liabilities	**44,330**	**46,149**	***-3.9%***
Short-term Debt	26,989	17,393	*55.2%*
Liabilities from Leases	967	914	*5.8%*
Suppliers	40,630	55,441	*-26.7%*
Other Short-term Liabilities	24,018	33,052	*-27.3%*
Total Short-term Liabilities	**92,604**	**106,800**	***-13.3%***
Total Liabilities	**136,934**	**152,949**	***-10.5%***
TOTAL EQUITY & LIABILITIES	**404,795**	**405,199**	***-0.1%***

Fixed Assets
€ **209,788** *(+9.9%)*

The increase is mainly a result of the implementation of new investments (asset additions) during the year, which are greater compared to depreciation for the year.

Current Assets
€ 195,007 *(-9.0%)*

The decrease in current assets by 9.0% is mainly due to the relative decrease in cash reserves, despite the increase in inventories, compared to the previous year. . The reduction in cash balances is mainly the result of cash outflows for the implementation of the year's extensive investment plan (outflows of approximately €38 million), which was largely financed with own funds.

> **Inventory: € 76,415** *(+6.4%)*

The increase in Inventory is mainly due to the relatively higher purchase prices of primary raw materials.

The Average Inventory Turnover Days however stood at 87 days compared to 81 days in 2021.

The Average Trade Receivables Turnover Days stood at 60 days compared to 52 days in 2021.

Equity
€ 267,861 (*+6.2%*)

Equity amounted to € 267,861, posting an increase of 6.2% compared to 31.12.2021.

Provisions for Employee Benefits (Net Assets) **€ 5,784**

This asset is mainly due to the valuations of the assets using the updated discount rates. The largest share in the actuarial surplus of the Group comes from Don & Low LTD and the details of its plan are analyzed below:

	31.12.2022	31.12.2021
Present Value of Liabilities	(101,252)	(159,705)
Present Value of Fixed Assets	108,355	157,682
Net Asset Recognized in Balance Sheet	**7,103**	**(2,023)**

The asset allocation of the plan is as follows:

Asset allocation	31.12.2022	31.12.2021
Mutual Funds (Stock Market)	13,418	15,471
Mutual Funds (Bond Market)	63,480	79,020
Mutual Funds (Diversified Growth Funds)	**22,438**	52,838
Other	9,020	10,353
Total	**108,355**	**157,682**

The assets of the plan are measured at fair value and consist of Mutual Funds of Baillie Gifford, Legal & General Investment Management as well as Ninety One plc.

Amounts in thousand Euro, unless stated otherwise

Net Debt
€ 21,457

Net debt settled at €21,457, while on 31.12.2021 the Company had net cash of €(9,262). The Net Debt / Equity ratio stood at 0.08x on 31.12.2022 versus (0.04x) on 31.12.2021. The Group's Net Debt / EBITDA ratio for the period under consideration settled at 0.44x. It is noted that on 31.12.2021 the above ratio stood at (0.08x).

Short-term Liabilities
€92,604 ***(-13.3%)***

Short-term liabilities amounted to €92,604, compared to €106,800 on 31.12.2021, posting a decrease of 13.3%.

> **Suppliers**: **€ 40,630** ***(-26.7%)***

The decrease in Suppliers was mainly due to the gradually lower purchase prices of primary and secondary raw materials.

The average Suppliers Turnover Ratio settled at 57 days versus 54 days in 2021.

5. Financial Ratios

Following the above analysis, some basic Financial Ratios of the Group based on the Total Operations are presented:

Capital Structure Ratios	2022	2021	Explanation
Total Liabilities / Equity	0.5	0.6	Relation between Liabilities and Equity
Net Debt / Equity	0.08	-0.04	Relation between Debt and Equity
Net Debt/EBITDA	0.44	-0.08	Relation between Debt and Earnings before Interest, Taxes, Depreciation and Amortization
Fixed Assets / Total Assets	0.5	0.5	Asset Allocation between Current and Non-current Assets
Current Assets / Total Assets	0.5	0.5	
Equity / Net Fixed Assets	1,6	1,6	The level of financing of the Tangible Assets from the Equity
Leverage Ratios	**2022**	**2021**	**Explanation**
Equity / Total Assets	0.7	0.6	Relation between Equity and Total Assets
Interest Coverage	14.4	49,4	Interest Income –Interest Expense Coverage from Operating Earnings (EBIT)
Liquidity Ratios	**2022**	**2021**	**Explanation**
Current Ratio	2.1	2.0	Total Current Assets / Total Short-term Liabilities
Acid Test Ratio	1.3	1.3	(Total Current Assets - Inventories) / Total Short-term Liabilities

Amounts in thousand Euro, unless stated otherwise

Profit Margins (%)	2022	2021	Explanation
Gross Profit	21,4%	32.7%	Gross Profit/Total Turnover
EBITDA	12,2%	25.7%	EBITDA / Total Turnover
Adjusted EBITDA	12,4%	24.7%	Adjusted EBITDA / Total Turnover
Earnings before Taxes	8,1%	21.1%	Earnings before Taxes/ Total Turnover
Earnings after Taxes and Minorities	6,5%	16.8%	Earnings after Taxes and Minorities / Total Turnover
Receivables and Payables (in days) total	**2022**	**2021**	**Explanation**
Average Receivable Days	60	52	[(Receivables 2022 + Receivables 2021)/2] / Turnover 2021*365 days
Average Inventory Days	87	81	[(Inventories 2022+ Inventories 2021)/2] / Cost of Sales 2021*365 days
Average Suppliers Days	57	54	[(Suppliers 2022 + Suppliers 2021)/2] / Cost of Sales 2021*365 days

Consolidated Cash Flows

In terms of consolidated cash flows, the Group recorded cash and cash equivalents of €39,610 on 31/12/2022 compared to €63,240 on 31/12/2021.

CASH FLOWS	31/12/2022	31/12/2021
EBITDA	48,243	110,275
Non cash and non-operating movements	-2,083	-3,104
Change in working capital	-26,379	-429
Cash Flows from Operating Activities	19,781	106,742
Interest & income taxes & other financial expenses paid	-6,758	-19,663
Total inflows/outflows from operating activities	13,023	87,079
Investing activities	-36,502	-24,999
Financing activities	1,003	-41,195
Net increase/(decrease) in cash and cash equivalents	-22,476	20,885
Cash and cash equivalents at beginning of period	63,240	40,824
Effect from changes in foreign exchange rates on cash reserves	-1,154	1,531
Cash and cash equivalents at end of period	**39,610**	**63,240**

Amounts in thousand Euro, unless stated otherwise

SECTION 7: Definition and Reconciliation of Alternative Performance Measures (APM)

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

Alternative Performance Measures

In the analysis of the developments and the performance of the Group, ratios such as the EBIT and the EBITDA are utilized.

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

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

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

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

Adjusted EBITDA (The adjusted indicator of operating earnings before financial and investing activities as well as depreciation, amortization, impairment and taxes).

The Adjusted EBITDA is the EBITDA less any restructuring, acquisition, merger, and other non-recurring expenses that may be realized within the period / year, as well as any non-recurring gains (e.g. gain from the sale of property, plant and equipment).

Net Debt

It is calculated as the sum of long-term loans plus long-term lease liabilities plus short-term loans plus short-term lease liabilities minus the balance of cash & cash equivalents.

Total Debt / Equity

It is calculated as the ratio of Net Debt (see above) to Total Equity.

Net Debt / EBITDA

It is calculated as the ratio of Net Debt (see above) to EBITDA.

SECTION 8: Sustainable Development

The Group's objective via sustainable development is to create value for both the society and the environment. In this framework the Group's priorities comprise the generation of sustainable products in the context of the circular economy, the increase in the utilization of recycled raw materials, the investment in renewable energy sources and the materialization of actions that will contribute to the further reduction of the environmental footprint. The Group implements a specific policy and strategy regarding sustainable development and is committed to demonstrate respect for the human factor, society and the environment, in order to remain a reliable social partner. The approach towards sustainable development is based on the following six pillars: (i) Support circular economy, (ii) Deal with climate change, (iii) Empower human capital, (iv) Contribute to society, (v) Operating with integrity, (vi) Ensure business continuity. The main risks along with the risk management policy, as well as the performance and commitments under the UN Sustainable Development Objectives are presented in detail in the corresponding annual reports of the Sustainable Development and the Non-Financial Information.

SECTION 9: Prospects and Outlook of the Group for the Financial Year 2023

It is mentioned to Section 1: «Significant events that took place during the financial year 2022» of this Annual Report by the Bord of Directors, subparagraph III. «Prospects of the Group».

SECTION 10: Events after the Financial Position Date

The following paragraphs present the significant events that took place after the end of the financial year 2022 and up to the date of preparation of this Report:

Announcement of Regulated Information in accordance with Law 3556/2007

The Company following the relevant notification to the Company from March 10th, 2023, announced the following amendments / developments on March 9, 2023:

1. Mr. Konstantinos Chalioris, shareholder and Chairman of the Board of Directors of the Company, transferred from his individual share, to two "Joint Investor Shares" (KEM), the first one jointly created with his son Alexandros Chalioris and the second one jointly created with his son Stavros Chalioris (himself being the first beneficiary in both "Joint Investor Shares"), a total of 18,000,983 common registered shares with voting rights, i.e. a percentage of 41.153% of a total of 43,741,452 common registered shares with voting rights of the Company.

However, following the above, there was absolutely no change in the number and percentage of shares and voting rights controlled by Mr. Konstantinos Chalioris, who holds a total of 18,936,558 common registered shares with voting rights of the Company (and the same number of voting rights) a percentage of 43.292%. More specifically, he holds 18,000,983 common registered shares through the aforementioned "Joint Investor Share" and 935,575 common registered shares with voting rights (percentage 2.139%) through his Personal Investment Account.

2. Mr. Stavros Chalioris, son of Konstantinos, due to his participation in the aforementioned "Joint Investor Share" (which he holds jointly with Konstantinos Chalioris) holds 9,000,491 common registered shares of the Company (percentage 20.577%), while he already holds 212,071 common registered shares with voting rights (percentage 0.484%) in his Personal Investment Account and,

3. Mr. Alexandros Chalioris, son of Konstantinos, due to his participation in the aforementioned "Joint Investor Share" (which he holds jointly with Konstantinos Chalioris) holds 9,000,492 common registered shares of the Company (percentage 20.577%), while he already holds 212,071 common registered shares with voting rights (percentage of 0.484%) in his Personal Investment Account.

Proposed Dividend for the Year 2022

The Board of Directors of the Company, with its meeting of 24.4.2023, unanimously decided to propose to the Annual Ordinary General Meeting of shareholders the approval of the distribution (payment) of the profits of the fiscal year that ended on 31.12.2022 and in particular to propose the distribution (payment) to the shareholders of a dividend of a total amount of 11,300,000.00 Euros (gross amount), i.e. 0.2583361887 Euros per share (gross amount) from the profits of the fiscal year 2022 (01.01.2022-31.12.2022), but also from profits of previous years.

Given that the Company, pursuant to the relevant decision of the Board of Directors dated 22.11.2022, has already distributed to the shareholders the interim dividend for the fiscal year 2022 of a total amount of 3,000,000.00 Euros (gross amount), i.e. 0.0697835797 Euros per share (gross amount), the Board of Directors will subsequently propose to the Annual Ordinary General Meeting of shareholders the distribution of the remaining amount of the dividend, and in particular the amount of 8,300,000.00 Euros (gross amount), i.e. 0.1897513599 Euros per share (gross amount), which gross amount per share will be increased by the amount corresponding to the treasury shares that the Company will hold on the dividend cut-off date (and which treasury shares are not entitled to the payment of the dividend, by the provisions of article 50 of Law 4548/2018, as applicable.)

The Annual Ordinary General Meeting of shareholders will take the final decision concerning the approval of the above proposal.

There are no other events after the Balance Sheet date that have a significant impact on the financial statements of the Group.

SECTION 11: Corporate Governance Statement

The current Corporate Governance Statement is compiled according to the provisions of a. 152 of L. 4548/2018, and a.18 of L.4706/2020 Hellenic Corporate Governance Code, which was adopted and applied by the Company, and the decisions of the Hellenic Capital Market Commission issued by authorization of law 4706/2020, constitutes special and separate section of the Annual Management Report of the Board of Directors and contains the entire information required by the law.

Specifically, **the structure of the present Corporate Governance Statement** (hereinafter called as "**Statement**" or "**CGS**") is as follows:

I. Compliance Statement with the Corporate Governance Code

II. Deviations from the Corporate Governance Code and explanation of such

III. Corporate Governance Practices applied by the Company apart from those stated by regulatory framework.

IV. Description of the internal control and risk management system as regards to the process for preparing financial statements

V. Information regarding the Company's audit process (information stipulated by items (c), (d), (f), (h) and (i) of paragraph 1 of article 10 of Directive 2004/25/EC)

VI. Board of Directors and Committees

VII. General Meeting and Shareholders' Rights

VIII. Sustainable Development Report

I. Compliance Statement with Hellenic Corporate Governance Code

The Company applies the principles of corporate governance, as they are defined in the current legislative and regulatory framework in general. In full compliance with the provisions of article 17 of law 4706/2020 and article 4 of Decision No. 2/905/03.03.2021 of the Board of Directors of the Hellenic Capital Market Commission, the Company proceeded based on the relevant decision of the Board of Directors dated 16.07.2021 to the adoption and implementation of the Hellenic Corporate Governance Code (hereinafter called as the "Code"), which was drafted by the Hellenic Corporate Governance Council in June 2021 and is available at: http://www.esed.org.gr/code-listed, to which (Code) the Company states that it complies without any deviations. The Company, by taking and applying the appropriate, necessary and proper decisions and measures, proceeded to its full, effective, substantial and timely compliance and harmonization with the provisions of Law 4706/2020 (Government Gazette A136/17.07.2020), which laws substantially reformed and updated the regulatory framework for corporate governance, by upgrading the required organizational structures and corporate governance processes, increasing the principle of transparency and strengthening the confidence of shareholders and the investors community in general, in order for societe anonyms whose shares are listed on the regulated market to meet the increased demands of the modern capital markets.

II. Deviations from the Corporate Governance Code

The Company, as mentioned above, taking into account in each case the particularities of its organizational structure and operation, decided to adopt and implement the Hellenic Code of Corporate Governance. As the Code is applied on the basis of the principle "Comply or explain", which requires companies that comply with the Code to either comply with all of its provisions, or to explain, with explanation, the reasons for their non-compliance with its specific special practices, while the explanation of the reasons for non-compliance should not be limited to a simple reference to the practice with which the Company does not comply, but should be justified in a specific, definite, comprehensible, substantial and convincing manner. The company fully complies with the provisions, special practices and principles defined by the Hellenic Code of Corporate Governance without any deviations.

III. Corporate Governance Practices applied by the Company, apart from those stated by regulatory framework.

As regards to corporate governance issues, the Company applies faithfully and without any deviations the provisions of laws 4548/2018, 4706/2020 and 4449/2017 as currently in force, as well as the Hellenic Corporate Governance Code, the provisions and regulations of which it has as much as possible, incorporated in its Articles of Association, its Internal Operation Rulebook, in the Rules of Procedure of the Committees, in the Manual of Internal Control and in all the individual procedures and policies it has established and implements.

At the present time there are no applicable practices in addition to the provisions of the law. Moreover, the Company applies the above provisions and the Hellenic Corporate Governance Code to the rules of procedure of its committees, in other regulations, codes, procedures and policies. Finally, it is noted that the Company is fully harmonized with the provisions of the law 4706/2020 on corporate governance.

IV. Description of the internal control and risk management system of the Company and the Group as regards to the procedure of preparing financial statements and assessment results

The Internal Control System consists of the functions established by the Group, i.e. both the parent Company and all other companies included in the consolidation, in order to ensure the protection of its assets, to identify and address the most important risks it faces or may face in the future, to ensure that the financial data on the basis of which the financial statements are prepared (separate and consolidated) are correct, true and accurate, and also to ensure that the laws and the applicable regulatory framework are applied, as well as the principles the procedures and the policies adopted by the Management.

For the development of this System, the Management of the Group, has reviewed and implemented various Policies, Procedures and Rules, which have been included in its Internal Operation Rulebook.

Its implementation covers the Management of Potential Risks in relation to the process of drafting Financial Statements (separate and consolidated) in the following three (3) areas:

1) Entity level controls applied by the Company and each of the other companies included in the consolidation at a parent level,

2) Financial reporting process controls implemented by both the Company and all other companies included in the consolidation during the process of drafting financial statements, separate and consolidated,

3) IT controls embedded into the information systems applied by the Company as well as all other companies included in the IT systems framework.

Specifically:

1) Entity level controls

Role and Responsibilities of the Board of Directors: The Board of Directors decides on any action that concerns management of the Company, management of its assets and in general on anything that relates to the achievement of its objective and the promotion of its business activities.

Additionally, the Board of Directors:

- Determines the main responsibilities and the objective of each Division, so that the CEO can then assign to each Director the responsibility of allocating the above to his/her subordinates.
- Proposes to the General Meeting of Shareholders to appoint the Company's External Auditors, in line with the proposition of the Audit Committee, and to define their remuneration.
- Is responsible to prepare a report with detailed transactions of the Company with its related parties, which is disclosed to the regulatory authorities.
- Is responsible for the preparation of the Remuneration Report according with article 112 of Law 4548/2018.

Preparation of Budget and Monitoring its Implementation at the Board of Directors level: The Annual Budget, which is also a guide for the Group's financial development, is prepared on an annual basis (consolidated and also per segment/subsidiary) and is presented to the Company's Board of Directors for approval. The reports with the actual financial results are issued periodically, accompanied by the condensed reports including the explanations of deviations and are discussed at the Board level.

Internal Operation Rules: The Company's Internal Operation Rulebook is also the manual for its Internal Control System, which amongst others includes the following:

- Description and guidance on managing the different operations
- Control points in stand-alone procedures
- Delegation of responsibilities
- Authorizations and limits of expense approvals
- Instructions for Controls on the main sections of the Internal Control System.

The adequacy of the Internal Control System is monitored on a systematic basis by the Audit Committee through regular meetings that take place with the Internal Audit and the Risk and Compliance Management Department in the context of monitoring the Annual Audit Program for the Company and the Group, which is prepared based on the relevant risk assessment.

2) Financial reporting process controls

In order to ensure that the financial data, based on which the financial statements of both the Company and the Group, are correct, true and accurate, the Company applies specific controls that include the following:

- The postings from the Company's accounting department are performed based on a specific process that requires all receipts/invoices to be original and carry the respective original signed approvals.
- The Company maintains a Fixed Asset Register in the Fixed Assets sub-system and applies depreciation rules according to the International Financial Reporting Standards and Tax Rules in effect.
- The Accounting Department carries out periodic reconciliation of balances of payroll, customers, suppliers' accounts, VAT, etc.
- The Group prepares the consolidated budget on an annual basis. Each subsidiary prepares the corporate budget in alignment with the objectives of the Group. These budgets shall be submitted to the Board of Directors of the Company for approval.
- Each month a detailed financial results presentation is prepared per segment/subsidiary and on a consolidated Group level. This presentation is submitted to the Company's Management.
- Companies that constitute the Group follow common accounting standards and procedures in line with the International Financial Reporting Standards (IFRS).
- At the end of each period, the accounting standards of the parent and subsidiary companies prepare their financial statements according to the International Financial Reporting Standards (IFRS).
- The Statutory departments of the Group collect all the necessary data from subsidiaries and plants, consolidation entries are applied, and the financial statements are prepared according to the International Financial Reporting Standards (IFRS).
- There are specific financial statements closing processes, which include deadlines for submission, responsibilities allocation and update on the required actions before submission.
- The financial statements are audited by external Certified Auditors whose work is monitored by the Audit Committee, which then proposes their approval to the Company's Board of Directors.
- The departments of Internal Audit and Risk & Compliance periodically perform audits to confirm the accuracy, completeness, and correctness of financial statements.

3) IT controls

The Group IT Department is responsible for supporting the Group's and the Company's IT applications. This Department has established robust IT controls framework, which ensures the support of the short-term and also the long-term objectives of the Company and the Group.

All applicable procedures are described

in detail by the Company's Internal Operation Rulebook. It is noted that all the companies of the Group follow the Group Policies Manual and fully comply with its basic principles, rules, and procedures, in order to ensure the reliable and adequate implementation of the control of information systems of all companies within the Group. The most important of these procedures are listed below:

- Back Up Process (in Hardware): According to the Operation Rulebook, the IT Service develops the appropriate infrastructure and ensures that such is compatible and backed by an alternative application/system to have a back-up in cases of damage in the Company's and the Group's central IT system.
- Safekeeping (Confidential) of the Company's and the Group's Electronic Files: The IT Department applies the appropriate systems that ensure the "non" leakage of the Company's and the Group's IT data.
- Files – Software of the Central System: Particular emphasis is given to the access of the room where the Central System is hosted, in order to allow such access only by IT authorized employees. The access is controlled adequately and at regular basis.
- Files –Software of the Peripheral Systems: Access to files and system software is granted to specific individuals with the use of personal passwords.
- Processes for Security of the Central and Peripheral Systems: In the context of protecting the Group's IT system, and taking advantage of the latest technology available, the IT Department applies advanced security practices, such as antivirus security software, e-mail security, firewalls etc.

The Audit Committee of the Company monitors the adequacy of the Company's Internal Control System on a continuous basis, given that:

- It has approved the Company's Internal Operation Rulebook which has incorporated the appropriate Policies, Processes and Rules that comprise the Internal Control System applied by the Company, including Group's Policies Manual, which concerns the common policies and procedures applied by the subsidiaries.
- The members of the Company's Audit Committee as well as the Members of the Board of Directors are recipients of the reports prepared by the Company's Internal Audit Unit and the Regulatory Compliance & Risk Management Department of the Company. In these reports, the Company and the Group's operations are assessed as well as the adequacy of Internal Control Systems applied.

Assessment of the Internal Control System

According to article 14 par. 3 case j of Law 4706/2020 and nr. 1/891/ 30.9.2020 decision of the Board of Directors of the Hellenic Capital Market Commission, as amended by nr. 2/917/17.6.2021 decision of the Board of Directors of the Hellenic Capital Market Commission as in force, a periodic assessment of the Internal Control System of the Company took place, in particular as to the adequacy and effectiveness of the financial information, on an individual and consolidated basis, in terms of risk management and regulatory compliance, in accordance with recognized compliance and internal control standards, as well as the implementation of the provisions on corporate governance of Law 4706/2020. This assessment was carried out by an independent auditor who meets the provisions of Law 4706/2020 and the abovementioned decision of the Hellenic Capital Market Commission's Board of Directors, in accordance with the relevant policy / procedure, for the periodic assessment of the Company's Internal Control System. In specific, the registered in Public Registry of article 14 of Law 4449/2017 auditing company PRICEWATERHOUSECOOPERS Auditing Company SA (AM SOEL 113) was appointed pursuant to the decision of the Board of Directors of the Company of 11.03.2022, following the relevant proposal of the Audit Committee of the Company of 08.03.2022, together with the Board of Directors' decision dated 16.07.2021, which determined the significant subsidiaries included in the scope of the assessment (namely, Thrace Nonwovens & Geosynthetics S.A, Thrace Plastics Pack S.A. and Don & Low Ltd).

The scope of the assessment , which was decided by the Board of Directors of the Company, included all the requirements set in chapter ii.b of the decision 1/891/30.09.2020 of the Hellenic Capital Market Commission's Board of Directors. More specifically, the scope of the assessment included the Control Environment, the Risk Management framework, the Control Activities, the Information and Communication framework and the Internal Controls System Monitoring.

The Company's Internal Control System was assessed by the Certified Auditor-Accountant Mr. Evangelos Venizelos (SOEL Reg.Nr.39891), partner of PRICEWATERHOUSECOOPERS Auditing Company SA, with a reference date of December 31, 2022.

According to the "Internal Control System Adequacy and Effectiveness Assessment Report" dated 20.03.2023 of the aforementioned Auditing Company, which was submitted to the Company after the completion of the assessment of the Company's Internal Control System, based on the work carried out, as well as the evidence obtained, with a reference date of December 31, 2022, nothing that could be considered a material weakness of the Company's Internal Control System and its significant subsidiaries has come to the auditing company attention, in accordance with the Regulatory Framework (article 14 par. 3 par. j' and par. 4 of Law 4706/2020, Decision of the Board of Directors of the Capital Market Commission nr. 1/891/30.9.2020, as amended by the decision of the Board of Directors of the Capital Market Commission nr. 2/917/17.6.2021 as in force).

Therefore, due to the absence of any material findings, the provisions ii.c of the Decision of the Capital Market Commission's Board of Directors nr. 1/891/30.9.2020, as amended by the decision nr. 2/917/17.6.2021 as in force, and of par. A of the letter of the LISTED COMPANIES DIVISION, Listed Companies Supervision Department of the Capital Market Commission with protocol number 425/21.02.2022 with title: "Highlights, clarifications and recommendations regarding the actions of listed companies in view of the publication of the Annual Financial Reports and the implementation of Law 4706/2020 "Corporate governance of joint-stock companies, modern capital market, incorporation into Greek legislation of Directive (EU) 2017/828 of European Parliament and of the Council, measures to implement Regulation (EU) 2017/1131 and other provisions" do not apply. Those regulations and guidelines require that the Corporate Governance Statement must include a response by the Company's Management for the significant deficiencies, including a brief reference to the action plans and the relevant timetable in place to resolve them, as well as a brief reference to the actions taken by the Company during the reporting year to resolve the deficiencies in question, based on the aforementioned action plan.

Further to the above, and following the Group's annual strategy review/revision performed, the assessment of the main business risks faced by the Company within the industry as well as the adequacy of the internal control systems in place which were performed by the Board of Directors of the Company at the end of the fiscal year 2022 (01.01.2022-31.12.2022), the Board of Directors concludes on the following:

- the Company's strategy and the business plan are implemented properly and according to the planning of the individual Divisions, in order for the Company to continue to stand out for the promotion of innovative products that meet the constantly evolving and most demanding needs of its customers, creating value for its people, contributing to the local community and building relationships of trust,
- The main business and financial risk areas of the Company as well as the issues that may have a significant impact on the financial statements of the Company and Group, have been reported in detail in the relevant Section of the Board of Directors Report,
- The internal audit is carried out in accordance with the current legislative and regulatory framework and the principles of the Code of Ethics and covers the main activities of the Company, in order to assess in time any deficiencies, errors, weaknesses and possible fraud that may result in a misappropriation and/or loss of assets and verify the credibility of the entity's financial figures.

The Auditing Company, which is in charge of carrying out the mandatory audit of the annual and semi-annual financial statements (stand-alone and consolidated), as well as the issuance of the tax certificate, provided to the Company the following non-audit services during the closing year 2022 (01.01.2022-31.12.2022):

(a) Review of the procedures and internal controls to assess the compliance of the company against the art.14 of L.4706/2020 and the HCMC decision 1/891/30.9.2020.

(b) Evaluation of the Internal Control System in compliance with the provisions set out in L.4706/2020 and the Hellenic Market Capital Commission decision 1/891/30.9.2020 as per COSO component.

(c) Report on agreed upon procedures regarding "Certificate of Conformity" of "Thrace NonWovens & Geosynthetics S.A." to "EUROBANK SA" and "ALPHA BANK" on 31.12.2021.

(d) Report on agreed upon procedures regarding the "Certificate of Conformity of "Thrace Plastics Pack SA" to "EUROBANK", "PIRAEUS BANK", "NATIONAL BANK OF GREECE" and "ALPHA BANK" on 31.12.2020.

(e) Report on agreed upon procedures regarding the "Certificate of Conformity of "Thrace Polyfilms SA" to "NATIONAL BANK OF GREECE" on 31.12.2021.

(f) Execution of agreed upon procedures regarding the Procedure for Inclusion of Beneficiaries in Categories of Reduced Charges of Special Fee for Reduction of Gas Pollutant Emissions (ETMEAP), in the context of the decision of the Deputy Minister of Environment and Energy "Government Gazette with Number B' 3152-30.07.2020" for the period from 01-01 to 31-12-2019.

(g) Technical support on local tax and accounting areas of Thrace Polybulk A.S.

However, the fact that the Auditing Company provided the above (non-audit) services had no effect, direct or indirect, on the independence, objectivity, integrity, reliability and effectiveness of the statutory audit, as the provision of the specific services took place from a different team of the said Auditing Company and from other persons, who have no involvement and participation in the process of conducting the statutory audit of the financial statements (annual and semi-annual, stand-alone and consolidated) where appropriate, or were performed under adequate safeguards and rules and by nature these services cannot jeopardize their independence, which is additionally ensured by the strict internal procedures and protocols applied by the Auditing Company itself.

V. Information regarding the Company's control framework (Information of items (c), (d), (f), (h) and (i) of paragraph 1 of article 10 of Directive 2004/25/EC of the European Parliament and the Council, of 21st April 2004.)

Significant direct or indirect shareholdings (including indirect shareholdings through pyramid structures or cross-participation) according to the definition of article 85 of Directive 2001/34/EC

As regards to significant shareholdings in the share capital and voting rights of the Company, according to the definition of article 85 of Directive 2001/34/EC and the provisions of articles 9 up to 11 of Law 3556/2007, Mr. Konstantinos Chalioris on 31-12-2022 owned 43.29% of the Company's share capital and voting rights and Mrs. Efimia Chaliori owned 20.85% of the Company's share capital and voting rights on 31-12-2022. No other individual or legal entity has a shareholding of more than 5.00% of the Company's share capital and voting rights. Data regarding the number of shares and voting rights of individuals owning significant shareholdings, has been derived by the Shareholders' registry kept by the Company and the notifications made to the Company by the shareholders according to Law (and MAR).

Owners of any type of titles that provide special control rights and description of such rights

There are no securities, including the Company's shares that provide owners with special control rights.

Any kind of limitations on voting rights, such as limitations on voting rights of owners that hold a specific percentage or number of votes, the exercise deadlines for voting rights, or systems through which, with the cooperation of the company, financial entitlements that derive from the titles are distinguished from the ownership of the titles

The Company's Articles of Association provides no limitations to voting rights deriving from its shares.

Rules governing the appointment and replacement of the Board members as well as the amendments of the Articles of Association

The rules included in the Company's Articles of Association, both as regards to the appointment and the replacement of Board Members and as regards to its amendments, do not differ from those stated by the L. 4548/2018 as it is in effect.

The authorities of Board members, specifically as regards to the ability to issue or buyback shares

There is no special and permanent power of the Board of Directors or some of its members for the issuance of new shares or the purchase of treasury shares according to article 49 of law 4548/2018. The relevant power and responsibility are given to the Company's Board of Directors by virtue of a relevant decision of the Shareholders General Meeting.

In accordance with this framework, the Annual Ordinary General Meeting of the shareholders of 21 May 2021 decided by majority the approval of Company's shares buy-back program in accordance with the provisions of article 49 of L. 4548/2018, as in force, and in particular approved the purchase within a period of twenty-four (24) months from the date of adoption of this resolution, namely no later than 21.05.2023, of a maximum of 4.341.876 common, registered shares, with a purchase price range from fifty eurocents (€ 0,50) per share (minimum price) to ten Euro (€ 10,00) per share (maximum price).

V. Board of Directors and Committees

1) Composition of the Board of Directors

According to article 7, paragraph 1 of its Articles of Association, as in force after its amendment by the Extraordinary General Meeting of Shareholders of 19 March 2019, for the purpose of harmonization with provisions of Law 4548/2018, the Company is managed by a Board of Directors (hereafter called as "the Board of Directors") which consists of seven to fifteen (7-15) members. The members of the Board of Directors are elected by the General Meeting of shareholders, may be shareholders or not and have a five-year term, which is extended until the expiration of the term within which the next Ordinary General Meeting must convene and until a relevant decision is taken, but in any case, should not exceed a six-year term.

- In case of resignation, death or in any other way loss of the capacity of a Board member, the remaining members may either elect members of such in replacement of the above or may continue the management and representation of the Company without any replacement, with the condition that the number of the remaining members is not less than half of the number of members during the time such events occurred. The Board members are not allowed to be less than three (3).
- Without prejudice to the provisions of Corporate Governance law 4706/2020 in case of electing a replacement, the decision for the election is subject to the disclosure requirements of article 13 of L. 4548/2018, as currently in effect, and is announced by the Board of Directors at the next General Meeting, which can even replace those elected, even if the relevant issue had not been included in the General Meeting agenda.
- The actions of the elected temporary replacement are valid even if the General Meeting does not validate his/her election or even if it has elected or not

another permanent member of the Board.

- The term of the new Board member is terminated when and whenever the term of the replaced member would have been terminated.

The Extraordinary General Meeting of Shareholders of 11 February 2021 elected a new 11-member Board of Directors for a 5-year term, i.e. until 11/02/2026, extended until the date of the next Ordinary General Meeting and until a relevant decision is being made, consisting of the following members:

1. Konstantinos Chalioris of Stavros,
2. Theodoros Kitsos of Konstantinos,
3. Dimitrios Malamos of Petros,
4. Vassilios Zairopoulos of Stylianos,
5. Christos Shiatis of Panagiotis,
6. Christos-Alexis Komninos of Konstantinos,
7. Petros Fronistas of Christos,
8. Georgios Samothrakis of Panagiotis,
9. Myrto Papathanou of Christos,
10. Spyridoula Maltezou of Andreas and
11. Nikitas Glykas of Ioannis.

Furthermore, during the Annual Ordinary General Meeting, the election of Mr. Athanasios Dimiou of Georgios, as the new non-executive member of the Board of Directors in the position -and for the remaining of the term (i.e. until 11.02.2026)- of the resigned non-executive member Mr. Petros Fronistas of Christos was announced, in accordance with the provisions of article 82 par. 1 of law 4548/2018, as in force.

The abovementioned election took place during the meeting of the Board of Directors of the Company on July 28, 2021 and following the relevant nomination of the Remuneration and Nominations Committee of the Company, which took place in accordance with the applicable Suitability Policy and the procedures applied by the Company. Following the above, the Board of Directors of the Company was reconstituted into a body for the remainder of its term, namely until February 11, 2026.

The minutes of the Board of Directors meeting held on 28.07.2021with subject the replacement of the resigned non-executive member Mr. Petros Fronistas of Christos, was registered in the General Commercial Register (G.E.M.I.) on 03.08.2021 with Registration Code 2596045, issued with protocol number 2415279/03.08.2021 following the relevant announcement of the Ministry of Development and Investment (General Secretariat of Commerce & Consumer Protection, General Directorate of Market, Directorate of Companies, Department of Supervision of Listed SAs & Sports SA).

It should be underlined that that there are not any changes regarding the independent non-executive members of the Company's Board of Directors, who were appointed in the Extraordinary General Meeting of Shareholders on February 11, 2021. The non-executive members of the Board of Directors are: 1) Theodoros Kitsos of Konstantinos, 2) Georgios Samothrakis of Panagiotis, 3) Myrto Papathanou of Christos, 4) Spyridoula Maltezou of Andreas and 5) Nikitas Glykas of Ioannis, who all meet in their entirety the criteria of independence set by the existing legal provisions (article 9, par.1 and 2 of Law 4706/2020), namely:

(a) They do not hold directly or indirectly a percentage of voting rights greater than 0.5% of the Company's share capital; and

(b) They are free from any dependent relationship with the Company or persons affiliated with it and do not maintain any financial, business, family, or other relationship, which may affect their decisions and their independent, objective and fair judgment.

The Company has adopted and implements the Procedure for Ensuring Independence and Disclosure of Dependent Relationships of the Independent Non-Executive Members of the Board of Directors in accordance with the current legal framework. The purpose of this Procedure is to ensure that the Independent Non-Executive Members of the Board of Directors meet throughout their term the criteria of independence and any dependent relationships of themselves or persons who have close relations with these persons are on time notified to the Company.

The Board of Directors take all the necessary measures to ensure compliance with the above Independence Criteria. The Board of Directors with the support of the Remuneration and Nominations Committee and the Department of Compliance & Risk Management reviews the fulfilment of the Independence Criteria of the Independent Non-Executive Members at least annually per financial year and before the publication of the annual Financial Report, which includes the relevant verification. In the event that during the audit of the fulfilment of the independence criteria or in case at any time it is ascertained that the independence criteria have ceased to exist in the person of any Independent Non-Executive Member or this Member makes a relevant statement to the Company, the Board of Directors takes the appropriate steps to replace him/her without delay, following a nomination by the Remuneration and Nominations Committee.

Each Independent Non-Executive Board of Directors Member submits to the Remuneration and Nominations Committee annually, an affirmation statement regarding the fulfilment of the criteria of independence by him/her, without however the Company being satisfied exclusively with the submission of the declaration according to the above.

The Board of Directors of the Company, after a thorough examination with the assistance of the Remuneration and Nominations Committee for the fulfilment by the independent non-executive members of the independence conditions defined by article 9 par. 1 and 2, declares and confirms that both during the fiscal year 2022 (01.01.2022-31.12.2022) and on the approval date of the present, the independent non-executive members, and in particular Messrs. Theodoros Kitsos, Georgios Samothrakis, Myrto Papathanou, Spyridoula Maltezou and Nikitas Glykas, fully meet the criteria of independence set by the current legislative and regulatory framework in general.

The following table presents the members of the eleven-member (11-member) Board of Directors in effect:

Member	Position in the Board	Date of election/ appointment	Expiry of tenure
Konstantinos Chalioris	Chairman, Executive Member	11.02.2021	11.02.2026
Theodoros Kitsos	Vice Chairman, Independent non-executive member	11.02.2021	11.02.2026
Dimitrios Malamos	Chief Executive Officer, Executive member	11.02.2021	11.02.2026
Vassilios Zairopoulos	Non-executive member	11.02.2021	11.02.2026
Christos Shiatis	Non-executive member	11.02.2021	11.02.2026
Christos-Alexis Komninos	Non-executive member	11.02.2021	11.02.2026
Athanasios Dimiou	Non-executive member	28.07.2021	11.02.2026
Georgios Samothrakis	Independent non-executive member	11.02.2021	11.02.2026
Myrto Papathanou	Independent non-executive member	11.02.2021	11.02.2026
Spyridoula Maltezou	Independent non-executive member	11.02.2021	11.02.2026
Nikitas Glykas	Independent non-executive member	11.02.2021	11.02.2026

From the above members, all individuals have Greek nationality besides Mr. Christos Shiatis and Mr. Christos-Alexis Komninos who have Cypriot nationality.

Particularly and in accordance with the above, the Board of Directors of the Company consists of:

- 2/11 (18.18%) executive members
- 4/11 (36.36%) non-executive members
- 5/11 (45.45%) independent, non-executive members
- 2/11 (18.18%) women (fulfilling however the requirements of Article 3, of L.4706/2020, for adequate representation per gender in the Board of Directors).

Amounts in thousand Euro, unless stated otherwise

It is pointed out that the composition of the new Board of Directors is fully harmonized with the requirements, criteria and regulations of the new law 4706/2020 on corporate governance.

Furthermore, the composition of the new Board of Directors of the Company fully covers the proper and effective exercise of its duties and responsibilities, reflects the size, organization and type of operation of the Company, achieves adequate staffing of both existing and new Committees instituted to strengthen the supervisory role of the Board of Directors, and is distinguished for the diversity of knowledge, skills, qualifications and experience, elements which can contribute decisively to the promotion and achievement of business goals, plans and the implementation of the Company's business strategy.

Description of the suitability and diversity policy with regard to the administrative bodies of the Company

Given the fact that the Board of Directors is the highest administrative body of the Company, which is responsible for the safeguarding of the broader corporate interests, the policy making and the growth strategy of the Company as well as for the strengthening of the long-term economic value of the Company, it is very essential for the particular body to possess, with regard to its composition, a diversity of skills, views and abilities which at the same time respond to the need to effectively attain corporate goals.

The Company has a Suitability Policy for the members of the Board of Directors, which is approved by its Board of Directors and includes at least the provision of diversity criteria for the selection of the members of the Board of Directors and the Senior Executives.

The Suitability Policy, which was approved by the Annual Ordinary General Meeting of Shareholders on May 25, 2022, is posted on the Company's website www.thracegroup.com, while its scope includes the members of the Board of Directors (executive, non-executive, independent non-executive) as well as the members of the Board Committees. The Suitability Policy aims to support the Company's interests, ensuring quality staffing, efficient operation, and fulfillment of the role of the BoD, as a collective body.

<u>I. Individual Suitability</u>

Specifically, individual suitability is assessed based on the following criteria:

Guarantees of Ethics and Reputation

— Good Reputation (Reliability and Integrity, Consistency, Personal Weight)

Conflicts of Interest

— Financial interests / incentives

— Personal or professional relationships with members of the Company

— Personal or professional relationships with related external stakeholders (e.g. liaison with important suppliers, consultants, etc.)

Availability of sufficient time

— Systematic participation in BoDs and Committees

— Limitation on the number of positions held as members of the Board of listed companies, including Thrace Group companies, with a limit of four (4) outside the Group

— Flexibility and adaptability to attending special meetings

— Preparation and in-depth analysis of BoD meeting's topics

— Preparation of propositions and writing presentations on BoD topics

Furthermore, the individual eligibility criteria include the following:

Knowledge and competencies / skills

— *Teamwork and Collaboration:* The ability to collaborate harmoniously, complementary, actively communicating in order to contribute to the Group's goals achievement

— *Entrepreneurial thinking:* Perception of business risks and growth opportunities that could create a competitive advantage for the Group

— *Strategic thinking:* Active participation in the formulation of the Group's strategy and monitoring of its implementation as well as the possibility of evaluation and active participation in the approval of strategic plans

— *Specialized know-how in specific areas* (e.g. Auditing or Accounting for the Audit Comittee members, environmental issues, venture capital, and generally pre-selected areas that need to be reviewed on a regular basis)

— Contribution to the sustainability improvement

— Adoption of the corporate culture and Company's values

— Understanding the legal framework and corporate governance issues

— Ability to recognize and focus on the important factors that lead to the Company's sustainability and prosperity

— *Innovation:* The ability to think and see things from a new and innovative perspective, identify and inform about new technologies and market trends oriented to the Group's benefit

— *Flexibility and adaptability:* The ability to adapt and work effectively in a changing environment

Impartiality of judgment

— Objectivity, Courage, belief and vigor, Individual judgement (avoiding "groupthink").

II. Collective Suitability

Regarding the collective suitability the composition of the BoD, must ensure the effective management and balanced decision-making, with members who have complementary abilities and skills and remain in full compliance with the Company's strategies. There are specific prerequisites, which are diversity, multi-collectivity (representation from different fields of activity and accumulation of a wide range of knowledge and skills), adequate representation by gender as stipulated by respective legislation, representation without exclusion due to any kind of discrimination (e.g. gender, race, religion or belief, etc.).

At the same time, all necessary actions are taken in order BoD members to be able to actively participate in strategic planning, identify and manage risks and understand Corporate Governance issues and related legislation, financial reports and technology activities.

From the time of the Company's establishment and until today, the entire members of the Board of Directors fulfill all necessary conditions and have set the foundations in order to be granted with the capacity of the member of the Board of Directors. At the same time, they are distinguished for their high professional skills, educational level, knowledge, capabilities, experiences, and their organizational and administrative abilities, and at the same time they possess high standards of ethics and integrity of character.

The members of the board of Directors cover a broad range in terms of age effectively combining their dynamics and experience (indicatively between 43 and 79 years old). The members, in their majority, are holders of graduate and postgraduate degrees of domestic as well as of international universities, have worked in high ranked positions of major companies domestically and abroad, meaning companies activating in a variety of business sectors. They have also Senior Executives large organizations and as a result they possess significant international experience in the corporate as well as the broader social fields and are in position to actively contribute to the growth prospects of the Group in the geographical areas in which it activates. They finally fulfill the requirements of suitability as well as the criteria with regard to the Group's effective staffing and operation.

The current composition of the Board of Directors aims undoubtedly at the best possible facilitation of corporate goals, as it increases the pool of skills, experience, and vision that the Company has for its highest-ranking personnel, and consequently its competitiveness, productivity and innovation.

The current 11-member Board of Directors of the Company consists of 9 men and 2 women and was elected in the framework of the decision of the Company's Management for immediate, substantial and effective compliance and harmonization with the provisions of the new law 4706/2020 on corporate governance and in particular its provisions which define suitability, diversity and, above all, adequate representation by gender on the Board of Directors. The presence of two women among the members of the Board of Directors covers the statutory percentage (25%) of adequate representation by gender (with rounding to the previous whole number, in case of a fraction, as defined in Article 3, of Law 4706/20).

The Board of Directors

Members	Gender / Age		Education	Nationality		Independence
11 Members	9 Men	2 Women	Specialization	9 Greek	2 Other nationality	45.45% Independent non-executive members
	43 - 79 years old					

The Company, in the context of the adoption of the corporate governance best practices provided by the new CCG, ensures the application of the diversity criteria included in the current and approved by the annual Ordinary General Meeting of shareholders on May 22nd, 2022, Suitability Policy not only among the members of its Board of Directors, but also to its senior executives.

In particular, the Human Resources Department, which aims to attract and retain the appropriate human resources and continuously increase its efficiency and effectiveness through the implementation of modern procedures, policies and practices of evaluation, recruitment, training and remuneration, ensures faithful and strict application of the diversity criteria to senior management, in order to ensure:

(a) the avoidance of outdated and anachronistic social stereotypes in the process of assessing the specific qualifications and suitability of senior management in general; and

(b) the integration of innovative approaches and ideas into the selection process of such executives.

The fundamental criteria of the intended diversity regarding the selection and evaluation of senior executives are as follows:

- adequate gender representation of at least 25%, to the extent and timing that this criterion is applicable; and
- the prohibition of exclusion of a candidate for senior management, due to different gender, race, color, ethnic or social origin, religion or belief, property, birth, disability, age or sexual orientation.

The main criteria for selecting the top executives employed in the Company are the adequacy of knowledge and skills, namely the satisfactory background of theoretical education and training, the appropriate professional experience, the guarantees of ethics and reputation, the integrity and objectivity, and the general skills of the candidate as well as the knowledge of the business model, the culture and the more specific principles of the Company, in order to form a diverse team of senior executives with a sufficient degree of differentiation, which will be able to take full advantage of market opportunities and effectively manage the risks the Company the Company must cope with, or may cope with during the development of its activities.

The condensed CVs of the Company's Board members are as follows:

Konstantinos Chalioris,
Chairman of the Board of Directors, Executive Member

He possesses a professional experience of 40 years and has gained very good knowledge of the industry and the international market. Since 2009, he holds the position of the Chairman of the Board of Directors. Following the decision of the Board of Directors as of October 14, 2020, Mr. Chalioris remained Chairman of the Board of Directors and also assumed the position of Chief Entrepreneur. The specific position, which was added to the organizational chart of the Group 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 creation of this position and its assumption by Mr. Chalioris, who has a significant career and valuable experience in "entrepreneurship", will ensure the future development of the Group.

Theodoros Kitsos,
Vice-Chairman of Board of Directors, Independent Non-Executive Board Member

He holds a BSc degree from the Economics Department of the National and Kapodistrian University of Athens and an MBA degree in finance from the Wagner College of USA. He started his career in Unilever Hellas and also in other companies of the Group located abroad where he worked in United Arab Emirates, Saudi Arabia and Holland. He returned to Greece in 2005 where he worked as General Manager of Human Resources and Organization at PPC (DEI) SA. In a later stage he held the position of Deputy General Manager of Human Resources at Eurobank Group. By the end of the year 2007, he returned to Unilever Group based in London undertaking the duties with regard to the global organizational planning of the Company, whereas in year 2010 he moved to Unilever Russia, Ukraine and Belarus based in Moscow where he held the position of Vice President responsible for issues of human resources and organization, implementing successfully at the same time the acquisitions and mergers of three companies active in the production and trading of consumer products. Since the summer of 2015, he worked at the headquarters of Unilever in London having assumed a plethora of duties in the areas of Finance, Law, Technology and Support Services on global level, up until 2020, when he completed his collaboration.

Dimitrios Malamos,
Chief Executive Officer, Executive Member

He graduated from the Athens College in 1993. He studied in Great Britain from 1993 to 1998. He holds a BA (Hons) in Business and Financial Economics from Staffordshire University a postgraduate MBA degree from University of Kent in Canterbury. From 2000 to 2007 he worked in PricewaterhouseCoopers in the area of Management Consulting servicing companies of the private and public sector where he gained significant experience in the fields of budgeting and reporting, financial analysis and internal restructuring. During the period 2007-2009 he worked in National Bank of Greece in the Accounting & Finance division, and he returned to PricewaterhouseCoopers in the area of Management Consulting. From June 2010 to March 2020, he worked at Thrace Group as a Group CFO. From March 2020, Mr. Malamos took over the duties of Deputy Group CEO, while from October of the same year he holds the position of CEO of the Company and the Group (Group CEO).

Vasileios Zairopoulos,
Non-Executive Member

He began his career in 1983 in the apparel and footwear sector. He assumed the position of Director of Design and Collection for a leading company in the kids apparel market. In a later stage he also became responsible for the planning and coordination of production. He then moved to the business development department of a large retail store chain where he also undertook the broader supervision of the retail business activity, including the store design, the order and supply process, the management of the sales team, the marketing and promotion, as well as the budgeting. He was also engaged in the areas of strategic consulting, negotiations, marketing management and financial planning, before moving to establish its own consulting firm. During the past 10 years, Mr. Zairopoulos activates as consultant, through his firm, in the areas of strategic consulting, startups, business planning, investment evaluation, international negotiations, pricing and communication. Apart from his professional activities in Greece, Mr. Zairopoulos has also collaborated with two American multinational corporations, namely Columbia Sportswear and New Balance. He received IB Diploma from UWC Atlantic College in 1979 and BSc in Management from Bath University in 1983.

Christos Shiatis,
Non-Executive Member

An Associate Member of the Fellows of Chartered Accountants of England and Wales. He is a Certified Public Accountant by the Cyprus Institute of Chartered Accountants and Member of the Hellenic Association of Certified Accountants (SOEL). He began his career in 1981 at the auditing firm Kostouris – Michailidis (Grant Thornton) in Athens. In 1993 he became Managing Partner of the Greek company and in 1997 he assumed the position of Territory Senior Partner at the company that resulted from the merger of Kostouris-Michailidis and Coopers & Lybrand. In 1998 he was elected Chairman and Chief Executive Officer of the company PricewaterhouseCoopers in Greece. At the same time he was exercising his Management responsibilities at the above auditing firms, Mr. Shiatis provided advisory services also to senior management of large firms.

Athanasios Dimiou,
Non-Executive Member

He graduated from the School of Chemical Engineering of the Aristotle University of Thessaloniki in 1986. From 1989 to 1996 he worked for the companies PLASTIKA MAKEDONIAS SA and AG.PETZETAKIS initially in the field of Quality Control and the development of new products and then his duties were expanded where he was transferred to the position of Technical Director and Technical Services Director. From 1996 to 1998 he assumed the position of Plant Manager in the shoe manufacturer trading company MOURIADIS SA, a company listed on the Athens Exchange, Greece, and since 1998 he worked as Plant Manager of THRAPLAST SA which mainly produces flexible packaging products made of polyethylene (current Thrace Polyfilms). In 2000 he started in PLASTIKA THRAKIS SA as a Production Manager at the group's facilities in Xanthi and in 2004 he took over the duties of Plant Manager in the facilities of Magiko complex in Xanthi, a position he held until 2010. Since then, he has been the Managing Director THRACE NONOWOVENS & GEOSYNTHETICS SA. At the same time, he remains an active member of the Technical Chamber of Greece (TCG), and in the past he was a member of the Hellenic Company of Business Administration and the Institute of Production Management.

Christos-Alexis Komninos,
Non-Executive Member

He was born in Constantinople. In 1971 he graduated from the Polytechnic University of Constantinople (I.T.U.) with a degree in Chemical Engineering (MSc). In 1972 he moved to Greece and was recruited to Coca-Cola TRIA EPSILON, where until 1987 he held several positions. From 1987 to 1990 he served as Chief Executive Officer of Coca-Cola Bottlers Ireland (a subsidiary of TRIA EPSILON). In 1990 he returned to Greece and in 1995 he was appointed Chief Executive Officer, a position he held until 2000. From 2000 to 2004 he was Chairman and Managing Director of PAPASTRATOS SA. After the acquisition of Papastratos by PHILIPMORRIS S.A. he participated voluntarily at the ATHENS 2004 Organizing Committee of the Olympic Games as the Head of the Organization of the Opening and Closing Ceremonies of the 28th Olympiad. From 2005 to February 2010, he held the position of Executive Vice President of SHELMAN S.A. and ELMAR S.A. From December 2011 until February 2014 Mr. Komninos held the position of Chairman of the Board of Directors of Hellenic Petroleum SA (ELPE). Mr. Komninos also in the past served as Vice President of the Board of Directors and member of the Executive Committee of the Association of Enterprises and Industries (SEV), member of the Board of Directors of FINANSBANK (Turkey) and of ANADOLU EFES (Turkey), and he is also member of the Board of Directors of Elval Chalkor SA of the VIOHALCO Group. He speaks English, French, Italian and Turkish

Georgios Samothrakis,
Independent Non-Executive Board Member

He is a graduate of the Athens University of Economics and Business (ASOEE) and former Certified Public Accountant, specializes in tax issues and tax strategy of Greek and multinational companies, while has been extensively involved in regular and extraordinary audits of commercial and industrial enterprises. He began his career in 1965 at the National Bank of Greece and in 1972 moved to Coopers & Lybrand (now PwC) to set up the Tax Services department where he remained head until 2006. For a number of years, he was also Chairman of the Board of PwC. He is a member of the Supervisory Board of the Body of Certified Public Accountants (SOEL) where he is actively involved in the formation of the audit - accounting institutional framework in Greece. He has been President of the Fédération des Experts Comptables Méditerranéens, President of the Hellenic Institute of Economic Management (IOD), Member of Committees of the Ministry of Economy and Finance for the implementation of IFRS in Greece, the simplification of the Greek Code of Accounting Books and Records as well as the integration of the new 8th Directive, and also Member of the Chamber of Commerce, while during the last years he has also been the Chairman of the Audit Committee of the Company.

Myrto Papathanou,
Independent Non-Executive Member

She studied Economics at the City University of London and holds a Master's Degree in Economics from the Imperial College Management School in London and an MBA from the INSEAD Business School.

She began her financial career in London, where she worked as a Fixed Income Strategist for Bank of America / Merrill Lynch and as a credit risk analyst for Dresdner Kleinwort Wasserstein.

She was a member of the Board of Directors of Think Silicon SA, while today she is member of the Board of Directors of Ferryhopper SA, Advantis Medical Imaging BV, Better Origin Ltd and Gommyr Power Networks Ltd, which are active in the fields of transport, sports technology, health technologies and renewable energy sources.

Since 2007 she has been working as a business development manager at CPI and since 2011 she has been developing her own business activity in technology and as a consultant and investor in other companies. She is the founder of Metavallon VC, while she has been the Chief Financial Officer and Head of Corporate Development at the EFA Group, which is active in Aerospace & Defense and other high-tech sectors.

She is the first investor from Greece to emerge as Kauffman Fellow (Silicon Valley), a network that selects the best investors in the world. She is on Fortune Greece's list of the 40 entrepreneurs who innovated and excelled for 2020. She received the Leader of the Year award from Linkage Greece in 2016 in recognition of its outstanding leadership ability and contribution to business and society development.

She has also worked in the non-profit space, co-founding Ethelon and seeking funding for the microcredit organization Action Finance Initiative, while as board member of the organization Women-on-top she has developed Microfinance programs in Kenya and Nicaragua for women's empowerment.

Spyridoula Maltezou,
Independent Non-Executive Member

She holds a degree in Chemical Engineering from the Aristotle University of Thessaloniki and a PhD in Environmental Economics from the University of the Aegean. Her doctoral dissertation was entitled "Recycling - Environmental Value".

She started her professional career in 1999 in the Region of Achaia as head of the department and special advisor on environmental issues. Then, in 2003, she worked at the Ministry of Environment as a Special Environmental Engineer, while she was a founding member of the "Unit for Alternative Management of Packaging Waste and Other Products", acquiring a specialty in Environmental Economics. During this period, she was the representative of Greece in EU Legislative Committees on waste management and recycling and member of European and International Committees on the environment and sustainable development. From 2010 to 2013 she worked as an Environmental Inspector at the Ministry of Infrastructure, Transport and Networks, where she supervised major public road projects throughout Greece in terms of implementing the environmental legal framework. She has been a consultant on environmental issues and on the creation of management systems in many companies in Greece, while since 2016 she has been working as Senior Chief Inspector of the International Organization for the Certification of Registrars and Industrial Services of Lloyd's.

She has extensive experience in the control and compliance inspection of ISO standards and compliance with existing legislation (Senior Auditor) and in-depth knowledge of environmental policies and regulations as well as legislation and regulations related to environmental protection. Since February 2019, she has been working as Head of Audit of the Regulation for monitoring, reporting and verification of carbon dioxide emissions (MRV Regulation) and IMO DCS Technical Code in the international organization Lloyd's, and was member of the Professional Accreditation Program of the International Water Resources Management Alliance (AWP) of Scotland.

Her professional dedication and adaptability have provided a continuous path in the design, management, inspection and improvement of Environmental and Waste Management systems. She also deals with the Inspection of Quality, Environment and Health & Safety at work, according to the ISO certification procedures as it has been trained as a Head of Control according to the standards of the International Water Resources Management Alliance (AWP).

Nikitas Glykas,
Independent Non-Executive Member

He holds a BSc degree in Physics from the University of Athens and postgraduate degrees from the Lancaster University in 1990 and Harvard University in 2006. Until the year 2005 he held the position of Peripheral Manager of Eastern Europe for MAILLIS SA. Since 2006 and until 2009, as Member of the Board of Directors and member of the senior management of SHELMAN SA, being responsible for both the Company and its affiliates, he promoted the restructuring and the broader redesign of the Group's operating procedure achieving especially positive results amid recession conditions in the timber sector. Since the year 2009 he has held various positions in HTC Group, whereas from October 2015, and assuming higher duties, he holds the position of the Head for the region of Middle East and Africa based in Dubai with direct reporting to the Group's headquarters in Taiwan. He is considered a senior executive with international experience, deep knowledge of the European markets as well as of the markets of Middle East and Africa, who manages effectively different cultures and holds records in the achievement of sales and the penetration of new and existing geographic markets. Since 2019, he has been serving a Vice Chairman of XR SPACE Co LTD based in Taiwan.

The condensed CVs of the top executives of the Company are as follows:

Dimitris Fragkou,
Group Chief Financial Officer (CFO) & Secretary of the Board of Directors of the Company

He studied Business Administration at the Athens University of Economics and Business (AUEB), from which he graduated in 2002. From 2006 to 2008, he studied Accounting and Finance (specializing in Finance), obtaining a Master's Degree from the Athens University of Economics and Business (AUEB). He is also a Certified Public Accountant, as he became a member in 2012 of the Association of Chartered Certified Accountants - ACCA. He started his professional career, for a short period of time from shipping banking, while at the end of 2003 he joined PwC. At PwC, he worked in the Consulting Division, gaining significant experience in the areas of budgeting, financial information, financial analysis, process optimization, transition to new integrated information systems, and treasury operations. In 2014 he joined the Department of Business Process Outsourcing, gaining experience in accounting procedures, tax compliance and financial reporting to the Authorities (statutory reporting). He has worked for a number of listed and private companies in the construction, energy, shipping and industrial sectors. From March 2020, he joined Thrace Group as Chief Financial Officer.

Christina Diamanti,
Group Chief People Officer

Christina joined Thrace Group in September 2022 as Group Chief People Officer, with a background in the FMCG sector and the food industry. In the past 22 years, Christina held various human resources roles in supply chain, manufacturing and selling organizations. She has held assignments in Greece, in the Middle East and the regional headquarters in Switzerland where she got a rounded experience of different business areas and managed many organizations effectiveness, leadership development, change and restructuring projects across multiple European markets. In her last role, she led Human Resources for the Distributor Markets organization across the Nordics, Central and Eastern Europe and Iberia. She has studied Business Administration and holds a Master's Degree from the Athens University of Economics and Business (AUEB).

Ioannis Sideris,
Chief Sustainability Officer

He is a graduate of the Athens University of Economics and Business with a specialization in Business Administration and holds a Master's Degree in Information Systems Development from the London School of Economics. He has significant experience in the fields of sustainable development, environmental protection, and integrated solid waste management in the context of the circular economy, as he was the CEO of the Hellenic Recycling Organization (EOAN) and for many years responsible for environmental issues (local Deputy Mayor of Environment in the Municipality of Agia Paraskevi). In the past, he has served as consultant specializing in Information Systems Management at PricewaterhouseCoopers.

Lambros Apostolopoulos,
Head of Internal Audit Unit

He is graduate of Varvakeio High School, graduate of the Department of Business Administration and Management of the Athens University of Economics and Business (BSc) and holds a Master's Degree in Finance & Business Economics from the University of Portsmouth (MSc). He has worked for many years in large corporate groups in Greece and abroad. He has 15 years of active experience in internal audit and is a certified Internal Auditor (CIA) since 2013.

Michail Psarros,
Risk and Compliance Manager

He is a graduate of the Department of Mathematics of the University of Patras, holds a Master's Degree in Finance from the University of Leicester. He also holds a professional certification as Compliance Officer from TUV Austria. He started his professional career, for a short period of time as an Internal Auditor in a company in the financial sector, while from May 2000 he worked in the Internal Audit Department of the Group of Companies of K. Filippou. Then in November 2005 he moved to the group Lafarge Cement / AGET IRAKLIS, where he worked in the Internal Audit Department until December 2010, when he joined Thrace Plastics Group as Internal Controller. During the 21 years of his employment in the Internal

Audit Departments in the above industrial groups, he has gained extensive experience in the fields of Internal Audit, internal control systems, risk & compliance management. From February 2022, Mr. Psarros took over the duties as Risk and Compliance Manager.

The following table shows the number of shares held by each member of the Board of Directors and seniors executives of the Company on 31/112/2022:

BoD members	Number of shares held directly	Percentage of shareholding
Konstantinos Chalioris	18,936,558	43.3%
Theodoros Kitsos	-	0%
Christos-Alexis Komninos	25,000	0.1%
Dimitris Malamos	520	0.0%
Nikitas Glikas	-	0%
Athanasios Dimiou	-	0%
Vasileios Zairopoulos	160,023	0.4%
Spyridoula Maltezou	-	0%
Myrto Papathanou	-	0%
Georgios Samothrakis	27,000	0.1%
Christos Shiatis	60,000	0.1%

Senior Management & Members of Audit Committee	Number of shares held directly	Percentage of participation
Dimitris Fragou	-	0%
Christina Diamanti	-	0%
Ioannis Sideris	40,000	0.1%
Lambros Apostolopoulos	-	0%
Michail Psarros	-	0%
Konstantinos Kotsililnis, Member of the Audit Committee	-	0%
Konstantinos Gianniris, Member of the Audit Committee	15,000	0.0%

In the following table, the professional commitments of the Board members are presented:

Amounts in thousand Euro, unless stated otherwise

BoD Member	Companies in which the BoD members participate	Group Companies in which the BoD members participate	Equity shareholding	Position
Konstantinos Chalioris	Civil non-Profit Company Stavros Chalioris		50%	Vice-Chairman of BoD
	Xanthi Photovoltaic Park S.A.		50%	Chairman & Chief Executive Officer
	EYTERPI S.A.		-	Chairman & Chief Executive Officer
	ERATO S.A.		50%	Chairman & Chief Executive Officer
	THALEIA S.A.		50%	Chairman & Chief Executive Officer
	KLEIO S.A.		-	Chairman & Chief Executive Officer
	EVNIKI MCPY		99%	Legal Representative
	AVDIRA MCPY		99%	Chairman of BoD
	THRACE YAGHTING SMPC		66%	Partner & Administrator
	THRACE LABEA SMPC		50%	Partner
		THRACE NONWOVENS & GEOSYNTHETICS SA		Chairman of BoD
		DON & LOW LTD		Member of BoD
		ARNO LTD		Chairman of BoD
		THRACE PLASTICS PACK SA	4.71%	Chairman of BoD
		SYNTHETIC HOLDINGS LTD		Chairman of BoD
		THRACE SYNTHETIC PACK-AGING LTD		Member of BoD
		THRACE GREENHOUSES SA		Chairman of BoD & Managing Director
		TRIERINA TRADING LTD		Director
		THRACE IPOMA AD		Chairman of BoD
		THRACE POLYBULK AB		Chairman of BoD
		THRACE POLYBULK AS		Chairman of BoD
		LUMITE INC		Chairman of BoD
		THRACE SYNTHETIC TEX-TILES LTD		Director
		THRACE POLYFILMS SA		Chairman of BoD
Theodoros Kitsos	AMALTHEA SMPC		35%	Partner
	COLLEGE LINK PRIVATE COMPANY		1%	
Christos Alexis Komninos	T.K.K. CONSULTANTS LTD		100%	Director
	ELVAL - CHALCOR			Member of BoD

Amounts in thousand Euro, unless stated otherwise

BoD Member	Companies in which the BoD members participate	Group Companies in which the BoD members participate	Equity shareholding	Position
Dimitrios Malamos	DYNAMIC CONSTRUCTIONS – V. ZARIFOPOULOS S.A.		-	Chairman of BoD
	IOANNIS FILIPPAIOS S.A.		-	Member of BoD
	ZITA MCPY		1%	Vice Chairman of BoD
		THRACE GREENHOUSES SA		Member of BoD
		THRACE POLYBULK AS		Member of BoD
		THRACE SYNTHETIC PACKAGING LTD		Member of BoD
		THRACE IPOMA AD		Member of BoD
		THRACE NONWOVENS & GEOSYNTHETICS SA		Vice-Chairman of BoD
		DON & LOW LTD		Member of BoD
		THRACE PLASTICS PACK SA		Vice-Chairman of BOD
		LUMITE INC		Member of BoD
		THRACE POLYBULK AB		Member of BoD
		THRACE LINQ INC		Chairman of BoD
		THRACE POLYFILMS SA		Vice-Chairman of BoD
		THRACE EUROBENT SA		Member of BoD
		SAEPE LTD		Director
		ADFIRMATE LTD		Director
		PAREEN LTD		Director
Nikitas Glykas	XRSPACE Co LTD		-	Vice Chairman of BoD
	LUXURY HOUSES IN ATHENS MARIETTA SMPC		50%	Partner
Athanasios Dimiou	AVDIRA MCPY		-	Vice-Chairman of BoD
		THRACE POLYFILMS SA		Member of BoD
		THRACE NONWOVENS & GEOSYNTHETICS SA		Managing Director & Member of BoD
		THRACE EUROBENT		Vice-Chairman of BoD
Vasileios Zairopoulos	V. ZAIROPOULOS& SIA GENERAL PARTNERSHIP		90%	Partner & Administrator
	ZITA MCPY		99%	Chairman of BoD
		DON & LOW LTD		Chairman of BoD
		SYNTHETIC HOLDINGS LTD		Director
		SYNTHETIC TEXTILES LTD		Director
		THRACE EUROBENT SA		Member of BoD

BoD Member	Companies in which the BoD members participate	Group Companies in which the BoD members participate	Equity shareholding	Position
Spyridoula Maltezou	SPYRIDOULA MALTEZOU SOLE PROPRIETORSHIP (Business and Administration Consulting Services)		100%	
Myrto Papathanou	GOMMYR POWER NETWORKS LTD		30%	Member of BoD
	GOMMYR POWER SMPC		30%	Partner
	BANSARA TRADING LTD		30%	-
	METAFOUNDER UNIT HOLDER SMPC		25%	Partner
	KARYON AGRICULTURE SMPC		20%	Partner
	ENTOMICS BIOSYSTEMS LTD		-	Member of BoD
	FERRYHOPPER SA		-	Member of BoD
	ADVANTIS HOLDING BV		-	Member of BoD
	METAVALLON PARTNERS AEDAKES		25%	Member of BoD
	LANGWARE INC			Member of BoD
Georgios Samothrakis	FRIGOGLASS SA		-	Member of Audit Committee
Christos Shiatis	AVAX INTERNATIONAL LTD		-	Director
	C.E.T. RIVERS CYPRUS LTD		-	Director
	J&P AVAX SA		-	Member of BoD
	C.P.S. FINANCIAL SOLUTIONS LTD		99%	Director
	TROLID HOLDINGS LTD			DIRECTOR
	EOTATI REAL ESTATES LTD			DIRECTOR
		TRIERINA TRADING LTD		Director

It is noted that none of the members of the Board of Directors of the Company participates in the Boards of Directors of more than five (5) listed companies.

Framework for the Management of the Company's Transactions with Related Parties

The Company has adopted and implements a Framework for the Management of its Transactions with Related Parties, which includes the general policy that governs and the procedure that regulates its Transactions with Related Parties and which has been adopted by a decision of the Board of Directors in compliance with its obligations arising from the applicable legislative and regulatory framework. In addition to the Framework for the Management of its Related Party Transactions, the Company has also adopted a Conflict-of-Interest Management Framework, which is additionally implemented.

The policies that ensure that the Board of Directors has sufficient information to base its decisions regarding transactions between related parties including the transactions of its subsidiaries with related parties are:

1. To define the responsibilities of the Company and the roles of its Divisions in the Management of Transactions with Related Parties

In order to ensure the transparency and proper management of the Company's Transactions with its related parties, the Framework for the Management of the transactions with Related Parties describes the responsibilities of the Company and provides for a clear allocation of roles between its divisions.

Specifically, the Company has undertaken a series of actions related to the management of transactions with Related Parties, as follows:

- submits the Framework for the Management of its Transactions with Related Parties for approval by the Board of Directors,
- ensures the revision of the content of the Framework for the Management of its transactions with Related Party, where required,
- ensures in cooperation with the legal advisors the legality of the individual procedures
- applies the criteria mentioned in the Framework for the Management of its transactions with Related Parties and evaluates the affiliation of the transactions with Related Parties for approval by the Board, taking into account the respective legal framework governing these Transactions,
- takes into account the exceptions mentioned as well as those defined by the respective legislative framework,
- presents the information related to the transactions with Related Parties, pointing out the Company's interest for the financial advantage and the correct application of the conditions for the completion of the transaction, taking into account the respective legal and regulatory framework.

2. Define the Related Parties

As "Related Parties" are defined the related parties listed in IAS 24, as well as the legal entities controlled by those persons in accordance with IAS 27.

3. Locate the Related Parties

For the correct fulfillment of the legal and regulatory obligations of the Company and the effective implementation of the Framework for the Management of its

Transactions with Related Parties, the tracing and identification of the Related Parties with the Company is carried out in the following ways:

- taking into account the organizational chart of the Company and the corporate hierarchy of the Group as well as the list of investments in other entities, as they apply each time,
- receiving information from the Corporate Secretary of the Board of Directors regarding changes of members of the Board and / or its Committees,
- requesting from the Company's executives, when assigning and performing their duties, to complete and sign a declaration form listing their immediate family members and third parties not affiliated with the Company, in which they hold or in which they exercise control or joint control, as defined in IAS 24. In this context, it is noted that it is the responsibility of each manager to immediately notify the Investor Relations & Corporate Announcements Department in the event of changes to the details of its original statement. The Investor Relations & Corporate Announcements Department updates the declaration forms at a regular basis.

4. To define the Transactions with Related Parties

As "Transaction with Related Parties" is defined as any transfer of resources, services or liabilities between Related Parties, in which the Company is the one party and its Related Party is the other, regardless of the possible price agreed, and includes any financial transaction, settlement or contract.

Indicatively, and not restrictively, such Transactions may include:

- the transfer of human resources, including their detachment,
- the signing of service contracts,
- signing receivables / debt management contracts,
- the provision of guarantees or insurances.

2) Responsibilities of the Board of Directors

The Board of Directors is the administrative body that decides on any action that concerns the company's management, the management of its assets and in general anything that refers to promoting and achieving its objective.

According to the Company's Articles of Association:

- The Board of Directors is responsible for the representation, administration and unlimited management of corporate affairs. It decides on any issue that concerns the Company's management, the achievement of the company objective and the management of company assets, including the issue of ordinary and convertible bonds. Only decisions, which according to the provisions of Law or the Articles of Association as they are in effect following its amendment by the Extraordinary General Meeting of 19th March 2019, are subject explicitly to the responsibility of the General Meeting of shareholders, are excluded.

- The Board of Directors may appoint, for any time period and under any conditions it deems necessary each time, to exercise its representation and duties in general, fully or partially to one or more of its members or Managers or Executives or other employees of the Company or third parties or committees, defining however each time their authority and the signatories that bind the Company.

Specifically, the main responsibilities of the Board of Directors (in the sense that the relevant decision making requires the prior approval of the Board of Directors or, if necessary, ex post ratification by the Board of Directors), should include:

- The representation, administration and unlimited management of corporate affairs.
- The decision making for each decision relating to the Company's management
- The achievement of the corporate objective and management of corporate assets including the issuance of ordinary and convertible bonds. The decisions, which according to the provisions of the Law or the Articles of Association or any other valid, binding and firm agreement, are explicitly subject to the exclusive responsibility of the General Meeting of Shareholders, are excluded
- The approval of the long-term strategy and the operational objectives of the Company and the Group
- The approval of the annual budget and business plan and the decision making on major capital expenditures, acquisitions and divestments
- The selection and, when necessary, the replacement of the executive management of the Company, as well as the supervision of the plan of the succession
- The performance testing of the Senior Management and the harmonization of the remuneration of the executives with the long-term interests of the Company and its shareholders
- Ensuring the reliability of the financial statements and data of the Company, the financial information systems and the data and information disclosed to public, as well as ensuring the sufficient and effective operation of internal control system of the Company
- The vigilance regarding existing and potential conflicts of interest of the Company, on one side, and the Management, the members of the Board of Directors or the major shareholders, on the other side, and the appropriate treatment of such conflicts. For this purpose, the Board of Directors has adopted a transactions monitoring process.
- Ensuring the existence of an effective process of regulatory compliance of the Company.
- The responsibility for decision making and monitoring of the effectiveness of the Company's Corporate Governance system, including the decision-making processes and the delegation of authorities and duties to other employees, and
- The formulation, dissemination and application of the basic values and principles governing the Company's relations with all parties, whose interests are linked to those of the Company
- The observance of the law, the statute and the legal decisions of the general assembly. They have to manage the corporate affairs in order to promote the corporate interest, to supervise the execution of the decisions of the Board of Directors and the general assembly and to inform the other mem-

bers of the Board of Directors about the corporate affairs.

- The definition and supervision of the implementation of the corporate governance system of provisions 1 to 24 of Law 4706/2020, the monitoring and evaluation periodically every three (3) financial years for its implementation and effectiveness, taking the appropriate actions for addressing deficiencies.

3) Operation of the Board of Directors

As regards to the operation of the Board, the Company's Articles of Association and the Internal Operation Rulebook state the following:

Formation of the Board of Directors as a body

- The Board of Directors, as soon as it is elected and specifically during its first meeting, elects from its members and for the entire period of its term, a Vice-Chairman and a Chairman, whereas if the Chairman is absent or unable the Vice-Chairman substitutes such, and if the latter is absent or unable then the Director that is appointed by means of a decision by the Board of Directors substitutes such.
- The Chairman of the Board of Directors presides over the Board meetings, manages its activities and informs the Board of Directors on the Company's operation.
- The Board of Directors may elect one of its members as Chief Executive Officer or Executive Director, it may appoint responsibilities of the CEO to the Chairman or Vice-Chairman of the Board and it may elect the deputy CEO or Executive Director from its members.
- The responsibilities of the CEO are defined by means of a decision by the Board.

Decision Making

- The Board of Directors is considered to be in quorum and meets validly given that half (1/2) plus one (1) member are present or represented at the meeting. However, the number of members participating in person or represented cannot be less than three (3) in any case. To calculate quorum, possible fractions are omitted.
- The decisions of the Board of Directors are made with absolute majority or the members present and represented at the meeting.

Representation of Board of Directors

A Board member that is absent may be represented by another member. Each Board member may represent only one absent member, with a written authorization.

Minutes of the Board of Directors

- Copies or excerpts of the Board of Directors' Minutes are certified by the Chairman or his/her legal representative or by a member of the Board that has specifically been authorized for such by a decision from the Board.
- The preparation and signing of minutes by all Board members or their representative constitutes a decision by the Board of Directors, even if a meeting has not previously taken

place. This arrangement applies if all the members or their representatives agree to make a majority decision in minutes without a meeting. The relevant minutes are signed by all the members.

- The signatures of the members or their representatives can be exchanged by e-mail or through electronic means.

Remuneration of Board of Directors

- The members of the Board of Directors may receive remuneration for each participation at Board meetings in person or through teleconference, only if such is approved with a special decision by the Ordinary General Meeting.
- The members of the Board of Directors receive the fixed and variable remuneration as well as the other benefits, fees and indemnities specified in the Company's current Remuneration Policy. The fees of the members of the Board of Directors may also consist of a share in the profits of the year, in accordance with the provisions of Law 4548/2018.
- A fee or benefit granted to a member of the Board of Directors that is not regulated by law or the Statute in effect, shall be borne by the Company only if approved by a special decision of the General Meeting.

Remuneration Report

The Company has established and implements a Remuneration Policy, the purpose of which is to ensure that the members of the Board of Directors and its Committees are remunerated based on its short-term and long-term business plan, in order to achieve profitable organic growth through capacity increase, geographic expansion and value capture as per the Company's strategic plan.

The current Remuneration Policy of the Company was approved by the Annual Ordinary General Meeting of shareholders of May 25, 2022, and its validity period is four (4) years and is available on the Company's website www.thracegroup.com.

The Remuneration Report has been prepared in accordance with the provisions of Law 4548/2018, Article 112, in line with the Guidelines of March 1, 2019, of the European Commission regarding the presentation of the Remuneration Report in accordance with Directive 2007/36/EC, as has been amended by Directive (EU) 2017/828 on Shareholders' rights. It provides an overview of the remuneration model of THRACE PLASTICS CO SA, as it reflects the total remuneration of the members of the Board of Directors, explaining the way in which the Remuneration Policy of the Company was implemented for the financial year 2021.

The total remuneration paid to the members of the Board and Committees during fiscal year 2022 (01.01.2022-31.12.2022) is included in the Remuneration Report, which is available on the Company's www.thracegroup.com/gr/el/corporate-governance just before the Annual Ordinary General Meeting of shareholders of May, 2023.

4) Board of Directors' Meetings

- The Board of Directors meets at the Company's headquarters whenever the Law or the Company's Articles of Association or its needs require so, convened by the Chairman or his / her deputy with an invitation to be communicated to members at least two

(2) working days prior to the meeting. The Board of Directors may also meet outside the Company's registered office, but in the particular case such notice must be communicated to its members at least five (5) working days prior to the meeting.

- The Board of Directors may convene through teleconference for certain of its members or for all of them. In this case, the invitation towards Board members includes all information necessary, including technical information, for their participation in the meeting.
- The Board meetings are presided by the Chairman or upon absence or any other hindrance by his/her substitute according to the Articles of Association.

During the closing financial year 2022 (01.01.2022-31.12.2022), 27 Board meetings took place.

The frequency of participation of the members of the Board of Directors at its meetings in 2022 is as follows:

MEMBER NAME	MEMBER TYPE	FINANCIAL YEAR		PARTICIPATION IN THE BOD MEETINGS	PARTICIPATION PERCENTAGE
		From	To		
Konstantinos Chalioris	Chairman, Executive Member	01/01/2022	31/12/2022	27/27	100%
Theodoros Kitsos	Vice Chairman, Independent non-executive member	01/01/2022	31/12/2022	27/27	100%
Dimitrios Malamos	Chief Executive Officer, Executive member	01/01/2022	31/12/2022	27/27	100%
Vassilios Zairopoulos	Non-executive member	01/01/2022	31/12/2022	26/27	96%
Christos Shiatis	Non-executive member	01/01/2022	31/12/2022	27/27	100%
Christos-Alexis Komninos	Non-executive member	01/01/2022	31/12/2022	27/27	100%
Athanasios Dimiou	Non-executive member	01/01/2022	31/12/2022	27/27	100%
Georgios Samothrakis	Independent non-executive member	01/01/2022	31/12/2022	27/27	100%
Myrto Papathanou	Independent non-executive member	01/01/2022	31/12/2022	27/27	100%
Spyridoula Maltezou	Independent non-executive member	01/01/2022	31/12/2022	27/27	100%
Nikitas Glykas	Independent non-executive member	01/01/2022	31/12/2022	27/27	100%

The topics mainly discussed during the year included:

Amounts in thousand Euro, unless stated otherwise

- Update by the Chief Executive Officer on issues related to COVID-19, the external environment of the operating segments, as well as on other important issues related to the Group's activity (such as price increases and price management, impact of energy costs, volume of recycled raw material, etc.)

- Presentation of period Financial Results for the Group and its subsidiaries
- Health and safety issues and strengthening of relevant measures and policies
- Update on current developments in subsidiaries
- Briefing of Board of Directors Committees, Audit Committee and relevant propositions to the BoD
- Evaluations of Board of Directors / Committees
- Next steps in risk management and corporate governance projects, aiming at the full compliance of the Company
- Other issues

5) Audit Committee

Fully in compliance with the provisions and stipulations of the effective legislation and in particular with the article 44, effective at the time, of L. 4449/2017, during the Extraordinary General Meeting of shareholders that took place on 11.02.2021, the Company elected a new Audit Committee with the objective to support the Board in performing its duties as regards to the procedure of financial information, supervise the operation of the Internal Audit and Risk and Compliance Units, the procedures of internal control systems, the supervision of the mandatory audit of the annual and consolidated financial statements, as well as to inform the Board of Directors with regard to the review of the financial reports prior to their approval.

Under the regime of article 44 of law 4449/2017, as in force after its amendment by article 74 of law 4706/2020), and on the other hand in line with the notifications, clarifications and recommendations of the circular with protocol number 1508/17.07.2020 and 427/21.02.2022 documents of the Listed Companies Directorate of the Hellenic Capital Market Commission, the Company is obliged, as a public interest entity, to have an Audit Committee which consists of at least three (3) members and which may comprise:

(a) A Board of Directors Committee consisting of its non-executive members, or

(b) An Independent Committee, consisting of:

I. either by non-executive members of the Board of Directors and third parties, or

II. only by third parties.

Third party means any person who is not a member of the Board of Directors.

The members of the Audit Committee are appointed by the Board of Directors, when it is a Committee of the Board or by the General Meeting of Shareholders, when it is an Independent Committee and must be in their majority independent of the audited entity. This means that in a three-member Audit Committee, at least two of its members (and in any case its Chairman) must either be independent non-executive members of the Board of Directors or, in the case they are third parties, they should meet the requirements of article 9, par. 1 and 2 conditions of independence.

The minimum required number of the present members in order to render a meeting of the Audit Committee as a valid one must be three (3), meaning that in case of a three-member Audit Committee then it is required the presence of all members at each meeting.

However even if the Audit Committee consists of more than three (3) members it is required, according to the clarifications granted pursuant to the no. 1302/28.04.2017 document of the Listed Companies Division of the Hellenic Capital Market Commission, the participation of the entire number of its members, in person, in the Committee's meetings.

At least one (1) member of the Audit Committee must possess sufficient knowledge and experience in auditing and accounting.

In any case, it is to the discretion of the Audit Committee to invite whenever it is deemed necessary key directors of the Company who are involved in the latter's corporate governance (for example Managing Director, Finance Director, head of the Internal Audit and Risk & Compliance Manager) to attend certain meetings or certain subjects of the daily agenda in order to provide any necessary clarifications.

The Audit Committee, which now operates in accordance with the provisions of Law 4449/2017, as in force after its amendment by Law 4706/2020 has the following duties while the Board of Directors maintains full responsibility and particularly:

i) External Audit (sect. a' of par. 3) article 44 of Law 4449/2017 (Government Gazette A' 7/24.01.2017)

The Audit Committee monitors the procedure and performance of the mandatory audit on the separate and consolidated financial statements of the Company and the Group. In this context the Committee informs the Board of Directors by submitting a relevant report for issues deriving from the mandatory audit and by explaining analytically the following:

a) the contribution of the mandatory audit to the quality and integrity of the financial information, meaning in the accuracy, completeness and correctness of the publicized financial information including the relevant disclosures which are approved by the Board of Directors

b) the role of the Audit Committee in the under (a) above mentioned procedure, meaning the recording of the actions taken by the Audit Committee during the performance of the mandatory audit.

In the context of the above information that is being granted to the Board of Directors, the Audit Committee takes into consideration the contents of the supplementary report which the Certified External Auditor prepares and submits, and which contains the results of the mandatory audit that was performed fulfilling at least the requirements of article 11 of the Regulation (EU) no. 537/2014 of the European Parliament and the Council of April 16th, 2014. The Committee:

- Is responsible for the process of selection and recall of External Auditors or audit companies and proposes through the Board towards the General Assembly (Meeting) of the shareholders the External Auditors or the auditing companies to be appointed, the terms of collaboration, as well as their remuneration (according to article 16 of Regulation (EU) No 537/2014, unless par. 8 of article 16 of Regulation (EU) No 537/2014 is being applied).
- Regarding the selection of the Auditing Company, it is examined and analyzed:
  - o the scope of work
  - o the audit standard on the basis of

which this work will be performed

o the form of the deliverable

o the responsibilities of the management and the auditor respectively

- It is responsible for monitoring any non-audit service to be performed by the company's external auditor.
- Taking into account articles 21, 22, 23, 26 and 27, as well as Article 6 of Regulation (EU) No 537/2014) and in particular the adequacy of the provision of non-audit services to the Company (according to article 5 of Regulation (EU) no. 537/2014) will approve or not the non-audit service.
- Monitors the process and the performance of the mandatory audit of the separate and consolidated financial statements of the Company and especially the performance of the audit, taking into account any findings and conclusions of the competent authority (according to paragraph 6 of article 26 of Regulation (EU) no. 537/2014). In this context, it informs the Board by submitting a relevant report on the issues that arose from the mandatory audit explaining in detail:

(a) the contribution of the statutory audit to the quality and integrity of the financial information, i.e. to the accuracy, completeness and correctness of the financial information, including the relevant disclosures which are approved by the Board of Directors and made public,

(b) the role of the Committee in the (a) procedure above, i.e. reporting the actions taken by the Committee during the statutory audit process.

- It is also being informed by the External Auditor on the annual statutory audit plan before its implementation, evaluates the specific plan and ensures that the annual statutory audit will cover the most important areas of audit, taking into account the main business and financial risk areas of the Company.
- Furthermore, the Committee submits proposals on other important issues, when it deems it appropriate or imposed.

ii) Procedure of financial information (sect. b' of par. 3) article 44 of Law 4449/2017 (Government Gazette A' 7/24.01.2017)

Within this context the Committee:

- Is informed about the process and schedule of preparation of financial information by the Management and monitors, examines and evaluates the process of preparation of financial information, i.e. the mechanisms and production systems, the flow and dissemination of financial information produced by the involved units of the company.
- The above actions include other disclosed information in any way (e.g. stock market announcements, press releases, etc.) in relation to financial information.
- Informs the Board for its findings on essential issues in its areas of responsibility, submits proposals to improve the process, if deemed appropriate, and monitors the response of the Company's Management to these findings.
- Takes into account and examines the most important issues and risks that may have an impact on the Company's

financial statements as well as the significant judgments and estimates of Management during their preparation.

- Below are indicative issues that are examined and evaluated in detail by the Audit Committee to the extent that they are important for the Company, mentioning specific actions on them during its reporting and briefing to the Board:
- Evaluate the use of the assumption of ongoing activity.
- Significant judgments, assumptions and estimates in the preparation of the financial statements.
- Valuation of assets at fair value.
- Assessment of asset recoverable value.
- Accounting for acquisitions.
- Adequacy of disclosures for the significant risks faced by the Company.
- Significant transactions with related parties.
- Significant extraordinary transactions.

The Committee's communication with the external auditor in view of the preparation of the audit report and the latter's supplementary report to the Committee must be substantial.

In addition, the Committee reviews the financial reports (Annual and Semi-Annual) before their approval by the Board of Directors, in order to assess their completeness and consistency in relation to the information taken into account as well as the accounting principles implemented by the Company and informs the Board of Directors accordingly.

iii) <u>Procedures of internal control and risk management systems and audit control unit (sect. c' of par. 3) article 44 of Law 4449/2017 (Government Gazette A' 7/24.01.2017)</u>

The Committee:

- Monitors, examines and assesses the adequacy and effectiveness of the entire policies, procedures and controls of the Company with regard to the internal control system as well as the quality assurance and the estimation and management of risks in relation to the financial information.
- Monitors the effectiveness of internal control systems mainly through the work of the internal audit and Risk & Compliance Department and the work of the External Auditor.
- Examines the conflicts of interest during the Company's transactions with related parties and submits to the Board of Directors the relevant reports.
- Examines the existence and content of those procedures, according to which the Company's personnel will be able, in confidentiality, to express their concerns about possible illegalities and irregularities in matters of financial information or other issues related to the operation of the company. The Commission must ensure that procedures are in place to effectively and independently investigate such issues, as well as to address them properly.

Regarding the operation of internal audit unit, the Committee:

- Evaluates the staffing and organizational structure of the internal audit unit and identifies any weaknesses. It also monitors and inspects the proper operation of the internal audit unit in accordance with professional standards as well as the current legal and regulatory framework and evaluates the results, its adequacy and effectiveness, without however affecting its independence. If deemed appropriate, the Committee submits proposals to the Board, so that the internal audit unit has the necessary means, is adequately staffed with personnel with sufficient knowledge, experience and training, there are no restrictions on its work and has the envisaged independence. Therefore, the appointment and dismissal of the head of the internal audit unit is a proposal of the Audit Committee to the Board of Directors. In the same context, the Committee determines and examines the operating regulations of the Company's internal audit unit.

- It is being informed on the annual or periodic audit plan of the internal audit unit before its implementation and evaluates it, accordingly, taking into consideration the main areas of business and financial risks as well as the results of previous audits. The Committee may decide to configure the annual or periodic internal audit plan, as well as to carry out extraordinary audits by the internal audit unit.
- As part of this briefing, the Committee reviews if the annual or periodic audit plan (in conjunction with any corresponding medium-term plans) covers the most important areas of control and financial information systems.
- Holds regular meetings with the Internal Auditors to discuss issues of their responsibility, as well as problems arising from the performance of internal audits.
- Takes knowledge of the work of the internal audit unit and its reports (regular and extraordinary) and monitors the briefing of the Board about their content, in relation to the financial information of the Company.
- Reviews the disclosed information regarding the internal control and the main risks and uncertainties of the Company, in relation to the financial information.

iv) ***Regulatory Compliance and Risk Management Unit (articles 13 & 14 of Law 4706/2020 - Government Gazette A' 136/17.07.2020)***

The Committee:

- Supervises the management of the main risks and uncertainties of the Company and their periodic revision. In this context, it evaluates the methods used by the Company for the identification and monitoring of risks, the treatment of the main ones through the internal control system and the internal audit unit as well as their proper disclosure in the published financial information.
- Monitor the effectiveness of the regulatory compliance system, including adopting and implementing appropriate and up-to-date procedures, to ensure that the Company fully and constantly complies with the legal and regulatory framework in force in a timely manner and that there is, at all times, a complete picture available of the degree to which this objective is attained.
- Supervise compliance with specific governance practices such as personal data protection, cybersecurity and information security.

- Review the findings of the audits carried out by the supervisory authorities, the external and internal auditors as well as by the risk and compliance unit and monitor the degree to which the Company complies with the applicable requirements.
- Follow up on cases of non-compliance and review the corrective action taken by the Management.
- Obtain information from the Management and work together with the Company's legal consultants on compliance issues.
- Investigate for any existing conflicts of interest in the Company's transactions with related parties and report to the Board of Directors accordingly.
- Look into the existence and content of the procedures followed to allow Company staff to express their concerns confidentially about any potential illegal and irregular practices with regard to financial reporting or other issues which are associated with the Company's operation. The Committee must ensure that the procedures are in place for investigating such issues effectively and independently, as well as addressing them adequately.
- Evaluate regulatory compliance and risk management reports at company and group level, informs the Board of Directors of its findings and submits proposals where required.

The oversight of the main risks and uncertainties and the monitoring of the effectiveness of the regulatory compliance system is done through the supervision of the risk and compliance unit, where the Committee:

- Evaluates the staffing and organizational structure of the Unit and detect any weaknesses therein. Moreover, monitors and inspects the proper functioning of the Risk and Compliance Unit according to the professional standards and the legal and regulatory framework in force and assesses its work, adequacy and effectiveness. Where appropriate, makes proposals to the Board of Directors for the Unit to have the necessary means and be adequately staffed with employees who have sufficient knowledge, experience and training etc.
- Evaluates the annual work plan of the Unit before it is implemented taking into account the key areas of business and financial risk, proposes any aditions or changes and finally approves it.
- Receives and evaluates the result of the unit's annual work plan, the Annual Compliance Report and notifies the non compliance cases to the Company's Board of Directors and its Committees, if any, and makes recommendations to the Management on the corrective action to be taken.
- Holds regular meetings with the Risk & Compliance Manager to discuss issues of his/her responsibility.

For the results of all the above actions, the Committee informs the Board of Directors about its findings and submits proposals for the implementation of corrective actions, if deemed appropriate.

The Committee shall have unhindered and full access to the information, records and data required in the exercise of its powers and shall have the necessary resources to carry out its work in a proper and effective manner, including the use of external consultants.

The Audit Committee archives all the necessary information, including the minutes of its meetings, in which its actions and their results are recorded, regarding the implementation of its work.

The Audit Committee submits reports to the Board of Directors on its areas of responsibility and also in the areas which, after the completion of its work, it considers that there are essential issues in relation to the financial information provided; at the same time it monitors the response of the Management on the above issues.

The Chairman of the Committee provides information to the shareholders during the annual General Meeting about the Committee's activities on the basis of the above-mentioned responsibilities, through the submission of a relevant Report.

For the implementation of all the above, the Audit Committee is expected to hold meetings with the Management and the competent executives during the preparation of the financial reports, as well as with the External Auditor during the planning phase of the audit, during the execution and also during the phase of preparation of audit reports.

The existing Audit Committee, which was elected by the Extraordinary General Meeting of Shareholders on 11 February 2021, is an Independent Committee and is consisted of the following one (1) Independent Non-Executive Member of the Company's Board of Directors and two (2) non-members-third parties, namely:

Georgios Samothrakis	Independent Non-Executive Board Member
Konstantinos Kotsilinis	Non-Board Member – third party
Konstantinos Gianniris	Non-Board Member – third party

Following the election of the above three-member Audit Committee by the Extraordinary General Meeting of shareholders of 11 February 2021 and the appointment of the persons assuming the positions of its members, the Audit Committee at its meeting of 16 February 2021 was formed into body with the expiration of its term on 11 February 2026 as follows:

Georgios Samothrakis	Chairman of Audit Committee
Konstantinos Kotsilinis	Member of Audit Committee
Konstantinos Gianniris	Member of Audit Committee

For reasons of completeness, the CVs of the members of the Audit Committee are presented as follows:

- **Georgios Samothrakis**

-The CV of Mr. Georgios Samothrakis, Member of the Board of Directors, is presented in detail in Section VI.1 "Composition of the Board of Directors" of the current Report.

- **Konstantinos Kotsilinis**

-Mr. Konstantinos Kotsilinis was born in New Zealand, studied at Victoria University of Wellington and earned a Bachelor of Commerce and Administration degree. He began his professional career in 1968 at the Coopers & Lybrand Company in Wellington, moved to the London office in 1972 and later that year to the Greek office. From 1978 to 2003 he was head of the audit department of Coopers & Lybrand / PwC Greece. In his last years of service in the Company, he has been the Chairman of the Board of Directors of the Company. He has served on various Committees including the Supervisory Board of the European Financial Reporting Advisory Group (2002-2004) and the Accounting Harmonization Committee of UNICE (2002-2005). From 2009 to 2014, he was Vice Chairman of the Accounting Standardization and Auditing Committee of Greece (ELTE) and Chairman of the Quality Control Council (SPE). During this period he represented Greece in the relevant committees in the European Union and during the Greek Presidency he was the Chairman of the committee responsible for audit issues. He is a Member of the Board of Chartered Auditors of Greece as well as a former Member of the Institute of Chartered Auditors of New Zealand.

He is the Chairman (since 2006) of the Board of Directors and a member of the Audit Committee of the insurance company Interasco.

From 2006 until today he is an External Advisor of the Audit Committee of the National Bank of Greece, while since 2017 until 2021 was a Member of the Audit Committee of Mytilineos SA and since 2021 is an external advisor of it.

Since 2004 he is a Member of the Board of Directors of “Child’s Smile” and today Vice President of the Organization.

From 1991 to 2020 he was the Honorary Consul General of New Zealand in Greece, while he has been appointed Member (MNZM) and Officer (ONZM) of the Order of Merit of New Zealand by the Queen of England.

- **Konstantinos Gianniris**

Mr. Konstantinos Gianniris has studied Economics, Organization and Business Administration at the University of Piraeus, is a graduate of the Law School of the University of Athens and has extensive professional training. He has been the General Manager of IASO Group, Managing Director of the Euroclinic Athens Group, General Manager of SOULIS SA, Member of the Executing Committee, General Manager or High-Ranking Executive (CFO, Marketing / Sales Manager, Logistics, IT Manager, Organization and Internal Audit Manager) in large companies. He is a member of the Board and the Audit Committee, of ELASTRON S.A. He was also a member of the Board (and in most cases the Chairman of Audit Committee) of the following companies: Thrace Plastics CO SA, Eurodrip SA, Logicdis SA, Dodoni Ice Cream SA, Euroclinic of Athens SA, Euroclinic of Children SA and European Technical SA. He has founded the Business Consulting Company P.M.S. Consultants (specializing in Business Administration, Internal Audit, Corporate Governance and Business Organization). He has founded the Hellenic Institute of Internal Auditors (for a number of years he was its President) and has represented the body at International Conferences. He has founded the Association of Clinics of Greece (SEK), in which the large groups of Private Clinics participate, and where he served for a number of years as President. Mr. Gianniris has prepared dissertations on Applied Organization and Business Administration, which have been adopted in a number of Businesses, such as: Internal Regulation of Management, Organization, Operation and Internal Control System, Manual of Organization and Operation of Internal Control Unit, Budget & Audit Systems, Costing Systems etc.

From the above it is inferred that the members of the Audit Committee have proven in their entirety that they possess sufficient knowledge in the field in which the Company operates, given that:

(a) Mr. George Samothrakis was already a member of the Audit Committee of the Company, elected by the Extraordinary General Meeting of Shareholders as of March 19, 2019,

(b) Mr. Konstantinos Gianniris participated in the management of the Company for a period of more than ten (10) years. It is therefore evident that from his participation he has obtained a complete and clear picture of the organization, management and operation of the Company, about the products it produces and markets as well as the services it provides, and for the business model and the strategy it follows in general.

(c) Mr. Konstantinos Kotsilinis, who has never participated in the Board of Directors of the Company, knows very well -and due to his wider professional activity- the environment and the conditions in which the Company develops its business activities.

The criterion of sufficient knowledge and experience in auditing or accounting is proven to be met in the capacities of both Mr. Georgios Samothrakis and Mr. Konstantinos Kotsilinis, who are both Certified Public Accountants with extensive knowledge and rich professional experience. This is turn will contribute decisively and substantially in further strengthening the efficiency of the Audit Committee and in the implementation of its responsibilities in the best possible way, in order to strengthen the dynamics and the value of the Company. Furthermore, Mr Gianniris is considered very capable in this field, having served for a large number of years as Director of Internal Audit and Chief Financial Officer for numerous companies from various industries.

Finally, those conditions and criteria of independence which are covered by the current regulatory framework and in particular by article 9 par. 1 and 2 of law 4706/2020, are met in the persons of Messrs. Georgios Samothrakis and Konstantinos Kotsilinis, i.e. the majority of the members of the Audit Committee, given that the following persons:

(a) do not hold shares greater than 0.5% of the Company's share capital; and

(b) do not have any dependency relationship with the Company or persons related to the Company, according to the manner by which this dependency relationship is specified in particular in the provisions of the above legislation.

Frequency of Meetings and Main Topics of Meetings' Agenda

The Committee convenes at least four (4) times a year. The Chairman of the Committee decides on the frequency and time schedule of the meetings. The external auditors are entitled to request a meeting by the Committee if they deem appropriate.

During 2022 the Committee convened twelve (12) times and all members were presented during the meetings, whereas all issues mentioned in the Internal Operation Rulebook as well as in the Operations Rulebook of the Audit Committee were discussed and handled, the major of which are as follows:

- Supervision and approval of the

Internal Audit and Risk & Compliance Unit's activities and briefing of the Board of Directors about the issues arising from both Units activities.

- Monitoring of the process and the performance of the mandatory audit on the separate and consolidated financial statements of the Company and briefing of the Board of Directors about the issues related to the mandatory audit along with an analytical explanation.
- Monitoring of the process and the performance of the mandatory audit on the internal control system of the company's and it's significant subsidiaries and briefing of the Board of Directors about the issues arising from this audit.
- Monitoring of the process and the performance of the Enterprise Risk Assessment Project of the mother company and it's subsidiaries.
- Informing the Board of Directors on issues arising from the Enterprise Risk Assessment Project.
- Opinion on the selection of the Auditing Company for the performance of the mandatory audit on the separate and consolidated financial statements of the Company.
- Ensuring the independence of the Certified External Auditors
- Monitoring the process of preparation of the published financial statements of the Group and the Company and the preparation of a relevant proposal to the Board of Directors for their approval.
- Implementation of an RFI process for the selection of a new audit company, as requested by the article 42 of Law 4449/2017 due to the mandatory rotation of the current External Auditors in 2024.

6) Remuneration and Nominations Committee of Board Members and Committees

The Board of Directors of the Company for the purpose of substantial, effective and appropriate compliance and harmonization of the Company with the regulations of articles 11 and 12 of Law 4706/2020 (Government Gazette A136/17.07.20201) and with the parallel adoption of the corporate governance best practices, during its meeting of 22.03.2021 decided the abolition of the existing Committee for Benefits and Promotion of Nominations (CBPN) and its replacement by the Remuneration and Nominations Committee.

The Committee consists of three (3) Non-Executive Board Members, while the majority of its members are Independent, in order to ensure the objectivity, independence and integrity of their judgment. The Board is responsible for the appointment and replacement of all members of the Committee. The Committee elects its Chairman, who is an Independent Non-Executive Member and is supported by the Secretary of the Committee. The term of office of the members of the Committee is directly related to that of the Board of Directors. In addition, the Committee submits an annual progress report regarding the actions took place to the Board of Directors.

The Committee consists of the following Non-Executive Members of the Board, namely:

Theodoros Kitsos	Independent Non-Executive Member of the BoD, Chairman of the Committee
Nikitas Glykas	Independent Non-Executive Member of the BoD, Member of the Committee
Vasileios Zairopoulos	Non-Executive Member of the BoD, Member of the Committee

The term of the above Committee expires on February 11th, 2026.

The purpose of this Committee includes at a minimum the development and formation of all types of remuneration of executives falling within the scope of application of the Remuneration Policy provided by Article 110 of Law 4548/2018, the identification and retain of the necessary executives within the headcount of the Company, who will support the long-term successful performance of the Company, the nomination process and succession planning of the Board of Directors and its Committees, within the boundaries of business objectives, competitive practices, Company's applicable rules and regulations and current legislation, as well as in the formulation-submission of relevant proposals and suggestions on the above issues to the Board of Directors.

The operation of this Committee ensures that both the remuneration of the Executive and Non-Executive members of the Board of Directors and the members of its Committees as well as the nominations for Board of Directors members will be in line with the corporate objectives and market practices and, in any case, will be in full compliance with the current legal and regulatory framework.

In terms of setting remuneration policy, the Committee's responsibilities include:

- On an annual basis, the Committee examines, pre-approves and formulates proposals to the Board of Directors regarding labor issues included in the employment contracts of Executive Board of Directors members and the compliance with the internal Rule of Procedure.
- The Committee is responsible to determine the renumeration scheme of the Board of Directors, it's Committee members and Top Management Executives and makes recommendations on the subject to the Board of Directors which decides or makes a suggestion to the General Meeting, when required.
- The Committee reviews, pre-approves and proposes annually (or whenever deemed necessary) to the Board of Directors, the base salary, the variable remuneration and benefits provided (where available) for the Board of Directors Executive and Non-Executive members, the Board of Directors Committees members, and the Top Management Executives, including the Head of Internal Audit and the Head of Risk & Compliance, taking into consideration the macroeconomic conditions and the remuneration level of respective companies.
- Specifically for the Executive Board of Directors members and based on the approved by the Board of Directors Strategic Plan, the Committee ensures the appropriate formulation of approved annual significant targets (maximum 3). At the end of the relevant period, the Committee examines, pre-approves and proposes to the

Board of Directors the level of variable remuneration based on the achievement level of the set targets.

- Whenever deemed necessary, the Committee reviews the Remuneration Policy and makes recommendations for improvements or diversifications.
- The Committee reviews the final draft of the annual Remuneration Report providing its opinion to the Board of Directors, before submitting the Report to the General Meeting.
- The Committee shall inform Management and demand the reimbursement of the whole or part of the variable remuneration, due to revision in past years financial statements or due to findings of incorrect, inaccurate, or incomplete financial data, taken into consideration for the calculation of variable remuneration.
- The Committee conducts or authorizes third parties to conduct research or studies on matters falling within its remit.

In the responsibilities of the Committee regarding the promotion of the nominees for the Board of Directors and Committees members, include:

- The Committee defines and proposes to the Board of Directors the criteria for the election of members (Board of Directors and Board of Directors Committees), in accordance with the requirements of the law and the respective strategy / Suitability Policy of the Company.
- The Committee is responsible for the preparation of the Nomination process for members of the Board of Directors / Committees, based on predefined criteria and in accordance with the eligibility and corporate governance policies.
- The Commission evaluates candidates of the Board of Directors and Board of Directors Committees through interviews and references.
- The Committee proposes the selected candidates for approval to the Board of Directors and General Meeting as required.
- The Committee determines the evaluation criteria of Board of Directors and its Committees on matters such as size, composition, qualifications, gender, knowledge, experience, skills, and effectiveness. The Committee is also responsible for the annual performance evaluation based on the criteria of Suitability Policy. Based on evaluation results, the Committee prepares the annual Adequacy Report which is submitting in the General Meeting.
- The Committee determine the parameters of the succession planning of the Board of Directors and its Committees and supervise it.
- The Committee determines the evaluation criteria, supervises the annual individual evaluations of the Executive Board of Directors members, and suggests to the Board of Directors proposals for their personal and professional development, to ensure that the Company remains competent and competitive in the long term.
- The Committee advises the CEO in the process of nominating the Company's Executives, and their succession planning. The final decision to fill the above positions belongs exclusively to the CEO.
- The Committee conducts or author-

izes third parties to conduct investigations or studies on matters falling within its area of responsibility.

The Remuneration and Nominations Committee of Board of Directors Members and Committees convened 11 times during the year 2022 (01.01.2022-31.12.2022) in the presence of all its members. The topics that were mainly discussed were:

- The evaluation of the management's proposal for the 2022 remuneration of the Top Executives and the approval for 2021 bonus,
- To review the term of Board of Directors Members and Committees
- To confirm that for the Members of the Board of Directors there are not issued any a final court decision for loss-making transactions (article 3, paragraph 4) of Law 4706/2020.
- To confirm that the Independent Non-Executive Members of the Board of Directors are fulfilling the conditions and criteria of independence as they are defined by the current regulatory framework.
- Defining the most specific performance criteria for the 2022 short-term incentive program for the Board's Executives and the Top Management Executives.
- The review of the participation of the members of the Board of Directors to other Boards/Committees outside the Group.
- The definition of a succession plan for the members of the Board of Directors and Committees
- The issuance of the Competence Report for the Board of Directors.
- The revision of the Remuneration and the Suitability Policy of the members of the Board of Directors and Committees
- The Committee prepared the annual Remuneration Report.
- The finalization of the evaluation of the Board of Directors Members and Committees suitability, the remuneration review of the of the Board of Directors Members and Committees, after its issuance by a reputable consulting firm.
- The finalization of its Operation Rulebook

7) Other Committees

Furthermore, the Board of Directors of the Company at its meeting of March 22, 2021, in order to optimally organize and operate the most efficient framework of corporate governance, decided the establishment of new Committees as follows:

- Strategy and Investment Committee,
- Environmental, Social and Corporate Governance [ESG] Committee, and
- Human Resources Committee.

Following its decision of 22.3.2021, the Company's Board of Directors meeting that took place on 24.03.2022 decided:

- To transfer of the responsibilities of regulatory compliance from the Environmental, Social and Corporate Governance (ESG) Committee to the Audit Committee and rename the ESG Committee to Sustainability Committee.
- To change the organizational position of the Human Resources Committee and put it to report directly to the Group CEO, in order to ensure the most effective support and assistance to him.

Consequently, the new format of the Board of Directors committees is the following:

Strategy and Investment Committee

The purpose of this consists in providing assistance to the Board of Directors with regard to the development of the operational strategy, the formulation of the investment plan of the Company and of the Group in general, as well as supervising and providing guidance to the Board of Directors of the respective business strategy, as well as the provision of support in the formulation of revised / updated plans and in the monitoring and control of the implementation and performance of the strategic investments of the Company and the Group.

The responsibilities of the Committee include:

- Develops and proposes to the Board of Directors the long-term strategy of the Group and suggests the necessary adjustments in the short and medium term
- Studies and pre-approves the strategic plans of the companies, ensures that they are in line with the Group's strategy and makes recommendations to the Board.
- Reviews and suggests to the Board of Directors for the investment plans and the individual investments of the companies
- Reviews possible acquisitions, mergers, divestments and Joint Ventures and makes proposals to the Board respectively
- Reviews the progress and results of all actions related to the implementation of the strategy and the progress of investment plans and informs the Board accordingly.
- Monitors closely international trends, best practices, and market data, in order to adapt the strategy of the Group and the Companies and informs the respectively the Board of Directors
- Recognizes timely risks and opportunities and prepares proposals to the Board of Directors for the necessary actions, including the framework that ensures their funding.
- Discusses the communication of the Management to third parties and the investors community, in terms of the strategy and the investment plan of the Group.

The Strategy and Investment Committee consists of three (3) members of the Board of Directors, as follows:

Konstantinos Chalioris	Executive Member of the BoD, Chairman of the Committee
Dimitrios Malamos	Executive Member of the BoD, Member of the Committee
Vasileios Zairopoulos	Non-Executive Member of the BoD, Member of the Committee

The Committee convened 6 times during the fiscal year 2022 in the presence of all its members.

The topics that were mainly discussed concern the strategies of the subsidiaries and strategies for new investments.

Sustainability Committee

The purpose of this Committee is to consider, promote and report periodically to the Board of Directors on environmental and social sustainability issues.

The responsibilities of the Committee include:

- Review the formulation of the sustainability related policies, strategies and objectives to ensure that they are in line with the needs of the Company in line with the vision and values, fully complying with applicable legal and regulatory requirements.
- Monitors the development and implementation of the Sustainable Development goals that have been set, based on the materiality analysis, which includes the important, relevant and critical areas that the Company highlights as priorities and proposes improvements to the Management and then to the Board, where necessary.
- Review the progress and results of any of the Company's sustainability work and report to the Board regularly.
- Monitors international trends and best practices in order to regularly update the Board.
- Recognizes timely risks and opportunities and prepares proposals to the Board for the necessary actions, including the framework that ensures the financing of the Company.
- Studies and pre-approves the annual non-financial statements and Sustainability reports, as well as other disclosures, submitting relevant suggestions to the Board for approval.
- Acts on behalf of the Board and cooperates with the Management of the Company ensuring the prestige and reputation of the Company in relation to all issues of Sustainable Development and its Public Image.

Operational Framework

Environment: The impact of the Company's footprint to land, air, water, climate through the use of raw materials, end products design, technology, manufacturing units etc

Society: the impact of the Company's policies and strategy in relation to: (1) Employee's learning & development, (2) Wellbeing including Health & Safety, (3) Living wage standards (4) Diversity & Inclusion philosophy and commitments, (5) Human rights, (6) Work environment, (6) Policy of child/forced/compulsory labour, (7) Community support (8) Products' safety during their production and use, etc.

The Sustainability Committee consists of four (4) members of the Board of Directors, as follows:

Theodoros Kitsos	Independent, Non-Executive Member of the BoD, Chairman of the Committee
Konstantinos Chalioris	Executive Member of the BoD, Member of the Committee
Dimitrios Malamos	Executive Member of the BoD, Member of the Committee
Spyridoula Maltezou	Independent, Non-Executive Member of the BoD, Member of the Committee

The Committee convened 6 times during the fiscal year 2022 in the presence of all its members, during the major meetings.

The topics that were mainly discussed concern:

- Monitoring the Group's plan regarding the reduction of energy consumption and the use of Renewable Energy Resources,
- Approval of the Strategic Plan for Sustainable Development,
- Discussion on the changes that Law 4819/2021 will bring to plastics follow up,
- Approval of revision of the Commission's Terms of Reference (TOR),
- Follow up of direct and indirect greenhouse gas emissions monitoring,
- Discussion on the Board of Directors members and Executives' training program,
- Discussion on Group's Sustainability PURPOSE and VISION/MISSION,
- Discussion on Group's and external environment current status related with sustainability,
- Monitor the CDP report and data verification,
- Discussion and approval of the 2021 Sustainable Development Report,
- Discussion and approval on the Sustainable Development Report of Thrace Greenhouses,
- Discussion on supplier evaluation policy,
- Discussion on the project to support sustainable development issues

It is pointed out that all the above Committees of the Board of Directors have drafted – composed their Rulebooks.

8) Evaluation of Board of Directors and Committees

The Company implements an Evaluation Policy of the Board of Directors and Committees. The scope of the Policy includes the executive, non-executive, independent non-executive members of the Board of Directors of the Company, as well as the non-members of the Board of Directors (third parties) who are members of its Committees.

The criteria of suitability and reliability of the Board members are defined in law 4706/2020, the decisions issued under its authority, as well as the Suitability Policy of the Company, which has been approved and implemented by the Company. The Company Suitability Policy is posted on the company's website www.thracegroup.com.

Procedure for Periodic Evaluation of Board Members

Individuals falling within the scope of the Suitability Policy are evaluated on an ongoing basis for their ability to perform their duties adequately and effectively and to safeguard the interests of the Company and other stakeholders in order to achieve sound and prudent management of the Company by fit and proper persons.

The members of the Board and its Committees are evaluated:

- On a collective basis, which takes into account the overall operation of the Board and its Committees and
- On an individual basis regarding the assessment of each member contribution to the successful operation of the Board.

The periodic evaluation of the Board of

Directors members and its Committees is held on an annual basis within the first quarter of each year, unless otherwise decided by the Remuneration & Nomination Committee and concerns the period of 12 months of the previous year.

Self-evaluation of the overall performance of the Board of Directors and its Committees

The self-evaluation of the overall performance of the Board of Directors and its Committees is carried out taking into account the purposes, responsibilities, their operation based on the Articles of Association, the Regulations and the legislative and regulatory framework. Also, during the overall evaluation, the composition, the diversity, and the effective cooperation of the members of the Board of Directors for the fulfillment of their duties are taken into account. It is conducted on the basis of questionnaires which are approved by the Remuneration & Nomination Committee and are completed by the members of the Board of Directors and the Committees. Members should answer all the questions on the questionnaires.

The Remuneration & Nomination Committee decides on the initiation of the self-evaluation process and decides whether it is deemed appropriate for the annual evaluation to be carried out internally or with the assistance of an independent external consultant.

Individual Evaluation of Board of Directors Members and its Committees

The individual evaluation of the members of the Board concerns the performance of each member on an individual basis and the assessment of his/her contribution to the effective operation and overall performance of the Board.

Each member of the Board is evaluated by the Chairman or the Vice-Chairman and all the other members of the Board of Directors, regarding the fulfillment of the role and the more specific tasks assigned to him/her, as defined in the Rulebook of the Board of Directors and its Committees, in the Internal Regulations of the Company, in the Corporate Governance Code as well as in law 4706/2020.

During the individual evaluation, the status of the member is taken into account (executive, non-executive, independent non-executive), the participation in special Committees, the assumption of special responsibilities / projects, the time dedicated during the fulfillment of his / her duties, the behavior as well as the utilization of theoretical knowledge and professional experience possessed.

The evaluation is carried out on the basis of questionnaires that are completed for each member, while in addition, in the context of the individual evaluation, the Chairman or Vice-Chairman may meet individually with the members, if this is deemed appropriate or necessary.

In case a low score is identified or there are suggestions for improvement for specific members, the Chairman and/or the Vice Chairman of the Board are informed so as to consider the possibility of an individual meeting of the Chairman and / or the Vice-Chairman with the member of the Board for their update, the discussion of the individual points that have been recorded and the definition of the actions that are deemed appropriate to follow. Regarding the evaluation of the Chairman, a corresponding update is made, if necessary, to the Chairman of the Remuneration &

Nomination Committee. During the relevant briefing of the Chairman of the Board, the anonymity of the members who made the evaluation is ensured and in no case are their details disclosed to the Chairman of the Board or to the Remuneration & Nomination Committee.

Based on the evaluation of the Board of Directors members and its Committees, as described above, with reference period the closing fiscal year 2022 (01.01.2022-31.12.2022), no significant weaknesses were identified. Therefore, the Board of Directors decided not to prescribe any corrective actions.

VI. General Meeting and Shareholders' Rights

1. Authorities of General Meeting

- The General Meeting of the Company's shareholders is the highest corporate body and is entitled to decide on any issue that concerns the Company, while its decisions also bind shareholders that are not present or who disagree.
- Issues regarding invitation, convening and conducting General Meetings of shareholders, that are not particularly defined by the Company's current Articles of Association are governed by the relevant provisions of articles 116-140 of Law 4548/2018, as currently in effect.

2. Convening the General Meeting

- The General Meeting convenes at the company's registered offices or in a district of another municipality within the prefecture of its domicile or another municipality near the domicile. The General Meeting may also convene in the district of the municipality where the domicile of the relevant organized market is located.
- Participation in voting remotely, meaning via either audiovisual/ electronic or other means, like mail vote, during the General Meeting of shareholders is permitted given the prior disclosure to shareholders of the meeting agenda issues and relevant voting ballots or the mail vote forms, accompanying such issues at least five (5) days prior to the General Meeting. The issues and voting ballots may be provided and submitted online through the internet. Shareholders that vote in this manner are calculated to define quorum and majority, given that the relevant ballots or the mail vote forms have been received by the company at least one (1) full day prior to the day of the General Meeting.

In this case, the Company shall take adequate measures to:

(a) be able to ensure the identity of the participant, the participation of persons who are entitled to participate in or attend the General Meeting and the security of the electronic connection,

(b) enable the participant to monitor the proceedings of the Meeting by electronic or audiovisual means and to address the Meeting, verbally or in writing during the meeting, and to vote on the items on the agenda; and

(c) ensure the ability to record accurately the participant's remote voting.

- The members of the Board of Directors as well as the Auditors of the Company are entitled to attend the General Meeting. The head of the

Internal Audit Unit must attend the General Meetings of shareholders. The Chairman of the General Meeting may, under his/her responsibility, allow the presence of other persons who do not have shareholder status or are not shareholders' representatives in the Meeting insofar as this is not contrary to the Company's interest. These persons are not considered to be members of the General Meeting solely because they have spoken on behalf of a present shareholder or at the invitation of the Chairman.

3. Representation of shareholders at the General Meeting

Shareholders that have the right to participate in the General Meeting may be represented in such by legally authorized proxies.

4. Chairman of the General Meeting

- The Chairman of the Board of Directors temporarily serves as chairman of the General Meeting, or if he is unable his substitute, as defined by the article 9 of the Articles of Association or if the latter is unable also, then the oldest in age from the present Members. Those appointed by the Chairman serve as temporary Secretary of the General Meeting.
- Following the reading of the final list of shareholders that have voting rights, the Meeting proceeds with electing a Chairman and a Secretary who also serves as a vote teller.

5. Minutes

Copies or extracts from the minutes of the General Meeting shall be ratified by the Chairman or by his / her legal substitute or by his / her replacement or by any person appointed by the Board of Directors.

6. Shareholders' Rights before the General Meeting

- From the date of publication of the invitation for the convening of the General Meeting or Assembly up to that day, the Company shall post on its website the following information:

  (a) the invitation to convene the General Meeting,

  (b) the total number of shares and voting rights that the shares incorporate at the date of the invitation, indicating also separate totals per share class,

  (c) the forms to be used for voting by a representative or delegate, and, where provided for, by ballot paper or mail vote and by electronic means, and

  (d) the documents to be submitted to the General Meeting,

  (e) a draft decision on each item of the proposed agenda and the draft resolutions proposed by the shareholders pursuant to paragraph 3 of article 141 of Law 4548/2018.
- The Company publishes the results of voting on its website, under the responsibility of the Board of Directors, within five (5) days from the date of the General Meeting, specifying for each decision at least the number of shares for which valid votes, the proportion of the capital represented by these votes, the total number of valid votes, and the number of votes for and against each decision and the number of abstentions.

Right of Participation and Voting

Each share is entitled to one (1) vote. The General Meeting is entitled to participate as shareholder in the records of the Dematerialized Securities System (DSS) managed by Societe Anonyme with the name "Greek Central Securities Depository SA" (GCSD) or the one identified as such based on the relevant date through the registered mediators or other intermediaries in accordance with the provisions of the legislation (law 4569/2018, law 4706/2020 and Regulation (EU) 2018/1212) as well as the Regulation of Operation of the Greek Central Securities Depository SA (Government Gazette B 1007/16.03.2021).

Proof of shareholder status can be performed by any legal means, and, in any case, based on information received by the Company from the CSD, under the condition it provides registry services or through the participants and registered intermediaries in the CSD in any other case.

For the Repeated General Meeting the status of shareholder must exist at the beginning of the fifth (5th) day prior to the day of the General Meeting in accordance with the provisions of article 124 par. 6 of law 4548/2018, as in force today, provided that the adjourned or repeated meeting is not more than thirty (30) days from the record date. If this is not the case or if a new invitation is published in the case of the repeated General Meeting, the General Meeting is attended by the person who has the shareholder status at the beginning of the third (3rd) day before the postponed or the repeated General Meeting.

Only those that have the shareholder capacity during the respective record date is considered by the Company to have the right of participation and voting at the General Meeting (first and / or repeat meeting).

It is noted that the exercise of the above rights (participation and voting) does not require the blockage of the beneficiary's shares or any other relevant process, which limits the ability to sell or transfer shares during the time period between the record date and the date of the General Meeting.

Minority Rights of Shareholders

Pursuant to article 141 of Law 4548/2018, the shareholders have, inter alia, the following rights:

(a) At the request of shareholders, representing one twentieth (1/20) of the paid-up share capital, the Board of Directors is obliged to convene an Extraordinary General Meeting of Shareholders, appointing a meeting date, which shall not be more than forty five (45) days from the date of submission of the application to the Chairman of the Board of Directors.

The application contains the subject of the agenda. If no General Meeting is convened by the Board of Directors within twenty (20) days from service of the relevant application, the convocation shall be carried out by the applicant shareholders at the expense of the Company, by a court order issued in the interim proceedings. This decision defines the place and time of the meeting as well as the agenda. The decision is not challenged by legal means.

(b) With the request of shareholders that represent one twentieth (1/20) of the paid up share capital, the Board of Directors of the Company is obliged to list additional issues on the General Meeting's agenda, if the relevant request is received by the Board at least fifteen (15) days prior to the General

Meeting. The request for the listing of additional issues on the daily agenda is accompanied by a justification or by a draft resolution for approval by the General Meeting and the revised agenda is published in the same manner as the previous agenda, at least thirteen (13) days prior to the General Meeting date and at the same time is disclosed to shareholders on the Company's website together with the justification or draft resolution submitted by the shareholders according to those stipulated by article 123, paragraph 4 of Law 4548/2018.

If these issues are not published, the requesting shareholders are entitled to request the postponement of the General Meeting and to make the publication themselves.

(c) Shareholders representing one twentieth (1/20) of the paid-up share capital shall have the right to submit draft decisions on issues included in the original or any revised agenda. The relevant application must reach the Board of Directors seven (7) days prior to the date of the General Meeting, the draft decisions being made available to the shareholders according to the provisions of article 123 par. 3 of law 4548/2018 six (6) at least days prior to the date of the General Meeting.

The Board of Directors is not obliged to enroll issues on the agenda or to publish or disclose them together with justifications and draft decisions submitted by the shareholders according to the above paragraphs b and c respectively if their content comes obviously contrary to law or ethics.

(d) At the request of a shareholder or shareholders representing one twentieth (1/20) of the paid-up share capital, the Chairman of the Meeting shall be obliged to postpone the decision of the General Assembly, either ordinary or extraordinary, for all or certain matters, setting a day for the continuation of the meeting to conclude with these matters, the one specified in the shareholders' application, but this cannot be more than twenty (20) days from the date of the postponement. The postponement of the General Meeting is a continuation of the previous one and no repetition of the publication formalities of the shareholders' invitation is required, and new shareholders cannot participate in it, subject to the relevant participation formalities.

(e) Following a request of any shareholder that is submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide to the General Meeting the specifically required information on the Company's affairs, to the extent that such are useful for the real assessment of the agenda issues. No obligation to provide information exists when the relevant information is already available on the Company's website especially in the form of questions and answers. Also, at the request of shareholders representing one twentieth (1/20) of the paid up capital, the Board of Directors is obliged to announce to the General Meeting, if ordinary, the sums paid over the last two years to each member of the Board of Directors or the directors of the Company, as well as any benefit to such persons from any cause or contract between the Company and the members. In all the above cases, the Board of Directors may refuse to provide the information for substantive reason, which is recorded in the minutes. Such a reason may be, in the circumstances, the representation of the requesting shareholders in the Board of Directors in accordance with Articles 79 or 80 of Law 4548/2018. In the cases of this paragraph, the Board of Directors may respond in unison to shareholder requests with the same content.

(f) Following a request by shareholders that represent one tenth (1/10) of the paid up share capital, which is submitted to the Company at least five (5) full days prior to the General Meeting, the Board of Directors is obliged to provide to the General Meeting information on the development of corporate affairs and the financial position of the Company. The Board of Directors may decline the provision of such information for reasonable cause, which is stated in the minutes. Such a reason may be, according to the circumstances, the representation of the requesting shareholders in the Board of Directors in accordance with Articles 79 or 80 of Law 4548/2018 or if the relevant members of the Board of Directors have received the relevant information in a sufficient manner.

(g) At the request of shareholders representing one twentieth (1/20) of the paid-up share capital, the voting on a subject or issues on the agenda shall be made by open vote.

In all the cases of Article 141 of Law 4548/2018, the requesting shareholders are required to prove their shareholder status and, except in the cases of the first subparagraph of paragraph 6 and paragraph 10, the number of shares they hold in exercising their rights. Demonstration of shareholder status can be done by any legal means, however, based on information received by the Company from the CSD, under the condition it provides registry services or through the participants and registered intermediaries in the CSD in any other case.

(h) Shareholders of the Company, representing at least one twentieth (1/20) of the paid-up share capital, are entitled to request extraordinary audit of the Company by court which has jurisdiction in the procedure of voluntary jurisdiction. Control shall be ordered if acts that violate provisions of the Company's law or the Articles of Association or decisions of the General Meeting are suspected.

(i) Shareholders of the Company representing one fifth (1/5) of the paid-up share capital are entitled to request the court to audit the Company, since from the course of the company and on the basis of certain indications it is believed that the management of corporate affairs is not exercised as required by sound and prudent management. The court may consider that the representation of the requesting shareholders in the Board of Directors in accordance with Articles 79 or 80 does not justify the shareholders' request.

(j) Shareholders representing one twentieth (1/20) of the paid-up share capital have the right to submit in writing to the Board of Directors an application for the exercise of the Company's claim pursuant to article 103 of Law 4548/2018.

(k) Shareholder holding shares representing 2 percent (2/100) of the share capital may request the annulment of a decision of the General Meeting that took place in a manner not consistent with the law or the Articles of Association, if he/she did not attend the General Meeting or opposed the decision.

(l) At the request of a shareholder or shareholders representing at least one third (1/3) of the paid-up capital, the Company may be dissolved by a court order if there is an important reason for doing so, which in a clear and permanent manner, proves that its continuance is impossible.

Process for exercising voting rights through a proxy

The shareholder participates in the Extraordinary General Meeting and votes either in person or through a proxy. Each shareholder may appoint up to three (3) proxies. Legal entities participate in the General Meeting by appointing up to three (3) persons as representatives. However, if a shareholder owns Company shares, which appear in more than one security accounts, this limitation does not obstruct the said shareholder from appointing different proxies for the shares that appear in each security account in relation to the General Meeting. A proxy that acts on behalf of more than one shareholder, can vote separately for each shareholder.

Specifically for shareholder participation by proxy at the Annual Ordinary General Meeting or any Repeated Meeting, remotely in real-time by teleconference, the shareholder or the Participant of the Securities Account in the DSS or another intermediary acting as custodian of the shareholder and holding his/her shares may appoint up to one (1) proxy.

A shareholder proxy must disclose to the Company, prior to the beginning of the Extraordinary General Meeting, any specific event that may be useful to shareholders in assessing the risk of the proxy serving other interests than those of the represented shareholder. There might be conflict of interests specifically when the proxy:

(a) is a shareholder that exercises control on the Company or is another legal entity controlled by the shareholder,

(b) is a member of the Board of Directors or generally the management of the Company or of a shareholder that exercising control on the Company, or another legal entity that is controlled by a shareholder who exercising control of the Company,

(c) is an employee or Certified Public Accountant of the Company or shareholder that exercising control of the Company, or another legal entity controlled by the shareholder who exercising control of the Company,

(d) is a spouse or first degree relative with one of the persons mentioned above in cases (a) through (c).

The appointment and revocation or replacement of the representative or proxy is applied in written or electronically and submitted to the Company in the same form, at least forty eight (48) hours prior to the defined date of the General Meeting.

The Company makes available the form it uses to appoint proxies on its website. This form is filled in and submitted signed by the shareholder to the Company's Investor Relations Department or is sent by fax to the latter at least forty eight (48) hours prior to the date of the General Meeting.

The beneficiary shareholder is requested to confirm the successful dispatch and receipt of the proxy form by the Company by contacting the Company during working days and hours.

Procedure for remotely participating in the vote by Mail vote.

In addition, shareholders have the option to participate remotely, in person or by proxy, at the vote on the item of the Annual Ordinary General Meeting that will take place before the General Meeting, under the terms of article 126 of law 4548/2018 and under what it is mentioned below. Specifically, shareholders that wish to participate and vote remotely on the item of the Annual General Meeting that will take place before the General Meeting, can complete, and submit the "Mail vote form" which has been uploaded at the site of the Company, signed with a dully verified signature form or be sent digitally signed by using a recognized digital signature (qualified certificate) by the proxy or shareholder through email.

Shareholders' Rights

Shareholders' Rights & their exercise

The Company has issued common registered shares listed on the Athens Exchange, and registered in immaterial form in the records of the Dematerialized Securities System. There are no special rights in favor of specific shareholders.

The acquisition of Company shares implies the full and without any reservation acceptance of its Articles of Association and of the legal decisions made by its relevant bodies.

Each share provides rights corresponding to the respective percentage of share capital such represents. The responsibility of shareholders is limited respectively to the nominal value of shares owned. In case of co-ownership of a share, the rights of the co-beneficiaries are exercised only by a joint representative of such. The co-beneficiaries are responsible with solidarity and entirely for fulfilling the obligations that emanate from the common share.

Each Company share incorporates all the rights and obligations defined by Law 4548/2018 as in effect and its Articles of Association, and specifically:

- The right to participate and vote in the General Meeting.
- The right to receive dividend from the Company's earnings.
- The right on the product of liquidation, or respectively the capital depreciation that corresponds to the share, given that such is decided by the General Meeting. The General Meeting of the Company's shareholders maintains all its rights during liquidation.
- The pre-emptive right in any increase of the Company's share capital that takes place by cash and through the issue of new shares, as well as the pre-emptive right in any issue of convertible bonds, given that the General Meeting that approves the increase does not decide differently.
- The right to receive a copy of the annual financial statements and reports by the Certified Public Accountants and Board of Directors of the Company.
- The rights of minority shareholders described below.

VII. Sustainable Development Policy

At the core of the Sustainable Development Policy, the Company has a vision to be the most valuable partner for its customers and suppliers and at the same time to increase its share value, always taking care of the well-being of all its people. In this context, the Company seeks the implementation of practices to promote Sustainable Development and is committed through its policies to show respect for the human factor, society and the environment, in order to remain a reliable social partner. Our approach to Sustainable Development is based on six pillars:

(1) We operate with respect for the environment,

(2) We contribute to the Circular Economy and the Economy of New Plastics,

(3)We create value for our people,

(4) We contribute in the local community,

(5) We operate with transparency and integrity,

(6) We ensure business continuity and optimal financial performance.

The main risks and their management, the Company's performance and its commitments under the 17 Sustainable Development Goals are described in detail in the annual Sustainable Development Reports and the Non-Financial Information Reports. The recording and communication of all the above issues to the interested parties is in line with international and national standards and indicators, aiming at reliable and transparent information.

Implementation and Monitoring

This policy is in line with the requirements of the existing legislative and regulatory framework.

- In addition, the Company in the context of preparation and implementation of this policy, has taken into account and has voluntarily adopted international standards and principles, with emphasis on:
- the "Agenda 2030" of the United Nations (UN) with the 17 Sustainable Development Goals adopted in September 2015 by the 193 UN Member States,
- the ESG 2019 Information Disclosure Guide of the Athens Stock Exchange,
- the United Kingdom Modern Slavery Act 2015.

The monitoring of the implementation of the Sustainable Development Policy is the responsibility of the Sustainability Committee at the Board of Directors level, while at the administrative level, of the Sustainable Development Team. In this context, the Internal Audit Service can assist through periodic audits. The Sustainable Development Policy was approved by the 16.07.2021 of the Board of Directors, is reviewed on an annual basis and is available on the corporate website.

The Board of Directors and / or the Internal Audit Service may suggest the revision of the Sustainable Development Policy and any amendment thereto shall be adequately documented and accompanied by the approval of the Board of Directors.

The rules, commitments and principles contained in the Corporate Governance Code, the Code of Ethics and Conduct, the Internal Rules of Operation, the Safety, Health, Environment Policy, Social Contribution Policy and Product Quality Policy in each relevant policy or code adopted and implemented by the Company, remain in force, and are applied in parallel with this policy. Everything mentioned in this policy is applied and monitored in the same way for the Company and for all its subsidiaries.

This Sustainable Development Policy:

- Binds the Company and all its subsidiaries and covers all the activities of the Company in Greece and abroad, including all operations carried out by the Company or its subsidiaries.
- Applies to all members of the Board of Directors, senior executives, employees of the Company and its sub-

sidiaries, and in general all persons employed in the Company or its subsidiaries either through an employment contract or through another contractual relationship.
- Is disclosed to third parties providing services to the Company (supply chain) or acting on its behalf or in cooperation with it (value chain), including partners and suppliers and any other persons with whom the Company cooperates under outsourcing contracts or other agreements.

Stakeholders

Stakeholders are the "environment" (direct and indirect), which interacts with the Company and is interested in its activities. Interested parties are defined as those entities that either have a direct or indirect impact on the Company and its activities or respectively are recipients of the direct or indirect impact arising from the Company and its activity. The Company maps the groups of stakeholders that influence with their decisions its ability to implement its strategy and achieve its goals. On an annual basis, it validates the stakeholder groups, improves the methods of communication and consultation with them and records their basic needs and expectations as they arise from its operation. For the Company, the establishment of the dialogue with the interested parties is very important, as it contributes to its effective operation through the understanding of the market conditions and the mitigation of potential risks.

Corporate Governance

Through the established corporate governance system, the Company administers the management and control issues, monitors the compliance with the current legislation and the legal framework and controls the management methods related to shareholder issues. This system is framed by the Corporate Governance Code applied by the Company. Regarding corporate governance, the Company has set up a Sustainability Committee, where members of the Board of Directors are part of. The Committee is accountable to the Board of Directors for the supervision and the proper process of implementation of the Company's sustainable development strategy, which concerns policies, goals, actions and results in environmental, social and ethical issues related, both internally and with the external environment of the Company. At the administrative level, a Sustainable Development Team has been appointed, which includes executives from various departments of the Company as well as representatives of the Subsidiaries and which supports the Company's Management in the implementation of its strategy for sustainable development. The Team is coordinated by the Chief Sustainability Officer.

Fight against Corruption and Bribery

The Company is committed to zero tolerance in matters of corruption, bribery and extortion and aims to prevent such phenomena in all aspects of its activity, conducting its business with integrity, in accordance with the highest standards of ethics and applying applicable laws.

The Company has established the Code of Ethics and Conduct, which defines the standards of conduct required of all employees and includes basic principles, the observance of which aims to prevent and/or eliminate corruption. The Code of Ethics and Conduct is available to all employees through the corporate website. In addition, the internal audit department, in the context of its various audits, includes targeted audits in this regard to avoid any incidents of corruption.

Respect for Human Rights

The Company and all those who represent, cooperate and/or are employed in it must comply with the Code of Ethics and Conduct applied by the Company and all provisions and regulations of it regarding the respect of human rights. The Company is committed to zero tolerance, in terms of harassment in the workplace, in any form of discrimination based on race, religion, gender, nationality, age, disability, sexual orientation, etc., in cases of forced and child labor in both the Company itself, as well as to its subsidiaries.

Suppliers' Ethics and Conduct

The Company recognizes the necessity of applying the principles of ethics and conduct, to which it is committed, in its supply chain. In this context, there is a continuous effort to evaluate its suppliers and partners in accordance with their social and environmental commitments and performance, thus ensuring the risk of deviation from good social and environmental standards, which include issues of work practices and human rights, as well as the fight against corruption. At the same time, the Company has fully implemented the Modern Slavery Act of the United Kingdom of 2015 and has zero tolerance in relation to its violation.

Social Responsibility

The Company seeks, through its business activities, to achieve high performance, to produce and distribute directly or indirectly economic value to the society in which it operates, with particular emphasis:

- On strengthen the economies of the countries in which it operates, through the cash flows it creates to stakeholders and in particular tax payments, payments to suppliers, payroll payments to employees, dividends to shareholders and investments in local communities.
- On the needs of the citizens and the societies that frame the Company and are influenced by its activities.
- On the employment, through the direct and indirect creation and / or maintenance of jobs throughout the value chain of the Company.

Quality, Safety and Customer Service

The Company prioritizes the quality of its products and the safety of its customers and has established a Product Quality Policy. The Company complies with the respective national laws and adopts international norms, safety rules, best practices and standards, regarding the design and production of products in all its facilities, monitoring and eliminating any unfortunate effects on the health and safety of customers and end users. The products are controlled in all phases of the production process and the Company has adopted management systems and quality assurance procedures in accordance with international standards.

Labor Issues

The Company recognizes the value created by human capital and considers it crucial for the good quality of its products, the high productivity and the achievement of its competitive advantage. Investing in its people is a priority, by encouraging lifelong learning, collaboration, initiative and personal achievement.

In order to ensure a responsible working environment of well-being, the Company has established the Code of Ethics and Conduct, various company directives, internal regulations and policies related to human and labor rights, health, safety and well-being of human resources, evolution and development of its potential and zero tolerance of harassment, all forms of discrimination, forced and child labor. The Company also respects the privacy of its employees by keeping all their personal information confidential and the Top Management promotes in various ways the assurance and enhancement of employee benefits, providing a working environment of equal opportunities for all. The priority is to minimize the possibility of causing an accident at work or illness and that is why the implementation of the Safety, Health, Environment Policy has been systematically developed and monitored.

Social contribution

The Company has established a unified Social Contribution Policy, through which all subsidiaries recognize their responsibility to the society. The Sustainable Development Team is in constant collaboration with executives of the subsidiaries, in order to plan, coordinate and implement, jointly, social actions and initiatives for public benefit purposes. In order to make a practical contribution to the local community, the “Stavros Halioris Social Center” has been established, which constitutes a prominent example for the Company, with actions and activities of educational, cultural, recreational and social content.

Environmental Liability

The Company has an Safety, Health, Environmental Policy always guided by the improvement of the environmental impacts resulting from its operation, with commitment to the application of the principles of circular economy, responsible waste management, reduction of energy consumption and reduction of greenhouse gas emissions.

Circular Economy

The plastics industry faces a variety of challenges and opportunities. For this reason, the Company has adopted the principles of the circular economy from the supply of raw materials and product design, incorporating practices based on the principles of reduction, reuse and recycling, up to the entire life cycle of its products. The adoption of a new, innovative, circular economy model is a very important initiative by the Company, recognizing its contribution to the efficient use of resources, as an important link in the global plastic value chain. In this context, the Company is committed, in terms of responsible supply of raw materials and saving of natural resources, to replace 8,500 tons of raw material with recycled plastic by 2025. At the same time, the Company monitors with relevant measurement indicators and improves where possible its environmental performance. Furthermore, it fully complies with the legal requirements for waste management, storage, transport, recycling and disposal, ensuring their proper management through partnerships with certified bodies and organizations, while, at the same time, it participates in global alliances.

Climate Change

The Company recognizes the risks and impacts that may arise in its business activity due to climate change, such as the occurrence of extreme weather events or rising temperatures, which may affect the production process and bring about significant changes in its activities and abrupt changes in its income and expenses in the short, medium and long term. To mitigate the risks arising from climate change, but also to achieve positive financial results for itself and its operating environment, the Company adapts its business model to reduce its carbon footprint (direct emissions, energy consumption, use of recycled material, waste management) and focus on the development of innovative products and services, applying the principles of the circular economy.

Essential non-financial issues

The Group proceeded at the end of 2022 to the identification of important issues related to the creation of economic, social and environmental benefit throughout the value chain and proceeded to the prioritization of them in relation to its business model based on the methodology of the internationally valid GRI reporting standards.

The topics that emerged from the prioritization as material after consultation with the interested parties (Shareholders & Investment Community, Board of Directors, Management, Employees, Customers, Suppliers, State, Non-Governmental Organizations & Civil Society, Business Associations) were endorsed by the Sustainability Committee and the Audit Committee. These issues will be analyzed in detail in the 2022 Sustainability Report regarding the Group's approach and performance.

Material topics

- Virgin & recycled raw materials
- Economic value generated & distributed
- Customer health, safety & satisfaction
- Business ethics & anti-corruption
- Employee health, safety & well-being
- Product quality, safety & information
- Energy efficiency & renewable energy
- Regulatory compliance & policies
- Product innovation & life cycle
- Direct & indirect GHG emissions

Standards for the publication of non-financial information

The Report (Statement) of non-financial information, which is analyzed in CHAPTER 12, has been compiled according to **GRI** standards (core selection). For reasons of consistency and completeness of the information provided, as well as comparability of the data, the corresponding data of the two previous years are also displayed. At the same time, other valid standards, tools and recommendations from internationally recognized initiatives have been taken into account in order to ensure compliance with a complete as possible framework of disclosure indicators, such as the **SASB** standards for the chemicals sector, the recommendations for the disclosure of financial information related to climate of the international initiative **TCFD**, the **CDP** and **EcoVadis** assessments on environmental impacts and business practices, the **ESG Nasdaq** Reporting Guide, the ten principles of the United Nations Global Compact (**UNGC**), the twenty criteria of the Greek Sustainability Code (**GSC**), the ESG Information Disclosure Guide of the Athens Stock Exchange, where the Company participates in the **ATHEX ESG index**, as well as the impact on the UN Sustainable Development Goals (**SDG**).

SECTION 12: Non-Financial Report

INTRODUCTION

Content

The current Non-Financial Report (Statement) constitutes part of the Annual Financial Report of Thrace Plastics Group (hereinafter «Group»), it concerns the fiscal year January 1, 2022 to December 31, 2022 and it was prepared in accordance with the Group's Non-Financial Information Development Process, as it was approved on 16/07/2021 by the Board of Directors. The Group's business model is described in detail at the beginning of the Annual Financial Report. This section includes information on the following:

12.1 Approach to Sustainable Development

In addition, it contains a detailed description of the Group's actions for the following thematic areas, as defined in section 7 «Report (Statement) of Non-Financial Information» of circular 62784/2017 in accordance with the provisions of Law 4403/2016:

12.2 Anti-corruption and issues related to bribery

12.3 Respect for human rights

12.4 Supply chain issues

12.5 Social and labor issues

12.6 Environmental issues and climate change

Each of the above areas is analyzed in three axes: (1) Main risks and their management, (2) Due diligence policies and other policies, (3) Results of said policies and non-financial key performance indicators. In addition to the above, the following thematic sections are also included:

12.7 Impact of the COVID-19 pandemic on non-financial issues

12.8 Taxonomy Report, in accordance with Taxonomy Regulation 2020/852/EU

Frame of reference

This Report (Statement) of non-financial information was prepared by the Group's Sustainable Development Department. The responsibility for the accuracy and completeness of the quantitative and qualitative information included in the Report (Statement) belongs exclusively to the Group. It has been compiled according to GRI standards. For reasons of consistency and completeness of the information provided, as well as comparability of the data, the corresponding data of the two previous years are also displayed. At the same time, other valid standards, tools and recommendations from internationally recognized initiatives have been taken into account in order to ensure compliance with a complete as possible framework of disclosure indicators, such as the SASB standards for the chemicals sector, the recommendations for the disclosure of financial information related to climate of the international initiative TCFD, the CDP and EcoVadis assessments on environmental impacts and business practices, the ESG Nasdaq Reporting Guide, the ten principles of the United Nations Global Compact (UNGC), the twenty criteria of the Greek Sustainability Code (GSC), the ESG Information Disclosure Guide of the Athens Stock Exchange, where the Group participates in the ATHEX ESG index, as well as the impact on the UN Sustainable Development Goals (SDG). For clarification on the terminologies included in this report, an Index of Abbreviations is listed at the end of the section.

Disclaimer

Any deviation at last-digit-level of the quantitative information in this Report (Statement) is due to rounding of the amounts. Prices listed are subject to change. The values mentioned may be subject to change in relation to the final quantitative information after their verification by a certified body and detailed data to fully cover the indicators that will be published in the 5th Sustainable Development Report for the year 2022. Insignificant differences that may have arisen in previous years are due to the detailed recalculation of the data and the conversion rates.

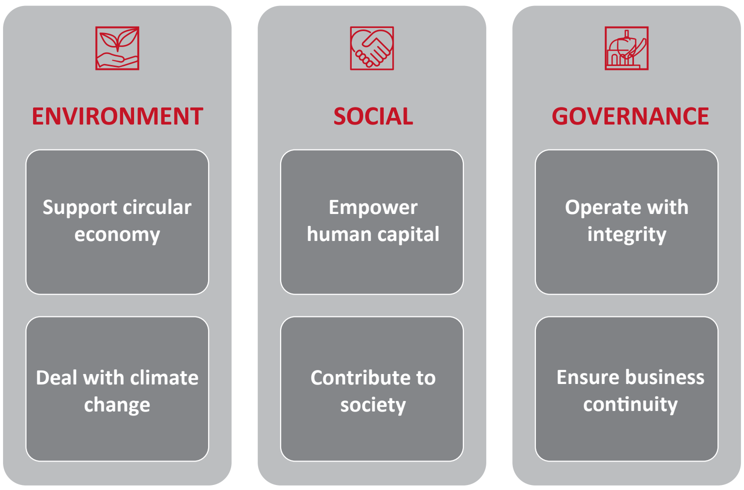
12.1 Approach to Sustainable Development

OBJECTIVE

The Group's objective through the principles, policy and strategy for sustainable development is to create value and develop with respect for society and the environment, so as to remain a reliable social partner.

THRACE GROUP IS ALIGNED WITH THE MOST SIGNIFICANT GLOBAL SUSTAINABLE DEVELOPMENT INITIATIVES

PRINCIPLES



ACTIONS AND PERFORMANCES 2022

INCREASE IN THE USE OF RECYCLED RAW MATERIAL
with the use of **13,4** thousand tons and a 17% increase compared to 2021

PROPER WASTE MANAGEMENT
with the aim of continuously reducing the final disposal in landfill

RecyClass

PRODUCTS' CERTIFICATION
with the aim of promoting recyclability and ensuring traceability

REDUCTION OF ENERGY CONSUMPTION
by implementing measurable actions in all production processes

USE OF RENEWABLE ENERGY SOURCES
with expansion of photovoltaic panels of total power **6.7** MW

CO_2

CARBON FOOTPRINT RECORDING
with assurance based on AA1000 standard of direct and indirect emissions (scope 1, 2, 3)

SCIENCE BASED TARGETS

NET ZERO TARGETING
with a commitment to establish scientific targets for the reduction of carbon footprint

CDP DISCLOSURE INSIGHT ACTION

CDP INTERNATIONAL RATING
with B score and an increase of 2 grades compared to 2021, Global average: C, Industry average: B

ecovadis

ECOVADIS INTERNATIONAL RATING
with 5 silver awards for the performance of Group companies in relation to society and the environment

DISTINCTIONS AND EVALUATIONS

- The Group participates in the international organization CDP, which evaluates organizations regarding their environmental impact, environmental risk management and demonstration of best practices. In 2022 it moved up 2 levels in the ranking receiving a **'B'** score for its performance related to climate change, with external certification based on AA1000 verification standard, confirming that it is on par with its industry average, while exceeding the global average
- The Group participates in the international initiative **SBTi** (Science Based Targets Initiative), which validates the targets for reducing emissions according to the most valid scientific data on climate change. In 2022, it committed to the establishment of scientific targets for reducing the carbon footprint and their validation and has already started this process.
- The Group participates in the European organization **EcoVadis**, which evaluates organizations regarding their business practices and commitment to sustainable development. In 2022 it received **5 silver awards** through the companies Pack, Nonwovens & Geosynthetics, Polyfilms, Greiner and Ipoma.

PARTICIPATION IN INITIATIVES

- In **EDANA** which consists of a global association of non-woven and related industries.
- In the organization Polyolefin Circular Economy Platform (**PCEP**) which aims to redesign and recycle packaging products and materials.
- In Circular Plastics Alliance (**CPA**) initiative which aims to use 10 million tonnes of recycled plastic by 2025 within the EU.
- In Synthetic Turf Council (**STC**) which is a non-profit trade association for the promotion, development and support of the synthetic turf industry.
- In the European Man-made Fibers Association (**CIRFS**) which is active in the European technical fiber industry.
- In the European Association of Geosynthetics Manufacturers (**EAGM**) which aims to promote the knowledge and use of European synthetic products.
- In the Association of Hellenic Plastic Industries (**AHPI**) which is active in the field of plastic applications.
- In the Association of the Greek Manufacturers of Packaging & Materials (**AGMPM**) which is active in the packaging material production industry.
- In the Association of Businesses and Industries (**SEV**) which aims to represent Greek businesses and industries and defend their interests.

Certifications
ISO 14001:2015 *Environmental management*
ISO 45001:2018 *Health and Safety Management*
ISO 50001:2018 *Energy management*
ISO 9001:2015 *Quality management*
ISO 13485:2016 *Quality management of medical technology products*
ISO 22000:2018 *Food safety*
BRC, IFS, FDA, HALAL *Food safety and quality*
Global GAP *Implementation of good agricultural practices*
EuCertPlass *Recycling of secondary raw material*
Recyclass *Content in recycled raw material*
OK Recycled *Calculation of recycled content*
CoVid Shield *Health and safety*
Oeko-Tex® Standard 100 *Content of harmful substances*

POLICY

[ATHEX ESG: C-G4]

Through Sustainable Development Policy, the Group seeks to implement practices for promoting Sustainable Development and is committed to respecting the human factor, society and the environment, in order to remain a reliable social partner. Monitoring the implementation of the Sustainable Development Policy is the responsibility of the Sustainability Committee (Environment-Society) and the Audit

Committee (Corporate Governance) at the Board of Directors level and the Sustainable Development Directorate at the administrative level. The Sustainable Development Policy was approved in 2021 by a decision of the Board of Directors, is revised annually and is available on the Group's Website.

SUPERVISION

[ATHEX ESG: C-G2]

Sustainability Committee

It is consisted of executive and non-executive members of the Board of Directors and its primary objective is, according to its Regulation, the study, pre-approval and recommendation to the Board of Directors of the strategy, the way of managing and monitoring the performance of environmental and social sustainability issues. Sustainable Development issues are discussed in the Sustainability Committee in accordance with the information it receives from the Director of Sustainable Development who acts as Secretary, so that the priorities, the respective goals, the relevant schedules, as well as the monitoring of the course of their implementation are determined. The Sustainability Committee is responsible for informing the other members of the Board of Directors.

Audit Committee

It is responsible for the management and monitoring of corporate governance issues in addition to supporting the Board of Directors in its duties regarding the financial information process, internal control and risk management system procedures and regulatory compliance. It is also responsible for the supervision of the internal audit department and the mandatory audit of the annual and consolidated financial statements.

Directorate of Sustainable Development

Its objective is the implementation of actions and initiatives that promote sustainable development and create value for stakeholders, society and the environment, in accordance with the policy and strategic plan of Sustainable Development established by the Group. Its main responsibilities are described in the Internal Regulation of Operation.

Strategy

[SASB: RT-CH-110a.2, ATHEX ESG: SS-E1]

The Sustainable Development Directorate has developed a Strategic Plan which has been approved by the Sustainability Committee. The Strategic Plan is based on the following strategic axes, in accordance with the relevant Policy, each of which is broken down into specific actions and goals.

1. Reduction of greenhouse gas emissions in all processes

The actions include continuously increasing the use of recycled raw material, reducing residues from production processes, reducing energy consumption, investing in renewable energy sources and reducing waste.

2. Improving the environmental impact of products

The actions include designing sustainable products, reducing average weight and developing new reusable solutions.

3. Implementation of circular economy projects

The actions include strengthening cooperation with existing and new partners on the basis of circular economy initiatives and reducing the environmental impact of the supply chain.

4. Improving social aspects affecting stakeholders

The actions include establishing a cooperation framework with suppliers based on environmental and social criteria, creating a sustainable development manual and continuously developing and training employees, ensuring employees health and safety, and supporting local communities.

5. Ensuring responsible corporate governance

The actions include informing about sustainable development issues, informing about the directives of the corporate governance legislation, ensuring their correct implementation and incorporating best practices.

6. Awareness and certification

The actions include strengthening the sustainability communication strategy, life cycle analysis and environmental footprint studies for each product group, obtaining appropriate certificates and participating in international assessment initiatives.

ESTABLISH DIALOGUE WITH INTERESTED PARTIES

[GRI: 2-29, ATHEX ESG: C-S1]

The Group, mainly through the materiality analysis, identifies the stakeholder groups that are affected by its activities, but also influence the strategy and mitigation of potential risks and thus contribute to its more efficient operation. In this context, the Group maps the groups of interested parties and annually validates them. The Group has established a Corporate Communication Policy in order to define a single framework for the management of corporate communication through the observance of common principles and rules harmonized with its strategy. At the same time, it has established an internal and external communication process, which also covers communication with external stakeholders.

MATERIALITY ANALYSIS

[GRI: 3, ATHEX ESG: C-G3]

The Group proceeded at the end of 2022 to the reevaluation of important issues related to the creation of economic, social and environmental benefit throughout the value chain and proceeded to the prioritization of them in relation to its business model based on the methodology of the internationally valid GRI reporting standards.

Stage 1: Understanding and updating the Group's business model

Responsible for implementation: Directorate of Sustainable Development

Basis of the Group's sustainable development strategy and approach, the Group's policies and regulations, the UN Sustainable Development Goals, industry information, international authoritative reporting standards, the Group's risk analysis.

Stage 2: Recording of important issues

Responsible for implementation: Directorate of Sustainable Development

Identification of actual and potential positive and negative impacts of the Group on the economy, the environment and society and recording of important issues that represent and group the most significant impacts.

Stage 3: Validation of important issues

Responsible for implementation: Sustainability Committee and Audit Committee

Validation by the Sustainability Committee and the Audit Committee of the important issues that represent and group the Group's most significant impacts on the economy, the environment and society.

The important issues for the Group in relation to the values and the Sustainable Development Goals are the following:

Support circular economy	Deal with climate change
1. Product innovation & life-cycle	5. Direct & indirect GHG emissions
2. Virgin & recycled raw materials	6. Climate risks & opportunities
3. Waste & scrap management	7. Energy efficiency & renewable energy
4. Water & effluents management	8. Biodiversity & conservation

Empower human capital	Contribute to society
9. Employee health, safety & well-being	13. Product quality, safety & information
10. Human rights, diversity & inclusion	14. Customer health, safety & satisfaction
11. Employment creation & safeguarding	15. Responsible supply chain & local suppliers
12. Employee training & talent retention	16. Social contribution & engagement

Operate with integrity	Ensure business continuity
17. Business ethics & anti-corruption	21. Emergency preparedness & response
18. Governance structure & mechanisms	22. Economic value generated & distributed
19. Regulatory compliance & policies	23. Investment in infrastructure & processes
20. Privacy protection & information security	24. Risks & potential impact analysis

Stage 4: Prioritization & validation of essential issues

Responsible for implementation: Sustainable Development Directorate, Sustainability Committee and Audit Committee

Consultation with stakeholders for the prioritization of important issues. The consultation was carried out with representation by Group executives of the following main groups of interested parties, with whom they maintain relationship and communication.

Amounts in thousand Euro, unless stated otherwise

- Shareholders & Investment Community
- Board of directors
- Management
- Employees
- Customers
- Suppliers
- State
- Non-Governmental Organizations & Civil Society
- Business Associations

The issues that emerged from the prioritization as material were validated by the Sustainability Committee and the Audit Committee are the following:

- **Virgin & recycled raw materials**
- **Energy efficiency & renewable energy**
- **Product innovation & life cycle**
- **Direct & indirect GHG emissions**
- **Customer health, safety & satisfaction**
- **Employee health, safety & well-being**
- **Product quality, safety & information**
- **Economic value generated & distributed**
- **Business ethics & anti-corruption**
- **Regulatory compliance & policies**

The Group, through the material topics, focuses on 7 of the 17 Sustainable Development Goals in which monitors its progress:

RISK MANAGEMENT

[ATHEX ESG: SS-G3]

The Group has adopted a Risk Management Framework, which aims at effective management of risks and integrates the Risk Management Policy and Procedures. This framework helps Management to identify new opportunities and challenges, provides consistency and maturity in risk management and aligns risk-taking with willingness to undertake, enforces a culture of integrity, transparency, accountability and continuous development, improves the decision-making process and supports the responsible autonomy, strengthens the Group's control environment in order to be able to respond quickly to changing environments, reduces performance variability, improves resource development and strengthens the Group's resilience.

12.2 Anti-corruption and bribery-related issues

12.2.1 Main risks and their management

The Group recognizes the occurrence risks of corruption, extortion and bribery incidents throughout its value chain. Potential risks are examined both within its internal operations and in relation to its activities and transactions with its key stakeholders, such as customers and suppliers. The Group is committed to zero tolerance in matters of corruption and bribery, conducting its business activity with integrity, in accordance with ethical standards and applicable laws. In this context, it has established and communicated relevant principles and policies, creating at the same time control mechanisms.

12.2.2 Due Diligence and Other Policies

The Group has adopted and follows an integrated framework of principles and policies that ensure its transparency and responsible operation. In order to ensure the avoidance of corruption and bribery incidents, it operates proactively, conducting relevant updates and audits on an annual basis through the Internal Control Department. To discourage participation in such an incident, disciplinary measures have been established. In the context of supporting the internal procedures, the Audit Committee has been set up, tasked with the selection process, as well as the supervision of the external auditors and informing the Board of Directors of the result of the mandatory audit, the monitoring of the financial information process, the internal control and risk management systems and the supervision of the internal control and regulatory compliance and risk management units.

Code of Ethics and Conduct

[GRI: 2-23, ATHEX ESG: C-G5]

The Group's firm commitment is to conduct its business with integrity, in accordance with the highest ethical standards and by applying current laws. The Code of Ethics and Conduct defines the standards of behavior required by employees and apply in every country where the Group operates.

The basic Principles of the Code are as follow:

- Business ethics
- Respect for human rights
- Diversity and equal representation
- Compliance with laws and social norms
- Product quality
- Promotion of fair and free competition
- Avoiding conflict of interest
- Accuracy and completeness of financial information
- Protection of corporate assets
- Cooperation with public authorities legally and transparently
- Conducting all transactions with integrity and combating corruption
- Protection and confidentiality of information
- Good working relations
- Safety, health and environmental protection
- Circular economy and climate change
- Social contribution

Corporate Governance Code

The Group, following the relevant approval of the Board of Directors and in compliance with article 17 of Law 4706/20, implements and adopts the Hellenic Corporate Governance Code (HCGC, June 2021) of the Hellenic Corporate Governance Council (HCGC).

Internal Rules of Operation

The Internal Rules of Operation is harmonized with the requirements of law 4706/2020 and it was approved by the relevant decision of the Board of Directors. A summary of the Regulation is listed on the Group's Website in the Corporate Governance section.

Manual of Group Policies

The Manual of Group Policies is complementary to the other policies of the Group but in any case precedes them, as it forms the basis of the policies and procedures of the Group. Its purpose is to establish a uniform approach through a common framework, specifying the control functions that should be followed as a minimum.

Platform for reports' submission "EthicsPoint"

[ATHEX ESG: SS-G1]

The Group uses an anonymous or named whistleblowing platform, which gives the possibility to report wrongful behavior and situations, which are then investigated by the Group.

12.2.3 Outcomes of the aforementioned policies and non-financial performance indices

[GRI: 205-3, ATHEX ESG: A-G2]

There was no confirmed incident of corruption or bribery during 2022 and accordingly no monetary loss occurred as a result. Likewise, the Group did not come to the knowledge of any relevant intention or behavior of corruption or bribery.

12.3 Respect for human rights

12.3.1 Main risks and their management

The Group recognizes the risks associated with human rights violations, both within the working environment and in the supply chain, such as the possible discrimination of employees due to race, religion, gender, nationality, beliefs, age, disability, etc., the violation of privacy, forced and child labor. It advocates the elimination of all forms of forced and compulsory labor, the effective abolition of child labor and the elimination of discrimination in terms of employment and work. The Group is committed to zero tolerance in matters related to human rights and it has established and it has communicated relevant principles and policies.

12.3.2 Due Diligence and Other Policies

The Group, through the Code of Ethical Behavior and Ethics, has established principles for the respect of human rights, where it is committed to zero tolerance for harassment in the workplace, any form of discrimination and forced and child labor throughout its value chain. It is also committed to resolving complaints and treatment of employees in a fair and impartial manner and it has established guidelines and internal regulations that refer to human rights and informs employees through the Internal Labor Regulation. At the same time, the Group, through the Code of Ethical Behavior and Ethics, has established principles for the Protection and Confidentiality of Information.

Evaluation criteria for entering into cooperation

The Group, through the Code of Ethical Behavior and Ethics, applies selection and evaluation criteria so as to avoid entering into cooperation with partners that run a high risk of violating human rights and it is committed to the continuous improvement of actions and controls regarding human rights, in its interactions with its suppliers or partners.

Personal data protection

[ATHEX ESG: C-G6, SS-S2]

The Group respects the privacy of its stakeholders and keeps their personal information confidential in compliance with the relevant legislation. It strictly applies the General Data Protection Regulation (GDPR) EU 2016/679, as well as the national legislation l. 4624/2019 concerning the protection of natural persons against the processing of personal data. Measures are implemented in order to comply with the requirements of the Regulation, implementation controls and periodic staff training. At Group level, a Data Protection Officer has been appointed and an insurance contract has been activated, in order to ensure any loss of personal data. The Personal Data Protection Statement is available on the Group's Website.

12.3.3 Outcomes of the aforementioned policies and non-financial performance indices

[GRI: 406-1]

There were no complaints or confirmed incidents of discrimination based on race, religion, gender, nationality, beliefs, age, disability, etc., including incidents of harassment or violation of human rights, nor confirmed incidents of violation of personal data during 2022 in the Group.

12.4 Supply chain issues

12.4.1 Main risks and their management

In the Group, apart from the financial risks, there are also recognized non-financial risks that are related to the supply chain and mainly concerns the safeguarding of human rights and the fight against corruption. The Group is committed to zero tolerance in these matters and it has established and communicated relevant principles and policies.

12.4.2 Due Diligence and Other Policies

The Group recognizes that the evaluation and selection of suppliers constitutes a necessary business function in order to achieve a responsible supply chain and it applies practices so as to determine whether a supplier meets the requirements and conditions set in the cooperation among them.

Monitor of suppliers' performance

[GRI: 308-1, 414-1, ATHEX ESG: C-S8]

Major categories of suppliers include

suppliers of raw materials, trading goods, electricity, equipment, packaging, spare parts, logistics partners, transport industry services, consulting services, telecommunications and IT services.

The evaluation of suppliers' selection constitutes a distinct and documented process taking into account objective and fixed criteria of cost, reliability, quality of provided materials/services, terms of payment, speed of delivery, possible synergies with other companies of the Group or with the quality control departments (if feasible) and is based on written evaluations (supplier evaluation questionnaire, evaluation table with criteria, etc.). The supplier evaluation questionnaire is applied by all the production companies of the Group, where each supplier is asked to describe:

- its compliance with the current regulatory framework of the countries in which it operates, where it should also have the necessary insurance coverage for cases of defective product.
- the quality of its activities through certification and quality assurance systems and in matters related to environmental protection and health and safety at work, where required.
- dealing with issues of corruption and bribery, conducting business with integrity.
- the observance of moral and ethical principles regarding human rights, phenomena of harassment in the workplace, any form of discrimination due to race, religion, gender, nationality, beliefs, age, disability, etc., or with phenomena of forced and child labor.
- ensuring a safe working environment and in accordance with applicable safety standards.
- the adoption of practices for the protection of the environment, where it is encouraged to contribute to the reduction of greenhouse gas emissions and to promote environmental protection actions.

Fighting corruption in the supply chain

The Group takes into account the risk of a partner or supplier to be involved in corruption incidents and it undertakes the necessary actions, through due diligence procedures, in order to ensure maximum transparency during or at the start of each collaboration. More specifically, the Group mainly cooperates with multinational companies, which place particular emphasis on issues of transparency and the fight against corruption through rules and policies.

Human rights in the supply chain

[ATHEX ESG: C-S6]

The Group has adopted principles in order to avoid entering into cooperation with suppliers at high risk of human rights violations and it is committed to promote the continuous improvement of international human rights standards. The fact that the majority of the Group's suppliers operate in countries in the European Union and America, where labor laws are respected and there is awareness of human rights issues, as well as the high percentage of local suppliers, ensure to a significant extent that the risk of infringement of human rights is minimized, even though it is not possible to take action to identify cases of abuse throughout the supply chain. Group employees have the right and obligation to use the anonymous or named reporting platform and report any violations, which include cases that may lead to an increased risk of modern incidents or practices of slavery in the supply chain.

UK Modern Slavery Act 2015

The Group has zero tolerance in relation to the violation of the UK Modern Slavery Act 2015. This statement is made in accordance with article 54 (1) of the Law and sets out the steps to prevent incidents of modern slavery and human trafficking in the supply chain. The Group recognizes the importance of combating these incidents and applies a zero-tolerance approach to all forms of modern slavery in its wider supply chain to the extent that it can be identified and it is committed to act with integrity and transparency.

12.4.3 Outcomes of the aforementioned policies and non-financial performance indices

During 2022, no incident of violation of the UK Modern Labor Act 2015 was reported to the Group or the Group Companies where they operate.

The following tables include information on the Group's supply chain, as well as on its companies' spending on local suppliers, based on the supplier's country of origin.

Total number of suppliers	2022	2021	2020
Thrace Plastics Co. S.A.	225	175	131
Thrace Nonwovens & Geosynthetics SA	1152	999	874
Thrace Polyfilms SA	577	525	518
Thrace Eurobent SA	123	120	136
Thrace Pack SA	1007	992	913
Thrace Greenhouse SA	288	294	322
Don & Low LTD	517	534	526
Thrace Synthetic Packaging Ltd	473	319	272
Thrace Ipoma SA	557	549	586
Thrace Greiner Packaging SRL	382	380	409
Lumite Inc	452	436	413
Thrace Polybulk AB & AS	20	20	20
Thrace Plastics Packaging DOO	110	105	95

* *Companies of the Group have as suppliers companies of the Group respectively and they have been included in the above figures.*

Amounts in thousand Euro, unless stated otherwise

Spending on local suppliers

[GRI: 204-1]

The following table displays the estimated monetary value of total payments to suppliers (€ million) and the percentage of spending on local suppliers.

	2022	2021	2020	2022	2021	2020
Thrace Plastics Co. S.A.	4.2	3.9	2.9	89%	94%	93%
Thrace Nonwovens & Geosynthetics SA	142.3	113.5	86.0	76%	78%	77%
Thrace Polyfilms SA	35.1	30.4	26.0	66%	66%	67%
Thrace Eurobent SA	7.3	6.8	5.0	54%	49%	59%
Thrace Pack SA	71.2	63.5	51.5	79%	81%	79%
Thrace Greenhouse SA	4.9	4.9	5.1	95%	99%	98%
Don & Low LTD	59.3	61.9	58.0	66%	64%	77%
Thrace Synthetic Packaging Ltd	14.5	14.2	13.3	8%	12%	13%
Thrace Ipoma SA	22.3	24.8	16.5	59%	55%	58%
Thrace Greiner Packaging SRL	19.0	17.3	12.8	33%	25%	26%
Lumite Inc	22.8	24.8	15.8	69%	65%	66%
Thrace Polybulk AB & AS	20.9	19.0	21.4	3%	3%	1%
Thrace Plastics Packaging DOO	4.1	4.7	4.2	23%	23%	22%

12.5 Social and labor issues

12.5.1 Main risks and their management

The Group recognizes the risks related to labor issues in general and places great emphasis on them. It recognizes health and safety issues as one of the strategic risks it faces and implements measures to mitigate the risk of workplace accidents. It is committed to zero tolerance in health and safety matters and it has established and communicated relevant principles and policies. In relation to its products, it recognizes and seeks to eliminate the risk of harm to human life and health, taking measures to eliminate components or defects during their manufacture, disposal and use. Also, the Group recognizes the special situations and difficulties that exist in the local communities in which it operates, which may affect its social capital, while it recognizes its influence and places emphasis on the opportunities created for local communities by its activities.

12.5.2 Due Diligence and Other Policies

The Group places great emphasis on labor issues, such as workers' rights, ensuring health and safety in the workplace, training and education of employees. It also recognizes its influence and the opportunities created for local communities by its activities. The Group, through the Code of Ethical Behavior and Ethics, recognizes that its human resources have a decisive role in its development and the achievement of its strategic goals. In this context, it encourages lifelong learning, professional training, cooperation, initiative and well-being of its employees and provides a working environment of equal opportunities for all.

Hiring process

For the selection of new employees, the Group relies on objective criteria, excluding any possibility of discrimination due to race, religion, gender, nationality, beliefs, age, disability, etc. To fill new job positions, Group's employees are first given the opportunity to express their interest through the internal mobility process before it is communicated to the general public. The Group follows two different recruitment procedures concerning production workers (blue collar workers) and workers in administrative positions (white collar workers). A candidate evaluation committee participates in these procedures in order to ensure transparency. Part of the recruitment strategy is to support local communities, through the recruitment of people from the local communities where the Group operates, as well as graduates of local educational institutions and universities.

Fair pay and equal opportunities policy

[GRI: 2-19, ATHEX ESG: A-G4]

The Group has an Eligibility Policy and a Remuneration Policy for the members of the Board of Directors and the Committees, as well as the top management, which define, on the one hand, the existing rights of the members of the Board of Directors and the Group's obligations towards them, and on the other hand, the conditions under which remuneration will be provided. These policies are published on the Group's Website. At the same time, the Group has a Payroll and Personnel Management Policy for employees. The level of fixed remuneration is determined in accordance with the principle of paying the most suitable and fair remuneration to the most suitable person, taking into account the level of competence, knowledge and experience required for the role, while there is no variable remuneration. At the same time, it is ensured that the long-term goals of the Group are served and it is sought the connection of professional development and remuneration with personal performance and goals' achievement.

Training and development of employees

[ATHEX ESG: C-S5]

The Group has established procedures for the evaluation and training of personnel. It offers extensive professional training and education, aiming at the development of its employees, as the production methods used as well as the ever-changing technological environment require continuous training. Therefore, it actually contributes to the creation of value for human capital for its own benefit, but also for the benefit of society at large. The training of employees is carried out either internally or with the contribution of external consultants with high technical knowledge. In the context of the continuous development of employees and in matters of sustainable development, a special manual of sustainable development was created, which is adapted to each company of the Group with specific examples and is available to all employees through an internal online platform. In addition, in the context of strengthening the capability of the members of the Board of Directors in terms of managing Sustainable Development issues related to the corporate strategy, a two-day training seminar was organized.

Human resource platform "HR Hub"

The platform is an online employee interaction system through which processes are automated and digitized, access to important workplace information is created, process waiting and processing time is reduced, and the possibility of error or omission is minimized.

Freedom to join labor unions and the right to collective negotiation

[GRI: 2-30, 407-1, ATHEX ESG: C-S7]

The Group respects the right of employees to participate in labor associations and unions. It consistently follows the Labor Regulation, which have been drawn up in collaboration with employee representatives and it has been submitted to the Labor Inspection office. The Regulation strengthens the smooth communication between the Management and the representatives of the employees, at regular intervals, with the aim of presenting the requests of the employees that are officially recorded, but also the more general discussion of issues related to the workplace and the health and safety of the employees.

Health, safety and environment protection

[GRI:403-1]

The safety and health of employees are pointed out as important issues for the Group, as the priority remains to ensure an environment that respects the daily struggle of all employees to remain creative and productive while also being healthy and safe. The basic practice of the Group is to ensure the health and safety of its employees, setting as a key strategic goal the minimization of the possibility of occupational accidents, as well as the occurrence of work-related illnesses. Also, the Group proceeded to the formation of a life and health safety program for employees.

The Group recognizes its responsibility to take all necessary measures to protect the health and safety of its employees, the environment and the natural resources of the countries in which it operates. Protecting the health and safety of employees, consumers, customers and communities in all the areas in which it operates is a top priority for the Group. Under the policy of the Group, the functioning of facilities and the conduct of operations should comply with the legislation in force in each country in which they are based, as well as with the regulations and authorizations on safety and health and the environment, including those relating to the control, transportation, storage and disposal of controlled or non-controlled materials.

Health, safety, environment Policy

The aim of Thrace Group's Safety - Health - Environment (SHE) Policy includes the following:

- Provision of guidance and establishment of a unified way for the administration of the Group's Safety-Health-Environment issues with reference to the general principles and the basic rules set by the Group's management.

- Assurance of safety and health in the working places for all Group personnel, collaborators and visitors.
- Avoidance of any possible damage in Thrace Group's property and personnel.
- Increase of the Group's personnel awareness in environmental aspects, environmentally friendly production processes and environmental protection.
- Improvement of the Group's culture with reference to Safety-Health-Environment topics

Health, safety, environment procedures

[GRI:403-2, 403-5]

Within the Group, the risks at work have been identified and assessed and the relevant corrective or preventive actions have been defined with the aim of eliminating them and minimizing the chances of causing an accident. The following actions and practices are indicative:

- Training and awareness of workers in the facilities on matters of health and safety at work, with a special emphasis on induction training, which includes the guidelines for safe work.
- Elaboration of risk studies in all facilities.
- Implementation of a security project, within the framework of which work groups have been set up per facility, which on a monthly basis list the risks they have identified and have faced, are updated on issues related to security and take relevant actions.
- Raising employee awareness on health and safety issues, by placing messages and safety rules in central points of the facilities, providing clothing with the corresponding messages, etc.
- Recording and investigating cases involving accidents or incidents, where employees are encouraged to confidentially report any unsafe practices or hazards they encounter at work.
- Determination of responsibilities for health and safety tasks by the Director of each facility in collaboration with the Safety Technician and Occupational Physician.
- Systematic monitoring of production processes, machinery and equipment to ensure they are safe and in good condition.
- First aid boxes and fire extinguishers are readily available, escape exits are clearly marked and clear of obstructions.
- Maintain and cleaning of work area in order to ensure clean and comfortable conditions, including appropriate temperature, ventilation and lighting.
- Use of quality, environmental, health and safety management software to record incidents of non-compliance with these matters.

Appropriate use of safety equipment

The Group ensures that all employees are provided with the equipment required for the safe performance of their duties, as well as that they receive the necessary information on the proper use of the equipment and the risks associated with their work. The Group's primary concern is to provide all the prescribed Personal Protective Equipment (PPE) to its employees.

Facility safety

The Group implements facility safety measures by conducting regular risk assessments, which are submitted when requested to labor inspectors and certification bodies in order to confirm that the measures applied are proportionate to the security risk and in accordance with current legislation. The Group complies with legal requirements for noise, odor, light and vibration levels, as well as for emergency and evacuation plans, providing appropriate training to employees. These issues are monitored on a regular basis and preventive or even corrective measures are taken.

Prevention and avoidance of any kind of injury

The Group continuously monitors and records every incident related to safety in the facilities.

Internal networking and information

In the Group's facilities there are screens showing presentations covering issues related to the environment, health and safety and sustainable development, while at the same time internal networking and information platforms are utilized "Teams, SharePoint and Yammer".

Ensuring product quality, customer health and safety

[GRI: 416-1, ATHEX ESG: SS-S1]

The Group's main priority is to offer innovative products and integrated solutions that adapt to the needs and requirements of customers and reflect its vision in relation to quality and customer safety. The Group complies with relevant national legislation and adopts international guidelines, safety rules, best practices and industry standards regarding the production and design of its products. In addition, it follows best practices such as spreading a culture of quality, consolidating partnerships with suppliers and customers to optimize the added value of the supply chain, and establishing quality management processes.

Special attention is paid to the production of packaging that comes into direct contact with food. The Group has adopted Quality Management Systems based on international food safety standards, such as ISO 22000, ISO 9001, IFS, BRC, FDA, HALAL and applies relevant procedures including:

- Sets goals and indicators (KPIs) that it monitors and reviews at regular intervals.
- Selects suppliers with specific criteria and evaluates them.
- Trains staff on Good Manufacturing Practices (GMP) through internal and external trainings.
- Implements a preventive maintenance program for mechanical equipment.
- Calibrates and maintains laboratory equipment.
- Cooperates with external laboratories, which have relevant accreditation / certification.
- Performs quality controls, through which the safety of packaging materials is ensured, such as total and specific migration control, microbiological control of finished products, microbiological control of water, microbiological control of air in production and storage areas.

- It has prepared a HACCP study and a Risk Assessment at all stages of the production process.
- It has drawn up a quality control plan for raw materials, semi-finished and finished products.
- It has drawn up technical specifications for all manufactured products.
- Internal inspections are carried out, monthly hygiene inspections, regular inspections by Certification Bodies and by customers, extraordinary inspections by Public Bodies, such as EFET, State General Chemistry.
- Implements PEST CONTROL in collaboration with a licensed external workshop.
- Implements cleaning programs for all areas of the facilities.
- Procedures for Product Implementation (Flow Chart), Customer Complaint Management, Product Recall and Supplier Complaint Management are drawn up.
- Cooperates with transporters, who have specific standards for their vehicles, in order to ensure the integrity of the products they transport.

Accordingly, during the production of masks, the Group focuses particularly on ensuring the health and safety of end users and applies procedures including:

- Certification with quality management system for medical technology product ISO 13485:2016
- Registration in the EOF register and licensing of capability to produce medical technology products
- CE marking in compliance with regulations (EU) 2016/425 and 2017/745
- Certification with STANDARD 100, OEKO-TEX®, Class I for textile products
- CoVid-Shield certification

Quality management procedures

[ATHEX ESG: SS-S8]

- Control of raw materials: Evaluation of raw materials with trial production of a product and comparison in the laboratory with corresponding products.
- Product control: Control of products in all phases of production, such as dimensional control, control of mechanical properties based on international standards, product harmonization with its specifications and customer requirements.
- Control of transport packaging: Using packaging based on the technical specifications of the products to ensure smooth and safe transport and carrying out during loading visual quality checks for suitability and implementing scanning systems that ensure that only approved products are loaded.
- Customer satisfaction control: Regular telephone or live communication with customers, with the aim of optimizing the services provided.

Promote transparency of product details and information of customers

[GRI: 417-1, ATHEX ESG: SS-S7]

Product quality and customer safety are top priorities for the Group. In this context, the Group conforms to the national laws in force from time to time and adopts standards, safety rules and best practices regarding the design and manufacture of products in all its facilities and uses regular quality controls to verify that all specifications are complied with, including those relating to the health and safety of customers and end users. The products are subject to control across all stages of the production process, and the Group has adopted management systems and procedures according to various international standards (BRC, ISO 22000 and 9001, FDA and IFS, etc.) to ensure quality and customer service.

Supporting local communities

[GRI: 413-1, SASB: RT-CH-210a.1]

The Group seeks, through its business activities, to achieve high performance, so as to produce and distribute directly or indirectly economic value to the society in which it operates, placing special emphasis on:

- To strengthen the economies of the countries in which it operates, through the cash flows it generates towards its stakeholders, namely tax payments, payments to suppliers, payment of employer contributions, payroll payments to employees, dividends to shareholders and investments in local communities.
- To the needs of citizens and societies that surround the Group and are affected by its activities.
- In employment, through the direct and indirect creation and maintenance of jobs throughout the value chain.

Social contribution/donations

The Group supports social solidarity programs, assists the work of organizations with recognized action for addressing social problems and makes a series of individual donations to cover their specific needs, and strengthens sensitive social groups and individuals. The Group's goal is to emerge as a valuable business entity for the communities where it operates. At the same time, the Group supports ActionAid for the 5th consecutive year by supporting 16 children in need through the Adoption Program.

In addition, the Thrace Greenhouses company is constantly developing initiatives to reduce food waste. Through the Stavros Chalioris Social Center, he contributes to the wider local community where he operates, supplying on a regular basis free products to non-profit organizations, to the workers in the greenhouses, and also to the employees of the Group in Xanthi. Also, through the non-profit organization "Boroume", it participates in the "Food Rescue and Offer" network and with the central message "No portion of food wasted" practically supports non-profit organizations throughout Greece in terms of food. According to official figures of "Boroume", the total food offered by the company in 2022 corresponds to 1,995 portions of food.

Boroume
saving food - saving lives

Stavros Chalioris Social Center

The Social Center STAVROS CHALIORIS is an Urban Non-Profit Company located in the Local Community of Magico Municipality of Abdera, Xanthi Regional Unit and it has been operating since 2010. It is named after the late Stavros Chalioris, founder and President of Thrace Group who envisioned its creation.

The aim of the Social Center operation is its practical contribution to society with educational, cultural, recreational and social activities, which are addressed at both children and adults with a regular training program which accommodates approximately 250 people per training period each year. At the same time the Social Center organizes events, celebrations and excursions for its members with educational and entertainment content, children's cinema screenings, conferences on medical issues, social and educational workshops in collaboration with local agencies and scientific collaborators. In the actions of the Social Center are included the support of actions of the Group's Employees Union of Thrace Plastics, granting of scholarships and financial aid to children in the area who wish to study and are unable to afford their studies as well as financial support and coverage of treatment / hospitalization expenses for needy patients in the area. In addition, in the area of the Social Center there is a doctor's office for the provision of primary health care to the residents of the wider area and the meetings of KAPI Magiko take place.

Recognizing the necessity of taking effective actions to support the health system, but also vulnerable social groups, the Social Center and in direct cooperation with institutions and organizations, including the General Hospital of Chios, the Xanthi Hospital and the non-profit association DESMOS, carried out donations of personal protective equipment and medical equipment. In addition, the contemporary influences of climate change at the global level impose the choice of actions that concern the awareness of local communities and children in matters of ecology, renewable energy sources and biodiversity conservation.

The Social Center organized an action within the framework of its participation in the European waste reduction week under the common slogan "Sustainable Textile Products". The action, which took place with the participation of 60 children from the wider region of Xanthi, was implemented with the assistance of the Region Office of Eastern Macedonia and Thrace and is part of the actions of Hellenic Recycling Organization. The aim was to acquaint the children with the wider issue of environmental protection and the adoption of waste reduction, reuse and recycling through a theoretical and practical experiential approach (presentation, theatre, workshop of making useful objects).

12.5.3 Outcomes of the aforementioned policies and non-financial performance indices

PERCENTAGE OF EMPLOYEES COVERED BY COLLECTIVE AGREEMENTS

Thrace Plastics Co S.A.	100%
Thrace Nonwovens & Geosynthetics SA	
Thrace Polyfilms SA	
Thrace Eurobent SA	
Thrace Pack SA	
Thrace Greenhouse S.A.	
Thrace Greiner Packaging SRL	99%
Don & Low Ltd	80%
Thrace Synthetic Packaging Ltd	10%
Thrace Ipoma SA	0%
Lumite Inc	
Thrace Polybulk AB	
Thrace Polybulk AS	
Thrace Plastics Packaging DOO	

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT CONTRACT

	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Permanent term	1,479	366	1,845	1,468	341	1,809	1,394	394	1,788
Temporary term	132	67	199	224	168	392	272	142	414
Total	**1,611**	**433**	**2,044**	**1,692**	**509**	**2,201**	**1,666**	**536**	**2,202**

Amounts in thousand Euro, unless stated otherwise

TOTAL NUMBER OF EMPLOYEES BY TYPE OF EMPLOYMENT

	2022			2021			2020		
	Men	Women	Total	Men	Women	Total	Men	Women	Total
Full-time employment	1,606	420	2,026	1,688	496	2,184	1,661	509	2,170
Part-time employment	5	13	18	4	13	17	5	27	32
Total	**1,611**	**433**	**2,044**	**1,692**	**509**	**2,201**	**1,666**	**536**	**2,202**

STAFF MOBILITY

[ATHEX ESG: C-S4]

The indicators refer to the percentage of redundancies from the Group

	2022	2021	2020
Voluntary mobility index	11%	11%	11%
Non-voluntary mobility index	8%	10%	10%

FEMALE EMPLOYEES

[GRI: 405-1, ATHEX ESG: C-S2, C-S3]

	2022	2021	2020
Percentage of women	24%	24%	25%
Female employees in managerial positions	16%	18%	20%
Percentage of women in the Board of Directors*	18%	18%	0%

** Meeting the criteria for adequate representation as defined in Article 3 of L.4706/2020*

Amounts in thousand Euro, unless stated otherwise

INJURIES AT WORK

[GRI: 403-9, SASB: RT-CH-320a.1, ATHEX ESG: SS-S6]

	Employees			Partners		
	2022	2021	2020	2022	2021	2020
Number of deaths as result of injury	0	0	0	0	0	0
Level of deaths as result of injury *	0	0	0	0	0	0
Number of serious injures	12	0	0	0	0	0
Level of serious injures *	0.63	0	0	0	0	0
Number of confirmed injuries	27	35	33	2	4	0
Level of confirmed injuries *	2.45	1.89	1.77	6.32	11.26	0

** Equal to the corresponding number/hours *200.000*

ILLNESS AT WORK

[GRI: 403-10, SASB: RT-CH-320a.1, ATHEX ESG: SS-S6]

	Employees			Partners		
	2022	2021	2020	2022	2021	2020
Number of deaths due to illness	0	0	0	0	0	0
Number of confirmed illnesses	0	0	0	0	0	0

PRODUCT SAFETY AND HEALTH AND SAFETY OF CONSUMERS AND END USERS

[GRI: 416-2, ATHEX ESG: SS-S1]

During 2022, there were no cases of non-compliance with existing legislation and applicable regulations, regarding the effects of products on the health and safety of consumers. Accordingly, there was no product recall due to malfunctions or inconsistency in any of the Group's companies and, as a result, there was no need to pay relevant monetary compensation.

SOCIAL SUPPORT

	2022	2021	2020
Total expenditure of Stavros Chalioris Social Center	€412,621	€380,017	€328,623

Amounts in thousand Euro, unless stated otherwise

12.6. Environmental issues and climate change

12.6.1 Main risks and their management

[GRI: 201-2, ATHEX ESG: A-E2]

For the identification of the opportunities, as well as of the natural and transitional risks associated with climate change, the Group is aligned with the recommendations of the Financial Stability Board's Task Force on Climate-Related Financial Disclosures (TCFD). The climate crisis and the energy transition affect the Group's activities while simultaneously creating great opportunities through the principles of the circular economy, the use of recycled raw materials and investment in renewable energy sources. At the same time, the Group recognizes the risks and impacts that may arise in its business activity due to climate change, such as the occurrence of extreme weather events or an increase in temperature, which may affect the production process in the short, medium and long term. In order to mitigate risks and avoid negative socio-economic and environmental impacts, the Group constantly updates and adapts its business model, is committed to zero tolerance in matters related to the protection of the environment and it has established and communicated relevant principles and policies.

The Group has recognized the following categories of risks related to climate change, but also the transition opportunities to a low-carbon emissions' business model with an emphasis on innovation based on the recommendations for climate-related financial disclosure of the international initiative "Task Force on Climate-Related Financial Disclosures (TCFD)'. Risks and opportunities have been taken into account when formulating the sustainable development strategy and defining objectives and actions:

Type:	Risks associated with:	The Group:
Institutional framework	the changes in the European and national regulatory framework that create future requirements.	monitors the national and international regulatory framework concerning the environment and in particular packaging management and recycling, with the aim of leading new markets of innovative, ecologically designed products.
Technology	the fact that the transition to a low-carbon emissions' economy presents adaptation needs for the production process.	monitors potential risks in its internal processes, such as requirements in the production of sustainable products or in new investments in equipment, but also technological developments that can enhance innovation and optimize processes.
Market	changes in industry structure in a carbon sensitive economy.	assesses environmental risk in terms of carbon emissions, monitors and records direct and indirect emissions from all its operations
Reputation	the variations in consumer preferences	recognizes the transitional risks associated with changes in consumer preferences by providing solutions for sustainable products with a positive environmental footprint.

Type:	Opportunities arising:	The Group:
Energy sources	from the increase in the use of renewable sources and the effort to gradually reduce energy consumption.	invests in photovoltaic systems and geothermal energy so as to reduce greenhouse gas emissions through the use of RES, and continuously takes measurable actions to save energy.
Markets	from the conversion of existing markets to new sustainable products and processes, where the use of recycled or re-use will add value to the customer.	has developed specialized upgrading recycling systems that also enable the recording and certification of the percentage of recycled raw material or reuse systems that enable the recording and certification of the number of uses.
Prod-ucts and services	from the development of products and solutions based on the circular economy that add value to the customer.	applies the circular economy model in practice, through specific actions, such as the organization of closed recycling systems for the production of new products or the design and production of reusable products.
Elasticity	from the execution of projects aimed at improving efficiency during the production process.	carries out targeted projects such as zero pellet loss, energy efficiency in the production process, waste minimization, re-use of production process waste.
Resource efficiency	from increasing the use of recycled raw material.	has set as a priority the replacement of primary raw material with recycled, the synergies with suppliers/customers in the context of creating a sustainable supply chain, the reduction of product packaging where possible, or actions of zero pellet loss.

12.6.2 Due Diligence and Other Policies

The Group has a Safety-Health-Environment Policy with the aim of a consistent approach, raising awareness and improving the culture in relation to the general principles and basic rules included in the Code of Ethical Behavior and Ethics and concerning safety and health, the protection of environment, circular economy and climate change. The priority is to improve the environmental impacts resulting from the operation of the Group, with particular attention to the application of circular economy principles, responsible waste management, increasing the use of recycled raw materials, reducing energy consumption, investing in renewable energy sources and limiting greenhouse gas emissions related to its activities.

Actions according to the principles of the circular economy

The European Green Deal lays the

foundations for a new plastics economy, in which the design and production of plastic products are done with full respect for the environment through the use of fewer natural resources and increased recycling. The Group fully responds to this strategy, turning today's challenges into growth opportunities with the aim of strengthening a sustainable competitive advantage. In this context, it has adopted the principles of the circular economy throughout the life cycle of its products, incorporating practices based on the principles of reduction, reuse and recycling

Raw materials

[ATHEX ESG: SS-E7]

- Ensuring efficient use of natural resources and evaluation of raw materials based on the required technical specifications
- Deliberate non-use during the production process of the 27 critical raw materials for which there is a high risk of supply problems as recognized by the European Commission

Design

- Reducing the average weight of the products while maintaining the same technical characteristics
- Designing new innovative and sustainable products with a low environmental footprint

Production

- Investment in more energy efficient production machines and continuous monitoring and reduction of energy consumption
- Use of recycled raw material in a very high percentage depending on the application

Distribution / Transportation

- Synergies between Group companies for the optimization of routes and procurement of raw materials from industries located in the same geographical area on a priority basis
- Collaboration with customers aiming to reduce the use of secondary packaging

Reuse

- Saving of raw materials through the reuse of internal waste
- Production of reusable products with the aim of extending their life cycle as much as possible

Collection

- Storage of production residues in appropriate temporary storage stations with the aim of their optimal utilization
- Collection of recyclable materials through closed systems with the aim of upgrading recycling

Recycling

- Voluntary commitment to replace 8,500 tons of primary raw material with recycled one by 2025
- Reliable information on traceability and content of recycled raw material

through RecyClass, EuCertPlus and TUV OK Recycled certifications

Waste

- Recycling of non-reusable raw materials through licensed partners
- Continued reduction of non-hazardous waste disposal in landfills through source separation actions

Research and innovation for the development of sustainable products

[SASB: RT-CH-410a.1, ATHEX ESG: SS-E5]

The Group constantly invests in research and innovation mainly during the design phase with the aim of developing sustainable products fully in line with the European strategy for plastics in a circular economy, with a positive environmental impact and contribution to mitigating climate change. Priority in the design is the low environmental footprint, the lowest possible weight while achieving the same strength, the possibility of reuse, 100% recyclability, production from a single material, the addition of natural materials in a percentage of up to 30%, the use of recycled material in percentage up to 100%. Many of the Group's products replace the raw material with recycled, while at the same time maintaining their properties and being certified by RecyClass, an international initiative that promotes the recyclability of plastic packaging and ensures the traceability and transparency of recycled plastic. The Group has carried out EPD® (Environmental Product Declaration) environmental assessments for specific, representative types of products in all three segments of its activity. Both the assessments, and the corresponding Life Cycle Assessments (LCA for short) carried out within the above context, were prepared based on an internationally established and accepted methodology for the product categories in question (ISO 14025 and ISO 14040), certified by independent auditing body for their validity and are available in the prescribed database (The International EPD System) of the organization EPD International AB (based in Sweden).

TARGET 2025

30%
INCREASE IN THE USE OF RECYCLED RAW MATERIAL

Circular economy platform "In the Loop"

[GRI: 306-2, ATHEX ESG: SS-E5]

The environmentally targeted platform of the Thrace Plastics Group is based on the 3 axes of the circular economy REDUCE | REUSE | RECYCLE and networks companies, brands, public bodies and consumers with the aim of reducing the environmental footprint throughout the whole value chain. It reflects the Group's approach regarding the environmental impact of packaging materials and the avoidance of their disposal in the environment.

The platform contributes to the creation of lighter products with the aim of reducing the use of plastic while maintaining the same technical characteristics, multi-use products that replace their single-use counterparts and products from recycled raw material. It also designs specialized reuse systems that enable recording and certification of the number of uses and specialized closed/controlled cycle recycling systems. In addition, it informs about the circular economy in plastic products and the upgrading recycling.

The benefits of using the platform are as follows:

- The transition from the linear to the circular economy is taking place
- The environmental footprint of the products is reduced
- Natural resources are preserved
- Plastic waste is reduced
- Reuse is made possible
- More products are produced from recycled raw material

In the Loop

ANNUAL PERFORMANCE

130
ASSOCIATE MEMBERS IN 2022

Protection and preservation of biodiversity

[GRI: 304-2, ATHEX ESG: A-E5]

The Group continuously seeks to increase the use of recycled raw material, drastically reduce waste and reduce greenhouse gas emissions through production processes, thereby reducing pressures on biodiversity. The circular economy-oriented strategy that it applies, aims to keep materials as much as possible in the economy cycle through reuse or recycling and certainly away from the environment, landfills and oceans, thus mitigating negative impacts on biodiversity throughout the value chain. The Biodiversity Strategy also works alongside the new European Strategy from "the farm to the plate" for the support and transition to fully sustainable agriculture. The Group, through Thrace Greenhouse fully supports this strategy for healthier, fresher and more sustainable food. Hydroponics allows the minimization of the use of plant protection products with the ultimate goal of their zero application and great water savings, while geothermal energy contributes to energy savings and almost zero greenhouse gas emissions.

Water consumption management

[ATHEX ESG: SS-E3, SS-E4]

Measures applied for saving and rational use of water, as well as limit leakages:

- Water consumption monitoring
- Integrated preventive maintenance system to deal with any leaks that may occur (cooling/heating)
- Water collection and recycling systems
- Automatic switches at the points of use of drinking water
- Special marking for rational use of drinking water
- Personnel awareness to reduce consumption

Liquid waste management

[SASB: RT-CH-140a.3, ATHEX ESG: A-E4]

The Group fully complies with the legal requirements for liquid waste management. In this context, an environmental impact study has been prepared, which mainly concerns the optimal way of managing them, as well as dealing with potential risks.

Solid waste management

[GRI: 306-2, ATHEX ESG: A-E3]

The Group fully complies with the legal requirements for waste management. In this context, an environmental impact study has been prepared which mainly concerns the optimal way of managing them, while meeting contractual obligations, such as registration in the Electronic Waste Register (EWR) and registration of the waste producer's annual report, and registration in the National Register of Waste Producers (NRWP) and payment of the relevant packaging recycling fee. The Group implements internal procedures, such as the preparation of reports on the types and quantities of waste produced, while an effort is made to reduce this in the factories by the method of separation at the source. It is also ensured that the companies to which the waste ends up for final treatment or disposal have valid legal operating documents, while the relevant recycling certificates are obtained.

Use and management of chemicals

[SASB: RT-CH-410b.2, ATHEX ESG: SS-E8]

Due to its field of activity, the Group uses a range of chemical substances and constitutes a very important priority the effective management of the potential risks that may arise for the environment. The Group fully complies with legal requirements for the temporary storage and use of chemicals, informs and trains employees about their safe use and does not use chemicals or other hazardous substances subject to national or international bans. In addition, all the chemicals used are placed on metal bases, while any leaks of small quantities end up in special collectors. All chemicals are stored in appropriate areas with special markings, while access is only allowed to persons with special permission and extensive knowledge of safety regulations.

Improving resource efficiency during the production process

Resource and process efficiency is incorporated in the Group's corporate culture. There are active relevant projects in all facilities that, with the input of employees, are successfully implemented, while their progress is recorded and evaluated on a systematic basis:

- zero pellet loss
- zero waste

Improving energy efficiency during the production process

[GRI: 302-3]

The Group constantly monitors the energy consumption in the production processes with the aim of the best possible efficiency through taking energy saving measures and raising awareness and informing the employees. At the same time, it makes mechanical modernization investments aimed at saving energy, such as the replacement of energy-consuming equipment with equipment with lower energy requirements.

TARGET 2025

-15%

REDUCTION OF ENERGY CONSUMPTION IN PRODUCTION PROCESSES IN TERMS OF PRODUCTION VOLUME

Investment in renewable energy sources

The utilization of renewable energy sources and the improvement of energy efficiency constitute key pillars for the fulfilment of the climate objectives and the long-term strategy of the European Union. After all, the European Green Deal also focuses on the transition to clean energy, the promotion of energy efficiency and the development of an energy production sector that will be largely based on renewable energy sources. Actions that will contribute to the reduction of greenhouse gas emissions and to the upgrading of the quality of life. In this context, the Group constantly invests in the use of energy from renewable sources. During 2021, the operation of photovoltaic net metering systems began.

ANNUAL PERFORMANCE

6.7 MW

OPERATION OF PHOTOVOLTAIC SYSTEMS WITH CLEAR EXPANSION PLAN

Actions to limit the effects of climate change

[ATHEX ESG: SS-E1]

The Group has integrated into its strategic plan the improvement of the data collection process for the accurate calculation and measurement of emissions and it has committed to the establishment of scientific targets for their reduction and validation through the international Science Based Targets Initiative (SBTi). At the same time, it implements actions to save energy, optimize waste management and increase the use of recycled raw materials. These actions formed the basis for defining specific objectives. In order to maximize the use of business opportunities and mitigate the risks arising from climate change, the Group bases its business model on a comprehensive risk assessment process, having examined strong and weak points, as well as opportunities and threats from the operating environment through SWOT analysis. At the same time, the Group participates in the international organization CDP, in order to evaluate the way it manages the effects of its activities on the environment and climate change. In order to respond immediately to the risks and opportunities from climate change, all Group companies follow a common Environmental Policy, while environmental management officers have been appointed to monitor the companies' performance through an Environmental Management System.

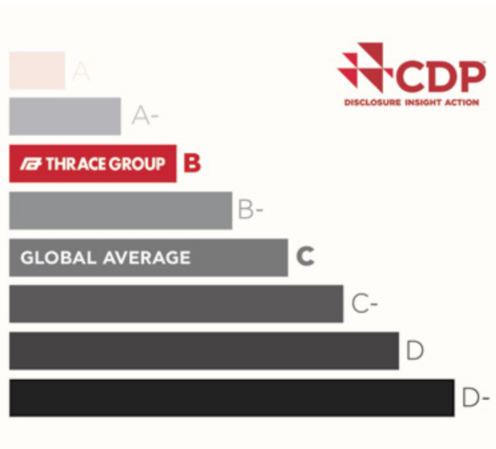
Platform for calculating greenhouse gas emissions "Carbon Tracker"

[GRI: 305-1, 305-2, 305-3, SASB: RT-CH-110a.1, ATHEX ESG: C-E1, C-E2, A-E1]

The Group recognizes the importance of recording and reducing direct and indirect greenhouse gas emissions. For this reason, it uses a specialized platform for calculating greenhouse gas emissions, which is aligned with the internationally established GHG Protocol methodology and ISO 14064-3. In 2021, the Group proceeded to the recording of direct and indirect emissions (Scope 1 and 2) for the previous year and determined the carbon footprint of the three most important subsidiaries. In 2022 the Group proceeded with the complete recording of direct and indirect emissions (Scope 1, 2 and 3) for the previous year and determined the carbon footprint of all subsidiaries. Reducing energy consumption during the production process, increasing the use of renewable energy sources, raising the percentage of recycled material and reducing waste are key pillars of action in order to reduce emissions.

Scoring with "B" by the international organization CDP

Group participates in the international non-profit organization CDP which supports organizations to publicize their environmental impacts and evaluates them based on completeness of disclosures, management of environmental risks, targeting and demonstration of best practices. In just its second year of participation, the Group moved up 2 levels in the rankings by receiving the score of "B-Management" for its performance in relation to climate change, confirming that it is on the same scale as the industry average, while exceeding global average. At the same time, the Group committed to the establishment of scientific targets for the reduction of carbon footprint and their validation through the international Science Based Targets Initiative (SBTi) while it has started the process of defining these targets.



12.6.3 Outcomes of the aforementioned policies and non-financial performance indices

Raw materials

The purpose of the monitoring framework is to measure the progress made towards the circular economy in terms of the supply of raw materials in relation to recyclable raw materials. In 2022 the Group achieved a significant increase in the use of recycled raw material compared to 2021.

ANNUAL PERFORMANCE

17%

INCREASE IN RECYCLED RAW MATERIAL USE IN 2022 COMPARED TO 2021

Total weight of materials (in t)

[GRI: 301-1]

	2022	2021	2020
Polypropylene	85,610	90,366	88,450
Polyethylene	10,646	10,856	12,906
PET	384	0	0
Masterbatch	2,908	2,040	3,154
Packaging materials	7,855	7,059	6,692
Total	**107,403**	**110,321**	**111,202**

Amounts in thousand Euro, unless stated otherwise

Total weight of recycled raw materials (in t)

[GRI: 301-2]

	2022	2021	2020
Recycled raw material *	**13,407**	**11,443**	**7,018**
Percentage of recycled raw material	12.5%	10.4%	6.3%

* *The recycled raw materials included into the production process stem from residues of the production processes and from external sources.*

Solid waste

[GRI: 306-3, 306-4, 306-5, SASB: RT-CH-150a.1, ATHEX ESG: A-E3]

Regarding the management of solid waste, the following table includes data for the quantities of waste generated in the Group, by treatment method. It must be noted that that the quantities of plastic production residues generated within the production units are recycled in full through in the production process.

Waste treatment method	Total weight of hazardous waste (t)			Percentage		
	2022	2021	2020	2022	2021	2020
Recycling	210.6	196.6	209.9	94%	90%	94%
Incineration	13.4	21.1	13.8	6%	10%	6%
Total	**224.0**	**217.7**	**223.7**	**100%**	**100%**	**100%**

Waste treatment method	Total weight of non-hazardous waste (t)			Percentage		
	2022	2021	2020	2022	2021	2020
Recycling	3,570.5	2,201.8	3,205.4	63%	51%	52%
Energy recovery	314.6	362.4	326.9	5%	8%	5%
Disposal in landfills	1,802.0	1,794.9	2,595.9	32%	41%	43%
Total	**5,687.1**	**4,359.1**	**6,128.2**	**100%**	**100%**	**100%**

Energy consumption by type and source (MJ)

[GRI: 302-1, SASB: RT-CH-130a.1, ATHEX ESG: C-E3]

	2022	2021**	2020**
Non-renewable resources*			
Electric energy	562,705,599	586,734,821	547,416,814
District heating	1,545,613	1,627,056	1,674,000
Fuel	103,985,964	146,173,320	95,244,785
Gasoline	*870,124*	*904,150*	*731,011*
Natural gas	*90,791,932*	*134,301,900*	*81,338,215*
Methane	*0*	*241,200*	*57,600*
Liquefied Petroleum Gas (LPG)	*7,058,892*	*7,381,517*	*7,717,144*
Diesel	*1,397,626*	*1,524,156*	*1,606,128*
Heating pellets	*3,867,390*	*1,820,397*	*3,794,687*

Amounts in thousand Euro, unless stated otherwise

Renewable sources			
Solar energy (Photovoltaic)	20,515,636	4,494,035	1,134,518
Geothermal energy	22,963,889	22,385,650	23,748,305
Hydropower	932,976	994,104	836,784
Total (MJ)	**712,649,677**	**762,408,986**	**670,055,205**
Total (MWh)	**197,958**	**211,780**	**186,126**

** To calculate electricity, district heating and fuel consumption, unit conversion factors from the DEFRA (Department for Environment, Food & Rural Affairs) methodology guide were used.*
***Data has been updated.*

Energy consumption within the Group per type and source of energy (%)

	2022	2021	2020
Electric energy (%)	78.96%	76.96%	81.70%
Thermal energy (%)	0.22%	0.21%	0.25%
Fuel (%)	14.59%	19.17%	14.21%
Renewable energy sources (%)	6.23%	3.66%	3.84%
Total	**100%**	**100%**	**100%**

ANNUAL PERFORMANCE

6.23%

USE OF ENERGY FROM RENEWABLE SOURCES IN 2022

Direct and indirect emissions

[GRI: 305-1, 305-2, 305-3, SASB: RT-CH-110a.1, ATHEX ESG: C-E1, C-E2, A-E1]

Below there are displayed the data collected according to ISO 14064-3 for the year 2021 in full analysis (scope 1, 2, 3) and external verification based on the AA1000 assurance standard, while in the Sustainable Development Report there will be detailed report for the year 2022.

Categories (tCO2e)

Direct emissions (Scope 1): 5,676

Indirect emissions (Scope 2): 100,169 (Location based), 65,963 (Market based)

Indirect emissions related to the value chain (Scope 3): 242,576

Amounts in thousand Euro, unless stated otherwise

12.7 Impact of the COVID-19 pandemic on non-financial issues

The impact of the pandemic on the operation of the Group and business continuity

In 2022, the Group managed to achieve stable, sustainable, but also significantly higher recurring profitability compared to pre-pandemic levels, despite the particularly difficult conditions that prevailed in the global economy. The foundations were laid for long-term improvement and development, within conditions of intense uncertainty and inflationary pressures, while the implementation of both the planned and the extraordinary investment plan progressed consistently. The dynamic growth path of the Group continues, aiming at the further increase of production volume, the continuous improvement of the product mix and profitability, as well as the strengthening of the dynamics at the level of recycling within the framework of holistic sustainable development. More details are included in section 3.33.

Measures taken for the minimization of the impact of the pandemic

The Group closely and responsibly monitors all the developments related to the pandemic crisis, having as priority the assurance of the health and safety of its employees and its uninterrupted operation, so that it does not suffer any consequence that would negatively affect its business continuity. In particular, in accordance with the guidelines and recommendations of the World Health Organization and the local Public Health and Civil Protection Organizations, the following measures were implemented from the very beginning and, if required, will be activated:

- Formation of crisis management teams, with the participation of the Group's management and companies, Human Resources departments, Occupational Physicians and Safety Technicians in weekly meetings with the aim of maintaining and enriching protection measures and monitoring cases.
- Information regarding the way of its transmission and prevention measures and provision of recommendations and instructions of personal hygiene, according to the guidelines of the competent authorities.
- Provision of personal protective equipment.
- Implementation of diagnostic testing.
- Realization of disinfections on a regular basis.
- Application of remote working for office workers, to the extent possible.
- Provision of protection for employees who belong to vulnerable groups with immediate removal from the facilities without affecting their remuneration.
- Establishment of particular procedures and protocols for all visitors.
- Realization of meetings, conducting Board meetings and General Assemblies' convening by teleconference, in accordance with the provisions of the law
- Compliance with mandatory medical protocols in case of employee illness or contact with a case

12.8. EU TAXONOMY REPORT

[ATHEX ESG: A-S1]

12.8.1 Environment

EU Commission aims to provide the economic and financial system in the EU with a structure that is more sustainable. For this reason, EU adopted the recommendations of the high-level expert group on sustainable finance that formed the basis of the "Action Plan on sustainable finance". Moreover, climate neutrality by 2050 is at the heart of the European Green Deal. By this term, the volume of CO_2 emissions emitted should be equal to the volume avoided or removed. EU Taxonomy Regulation is the basic tool in the aforementioned Action Plan. It is a system that classifies environmentally sustainable economic activities. The following environmental objectives are examined:

1. **Climate Change Mitigation**
2. **Climate Change adaptation**
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

EU Taxonomy Regulation classifies economic activities as "environmentally sustainable" under the following conditions:

- Make a substantial contribution to at least one environmental objective.
- Do no significant harm (DNSH) to achievement of the five other EU environmental objectives.
- Comply with minimum social safeguards.

Technical Screening Criteria (TSC) are used for the assessment of an economic activity to the extent of the substantial contribution to one of the objectives and does no significant harm to the five other objectives.

Figure 1 presents the necessary steps for the alignment of an economic activity.

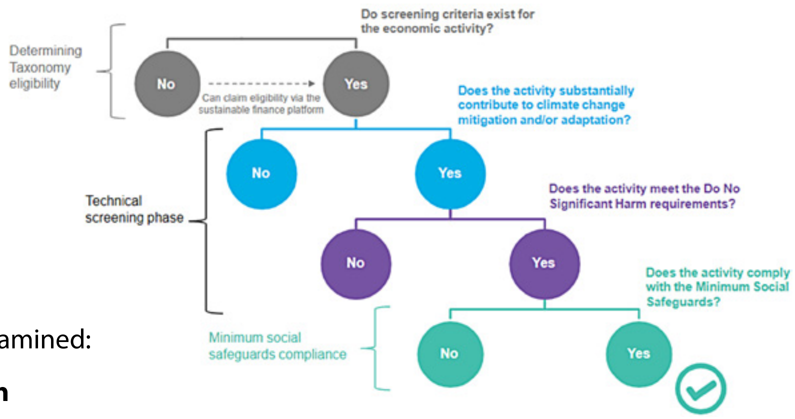


Figure 1: A 4-step process to determine a taxonomy aligned activity (Source: BNEF)

Climate change Mitigation (1) and **Climate Change Adaptation (2)** are the currently active EU environmental objectives for which technical screening criteria have been issued. The evaluation for fiscal year 2022 can take place only for these criteria.

- "Taxonomy eligible economic activity" is described in the delegated acts supplementing Taxonomy Regulation, irrespective of whether the economic activity meets any or all the TSC laid down in those delegated acts.
- "Taxonomy aligned economic activity" complies with the TSC as defined in the Climate Delegated Act and it

is carried out in compliance with the minimum safeguards, re: human and consumer rights, anti-corruption and bribery, taxation and fair competition.

Turnover KPI, Capital Expenditure (CapEx) KPI and Operating Expenditure (OpEx) KPI will be reported for Thrace Group's economic activities in fiscal year 2022.

There is a significant number of economic activities that are not eligible under the taxonomy requirements. For Thrace Group, the economic activity 3.6 ***"Manufacture of other low carbon technologies"*** is considered eligible. For the Climate Change Adaptation objective, description of 3.6 includes the manufacture of technologies aimed at substantial GHG emission reduction in other sectors of the economy (not covered in Sections 3.1 to 3.5 of Annex II, Climate Delegated Act).

Taxonomy Eligibility – Taxonomy Alignment

The identification of technologies, activities, and products in Thrace Group's portfolio that can demonstrate low CO2 emissions in their application was performed, which resulted in their inclusion in the 3.6 economic activity.

The EU Taxonomy Regulation does not stipulate a minimum value for the KPI levels. Building on technological advances rather than on efficiency enhancements within the existing system could be the purpose and objective of the "EU Action Plan on Financing Sustainable Growth".

Thrace Group aims in manufacturing sustainable products, aligned with Circular Economy standards, to further reduce the environmental footprint.

Considering how they contribute to or support the environmental objectives, economic activities are categorized as:

- Primary Activities, which directly contribute substantially to one of the six environmental objectives.
- Transitional activities, which support the transition to a climate-neutral economy[1].
- Enabling activities, which facilitate the primary activities indirectly[2].

Economic activities

Thrace Group consists of 14 companies, operates in 9 countries, with production, trading and distribution companies and develops activity in 3 sectors: Technical fabrics, Packaging solutions and Geothermal Hydroponic Greenhouses. Moreover, it develops sales network in 80 countries, applies 28 technologies in production procedure and covers 25 market segments with products and solutions.

The EU taxonomy regulation classifies Economic activities and proposes their association with possible NACE[3] codes . NACE codes can be associated with more than one economic activity[4] .

A reference to NACE codes for the major economic activities of the Group is listed below:

1 as referred to in Article 10(2) of Regulation (EU) 2020/852)

2 as referred to in Article 10(1), point (i), of https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=celex:32020R0852)

3 A pan-European classification system that groups organizations according to their business activities.

4 https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A32021R2139&qid=1677158195514

Nace Code	Description	Business Unit
A1	**Crop and animal production, hunting and related service activities**	**C**
A1.13	Growing of vegetables and melons, roots and tubers	C
C13	**Manufacture of textiles**	**A**
C13.20	Weaving of textiles	A
C13.95	Manufacture of non-wovens and articles made from non-wovens, except apparel	A
C17	**Manufacture of paper and paper products**	**B**
C17.2	Manufacture of articles of paper and paperboard	B
C20	**Manufacture of chemicals and chemical products**	**A**
C20.16	Manufacture of plastics in primary forms	A
C22	**Manufacture of rubber and plastic products**	**A, B**
C22.22	Manufacture of plastic packing goods	B
C22.29	Manufacture of other plastic products	A

All economic activities carried out by the Group have been examined to identify which are eligible and aligned in accordance with Annexes I and II to the Climate Delegated Act. Technical Screening Criteria were considered for this evaluation.

The table below indicates the environmental objective for which the activities qualify as eligible.

Table 1: Taxonomy eligible economic activity

Economic Activity	Description	NACE-code
3.6 Manufacture of other low carbon technologies	Manufacture (and sale) of technical fabrics (textiles, woven, non-woven) that aim at enabling a substantial reduction of GHG emissions in other sectors of the economy	**13.20** **13.95**

The aforementioned activity primarily contributes to climate change adaptation.

Eligibility criteria for Thrace Group

Thrace Group products are categorized in the following Business Sectors, according to their prevail uses:

I.	**Technical Fabrics**
II.	**Packaging Solutions**
III.	**Geothermal Hydroponic Greenhouses**

According to the Delegated Regulation EU 2021/ 2139, the economic activity:

3.6. Manufacture of other low carbon technologies

can be associated with Thrace Group's NACE codes. The main NACE code for the production of Technical Fabrics is 13.95. The activity is classified as eligible, even though the respective NACE code is not mentioned in Annex I to the Climate Delegated Act, since the economic activities in the category 3.6 could be associated with several NACE codes and on the other hand the products substantially contribute to Climate Change Adaptation.

Thrace Group products are classified to this economic activity since Environmental Product Declarations (EPDs) have been issued which demonstrate the reduction of greenhouse gas emissions over the life cycle, allowing comparison between products to ensure the most sustainable choice.

Amounts in thousand Euro, unless stated otherwise

Packaging Solution products from Business Unit B are not eligible for the environmental objectives ***Climate Change Mitigation*** and ***Climate Change Adaptation*** for which Technical Criteria have been set. The production of Business Unit B products does not meet TSC of economic activity 3.17 "Manufacture of plastics in primary form". Geothermal Hydroponic Greenhouses products, Business Unit C, are not examined because they are produced from a joint venture. In accordance with section 1.2.3. of Annex 1 of the delegated act, KPIs of Joint Ventures will not be published.

The activity 3.6 is classified as Enabling Activity, which facilitates the primary activities indirectly by providing adaptation solutions that contribute substantially to preventing or reducing the risk of the adverse impact of the current climate and the expected future climate on people, nature or assets, without increasing the risk of an adverse impact on other people, nature or assets.

Thrace Group products **contribute substantially** to:

Climate Change Adaptation

Technical Fabrics, Business Unit A, have been designed and used mainly to prevent soil erosion and improve the energy efficiency of buildings.

The economic activity is tested only for Climate Change Adaptation and not for Climate Change Mitigation based on the conditions set out in Articles 10 and 11 of the Taxonomy Regulation.

In order to identify the climate change risks, the Group has started its alignment with the TCFD's recommendations. The TCFD Report (Recommendations of the Task Force on Climate-related Financial Disclosures) divides climate-related risks into two major categories:

- risks related to the physical impacts of climate change and (Climate Change Physical Risk).
- risks related to the transition to a lower-carbon economy (Climate Change Transition Risk).

The classification of climate-related risks comprises four major hazard groups, with hazards related to water, temperature, wind, and solid mass according to Appendix A of the Climate Delegated Act. Within this framework, the Group has carried out a risk assessment including both acute (Biological risks, Health epidemics/ Pandemics, Inability to develop a business continuity/recovery plan, International sanctions imposed due to the Russo-Ukrainian War, Political instability) and chronic risks (Scarcity of water / contaminated water, Inability to manage environmental or climate changes, Natural Disasters/ Impact of natural disasters on global operations and markets). Physical risks which were found to be relevant, as adaptation must account for both rapid as well as gradual changes to take the appropriate adaptation measures, a further analysis is being conducted at this stage for each of the Group's sites.

The eligible activity is also taxonomy-aligned, since it meets all the following three criteria, as detailed below:

- **Substantially contribute** to Climate Change Adaptation in line with the Technical Screening Criteria (TSC).
- **Do-not-significant-harm (DNSH)** in relation to the other environmental objectives.
- Comply with **Minimum social safeguards (MSS)** as described in the Taxonomy Regulation.

Table 2 presents Thrace Group products for Business Unit A and their eligibility approach to the Environmental objectives of EU Taxonomy.

Category	Product family1 name	Product family2 name	Economic Activity (Del. Reg. 2021/ 2139)	Description / Protection of the Environment
A.Technical Fabrics	GeoSynthetics	Nonwoven Geotextiles	3.6 Manufacture of other low carbon technologies	A needle punched, and heat-treated nonwoven geotextile produced from 100% polypropylene staple fibers, that is used in road, railway, and drainage applications. It acts as separator to prevent the intermixing of the different soil layer types and ***extends the life cycle of the infrastructure.***
A.Technical Fabrics		Woven Geotextiles		A stabilized, high strength, black woven geotextile produced from 100% polypropylene tapes that is used in Road, railway, and geobag applications. It acts as separator to prevent the intermixing of the different soil layer types and ***extends the life cycle of the infrastructure.***
A.Technical Fabrics		Geogrids & Geocomposites		Biaxial geogrids are manufactured from polypropylene (PP) sheets using the extrusion method of punching a pattern of holes, followed by stretching in both directions under controlled temperature, in order to reach the material's tensile characteristics. They are used in roads, landfill and ***erosion control.***
A.Technical Fabrics		Geosynthetic Clay Liners (GCL)		A bentonite layer sandwiched between a nonwoven geotextile as a cover layer and a woven geotextile as a carrier and reinforcement bottom layer, both connected through the process of needle punching. It is used in landfills, canals & storage reservoirs, tank storage sites, tunnel & building seals, run-off basins, and roads ***for water insulation in environmentally sensitive areas.***
A.Technical Fabrics		Drainage Geonets & Geocomposites		Thrace drainage nets (TDN) are composed of a high-density polyethylene (HDPE) geonet drainage core. They are used in landfills, foundation walls, methane roads, pavements and for ***erosion control.***
A.Technical Fabrics		Erosion Control Mats		A UV stabilized, woven mat produced from 100% polypropylene monofilament yarns used for ***erosion control.***
A.Technical Fabrics	Construction	Flooring Protection		The use of flooring protection contributes ***to improved energy efficiency of buildings***
A.Technical Fabrics		Roofing Membranes		The use of correctly specified and properly installed high performance membranes can reduce the risk of condensation within the building fabric and can contribute to ***improved energy efficiency.***

Category	Product family1 name	Product family2 name	Economic Activity (Del. Reg. 2021/ 2139)	Description / Protection of the Environment
A.Technical Fabrics	Construction	Housewrap	3.6 Manufacture of other low carbon technologies	Breather membranes can be installed on the outside of the frame and sheathing in timber and steel framed walls. In framed construction, breather membranes protect the frame and any sheathing from water that may penetrate the external cladding and reduce infiltration of air into the wall, ***extending the life cycle of the construction.***
A.Technical Fabrics		Concrete Fibres		Polypropylene multifilament fibers are high performance and high chemical resistance fibres developed for crack control of concrete i.e. to reduce the incidence of plastic shrinkage cracking, in order to ***extend the life cycle of the construction.***
A.Technical Fabrics		Vapour Control Layers		Nonwoven extrusion coated spunbond fabric, made from polypropylene spunbond and polyolefin coating. They reduce water vapour transfer through a building element and ***minimise convective heat losses.***
A.Technical Fabrics	Agri/ Horticulture/ Aquaculture	Groundcover		Groundcover fabrics offer exceptional ***weed control, eliminating the need for herbicidal or insecticidal sprays***. They can be used in greenhouses, gardens, nurseries and landscaped areas.
A.Technical Fabrics		Root Barrier		Root Barrier is designed to ***prevent wall cracking and to extend life of the concrete paths*** around trees as well as to protect buildings, walls and sidewalks from potential damage caused by root development redirecting roots downwards.
A.Technical Fabrics		Nets		Their use improves ***the efficiency of fertilizer use.***
A.Technical Fabrics		Mulching		Widely used in nurseries, greenhouses and garden centers, Thrace Group Mulching Fabrics ***prevent the growth of weeds*** without the need for spraying, while helping to maintain a clean, hygienic growing environment for optimized productivity.
A.Technical Fabrics		Cropcover		Cropcover fabrics help to extend the growing season resulting in higher yield crops. They are particularly essential in climatic conditions that do not favor successful continuous crop development. Their use ***reduces the need for insecticides and chemical treatment***
A.Technical Fabrics		Joined Cropcover		Used for limiting the growth of weeds and ***reduces the need for insecticides and chemical treatment***

Category	Product family1 name	Product family2 name	Economic Activity (Del. Reg. 2021/ 2139)	Description / Protection of the Environment
A.Technical Fabrics	Landscape - Gardening	Gardening - DIY Mini Rolls	3.6 Manufacture of other low carbon technologies	A family of products for building and landscape applications, addressing the DIY market. It can be used in gardens, floriculture, small green-houses, landscaping, tree planting, ***erosion control.***
A.Technical Fabrics	Filtration	Air Filtration		Nonwovens for air filtration are spunbond, continuous filament, thermally bonded fabrics made from 100% polypropylene. They are used in vacuum cleaner prefilters, pleated filters, respirator coverstocks, ***cartridge filters, liquid filters, air filters***
A.Technical Fabrics		Liquid Filtration		Woven materials produced from monofilament or multifilament polypropylene yarns and non-woven made of polypropylene staple fibres, used to separate liquids from solids. Used in chemical processing, mining, sugar refining, water filtration, wastewater treatment giving the potential ***for liquids reuse***.
A.Technical Fabrics	Industrial fabrics	Absorbents		Nonwoven and woven fabrics are produced for a large variety of product end uses including automotive, building materials, absorbency, furniture, bedding, and flooring. ***Pollutants removal*** is one of these uses.
A.Technical Fabrics		Lamination / Reinforcing Substrates		The use of Lamination / Reinforcing Substrate offers stability, strength and reinforcement to products in a variety of applications and contributes ***to improved energy efficiency of buildings***
A.Technical Fabrics		Woven Industrial		Can be used in landfills, run-off basins and roads in environmental sensitive areas f***or soil protection.***
A.Technical Fabrics		Non Woven Industrial		Can be used in landfills, run-off basins and roads in environmental sensitive areas ***for soil protection***
A.Technical Fabrics	Industrial Yarns/ Fibers	PP Multifilament Yarn		Used in manufacturing of air filters
A.Technical Fabrics		PP Staple Fibers		Used in manufacturing of air filters

Evaluation of "Do no significant harm" (DNSH) criteria

"Do no Significant harm" evaluation takes place for the Economic Activity:

3.6 Manufacture of other low carbon technologies

In this economic activity, as described in previous sections, products from Technical Fabrics business unit substantially contribute to Climate Change Adaptation.

Compliance with DNSH criteria to the applicable environmental objectives is being evaluated in the following paragraphs.

Climate Change Adaptation

DNSH technical criteria for **Climate Change mitigation** do not apply for an economic activity that **substantially contributes** to **Climate Change Adaptation**.

The criteria for the EU environmental objective for the use and protection of **Water and Marine resources** are associated with environmental degradation risks related to preserving water quality and avoiding water stress are identified and addressed with the aim of achieving good water status and good ecological potential, in accordance with Directive 2000/60/EC.

Thrace Group has adopted several procedures to this direction and various measures are in place, such as i) water consumption monitoring, ii) integrated proactive maintenance system to deal with possible leaks, iii) water collection and recycling systems, iv) automatic switches at drinking water points, etc.

DNSH criteria for **Circular Economy** examine the assessment of the activity and, where feasible, the adaptation of techniques that support:

i) Reuse and use of secondary raw material.

ii) Design for high durability and recyclability.

iii) Waste management that prioritizes recycling over disposal in the manufacturing process.

iv) Information on the content and traceability of it throughout the life cycle of the products.

Production of Technical Fabrics aims both to the maximum reuse and constant increase of secondary raw material in products manufactured, but also to the **maximum recycling rate** of the produced waste.

For compliance to the criteria for the P**rotection and restoration of biodiversity and ecosystem**s Thrace Group facilities, have all the required environmental permits for their operation in place.

The locations of the European facilities of Thrace Group are not in or near biodiversity-sensitive areas (including the Natura 2000 network as well as other protected areas), as presented in Figure 2.

DNSH criteria for the **Pollution prevention** include the avoidance of manufacture and placing on the market of several hazardous substances. Thrace Group does not use chemicals or other hazardous substances that are subject to national or international constraints.

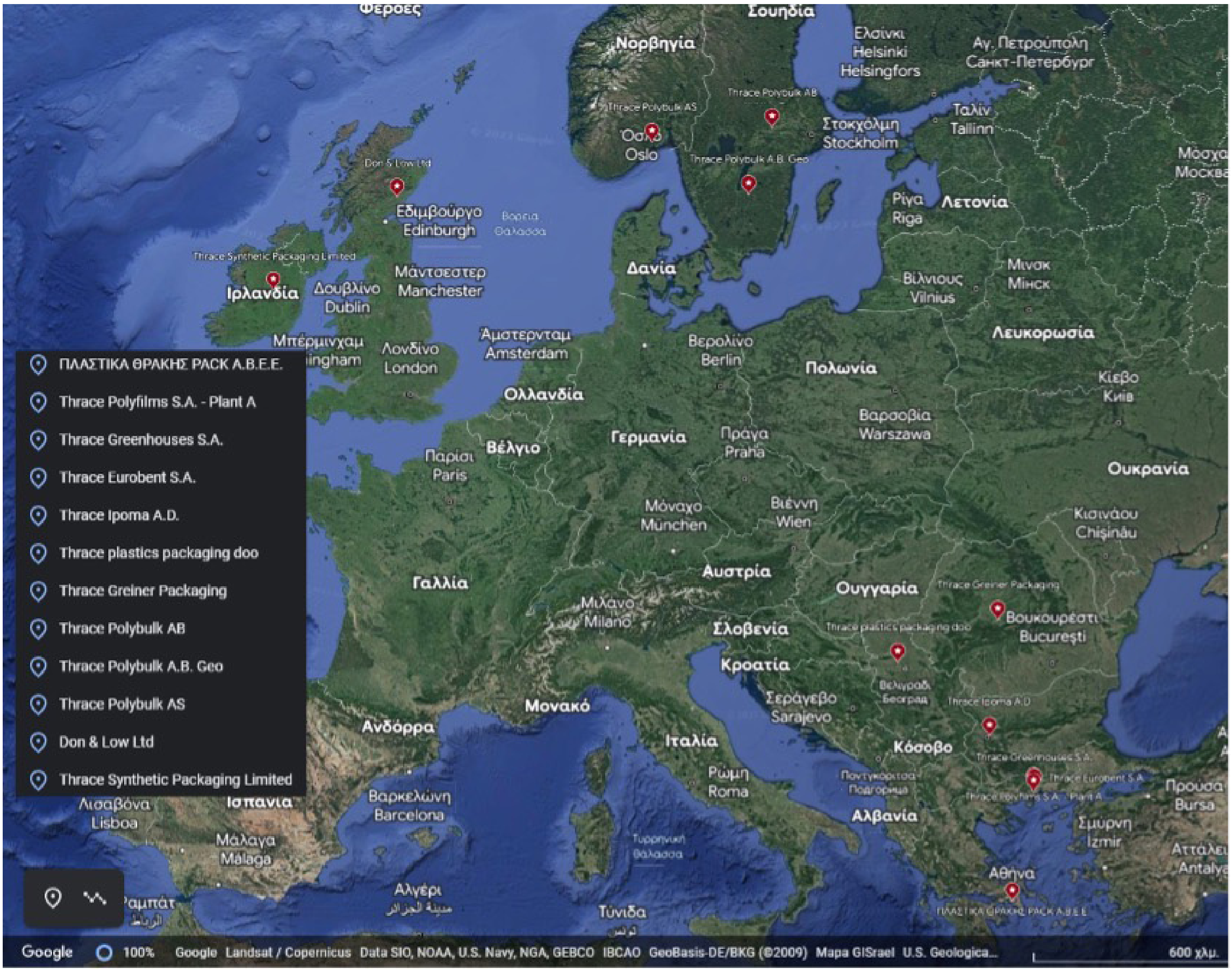


Figure 2: Thrace Group facilities in Europe

Definition of Turnover KPI, CapEx KPI and OpEx KPI

Turnover as referred to in the EU Taxonomy Regulation is defined as net revenues pursuant to IFRS as stated in the consolidated income statement and only referring to fully consolidated subsidiaries.

The proportion of Taxonomy-aligned economic activities in our total turnover has been calculated as the part of net turnover derived from products and services associated with Taxonomy-aligned economic activities (numerator) divided by the net turnover (denominator) for the financial year from 1 January to 31 December 2022.

The denominator of the turnover KPI is based on the consolidated net turnover in accordance with paragraph 82(a) of IAS 1.

For further details on the accounting policies regarding the consolidated net turnover, refer to section 2.14 of the Annual Financial Report 2022.

The numerator of the turnover KPI is defined as the net turnover derived from products and services associated with Taxonomy-aligned economic activities, that is:

- Activity 3.6 "Manufacture of other low carbon technologies" generates net turnover from the sale of technical fibers.

CapEx as referred to in the EU Taxonomy Regulation is calculated on a gross basis, i.e. without accounting for remeasurements, depreciation and amortization, or impairment losses. CapEx comprises investments in non-current intangible assets and in property, plant and equipment as presented in the consolidated statement of financial position.

The CapEx KPI is defined as Taxonomy-aligned CapEx (numerator) divided by the total CapEx (denominator).

Total CapEx consists of additions to tangible and intangible fixed assets during the financial year, before depreciation, amortization, and any remeasurements, including those resulting from revaluations and impairments, as well as excluding changes in fair value. It includes acquisitions of tangible fixed assets (IAS 16), intangible fixed assets (IAS 38), right-of-use assets (IFRS 16) and investment properties (IAS 40). Additions resulting from business combinations are also included. Goodwill is not included in CapEx, because it is not defined as an intangible asset in accordance with IAS 38.

For further details on the accounting policies regarding CapEx, refer to section 2.5 of the Annual Financial Report 2022.

The numerator consists of the following categories of Taxonomy-eligible CapEx:

a) CapEx related to assets or processes that are associated with Taxonomy-aligned economic activities ("category a"):
    - CapEx invested into the following areas is considered in the numerator of the CapEx KPI: Buildings, Equipment, Machinery, intangible assets.

b) CapEx that is part of a plan to upgrade a Taxonomy-eligible economic activity to become Taxonomy-aligned or to expand a Taxonomy-aligned economic activity ("category b"):
    - Thrace Group does not have CapEx for FY 2022, under this category.

c) CapEx related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling certain target activities to become low-carbon or to lead to GHG reductions ("category c"):
    - Thrace Group does not have CapEx for FY 2022, under this category.

Thrace Group's CapEx can be reconciled to our consolidated financial statements, refer to sections 3.12, 3.13, 3.14 of the Annual Financial Report 2022 ("table on changes in intangible assets, in right-of-use assets, in PP&E, and in investment properties"). They are the total of the movement types (acquisition and production costs):

- additions
- additions from business combinations

for intangible assets, right-of-use assets, property, plant and equipment, and investment properties.

For both CapEx and OpEx KPI calculations associated with Taxonomy-aligned economic activities, double counting is eliminated.

OpEx as referred to in the EU Taxonomy Regulation includes expenses not eligible for capitalization that are presented in the consolidated income statement, such as expenses for research and development, building refurbishment measures, short term leases, maintenance and repairs, and all other direct expenses resulting from the maintenance of property, plant and equipment in order to safeguard the operating capability of taxonomy-eligible assets.

The OpEx KPI is defined as Taxonomy-aligned OpEx (numerator) divided by our total OpEx (denominator).

Total OpEx consists of direct non-capitalised costs that relate to research and development, building renovation measures, short-term leases as well as all forms of maintenance and repair. This includes:

- Research and development expenditure recognised as an expense during the reporting period in our income statement (refer to section 3.6 of the Annual Financial Report 2022).
- The volume of non-capitalised leases was determined in accordance with IFRS 16 and includes expenses for short-term leases and low-value leases (refer to section 3.13 of the Annual Financial Report 2022).

Maintenance and repair expenditures were determined based on the maintenance and repair costs allocated to our internal cost centers. The related costs can be found in various line items in our income statement, including production costs (maintenance in operations), sales and distribution costs (maintenance logistics) and administration costs (such as maintenance of IT systems). This also includes building renovation measures.

Key Performance Index [5] 2022	Turnover	CapEx	OpEx
Total (in mil. €)	394.38	37.97	9.44
taxonomy - **aligned** (in mil. €)	154.20	21.72	3.89
%	**39.1**	**57.2**	**41.1**
taxonomy - **eligible** (in mil. €)	154.20	21.72	3.89
%	**39.1**	**57.2**	**41.1**
not taxonomy - **eligible** (in mil. €)	240.18	16.25	5.56
%	**60.9**	**42.8**	**58.9**

Contextual Information

Turnover KPI - Quantitative breakdown of the numerator

In the Table 3 below, a quantitative breakdown of the numerator for the turnover KPI is presented.

Table 3: Quantitative breakdown of turnover numerator

	Turnover (in mil. €)
Customer contracts	154.20
other revenue	0
Total	154.20

5 *Values for the Taxonomy aligned activity (3.6 Manufacture of other low carbon Technologies) that substantially contributes to* ***Climate Change Adaptation***

Amounts in thousand Euro, unless stated otherwise

CapEx KPI – Quantitative breakdown at the economic activity aggregated level

In FY 2022, the Taxonomy-aligned CapEx is associated with activity 3.6. In the Table 4 below, a breakdown of the amounts included in the numerator is included.

Table 4: Quantitative breakdown of the CapEx numerator

Activity	3.6 (in mil. €)	Total (in mil. €)
Additions to property, plant, and equipment	21.55	21.55
Internally generated or purchased intangibles	0.11	0.11
Right - of use assets	0.06	0.06
Sum	**21.72**	**21.72**

Upgrade and expansion plan

Thrace Group's facilities are constantly upgraded so that they remain safe and functional, while also meeting the Group's needs due to the ongoing investments in mechanical equipment and photovoltaic panels.

OpEx KPI – Quantitative breakdown of the numerator

Table 5 shows the breakdown of the OpEx numerator into its components based on the definition of OpEx in the Disclosures Delegated Act:

Table 5: Quantitative breakdown of OpEx numerator

	OpEx (in mil. €)
R&D costs	0.99
Maintenance and repair	2.75
Short-term lease	0.15
Total	**3.89**

12.8.2 Minimum Safeguards

The Group focuses strongly on labour topics, such as workers' rights, health and safety in the workplace, training, and education of employees. It also acknowledges the influence and opportunities created by the Group activities in local communities. The taxonomy-alignment evaluates the compliance with the Minimum Safeguards (MS).

The economic activities of Thrace Group are carried out in alignment with:

- the OECD Guidelines for Multinational Enterprises (OECD MNE Guidelines)
- the UN Guiding Principles on Business and Human Rights (UNGPs), including the principles and rights set out in the eight fundamental conventions identified in the Declaration of the International Labour Organization on Fundamental Principles and Rights at Work
- the International Bill of Human Rights.

The scope of the MS covers the following four topics:

- human rights (including labour and consumer rights)
- corruption and bribery
- taxation
- fair competition

Amounts in thousand Euro, unless stated otherwise

Thrace Group's approach, to assess compliance with MS, consists of two (2) stages. The implementation of adequate processes for the prevention of negative impacts is the 1st stage and the monitoring of the outcomes is the 2nd one.

Human Rights (Including labour and consumer rights)

Various risks can be linked to human rights, not only in the workspace but also in the supply chain. Thrace Group has recognized such possible discrimination against employees due to race, religion, gender, nationality, beliefs, age, disability etc., violation of the privacy of employees, and forced child labour. There is zero tolerance by Thrace Group for acts of harassment in the workplace, forced child labor and any other type of discrimination. A whistleblowing mechanism platform is also being used. Through this platform, anonymous or signed reports can be recorded. Employees can report offending behaviors and situations, which are then investigated by the Group.

Taxation

Thrace Group aims in producing and distributing, through its business activities and high-performance levels both directly and indirectly, economic value to the communities in which it operates, placing special emphasis on:

- Strengthening the economies of the countries it operates in, through the cash flows it generates to stakeholders, namely tax payments, payments to suppliers, salary payments to employees, dividends to shareholders and investments in local communities.
- Meeting the needs of societies that surround the Group facilities and are affected by its activities.
- Creating employment opportunities through the direct and indirect creation and maintenance of job positions through the value chain.

Corruption and bribery

Thrace Group has identified the risk of incidents of corruption and bribery throughout its value chain. Both the Group's internal activities and possible transactions with its main stakeholders, such as customers and suppliers, can assess the possible risks. The commitment to zero tolerance by Thrace Group towards matters of corruption and bribery is achieved by conducting its business activity with integrity in accordance with the highest standards of ethics and the laws in effect. Within this framework, it has enacted and communicated related principles and policies, while setting up control mechanisms.

Thrace Group is taking preventive action by monitoring related updates and controls on an annual basis through the Internal Audit Department, for the avoidance of corruption and bribery. Disciplinary measures are in force for the discouragement of cases of participation in incidents of this sort. In support of these internal procedures, the Audit Committee has been established which is responsible for the management and monitoring of corporate governance issues in addition to supporting the Board of Directors in its duties regarding the financial information process, internal control and risk management system procedures and regulatory compliance. It is also responsible for the supervision of the internal audit department and the mandatory audit of the annual and consolidated financial statements.

Fair Competition

Thrace Group is firmly committed to conducting its business activity with integrity, always taking into account the highest standards of ethics and the laws in effect. The Code of Ethics and Conduct specifies the standards of behavior required by the employees of the companies of the Group in every country where the Group is operating. The basic principles of the Code are listed:

- Business ethics
- Respect of human rights
- Diversity and equal representation
- Compliance with the laws and social norms
- Product quality
- Promotion of fair and free competition
- Avoidance of conflict of interest
- Accuracy and completeness of financial information
- Protection of corporate tangible assets
- Transparent and legitimate collaboration with the public authorities
- Realization of all transactions with integrity and protection against corruption
- Data protection and confidentiality
- Good labour relations
- Safety, health and environmental protection
- Circular economy and climate change
- Social contribution

12.8.3 Annexes

Proportion of turnover from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

				Substantial contribution citeria						DNSH criteria										
Economic activities (1)	Code(s) (2)	Absolut turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and Marine resources (7)	Circular Economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and Marine resources (13)	Circular Economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, year 2022 (18)	Taxonomy-aligned proportion of turnover, year 2021 (19)	Category (enabling activity) (20)	Category (transition activity) (21)
		€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Percent	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1 Environmentally sustainable activities (Taxonomy-aligned)																				
Manufacture of other low carbon technologies	3.6	154,205,076	39.1	N/A	39.1	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	39.1		E	
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		154,205,076	39.1	N/A	39.1	N/A	N/A	N/A	N/A	N/A	N/A	Y	Y	Y	Y	Y	39.1		E	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Activity 1			%																	
Activity 3																				
Turnover of Taxonomy- eligible but not environmentally sustainable																				
Total (A.1 + A.2)		154,205,076	39.1														**39.1**		E	

B. TAXONOMY NON-ELIGIBLE ACTIVITIES

Turnover of Taxonomy-non-eligible activities (B)		240,176,924	60.9
Total (A + B)		394,382,000	100

Activity 1 is Taxonomy-eligible in its entity. However, only a proportion of it is Taxonomy-aligned. Therefore, Activity 1 may be reported under both A1 and A2. However, only the proportion reported under A1 may be counted as Taxonomy-aligned in the turnover KPI of the non-financial undertaking.
Column 21 should be filled in for transitional activities contributing to the Climate Change Mitigation.
For activities listed under A2, columns 5 to 17 may be filled in on a voluntary basis by non-financial undertakings.

Amounts in thousand Euro, unless stated otherwise

Proportion of CapEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

				Substantial contribution citeria						DNSH criteria										
Economic activities (1)	Code(s) (2)	Absolut CapEx (3)	Proportion of CapEx (4)	("Does Not Significantly Harm")	Climate change adaptation (6)	Water and Marine resources (7)	Circular Economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and Marine resources (13)	Circular Economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx, year 2022 (18)	Taxonomy-aligned proportion of CapEx, year 2021 (19)	Category (enabling activity) (20)	Category (transition activity) (21)
		€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Per-cent	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1 Environmetally sustainable activities (Taxonomy-aligned)																				
Manufacture of other low carbon technologies	3.6	21,722,693	57.2	N/A	57.2	N/A	N/A	N/A	N/A	N/A	A/A	N	N	N	N	N	57,2		E	
CapEx of environ-mentally sustainable activities (Taxonomy-aligned) (A.1)		21,722,693	57.2	N/A	57.2	N/A	N/A	N/A	N/A	N/A	A/A	N	N	N	N	N	**57,2**		E	
A.2 Taxonomy-Eligible but not environmen-tally sustainable ac-tivities (not Taxonomy-aligned activities)																				
Activity 1			%																	
CapEx of Taxonomy-eligible but not environmentally sus-tainable activities (not Taxonomy- aligned activities) (A.2)																				
Total (A.1 + A.2)		21,722,693	57.2														**57.2**		E	
B. TAXONOMY NON-ELIGIBLE ACTIVITIES																				
CapEx of Taxonomy-non-eligibleactivities (B)		16,248,307	42.8																	
Total (A + B)		37,971,000	100																	

Activity 1 is Taxonomy-eligible in its entity. However, only a proportion of it is Taxonomy-aligned. Therefore, Activity 1 may be reported under both A1 and A2. However, only the proportion reported under A1 may be counted as Taxonomy-aligned in the CapEx KPI of the non-financial undertaking.
For activities listed under A2, columns 5 to 17 may be filled in on a voluntary basis by non-financial undertakings.

Amounts in thousand Euro, unless stated otherwise

Proportion of OpEx from products or services associated with Taxonomy-aligned economic activities - disclosure covering year 2022

				Substantial contribution citeria						DNSH criteria										
Economic activities (1)	Code(s) (2)	Absolut CapEx (3)	Proportion of CapEx (4)	("Does Not Significantly Harm")	Climate change adaptation (6)	Water and Marine resources (7)	Circular Economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and Marine resources (13)	Circular Economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of CapEx, year 2022 (18)	Taxonomy-aligned proportion of CapEx, year 2021 (19)	Category (enabling activity) (20)	Category (transition activity) (21)
		€	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Percent	Per-cent	E	T
A. TAXONOMY ELIGIBLE ACTIVITIES																				
A.1 Environmetally sustainable activities (Taxonomy-aligned)																				
Manufacture of other low carbon technologies	3.6	3,886,470	41.1	N/A	41.1	N/A	N/A	N/A	N/A	N/A	A/A	N	N	N	N	N	**45.2**		E	
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		3,886,470	41.1	N/A	41.1	N/A	N/A	N/A	**N/A**	N/A	N/A	Y	Y	Y	Y	Y	41.1		E	
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																				
Activity 1																				
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)			%																	
Total (A.1 + A.2)		3,886,470	41.1														**41.1**		E	

B. TAXONOMY NON-ELIGIBLE ACTIVITIES

OpEx of Taxonomy-non-eligibleactivities (B)		5,559,007	58.9
Total (A + B)		9,445,477	100

Activity 1 is Taxonomy-eligible in its entity. However, only a proportion of it is Taxonomy-aligned. Therefore, Activity 1 may be reported under both A1 and A2. However, only the proportion reported under A1 may be counted as Taxonomy-aligned in the OpEx KPI of the non-financial undertaking.
For activities listed under A2, columns 5 to 17 may be filled in on a voluntary basis by non – financial undertakings.

Amounts in thousand Euro, unless stated otherwise

Abbreviation list

ATHEX ESG	ESG reporting guide by the Athens Stock Exchange
BRC (Brand Reputation Compliance)	International standard for food safety
CDP	International non-profitable organization that helps companies publish their environmental impact
EcoVadis	Organization for the evaluation of companies in relation to matters of non-financial updates and responsible business activity
EPD (Environmental Product Declaration)	Environmental Product Declaration
ESG (Environmental, Social and Governance)	The environment, society and corporate governance
EuCertPlus	Certification focusing on the traceability of plastic materials and the quality of the recycled content of the end product
FDA (Food and Drug Administration)	International organization responsible for the protection and promotion of public health
GRI (Global Reporting Initiative)	International reporting standard for sustainable development. In this report, the core option is followed.
IFS (International Food Standard)	International standard for the certification of food safety and quality
In the Loop	Platform for the upcycling of plastic waste
ISO (International Standardization Organization)	International Standardization Organization
LCA (Life Cycle Assessment)	Method for the analysis of life cycle
Nasdaq ESG	Global environmental, social and governance (ESG) reporting guide for public and private companies
RecyClass	Certification for the traceability of recycled content in plastic products
SASB (Sustainability Accounting Standards Board)	International reporting standards of sustainable development
SBTi (Science Based Targets initiative)	International initiative that provides companies with a clear methodology for the reduction of emissions according to the goals set in the Paris Agreement
SDGs (Sustainable Development Goals)	Sustainable Development Goals set by the UN
TCFD (Task Force on Climate-Related Financial Disclosures)	International initiative that develops recommendations for more effective disclosures related to the climate change
tCO2	Greenhouse gas emissions in tons of CO2 equivalent

TÜV OK Recycled	Certification scheme that specifies the requirements to calculate the recycled content of plastic products
UNGC (UN Global Compact)	The ten principles of the UN Global Compact

Xanthi, 24 April 2023

The Chairman of the Board of Directors	The Chief Executive Officer & Executive Member of the Board of Directors	The Non-Executive Member of the Board of Directors
Konstantinos St. Chalioris	**Dimitris P. Malamos**	**Vasileios S. Zairopoulos**

Independent auditor's report

To the Shareholders of "Thrace Plastics Holding Company S.A."

Report on the audit of the separate and consolidated financial statements

Our opinion

We have audited the accompanying separate and consolidated financial statements of "Thrace Plastics Holding Company S.A." (Company and/or Group) which comprise the separate and consolidated statement of financial position as of December 31, 2022, the separate and consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flow statements for the year then ended, and notes to the separate and consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the consolidated financial statements present fairly, in all material respects the separate and consolidated financial position of the Company and the Group as at 31 December 2022, their separate and consolidated financial performance and their separate and consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the statutory requirements of Law 4548/2018.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), as they have been transposed into Greek Law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the separate and consolidated financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

During our audit we remained independent of the Company and the Group in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) that has been transposed into Greek Law, and the ethical requirements of Law 4449/2017 and of Regulation (EU) No 537/2014, that are relevant to the audit of the separate and consolidated financial statements in Greece. We have fulfilled our other ethical responsibilities in accordance with Law 4449/2017, Regulation (EU) No 537/2014 and the requirements of the IESBA Code.

We declare that the non-audit services that we have provided to the Company and its subsidiaries are in accordance with the aforementioned provisions of the applicable law and regulation and that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

The non-audit services that we have provided to the Company and its subsidiaries, during the year ended as at December 31, 2022, are disclosed in note 3.31 to the separate and consolidated financial statements.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the separate and consolidated financial statements of the year under audit. These matters were addressed in the context of our audit of the separate and consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	*How our audit addressed the key audit matter*
Provisions for Employee benefits (Consolidated Financial Statements)	
In the consolidated statement of financial position is included an amount of €7,2 million related to net benefit from funded defined benefit plans of foreign components as at 31 December 2022. The future benefits are discounted at present value after deducting the fair value of the assets of the funded programs. The present value of post-employment benefit obligations is contingent on certain factors determined on the basis of an actuarial valuation prepared by an independent actuary through the use of significant assumptions. The assumptions used to determine the net cost of post-employment benefits include, among others, the discount rate, inflation, and the average annual salary increase. Any changes in the assumptions may have a significant impact on the accounting for post-employment benefit accounting, making this item volatile, since it is significantly influenced by the change in the fair value of the assets of the funded programs. We focused on this item due to its significant value in the consolidated financial statements and due to the estimates and assumptions used by the management. Detailed information is provided in Notes 2.18 “Employee benefits” and 3.22 "Pension Liabilities” of the consolidated financial statements of the Group.	• We evaluated the Group Accounting policy for defined benefit plans. • We investigated the matter by requesting from the Group's management detailed information in order to evaluate the assumptions adopted and the data used for the calculation of the provision. • We performed a detailed examination and evaluation of the actuarial valuation prepared for the calculation of the provision, in order to assess that it is in line with IFRS, with an emphasis on the reasonability of the assumptions used. • We critically assessed the method used and the assumptions used, as well as the hypotheses and sources of data defined by the management and used by the actuary, their cohesion and consistency compared to the previous year and we compared these assumptions with relative observable market information. • We agreed on the provision for staff benefits and the relative costs included in the financial statements with the actuarial valuation. • We found that the assumptions used were within a reasonable range and confirmed the appropriateness of the disclosures in the consolidated financial statements. • We confirmed that the relevant disclosures in the consolidated financial statements are adequate. Based on our work, no exceptions identified regarding the reasonableness of the assumptions.

Impairment assessment of Goodwill (Consolidated Financial Statements)

In the consolidated statement of financial position as at 31 December 2022, the Group has goodwill of € 9,7 million as stated in note 3.14 "Intangible Assets" of the financial statements.

Following initial recognition, the Group measures goodwill at cost less accumulated impairment losses.

Goodwill is allocated on cash-generating units and an impairment test is carried out annually or more frequently if there is evidence of a possible impairment in the book value of the goodwill in relation to its recoverable value in accordance with IAS 36. Impairment is recognized directly as an expense in consolidated profit or loss and other comprehensive income and is not subsequently reversed.

Management determines recoverable value of the cash generating units as the largest amount between the value in use and its fair value, minus any related costs of disposal. The calculation of the value in use of each cash-generating unit is performed by an independent valuer and requires management's estimation of the assumptions about the future results of the above cash-generating units, such as the growth rate in perpetuity, forecasts of expected sales quantities and prices, gross margin and discount rates. These assumptions vary due to the different market conditions in the countries in which the Group operates.

We focused on this area due to the significant value of this item in the consolidated financial statements as well as the estimates and assumptions used by management in the context of performing the impairment assessment of goodwill.

Detailed information on the impairment assessment of goodwill is provided in notes 2.3.1.3 "Estimation on impairment of goodwill", 2.6.1 "Goodwill", and 3.14 "Intangible assets" of the consolidated financial statements of the Group.

Based on the impairment test performed by management, there was no need to recognize impairment loss on goodwill for the year ended 31 December 2022.

We evaluated the overall impairment test performed by the management, including the process of reviewing and approving value in use models.

We performed audit procedures to confirm that the impairment test for goodwill is generally based on accepted policies and on reasonable assumptions. In cooperation with our colleagues with valuation expertise, we performed the following audit procedures:

- We examined the key assumptions of the Group, such as the growth rate of the cash generating units in perpetuity, projected sales volumes and prices, and gross profit margins used in the projected cash flow, comparing them with the trends of local markets and the assumptions used in previous years.
- We evaluated the reliability of the forecasts used in the projected cash flows of the management, by comparing the actual performance against previous forecasts.
- We found that the discount rate was determined within an acceptable range, assessing the cost of capital and borrowing costs per cash-generating unit and comparing the discount rates with industry and market data.
- We examined the mathematical accuracy of the cash flow models and we agreed these with the relative investment plans. We assessed the impact on the value in use of the cash-generating units of a possible change in the key assumptions, such as growth rates, discount rates, sales volume and prices, and gross profit margins, and we found that the margin between book value and recoverable value was adequate.

Based on the procedures performed, no exceptions were identified regarding the impairment test and we found that management's assumptions and estimates were within a reasonable range. In addition, we confirmed the appropriateness of the relevant disclosures in the consolidated financial statements.

Other Information

The members of the Board of Directors are responsible for the Other Information. The Other Information, which is included in the Annual Report in accordance with Law 3556/2007, is the Statements of Board of Directors members and the Board of Directors Report (but does not include the financial statements and our auditor's report thereon), which we obtained prior to the date of this auditor's report.

Our opinion on the separate and consolidated financial statements does not cover the Other Information and except to the extent otherwise explicitly stated in this section of our Report, we do not express an audit opinion or other form of assurance thereon.

In connection with our audit of the separate and consolidated financial statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the separate and consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We considered whether the Board of Directors Report includes the disclosures required by Law 4548/2018 and the Corporate Governance Statement required by article 152 of Law 4548/2018 has been prepared.

Based on the work undertaken in the course of our audit, in our opinion:

- The information given in the the Board of Directors' Report for the year ended at December 31, 2022 is consistent with the separate and consolidated financial statements,
- The Board of Directors' Report has been prepared in accordance with the legal requirements of articles 150,151,153 and 154 of Law 4548/2018,
- The Corporate Governance Statement provides the information referred to items c and d of paragraph 1 of article 152 of Law 4548/2018.

In addition, in light of the knowledge and understanding of the Company and Group and their environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors' Report and Other Information that we obtained prior to the date of this auditor's report. We have nothing to report in this respect.

Responsibilities of Board of Directors and those charged with governance for the separate and consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the separate and consolidated financial statements in accordance with International Financial Reporting Standards, as adopted by the European Union and comply with the requirements of Law 4548/2018, and for such internal control as the Board of Directors determines is necessary to enable the preparation of separate and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the separate and consolidated financial statements, the Board of Directors is responsible for assessing the Company's and Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Company and Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's and Group's financial reporting process.

Auditor's responsibilities for the audit of the separate and consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the separate and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these separate and consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the separate and consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's and Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's and Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the separate and consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company and Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the separate and consolidated financial statements, including the disclosures, and whether the separate and consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Company and Group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the separate and consolidated financial statements of the year under audit and are therefore the key audit matters. We describe these matters in our auditor's report.

Report on other legal and regulatory requirements

1. Additional Report to the Audit Committee

Our opinion on the accompanying separate and consolidated financial statements is consistent with our, as per article 11 of Regulation (EU) 537/2014 required, Additional Report to the Audit Committee of the Company.

2. Appointment

We were first appointed as auditors of the Company by the decision of the annual general meeting of shareholders on 12 May 2010. Our appointment has been renewed annually by the decision of the annual general meeting of shareholders for a total uninterrupted period of appointment of 13 years.

3. Operating Regulation

"The Company has an Operating Regulation in accordance with the content provided by the provisions of article 14 of Law 4706/2020".

4. Assurance Report on the European Single Electronic Format

We have examined the digital files of "Thrace Plastics Holding Company S.A." (hereinafter referred to as the "Company and/or Group"), which were compiled in accordance with the European Single Electronic Format (ESEF) defined by the Commission Delegated Regulation (EU) 2019/815, as amended by Regulation (EU) 2020/1989 (hereinafter "ESEF Regulation"), and which include the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2022, in XHTML format (213800J1QD8BIB2ICW19-2022-12-31-el.xhtml), as well as the provided XBRL file (213800J1QD8BIB2ICW19-2022-12-31-el.zip) with the appropriate marking up, on the aforementioned consolidated financial statements, including the other explanatory information (Notes to the financial statements).

Regulatory framework

The digital files of the European Single Electronic Format are compiled in accordance with ESEF Regulation and 2020 / C 379/01 Interpretative Communication of the European Commission of 10 November 2020, as provided by Law 3556/2007 and the relevant announcements of the Hellenic Capital Market Commission and the Athens Stock Exchange (hereinafter "ESEF Regulatory Framework").

In summary, this Framework includes the following requirements:

- All annual financial reports should be prepared in XHTML format.
- For consolidated financial statements in accordance with International Financial Reporting Standards, the financial information stated in the Statement of Comprehensive Income, the Statement of Financial Position, the Statement of Changes in Equity and the Statement of Cash Flows, as well as the financial information included in the other explanatory information, should be marked-up with XBRL 'tags' and 'block tag', according to the ESEF Taxonomy, as in force. The technical specifications for ESEF, including the relevant classification, are set out in the ESEF Regulatory Technical Standards.

The requirements set out in the current ESEF Regulatory Framework are suitable criteria for formulating a reasonable assurance conclusion.

Responsibilities of the management and those charged with governance

The management is responsible for the preparation and submission of the separate and consolidated financial statements of the Company and the Group, for the year ended December 31, 2022, in accordance with the requirements set by the ESEF Regulatory Framework, as well as for those internal controls that management determines as necessary, to enable the compilation of digital files free of material error due to either fraud or error.

Auditor's responsibilities

Our responsibility is to plan and carry out this assurance work, in accordance with no. 214/4 / 11.02.2022 Decision of the Board of Directors of the Hellenic Accounting and Auditing Standards Oversight Board (HAASOB) and the "Guidelines in relation to the work and the assurance report of the Certified Public Accountants on the European Single Electronic Format (ESEF) of issuers with securities listed on a regulated market in Greece" as issued by the Board of Certified Auditors on 14/02/2022 (hereinafter "ESEF Guidelines"), providing reasonable assurance that the separate and consolidated financial statements of the Company and the Group prepared by the management in accordance with ESEF comply in all material respects with the current ESEF Regulatory Framework. Our work was carried out in accordance with the Code of Ethics for Professional Accountants of the International Ethics Standard Board for Accountants (IESBA Code), which has been transposed into Greek Law and in addition we have fulfilled the ethical responsibilities of independence, according to Law 4449/2017 and the Regulation (EU) 537/2014.

The assurance work we conducted is limited to the procedures provided by the ESEF Guidelines and was carried out in accordance with International Standard on Assurance Engagements 3000, "Assurance Engagements other than Audits or Reviews of Historical Financial Information". Reasonable assurance is a high level of assurance, but it is not a guarantee that this work will always detect a material misstatement regarding non-compliance with the requirements of the ESEF Regulation.

Conclusion

Based on the procedures performed and the evidence obtained, we conclude that the separate and consolidated financial statements of the Company and the Group for the year ended December 31, 2022, in XHTML file format (213800J1QD8BIB2ICW19-2022-12-31-el.xhtml), as well as the provided XBRL file (213800J1QD8BIB2ICW19-2022-12-31-el.zip) with the appropriate marking up, on the aforementioned consolidated financial statements, including the other explanatory information, have been prepared, in all material respects, in accordance with the requirements of the ESEF Regulatory Framework.

25 April 2023
The Certified Auditor

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

Socrates Leptos - Bourgi
SOEL Reg. No. 41541

THRACE GROUP

THRACE PLASTICS CO S.A.

ANNUAL FINANCIAL STATEMENTS FOR THE PERIOD 01.01.2022 – 31.12.2022

www.thracegroup.com

IV. ANNUAL FINANCIAL STATEMENTS (SEPARATE AND CONSOLIDATED)

STATEMENTS

Contents of notes

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME

		Group		Company	
	Note	1/1 - 31/12/2022	1/1 - 31/12/2021	1/1 - 31/12/2022	1/1 - 31/12/2021
Turnover		**394,382**	428,429	**5,658**	5,668
Cost of Sales		**(310,119)**	(288,280)	**(5,376)**	(5,644)
Gross profit/(loss) - continuing operations		**84,263**	140,149	**282**	24
Other Operating Income	3.4	**2,766**	1,613	**238**	168
Selling and Distribution Expenses	3.6	**(39,693)**	(35,891)	**-**	-
Administrative Expenses	3.6	**(16,966)**	(16,742)	**(1,160)**	(930)
Research and Development Expenses	3.6	**(2,295)**	(1,822)	**-**	-
Other Operating Expenses	3.8	**(1,577)**	(4,594)	**(6)**	(99)
Other gain / (losses)	3.5	**909**	1,200	**(2)**	(2)
Operating Profit /(loss) before interest and tax - continuing operations		**27,407**	83,913	**(648)**	(839)
Financial Income	3.9	**6,553**	965	**-**	-
Financial Expenses	3.9	**(4,417)**	(3,728)	**(55)**	(37)
Income from Dividends		-	-	**13,478**	15,006
Profit / (loss) from companies consolidated with the Equity Method	3.29	**2,525**	2,770	**-**	-
Profit/(loss) before Tax - continuing operations		**32,068**	83,920	**12,775**	14,130
Income Tax	3.11	**(5,798)**	(18,054)	**(1,604)**	(16)
Profit/(loss) after tax (A) - continuing operations		**26,270**	65,866	**11,171**	14,114
Profit/(loss) after tax (A) - discontinued operations	3.2	**(35)**	6,591	-	-
Profit/(loss) after tax (A)		**26,235**	72,457	11,171	14,114
Other Comprehensive Income (Loss)					
Items that may be classified in the future in the statement of income					
FX differences from SOFP balances translation		**(4,791)**	4,348	**-**	-
Items that will not be classified in the future in the statement of income					
Actuarial profit/(loss)		**6,745**	7,887	**11**	6
Other comprehensive income after taxes (B) - continuing operations		**1,954**	12,235	**11**	6
Items that may be classified in the future in the statement of income					
FX differences from SOFP balances translation		**311**	95	-	-
Items that will not be classified in the future in the statement of income					
Actuarial profit/(loss)		**-**	-	-	-
Other comprehensive income after taxes (B) - discontinued operations		**311**	95	**-**	-
Items that may be classified in the future in the statement of income					
FX differences from SOFP balances translation		**(4,480)**	4,443	-	-
Items that will not be classified in the future in the statement of income					
Actuarial profit/(loss)		**6,745**	7,887	11	6
Other comprehensive income after taxes (B)		**2,265**	12,330	**11**	6
Total comprehensive income / (loss) after taxes (A) + (B) - continuing operations		**28,224**	78,101	**11,182**	14,120
Total comprehensive income / (loss) after taxes (A) + (B) - discontinued operations		**276**	6,686	**-**	-
Total comprehensive income / (loss) after taxes (A) + (B)		**28,500**	84,787	**11,182**	14,120

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (continues from previous page)

		Group		Company	
Continuing operations		**1/1 - 31/12/2022**	1/1 - 31/12/2021	**1/1 - 31/12/2022**	1/1 - 31/12/2021
Profit / (loss) after tax					
Attributed to:					
Equity holders of the parent		25,777	65,436	-	-
Non controlling interest		493	430	-	-
Total comprehensive income / (loss) after taxes					
Attributed to:					
Equity holders of the parent		27,720	77,678	-	-
Non controlling interest		504	423	-	-
Discontinued operations					
Profit / (loss) after tax					
Attributed to:					
Equity holders of the parent		(35)	6,591	-	-
Non controlling interest		-	-	-	-
Total comprehensive income / (loss) after taxes					
Attributed to:					
Equity holders of the parent		276	6,686	-	-
Non controlling interest		-	-	-	-
Total Operations					
Profit / (loss) after tax					
Attributed to:					
Equity holders of the parent		25,742	72,027	-	-
Non controlling interest		493	430	-	-
Total comprehensive income / (loss) after taxes					
Attributed to:					
Equity holders of the parent		27,996	84,364	-	-
Non controlling interest		504	423	-	-
Profit/(loss) allocated to shareholders per share - continuing operations					
Number of shares		43,067	43,356		
Earnings/(loss) per share	3.10	0.5985	1.5093		
Profit/(loss) allocated to shareholders per share - discontinued operations					
Number of shares		43,067	43,356		
Earnings/(loss) per share	3.10	(0.0008)	0.1520		
Profit/(loss) allocated to shareholders per share					
Number of shares		43,067	43,356		
Earnings/(loss) per share	3.10	0.5977	1.6613		

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF FINANCIAL POSITION

	Note	Group 31/12/2022	Group 31/12/2021	Company 31/12/2022	Company 31/12/2021
ASSETS					
Non-Current Assets					
Property Plant and Equipment	3.12	**169,218**	153,848	**302**	327
Rights-of-use assets	3.13	**2,521**	3,051	**222**	344
Investment property		**113**	113	**-**	-
Intangible Assets	3.14	**10,357**	10,539	**148**	262
Investments in subsidiaries	3.29	**-**	-	**73,858**	73,858
Investments in joint ventures	3.29	**19,921**	18,012	**3,819**	3,819
Net benefit from funded defined benefit plans	3.22	**7,169**	-	**-**	-
Other long term receivables	3.15	**132**	5,001	**39**	1,156
Deferred tax assets	3.23	**357**	380	**119**	113
Total non-Current Assets		**209,788**	190,944	**78,507**	79,879
Current Assets					
Inventories	3.16	**76,415**	71,835	**-**	-
Income tax prepaid		**1,984**	274	**25**	25
Trade receivables	3.2	**64,769**	64,547	**55**	309
Other debtors	3.17	**11,945**	14,359	**4,105**	7,003
Financial derivative products	3.25	**284**	-	**-**	-
Cash and Cash Equivalents	3.18	**39,610**	63,240	**1,427**	137
Total Current Assets		**195,007**	214,255	**5,612**	7,474
TOTAL ASSETS		**404,795**	405,199	**84,119**	87,353
EQUITY AND LIABILITIES					
Equity					
Share Capital	3.19	**28,869**	28,869	**28,869**	28,869
Share premium	3.20	**21,524**	21,524	**21,644**	21,644
Other reserves	3.20	**20,992**	23,496	**12,291**	12,605
Retained earnings		**192,355**	174,631	**18,024**	19,297
Total Shareholders' equity		**263,740**	248,520	**80,828**	82,415
Non controlling interest		**4,121**	3,730	-	-
Total Equity		**267,861**	252,250	**80,828**	82,415
Long Term Liabilities					
Long Term Debt	3.21	**31,641**	33,610	**-**	-
Liabilities from leases	3.13	**1,470**	2,061	**76**	208
Provisions for Employee Benefits	3.22	**1,385**	3,499	**79**	79
Other provisions		**-**	-	**283**	284
Deferred Tax Liabilities	3.23	**9,660**	6,742	**-**	-
Other Long Term Liabilities		**174**	237	**1**	1
Total Long Term Liabilities		**44,330**	46,149	**439**	572
Short Term Liabilities					
Short Term Debt	3.21	**26,989**	17,393	**1,022**	1,519
Liabilities from leases	3.13	**967**	914	**147**	139
Income Tax		**1,048**	4,057	**56**	56
Suppliers	3.24	**40,630**	55,441	**295**	1,046
Other short-term liabilities	3.24	**22,970**	28,995	**1,332**	1,606
Total Short Term Liabilities		**92,604**	106,800	**2,852**	4,366
TOTAL LIABILITIES		**136,934**	152,949	**3,291**	4,938
TOTAL EQUITY & LIABILITIES		**404,795**	405,199	**84,119**	87,353

The accompanying notes that are presented in pages 182-270 form an integral part of the present Financial Statements

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY

Group

	Attributed to the shareholders of the Parent Company								
	Share Capital	Share Premium	Other Reserves	Treasury shares reserves	FX translation reserves	Retained earnings	Total	Non controlling interest	Total Equity
Balance as at 01/01/2021	**28,869**	**21,524**	**33,891**	**(786)**	**(11,947)**	**101,074**	**172,625**	**3,484**	**176,109**
Profit / (losses) for the period	-	-	-	-	-	**72,027**	**72,027**	**430**	**72,457**
Other comprehensive income	-	-	-	-	**4,448**	**7,889**	**12,337**	**(7)**	**12,330**
Formation of statutory reserve	-	-	**1,601**	-	-	**(1,601)**	-	-	-
Dividends	-	-	-	-	-	**(6,947)**	**(6,947)**	**(176)**	**(7,123)**
Transfers		-	**(2,206)**	-	-	**2,206**	-	-	-
Other changes	-	-		-	-	**(17)**	**(17)**	**(1)**	**(18)**
Purchase of treasury shares	-	-	-	**(1,505)**	-	-	**(1,505)**	-	**(1,505)**
Changes during the period	-	-	**(605)**	**(1,505)**	**4,448**	**73,557**	**75,895**	**246**	**76,141**
Balance as at 31/12/2021	**28,869**	**21,524**	**33,286**	**(2,291)**	**(7,499)**	**174,631**	**248,520**	**3,730**	**252,250**
Balance as at 01/01/2022	**28,869**	**21,524**	**33,286**	**(2,291)**	**(7,499)**	**174,631**	**248,520**	**3,730**	**252,250**
Profit / (losses) for the period	-	-	-	-	-	25,742	25,742	493	**26,235**
Other comprehensive income	-	-	-	-	(4,480)	6,737	2,257	8	**2,265**
Formation of statutory reserve	-	-	1,834	-	-	(1,834)	-	-	-
Dividends	-	-	-	-	-	(11,750)	(11,750)	(113)	**(11,863)**
Transfers	-	-	1,162	-	-	(1,162)	-	-	-
Other changes	-	-	-	-	-	(9)	(9)	3	**(6)**
Purchase of treasury shares	-	-	-	(1,020)	-	-	(1,020)	-	**(1,020)**
Changes during the period	-	-	**2,996**	**(1,020)**	**(4,480)**	**17,724**	**15,220**	**391**	**15,611**
Balance as at 31/12/2022	**28,869**	**21,524**	**36,282**	**(3,311)**	**(11,979)**	**192,355**	**263,740**	**4,121**	**267,861**

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY (continues from previous page)

Company

	Share Capital	Share Premium	Other Reserves	Treasury shares reserves	FX translation reserves	Retained earnings	Total Equity
Balance as at 01/01/2021	**28,869**	**21,644**	**14,320**	**(786)**	**16**	**12,684**	**76,747**
Profit / (losses) for the period	-	-	-	-	-	14,114	**14,114**
Other comprehensive income	-	-	-	-	-	6	**6**
Formation of statutory reserve	-	-	560	-	-	(560)	**-**
Dividends	-	-	-	-	-	(6,947)	**(6,947)**
Other changes	-	-	-	-	-	-	**-**
Purchase of treasury shares	-	-	-	(1,505)	-	-	**(1,505)**
Changes during the period	-	-	560	(1,505)	-	6,613	**5,668**
Balance as at 31/12/2021	**28,869**	**21,644**	**14,880**	**(2,291)**	**16**	**19,297**	**82,415**
Balance as at 01/01/2022	**28,869**	**21,644**	**14,880**	**(2,291)**	**16**	**19,297**	**82,415**
Profit / (losses) for the period	-	-	-	-	-	11,171	**11,171**
Other comprehensive income	-	-	-	-	-	11	**11**
Formation of statutory reserve	-	-	706	-	-	(706)	**-**
Dividends	-	-	-	-	-	(11,750)	**(11,750)**
Other changes	-	-	-	-	-	1	**1**
Purchase of treasury shares	-	-	-	(1,020)	-	-	**(1,020)**
Changes during the period	-	-	706	(1,020)	-	(1,273)	(1,587)
Balance as at 31/12/2022	**28,869**	**21,644**	**15,586**	**(3,311)**	**16**	**18,024**	**80,828**

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CASH FLOWS

		Group		Company	
		1/1 - 31/12/2022	1/1 - 31/12/2021	1/1 - 31/12/2022	1/1 - 31/12/2021
Cash flows from Operating Activities					
Profit before Taxes and Non controlling interest - continuing operations		**32,068**	83,920	**12,775**	14,130
Profit before Taxes and Non controlling interest - discontinued operations		**(16)**	6,597	**-**	-
Plus / (minus) adjustments for:					-
Depreciation		**20,853**	19,878	**309**	327
Provisions		**(1,262)**	2,208	**(111)**	93
Grants		**(71)**	(148)	**-**	-
FX differences		**(709)**	(195)	**10**	2
(Gain)/loss from sale of property, plant and equipment		**(41)**	(7,426)	**(8)**	-
Income from dividends		**-**	-	**(13,478)**	(15,006)
Impairment of fixed assets		**-**	2,457	**-**	-
Interest & similar (income) / expenses		**(2,136)**	2,651	**55**	37
(Profit) / loss from companies consolidated with the Equity method		**(2,525)**	(2,770)	**-**	-
Operating Profit before adjustments in working capital		**46,161**	107,172	**(448)**	(417)
(Increase)/decrease in receivables		**(1,431)**	(9,547)	**241**	(1,329)
(Increase)/decrease in inventories		**(5,590)**	(15,653)	**-**	-
Increase/(decrease) in liabilities (apart from banks-taxes)		**(19,359)**	24,770	**(920)**	322
Cash generated from Operating activities		**19,781**	106,742	**(1,127)**	(1,424)
Interest Paid		**(1,790)**	(1,781)	**(41)**	-
Other financial income/(expenses)		**4,250**	(424)	**(11)**	(6)
Taxes paid		**(9,218)**	(17,458)	**(1)**	(1)
Cash flows from operating activities (a)		**13,023**	87,079	**(1,180)**	(1,431)
Investing Activities					
Proceeds from sales of property, plant and equipment and intangible assets		**110**	1,429	**10**	-
Cash collection from the sale of Thrace Linq property		**-**	3,004	**-**	-
Interest received		**17**	66	**-**	-
Dividends received		**1,152**	660	**11,141**	14,007
Purchase of property, plant and equipment and intangible assets		**(37,852)**	(30,306)	**(51)**	(22)
Investment grants		**71**	148	**-**	-
Cash flow from investing activities (b)		**(36,502)**	(24,999)	**11,100**	13,985
Financing activities					
Proceeds from loans		**47,691**	21,074	**1,000**	1,500
Purchase of treasury shares		**(1,020)**	(1,505)	**(1,020)**	(1,505)
Repayment of loans		**(37,619)**	(44,926)	**(1,500)**	(960)
Payments for leases		**(949)**	(4,206)	**(124)**	(158)
Dividends paid		**(7,100)**	(11,632)	**(6,986)**	(11,457)
Cash flow from financing activities (c)		**1,003**	(41,195)	**(8,630)**	(12,580)
Net increase /(decrease) in Cash and Cash Equivalents		**(22,476)**	20,885	**1,290**	(26)
Cash and Cash Equivalents at beginning of period	3.18	**63,240**	40,824	**137**	163
Effect from changes in foreign exchange rates on cash reserves		**(1,154)**	1,531	**-**	-
Cash and Cash Equivalents at end of period	**3.18**	**39,610**	63,240	**1,427**	137

The accompanying notes that are presented in pages 182-270 form an integral part of the present Financial Statements

Amounts in thousand Euro, unless stated otherwise

1. Information about the Group

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

The purpose of the Company and its main objective is to participate in the share capital of companies and to finance companies of any legal form, kind and objective, either listed or non-listed on organized market, as well as the provision of Administrative - Financial - IT Services to its Subsidiaries.

The Company is the parent of a Group of companies (hereinafter the "Group"), which operate mainly in two sectors, the technical fabrics sector and the packaging sector.

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

The company's shareholders, with equity stakes above 5%, as of 31.12.2022 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.

The Group, including its joint ventures, employed a total of 2,069 employees as of December 31, 2022, of which 1,246 were employed in Greece.

The structure of the Group as of 31st December 2022 was as follows:

Amounts in thousand Euro, unless stated otherwise

Company	Registered Offices	Ownership Percentage of Parent Company	Ownership Percentage of Group	Consolidation Method
Thrace Plastics CO S.A.	**GREECE-Xanthi**	**Parent**	**-**	**Full**
Don & Low LTD	**SCOTLAND-Forfar**	**100.00%**	**100.00%**	**Full**
Don & Low Australia Pty LTD	AUSTRALIA	-	100.00%	Full
Thrace Nonwovens & Geosynthetics Single Person S.A.	**GREECE-Xanthi**	**100.00%**	**100.00%**	**Full**
Saepe LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace Protect S.M.P.C.	GREECE-Xanthi	-	100.00%	Full
Thrace Plastics Pack S.A.	**GREECE-Ioannina**	**92.94%**	**92.94%**	**Full**
Thrace Greiner Packaging SRL	ROMANIA - Sibiou	-	46.47%	Equity
Thrace Plastics Packaging D.O.O.	SERBIA-Nova Pazova	-	92.94%	Full
Trierina Trading LTD	CYPRUS-Nicosia	-	92.94%	Full
Thrace Ipoma A.D.	BULGARIA-Sofia	-	92.83%	Full
Synthetic Holdings LTD	**N. IRELAND-Belfast**	**100.00%**	**100.00%**	**Full**
Thrace Synthetic Packaging LTD	IRELAND - Clara	-	100.00%	Full
Arno LTD	IRELAND -Dublin	-	100.00%	Full
Synthetic Textiles LTD	N. IRELAND-Belfast	-	100.00%	Full
Thrace Polybulk A.B.	SWEDEN -Köping	-	100.00%	Full
Thrace Polybulk A.S.	NORWAY-Brevik	-	100.00%	Full
Lumite INC.	U.S.A. - Georgia	-	50.00%	Equity
Adfirmate LTD	CYPRUS-Nicosia	-	100.00%	Full
Pareen LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace Linq INC.	U.S.A. - South Carolina	-	100.00%	Full
Thrace Polyfilms Single Person S.A.	**GREECE - Xanthi**	**100.00%**	**100.00%**	**Full**
Thrace Greenhouses S.A.	**GREECE - Xanthi**	**50.91%**	**50.91%**	**Equity**
Thrace Eurobent S.A.	**GREECE - Xanthi**	**51.00%**	**51.00%**	**Equity**

Amounts in thousand Euro, unless stated otherwise

2. Basis for the Preparation of the Financial Statements and Main Accounting Principles

2.1 Basis of Preparation

The present financial statements have been prepared according to the International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (I.A.S.) and interpretations that have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as such have been adopted by the European Union until 31 December 2022. The basic accounting principles that were applied for the preparation of the financial statements for the year ended on 31 December 2022 are the same as those applied for the preparation of the financial statements for the year ended on 31 December 2021 and are described in such.

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

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

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

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

The financial statements were approved by the Board of Directors of the Company on April 24, 2023 and are subject to approval by the next Ordinary General Meeting which will convene within the year 2023.

The financial statements of the Group THRACE PLASTICS Co. S.A. as well as of the parent company are posted on the internet, on the website 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 January 2022.

STANDARDS AND INTERPRETATIONS EFFECTIVE FOR THE CURRENT FINANCIAL YEAR

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions – Extension of Practical Expedient'

The amendment extends the application period of the practical expedient in relation to rent concessions by one year to cover rental concessions that reduce leases due only on or before 30 June 2022.

IAS 16 (Amendment) 'Property, Plant and Equipment – Proceeds before Intended Use

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.

IAS 37 (Amendment) 'Onerous Contracts – Cost of Fulfilling a Contract'

The amendment clarifies that 'costs to fulfil 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.

IFRS 3 (Amendment) 'Reference to the Conceptual Framework'

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 amended standards did not have a significant effect on the financial statements of the Group and the Company.

Annual Improvements to IFRS Standards 2018–2020 (effective for annual periods beginning on or after 1 January 2023)

IFRS 9 'Financial instruments'

The amendment addresses which fees should be included in the 10% test for derecognition 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.

STANDARDS AND INTERPRETATIONS MANDATORY FOR SUBSEQUENT PERIODS

IAS 1 (Amendments) 'Presentation of Financial Statements' and IFRS Practice Statement 2 'Disclosure of Accounting policies' *(effective for annual periods beginning on or after 1 January 2023)*

The amendments require companies to disclose their material accounting policy information and provide guidance on how to apply the concept of materiality to accounting policy disclosures.

IAS 8 (Amendments) 'Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates' *(effective for annual periods beginning on or after 1 January 2023)*

The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates.

IAS 12 (Amendments) 'Deferred tax related to Assets and Liabilities arising from a Single Transaction' *(effective for annual periods beginning on or after 1 January 2023)*

The amendments require companies to recognize deferred tax on transactions that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences. This will typically apply to transactions such as leases for the lessee and decommissioning liabilities.

IAS 1 'Presentation of Financial Statements' *(effective for annual periods beginning on or after 1 January 2024)*

- **2020 Amendment 'Classification of liabilities as current or non-current'**

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 also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

- **2022 Amendments 'Non-current liabilities with covenants'**

The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Additionally, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

The 2022 amendments changed the effective date of the 2020 amendments. As a result, the 2020 and 2022 amendments are effective for annual reporting periods beginning on or after 1 January 2024 and should be applied retrospectively in accordance with IAS 8. As a result of aligning the effective dates, the 2022 amendments override the 2020 amendments when they both become effective in 2024. The amendments have not yet been endorsed by the EU.

IFRS 16 (Amendment) 'Lease Liability in a Sale and Leaseback' *effective for annual periods beginning on or after 1 January 2024)*

The amendment clarifies how an entity accounts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. An entity applies the requirements retrospectively back to sale and leaseback transactions that were entered into after the date when the entity initially applied IFRS 16. The amendment has not yet been endorsed by the EU.

2.3 Significant Accounting Estimations and Judgments of the Group's Management

The estimations and judgments of the Management of the Group are constantly assessed. They are based on historical data and expectations for future events, which are deemed as fair according to the relevant provisions in effect.

2.3.1 Significant Accounting Estimates and Assumptions

The preparation of the Financial Statements 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 required disclosure of contingent assets and liabilities at the date of preparation of the Financial Statements, as well as the amounts of income and expenses recognized during the financial year. 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 Financial Statements. 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 periods if the revisions affect the current and the future periods.

The key estimates and judgments that refer to elements and data whose development could affect the items of the Financial Statements during the next twelve months are as follows:

2.3.1.1 Provisions for expected credit losses from customers and other receivables

The Group and the Company recognize impairment losses for expected credit losses for all financial assets. Expected credit losses are based on the difference between the contractual cash flows and all cash flows that the Group (or the Company) expects to receive. The difference is discounted using an estimate of the initial effective interest rate of the financial asset. For customer receivables, the Group and the Company applied the simplified approach to the standard and calculated the expected credit losses on the basis of the expected credit losses over the lifetime of those items. For other financial assets, the expected credit losses are calculated on the basis of the losses for the next 12 months. Expected credit losses over the next 12 months are part of the expected credit losses over the life of the financial assets resulting from the probability of default of an item within 12 months of the reporting date. If there is a significant increase in credit risk from the initial recognition, the provision for impairment will be based on the expected credit losses over the life of the asset (see note 3.17.3 and 3.32.2)..

2.3.1.2 Impairment of Investment in Subsidiaries

Management examines on an annual basis whether there are indicators of impairment of investment in subsidiaries. If an investment has to be impaired, the Company calculates the amount of the impairment as the difference between the recoverable amount of the investment and its book value. Management determines recoverable value as the greater of the value in use and the fair value less costs to sell in accordance with the provisions of IAS 36. Value in use is determined by an independent valuer based on management's estimates and assumptions such as future cash flows, returns of each subsidiary company, and discounted rates applied to the projected cash flows. Moreover, these assumptions vary due to the different conditions prevailing in the markets of the countries in which the Group operates (see note3.29).

2.3.1.3 Estimate on Impairment of Goodwill

The Group assesses whether there is impairment of goodwill at least on an annual basis. Management identifies the recoverable amount as the greater of its value in use and its fair value less costs to sell. The calculation of the acquisition (book) value of each cash-generating unit requires an estimate by management of the assumptions about the future results of the above cash-generating units, such as growth rate in perpetuity, forecasts for projected quantities and sales prices, gross profit margin and discount rates. These assumptions vary due to different market conditions in the countries in which the Group operates (see note 3.14).

2.3.1.4 Provision for income tax

The provision for income tax according to I.A.S. 12 is calculated by estimating taxes that will be paid to the tax authorities and includes the current income tax for each financial year and a provision for additional taxes that may arise in future tax audits. Group companies are subject to different income tax laws and therefore significant management assessment is required to determine the Group's income tax income. Income tax expense may differ from these estimates as a result of future changes in tax legislation both in the countries in which the Group operates and in Greece or unforeseen consequences from the final determination of the tax liability of each use by the tax authorities. These changes may have a significant impact on the Group's and Company's financial position in the event that the final settlement of income taxes deviates from the initial amounts that have been recorded in the Group and Company Financial Statements. These differences will affect income tax and deferred tax provisions for the year in which the final determination is made. For more information, see note 3.11

2.3.1.5 Provisions for employee benefits

The present value of the liabilities for post-employment benefits depends on a number of factors defined on actuarial basis via the use of a significant number of assumptions. The assumptions used for the determination of the net cost (income) for post-employment benefits include discount rates, rates of wage increases, mortality and disability rates, retirement ages and other factors. Any changes to these underlying assumptions may have a significant effect on the liability and the relative costs of each period.

The Group defines the appropriate discount rate in each reporting period. It is the interest rate applicable for the calculation of the present value of the estimated future payments required for the settlement of the benefit liabilities. For the estimation of the appropriate discount rate the Group takes into consideration the interest rates prevailing in high credit rating corporate bonds denominated in the currency of the benefit payments and with maturity dates similar to the ones of the respective liabilities. Due to the long-term nature of these defined benefit plans, these cases are subject to a significant degree of uncertainty. Further information is provided in note 3.22

2.3.1.6 Depreciation/amortization of tangible and intangible assets

The Group and the Company calculate depreciation/amortization on tangible and intangible assets based on estimation of the useful life of such. The residual value and useful life of such assets are reviewed and defined at the end of each reporting period, if deemed necessary.

2.3.2 Significant Accounting Judgments in the Application of Accounting Principles

There are no significant estimates to be applied in accounting policies.

2.4 Basis of Consolidation

2.4.1 Subsidiaries

Subsidiaries are all companies (including those companies of special purpose) which are controlled by the Group. The Group controls a company when the Group is exposed to or has rights in variable returns from its participation in the company and has the ability to affect these returns through the power it possesses in the company. The subsidiaries are consolidated with the full consolidation method from the date at which the control is acquired by the Group and are excluded from consolidation from the date at which such control does not exist.

The mergers of companies are accounted for, from the Group based on the purchase method. The price of the acquisition is calculated as the fair value of the transferred assets, the liabilities undertaken against the former shareholders and the shares issued by the Group. The price of the acquisition includes the fair value of any asset or liability which may derive from any potential agreement about the price. The assets acquired and the liabilities along with the contingent liabilities assumed during a corporate merger are measured initially at fair value at the date of the acquisition. Depending on the acquisition case, the Group recognizes any non-controlled interest in the subsidiary either at fair value or at the value of the stake of the non-controlled interest in the equity of the subsidiary. The acquisition cost less the fair value of the individual items acquired is recorded as goodwill. If the total cost of the acquisition is less than the fair value of the individual items acquired, the difference is immediately recognized in the results.

The expenses related to the acquisition are recorded in the financial results.

If the corporate merger is gradually achieved then the fair value of the participation held by the Group in the acquired company is revalued at fair value at the acquisition date. The profit or loss which emerges from the revaluation is recognized in the financial results.

Any potential price that is transferred from the Group is recognized at fair value at the acquisition date. Any subsequent changes in the fair value of the potential price, which is considered as an asset or a liability, are recognized according to IAS 39 in the financial results. If the potential price is recorded as item of the equity, then it is not revalued until its final settlement through the equity.

Intra-company transactions, balances and non-realized earnings from transactions among the companies of the Group are excluded. The non-realized losses are also excluded. The accounting principles that are applied by the subsidiaries have been adjusted wherever it was deemed necessary so that they are aligned with the ones adopted by the Group.

The Company records the investments in subsidiaries in the separate financial statements at acquisition cost minus any impairment. Furthermore, the acquisition cost is adjusted so that it reflects the changes in the payable price deriving from any amendments in the potential price.

2.4.2 Transactions with owners of non-controlled interests

The Group treats the transactions with the owners of non-controlled interests, which do not result into loss of control, in the same manner with the transactions with the major shareholders of the Group. The difference between the price paid and the book value of the acquired interest of the subsidiary's equity is recorded in the shareholders' funds. Earnings of losses deriving from the sale to owners of non-controlled interests are also recorded in shareholders' funds

2.4.3 Sale of Subsidiary

When the Group ceases to possess control, the remaining percentage is measured at fair value, whereas any potential differences that derive in comparison with the current value are recorded in the financial results. Following, this asset is recognized as associate company, joint venture or financial asset at the above fair value. Additionally, any relevant amounts which were previously recorded in the other comprehensive income are accounted for, with the same manner that would be followed in the case of sale of these assets and liabilities, meaning that they can be transferred in the financial results.

2.4.4 Joint Arrangements

Based on IFRS 11, investments in joint arrangements are classified either as joint activities or as joint ventures and the classification depends on the contractual rights and the liabilities of each investor. The Group evaluated the nature of its investments in joint arrangements and decided that these constitute joint ventures. Joint ventures are consolidated according to the equity method.

According to the equity method, investments in joint ventures are initially recognized at the acquisition cost, which in a later stage increases or decreases via the recognition of the Group's share in the earnings or losses of the joint ventures and the changes in the other comprehensive income after the acquisition. In case the share of the Group in the losses of the joint ventures exceeds the amount of the investment (which also includes any long-term investment that essentially constitutes part of the net investment of the Group in the joint ventures), no additional losses should be recognized, unless there have been payments or there are commitments undertaken for the account of the joint ventures.

Non-realized profit from transactions between the Group and the joint ventures is excluded according to the percentage of the Group's participation in the joint ventures. The non-realized losses are also excluded, unless the transaction offers indications of a potential impairment of the transferred asset. The accounting principles of the joint ventures have been amended wherever it was deemed appropriate so that they are aligned with the ones adopted by the Group.

2.5 Tangible Assets

Tangible assets are recorded at book value, net of any grants received, less accumulated depreciation and any impairment in value. Expenses for replacement of part of tangible assets are included in the value of the asset if they can be estimated accurately and increase the future benefits of the Group from such. The repairs and maintenance of tangible assets charge the financial results, in the period when such are realized. The acquisition cost and the related accumulated depreciation of assets retired or sold, are removed from the accounts at the time of sale or retirement, and any gain or loss is included in the financial Results.

Depreciation is charged in the financial Results based on the straight-line method over the estimated useful life of tangible assets, however, in extraordinary cases of investments in machinery where the financial benefits are not estimated to be evenly distributed throughout the useful life of the asset, the diminishing balance method is used. The estimated useful life of each category of asset is presented below:

Category	Depreciation rate	Economic Life
Buildings and technical works	2.5% - 5%	20 - 40 years
Machinery and technical installations	7% - 10%	10 - 14 years
Specialized mechanical equipment	12% - 15%	7 - 8 years
Vehicles	10% - 20%	5 - 10 years
Furniture and fixture	10% - 30%	3 - 10 years

Amounts in thousand Euro, unless stated otherwise

Land and plots are not depreciated, however they are reviewed for impairment. Residual values and economic life of tangible assets might be adjusted if necessary at the time the Financial Statements are prepared. Tangible assets, that have been impaired, are adjusted to reflect their recoverable value (Note 3.12). The remaining value, if not negligible, is re-estimated on an annual basis.

Tangible assets are derecognized when sold, or when no future economic benefits are expected from their use. The gains and losses arising from the sale of property, plant and equipment are determined by the difference between the sale proceeds and the net book value as shown in the books and included in the operating result.

2.6 Intangible Assets

2.6.1 Goodwill

Goodwill is measured at cost less any accumulated impairment losses. For the purposes of the impairment test, the goodwill recognized has been allocated, from the date of acquisition, to the Group's cash-generating units, which are expected to benefit from the combination. Each unit in which goodwill has been allocated represents the lowest level within the company in which goodwill is monitored for internal management purposes.

Goodwill is allocated on cash-generating units and an impairment test is carried out at least annually or more frequently if there is evidence of a possible impairment in the book value of the goodwill in relation to its recoverable value in accordance with IAS 36. Impairment is recognized directly as an expense in consolidated profit or loss and other comprehensive income and is not subsequently reversed.

The Management determines recoverable value as the largest amount between the value in use and its fair value, minus any related costs of disposal. The calculation of the value in use of each cash-generating unit is performed by an independent valuer and requires management's estimation of the assumptions about the future financial results of the above cash-generating units, such as the growth rate in perpetuity, forecasts of expected sales quantities and prices, gross margin and discount rates. These assumptions vary due to the different market conditions in the countries in which the Group operates. For more information see note 3.14.

2.6.2 Other Intangible Assets

Other intangible assets mainly concern software and industrial ownership rights which refer to the utilization right of the trademark TERRAHOME that has been purchased from a third party. Their values are stated at acquisition cost, less the accumulated depreciation and any impairment losses. Amortization of intangible assets is recorded in the financial results, based on the straight-line method over the estimated useful life of assets. The following table depicts the estimated useful life of intangible assets:

Category	Amortization Rate	Useful Life
Industrial ownership rights	20%	5 years
Software	10 - 20%	5 - 10 years

Subsequent expenses on the capitalized intangible assets are capitalized only when they increase the future benefits that are attributed to the specific asset. In a different case, all other expenses are recorded when they incur.

Research costs are expensed as incurred. Development costs that do not meet the recognition criteria as an asset are expensed as incurred.

2.7 Non-Current Assets Held for Sale

The Group classifies a non-current asset (or a group of assets and liabilities) as held for sale, if its value is expected to be recovered primarily through the sale of the item and not through its continued use and the sale is considered very likely. Immediately before the initial classification of the non-current asset (or group of assets and liabilities) as held for sale, the asset (or all assets and liabilities included in the group) shall be assessed on the basis of the applicable IFRS. Non-current assets (or asset and liability groups) classified as held for sale are valued at the lowest value between their book value and their fair value reduced by direct sales costs, and any resulting impairment losses and then they are recorded in the financial results. Any possible increase in the fair value in a later valuation is recorded in the statement of comprehensive income, but not for an amount greater than the previously recorded impairment loss. From the day on which a non-current asset (or non-current asset included in a group of assets and liabilities) is classified as held for sale, no depreciation or impairment is recorded.

2.8 Impairments of Non-Financial Assets

With the exception of goodwill which is reviewed for impairment at least on an annual basis, the book values of other non-financial assets are reviewed for impairment when events or changes in conditions indicate that the book value may not be recoverable. When the book value of an asset exceeds its recoverable amount, the respective impairment loss is registered in the financial results. The recoverable amount is defined as the largest value between the net sales price and the value in use. Net sale price is the amount that can be received from the sale of an asset, in the context of an arm's length transaction in which the parties have full knowledge and voluntarily proceed, after the deduction of any additional direct cost for sale of the asset. Value in use is the present value of estimated future cash flows expected to be realized from the continuous use of an asset and from the revenue expected to result from its sale and the end of its estimated useful life. For purposes of defining impairment, the non-financial assets are grouped at the lowest level for which cash flows can be recognized separately.

2.9 Inventories

Inventories are stated at the lower of cost (acquisition or production) and net realizable value. Cost of final and semi-final products includes all cost of purchase, cost of materials, direct labor cost, other direct expenses and proportionate general production expenses. The cost of inventories is calculated using the weighted average method. Net realizable value represents the estimated selling price in the ordinary course of business, less any selling cost.

2.10 Cash & cash equivalents

For purposes of preparing the Statement of Cash Flows, the category of cash & cash equivalents include cash in hand, cash equivalents, such as site deposits and short-term time deposits, namely those with a maturity up to three months.

2.11 Foreign Exchange Translations

2.11.1 Operating currency and presentation currency

The data in the Financial Statements of the Group's companies are registered in the currency of the primary economic environment, in which each Company operates ("operating currency").

The consolidated Financial Statements are presented in Euro, which is the operating valuation currency and presentation currency of the parent Company.

2.11.2 Transactions and balances in foreign currencies

Transactions in foreign currencies are converted into the operating currency based on exchange rates effective at the date of transaction or at the date of revaluation if such case is required. Profits and losses from foreign exchange differences, arising during the settlement of such transactions and from the conversion of foreign currency denominated assets and liabilities based on the current exchange rates at the reporting date, are recorded in the financial results. Profits and losses from foreign exchange differences related to cash reserves and bank liabilities are recorded in the statement of comprehensive income, under the account "Financial income / (expenses) - Net". All other profits or losses from foreign exchange differences are recorded in the statement of comprehensive income, under the account "Other profits / (losses) - Net".

2.11.3 Group's Companies in foreign currency

The conversion of the Financial Statements of the Group's companies (none of which operates with a currency belonging to a hyperinflation economy), which are recorded in a currency that is different from the one of the Group, is conducted as follows:

- The assets and liabilities for each statement of financial position are converted based on the effective exchange rates at each reporting date,
- Revenues and expenses are converted based on the average exchange rates of each period (unless the average exchange rate does not logically approach the cumulative effect of the exchange rates that were effective at the time of the transactions. In such case, revenues and expenses are converted based on the exchange rates effective at the time of the relevant transactions), and
- The extracted foreign exchange differences are recorded in other comprehensive income.

2.12 Acquisition of Treasury Shares

The paid price to acquire Treasury Shares, including the relevant expenses for their purchase, is presented as a deduction of Equity. Any profit or loss from the sale of Treasury Shares, net of direct transaction costs and taxes, is recognized directly in Equity, in the account "Treasury Share Reserve."

2.13 Dividends

Payable dividends are presented as a liability during the time when such are approved by the Annual General Meeting of Shareholders.

2.14 Income

2.14.1 Income from contracts with customers

The Parent Company provides Administrative, Financial, Accounting, IT Services to the Subsidiaries of the Group. Income from the provision of services is recognized over time in the accounting period during which the services were provided.

The Group recognizes income from the sale of goods when the control of the goods is transferred to the customer, usually upon delivery, and there is no unfulfilled liability that could affect the acceptance of the goods by the customer. The main product categories are technical fabrics (Geosynthetics and textiles for construction, garden projects, hospital and sanitary products, filter industry, automotive industry, industrial use, sports and leisure, carpet weaving, yarn and straps) and packaging products (Big bags, packaging film, packaging fabrics, containers, bins, cups, glasses, containers and trays, plastic boxes, bottles, bags, garbage bags, ropes and strings). The Group accepts returns only in case of defective products or products which do not generally meet the required specifications.

The asset (receivable) is recognized when there is an unconditional right for the entity to receive the price for the performed liabilities of the contract to the customer. The contractual asset is recognized when the Group has fulfilled its liabilities to the customer, before the customer pays or before payment becomes due. Payment becomes due after 30 to 90 days. The contractual liability is recognized when the Group receives a payment from the customer (advance payment) or when it acquires an unconditional right to a cash amount (deferred income) before the performance of the liabilities of the contract and the transfer of the goods or services. The contractual liability is recognized when the liabilities of the contract are fulfilled and the income is recorded in the income statement.

2.14.2 Government Grants - Subsidies

Government grants on tangible and intangible assets, are deducted from the book value of the asset for which they were received. The relevant income is recognized with the form of reduced depreciation amounts during the useful life of the relevant asset. Government grants that concern payroll expenses are recognized as income during the period that such relate to the respective expenses and are presented in the Income Statement in the account "Other Operating Income".

2.14.3 Income from Dividends – Interim Dividends

Income from dividends is recognized in the Income Statement as income, during the date when such are approved by the Annual General Meeting of Shareholders. Interim dividends are recognized on the date of their approval by the General Meeting of Shareholders, unless their distribution precedes the date of approval of the General Meeting. In such a case interim dividends will be recognized on the date of distribution, in accordance with local corporate law.

2.14.4 Interest Income

Interest income is recognized on an accrual basis.

2.15 Expenses

Expenses are recognized in the financial results on an accrual basis.

2.16 Leases

When a contract enters into force, the Group assesses whether the contract constitutes, or involves, a lease. A contract constitutes, or involves, a lease if the contract transfers the right to control the use of a recognized asset for a specified period of time in exchange for a consideration.

2.16.1 Leasing Accounting from Lessee

The Group applies a unified approach to recognition and measurement for all leases (except for short-term leases and low-value leases). The Group recognizes liabilities from leases for payments and assets with a right of use that represent the right to use the underlying assets.

2.16.2 Right-of-use Assets

The Group recognizes the assets with the right of use on the date of commencement of the lease term (i.e. the date on which the underlying asset is available for use). Assets with the right to use are measured at cost, reduced by any cumulative depreciation and impairment losses and are adjusted based on any revaluation of the liability from leases. The cost of the assets with the right of use consists of the amount of the liability from recognized leases, the initial direct costs and any leases paid on the date of commencement of the lease period or earlier, minus any lease incentives received. Assets with the right of use are depreciated based on the fixed method in the shortest period of time between the duration of the lease and their useful life.

If the ownership of the leased asset is transferred to the Group at the end of the lease term or if its cost reflects the exercise of a market right, depreciation is calculated in accordance with the estimated useful life of the asset.

The Group has contracts for the lease of buildings (used as offices, warehouses), means of transport as well as other equipment used in its business activities. Lease agreements may contain lease and non-lease information. The Group has chosen not to separate the parts of the contract that are not a lease from the elements of the lease and therefore treats any element of the lease and any related parts that do not constitute a lease as a single lease. Assets with the right of use are subject to impairment test as described in the accounting policy "2.8 Impairments of Non-Financial Assets".

2.16.3 Liabilities from Leases

At the date of commencement of the lease, the Group calculates the liability from leases at the present value of the leases to be paid during the lease term. Leases consist of fixed parts (including substantially fixed leases) reduced by any lease incentives, floating parts that depend on an index or interest rate and amounts expected to be paid on the basis of residual value guarantees. Leases also include the exercise price of the purchase right if it is rather certain that the Group will exercise that right and the payment clause that would allow to terminate the lease if the term of the lease reflects the exercise of the right to renounce. To discount the leases, the Group uses the incremental borrowing rate since the implied interest rate related to the leasing cannot be easily determined.

After the start date of the lease, the amount of the lease liability increases based on the interest on the liability and decreases with the payment of the lease. In addition, the book value of the liability from leases is recalculated if there are reassessments or amendments to the lease agreement. Analysis of the Group's leases is included in Note 3.13.

2.16.4 The Group as Lessor

When the assets are leased in the context of leasing agreements, the present value of the leasing payments to be collected is recognized as receivable. The difference between the gross receivable amount and the present value of the claim is recognized as non-accrued financial income.

When the assets are leased in the context of leasing agreements, they are recorded in the statement of financial position according to the nature of each asset. The income generated from operating leasing agreements is recorded in the financial results via the straight line method over the leasing period.

2.17 Income Tax

Tax burden for the year relates to current and deferred taxes.

Current income taxes are payable taxes on taxed income for the year based on effective tax rates as of the balance sheet date, as well as additional income taxes relating to previous years.

Deferred taxes are tax burden/exemptions relating to current year's profit (or losses) that will be charged by the tax authorities in future years. Deferred income taxes are calculated according to tax rates effective as of the dates they will be paid, on the difference between accounting and tax base of individual assets and liabilities, provided that these differences imply time deviations, which will be erased in future.

Deferred tax receivables are recognized only to the extent they imply future taxable income, which will be offset by these deferred tax receivables. Deferred tax receivables might be lowered any time when it is not evident that such future tax relaxation will be certain.

Current and deferred tax is recorded in the financial results or directly in Equity, if it relates to elements directly recognized in Equity.

The Group's companies offset deferred tax receivables with deferred tax liabilities, only if:

a) It has a legal applicable right to offset current tax receivables with current tax liabilities.

b) The deferred tax receivables and liabilities relate to income taxes imposed by the same tax authority.

2.18 Employee Benefits

2.18.1 Short-term liabilities

Liabilities for wages and salaries that are expected to be fully settled within 12 months from the end of the period in which the employees provide the relevant service are recognized for the services of the employees until the end of the reporting period and are measured at the amounts expected to be paid during the settlement of liabilities. Liabilities are presented in the statement of financial position in the other liabilities.

2.18.2 Liabilities after the exit from service

The Group has an liability in a defined benefit plan that determines the amount of retirement benefit that an employee will receive upon retirement, which depends on more than one factor such as age, years of service and compensation.

The liability recorded in the statement of financial position for the defined benefit plan is the present value of the defined benefit liability at the reporting date less the fair value of the plan's assets. The commitment of the defined benefit is calculated annually by an independent actuary using the method of the projected credit unit. The present value of the defined benefit liability is calculated by discounting the expected future cash outflows using interest rates of high quality corporate bonds denominated in Euro and having a term approaching the maturity of the relevant retirement liability.

The cost of current employment in the

defined benefit plan is recognized in the income statement and reflects the increase in the defined benefit liability arising from the employment of employees during the year.

Changes in the present value of the defined benefit liability arising from modifications or reductions in the plan are recognized immediately in the financial results as prior service cost.

The financial cost is calculated by applying the discount rate to the balance of the defined benefit liability. This cost is included in the income statement on employee benefits.

Actuarial gains and losses arising from empirical adjustments and from changes in actuarial assumptions are recognized in other comprehensive income in the year in which they arise. They are also included in the financial results carried forward in the statement of changes in equity and in the statement of financial position.

All the above calculations are being performed via an actuary study, conducted by an independent actuary, whereas for the interim periods certain estimates are being made. The estimates which are being utilized for the determination of the net cost for post-employment benefits include among other the discount rate, the inflation and the average annual salary increase. Any alterations in the assumptions affect significantly the book value of the liabilities for post-employment benefits. The discount rate that is used derives from the one of the long-term bonds with AA credit rating and with maturities similar to the liabilities of the plan.

Group subsidiaries Don & Low LTD and THRACE POLYBULK A.S have in place defined benefit plans for their employees which are financed.

The Greek companies of the Group as well as Thrace Ipoma A.D. have defined contribution schemes not self-financed.

2.18.3 Benefits following termination of employment

Termination benefits become payable when employment ends before the normal retirement date or when the employee accepts voluntary retirement in exchange for these benefits. The Group records these benefits no earlier than the following dates: a) when the Group can no longer withdraw the offer for these benefits and b) when the Group recognizes restructuring costs that are part of the application of IAS 37 which includes the payment of termination benefits. In case of an offer for voluntary retirement, the termination benefits are calculated according to the number of employees who are expected to accept the offer. Termination benefits which are due 12 months after the reporting date are discounted.

2.19 Provisions

Provisions are recognized only when there is a liability, due to events that have occurred and it is likely (namely more possible than not) that this settlement will create an outflow, the amount of which can be estimated reliably. The recognition of provisions is based on the present value of cash flows that may be needed for the above liabilities to be settled. Amounts paid in order to arrange the repayment of such liabilities are deducted from the recorded provisions. The amounts are also reviewed at the periods when the financial statements are prepared. Provisions for any future losses should not be recognized. Compensation received from third parties and relate to the aggregate amount or part of the estimated cash flow, should be recognized on the asset side only when there is certainty for the final payment of the corresponding amount.

2.20 Financial Assets

2.20.1 Financial Assets

Initial Measurement and Recognition

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

Subsequent Measurement

After initial recognition, financial assets are classified into three categories:

- at amortized cost
- at fair value through other comprehensive income
- at fair value through profit or loss

The Group and the Company do not have assets that are valued at fair value through the other comprehensive income as of 31 December 2022.

Financial assets classified at amortized cost are subsequently measured using the effective interest method (EIR) and are subject to impairment testing. Profits and losses are recognized in profit or loss when the asset ceases to be recognized, modified or impaired.

Termination of financial asset recognition

The Group (or Company) ceases to recognize a financial asset when and only when the contractual rights expire on the cash flows of the financial asset or when it transfers the financial asset and the transfer meets the conditions for write-off.

Reclassification of financial assets

Reclassification of financial assets takes place in rare cases and is due to a decision of the Group (or Company) to modify the business model it applies with regard to the management of these financial assets.

Impairment

The Group and the Company recognize provisions for impairment with regard to the expected credit losses of all financial assets. The expected credit losses are based on the difference between contractual cash flows and all cash flows that the Group (or Company) expects to receive. The difference is discounted using an estimate of the initial effective interest rate of the financial asset. With regard to the trade receivables, the Group and the Company applied the simplified approach of the standard and estimated the expected credit losses based on the anticipated losses for the entire life of these assets.

Regarding the remaining financial assets, the expected credit losses are being calculated according to the losses of the next 12 months. The expected credit losses of the following 12 months is part of the anticipated credit losses for the entire life of the financial assets, which emanates from the probability of a default in the payment of the contractual liabilities within the next 12-month period starting from the reporting date. In case of a significant increase in credit risk since the initial recognition, the provision for impairment will be based on the expected credit losses of the entire life of the asset.

2.20.2 Financial Derivatives

The Group uses financial derivatives, mainly forward foreign exchange contracts, to hedge risks that emanate from changes in exchange rates.

Financial derivatives are measured at fair value, during the balance sheet date. The fair value of forward contracts is calculated based on the market prices of contracts with respective maturities (valuation of 1st level of IFRS 7).

Financial derivatives of the Group do not have the characteristics of hedging instruments as defined in IAS 39 and therefore gains and losses resulting from change in their fair values are recorded directly in the income statement.

2.20.3 Accounts Receivable - Provisions for Doubtful Receivables

Accounts receivable are initially recorded at their fair value, which is the transaction value, and are subsequently measured at amortized cost using the effective interest rate, less the expected credit losses arising from all possible default events throughout expected life of a financial instrument at each reporting date. At each financial statement date, the recoverability of the receivable accounts is estimated either per customer when there is objective evidence that the Group is unable to collect all amounts due under the contractual terms, either on historical trends, statistical data and anticipated future events and the relevant provision for impairment is formed. The provision formed is adjusted for impairment and is included in 'Other expenses'. Any write-offs of receivables from accounts receivable are made through the provision made.

2.21 Financial Liabilities

Initial Recognition and subsequent measurement of financial liabilities

All financial liabilities are initially valued at their fair value minus the transaction costs, in the case of loans and liabilities. For later measurement purposes, financial liabilities are classified as financial liabilities at amortized costs. Loans are characterized as short-term liabilities except if the Group has the final right to postpone repayment for at least 12 months after the balance sheet date. Bank overdrafts are included in short-term debt in the balance sheet and in investing activities in the statement of cash flows.

De-recognition of Financial Liabilities

A financial liability is written off when the commitment arising from the liability is canceled or expires. When an existing financial liability is replaced by another by the same lender but on fundamentally different terms, or the terms of an existing liability are significantly modified, this exchange or amendment is treated as derecognition of the initial liability and recognition of a new liability. The difference in the respective book values is recognized in the statement of financial results.

Offsetting between financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reflected in the statement of financial position only when the Group or Company has this legal right and intends to offset them on a net basis or to claim the asset and settle the liability at the same time. The legal right should not depend on future events and should be enforceable in the normal course of business and in the event of a breach, insolvency or bankruptcy of the company or counterparty.

2.22 Suppliers and Other Creditors

Suppliers and other liabilities are initially recognized at fair value and subsequently measured according to amortized cost, while the effective interest rate method is used. Liabilities are classified as short-term if payment is expected in less than one year. If not, then such are included in long-term liabilities.

2.23 Equity

The share capital includes common shares of the Company. The difference between the nominal value of shares and their issue price is registered in the "Share Premium" account. Direct expenses for the issue of shares, are presented after the deduction of the relevant income tax and reduce the issue proceeds, namely as a deduction from the share premium. During the purchase of treasury shares, the amount paid, including the relevant expenses is recorded as deduction from the shareholders' equity. No profit or loss is recognized in the statement of comprehensive income from the purchase, sale, issuance or cancellation of treasury shares. Expenses which are realized for the issuance of shares are recorded after the deduction of the relevant income tax, as deduction from the product of the issue.

3. Notes on the Financial Statements

3.1 Evolution and Performance of the Group

The following table depicts the Group's financial results from continuing operations for the year ended 31st December 2022:

Financial Results of Year 2022
(CONTINUING OPERATIONS)

(amounts in thousand Euro)	*Year 2022*	*Year 2021*	*Change %*
Turnover	**394,382**	**428,429**	***-7.9%***
Gross Profit	**84,263**	**140,149**	***-39.9%***
Gross Profit Margin	***21.4%***	***32.7%***	
EBIT	**27,407**	**83,913**	***-67.3%***
EBIT Margin	***6.9%***	***19.6%***	
EBITDA*	**48,259**	**103,791**	***-53.5%***
EBITDA Margin	***12.2%***	***24.2%***	
*Adjusted EBITDA***	**48,850**	**105,799**	***-53.8%***
Adjusted EBITDA Margin	***12.4%***	***24.7%***	
Earnings before Taxes (EBT)	**32,068**	**83,920**	***-61.8%***
EBT Margin	***8.1%***	***19.6%***	
Earnings after Taxes (EAT)	**26,270**	**65,866**	***-60.1%***
EAT Margin	***6.7%***	***15.4%***	
Total EATAM	***25,777***	***65,436***	**-60.6%**
EATAM Margin	***6.5%***	***15.3%***	
Earnings per Share (in euro)	***0.5985***	***1.5093***	**-60.3%**

* *EBITDA is defined as the operating earnings before interest, taxes, depreciation and amortization and before financial and investment activities.*

** *Adjusted EBITDA does not include extraordinary personnel indemnities amounting to €591. (see note 3.8)*

For completeness purposes, the following table depicts in synopsis the financial results of the Group, both from Continuing and Discontinued Operations, for the period ended on 31st December 2022:

Financial Results of Year 2022
(CONTINUING & DISCONTINUED OPERATIONS)

(amounts in thousand Euro)	*Year 2022*	*Year 2021*	*Change %*
Turnover	**394,382**	**428,429**	***-7.9%***
Gross Profit	**84,263**	**140,149**	***-39.9%***
Gross Profit Margin	***21.4%***	***32.7%***	
EBIT	**27,391**	**90,397**	***-69.7%***
EBIT Margin	***6.9%***	***21.1%***	
EBITDA	**48,243**	**110,275**	***-56.3%***
EBITDA Margin	***12.2%***	***25.7%***	
Adjusted EBITDA	**48,850**	**105,799**	***-53.8%***
Adjusted EBITDA Margin	***12.4%***	***24.7%***	
Earnings before Taxes (EBT)	**32,052**	**90,517**	***-64.6%***
EBT Margin	***8.1%***	***21.1%***	
Earnings after Taxes (EAT)	**26,235**	**72,457**	***-63.8%***
EAT Margin	***6.7%***	***16.9%***	
Total EATAM	***25,742***	***72,027***	**-64.3%**
EATAM Margin	***6.5%***	***16.8%***	
Earnings per Share (in euro)	***0.5977***	***1.6613***	**-64.0%**

3.2 Discontinued Activities

Due to the decision to permanently discontinue the production activity of Thrace Linq INC, in 2020, which was decided in order for the Group to focus on profitable business activities, this specific activity is recorded in the income statement and other comprehensive income as discontinued operations.

Discontinued Operations **Statement of Income & Other Comprehensive Income**	**Thrace Linq INC**	
	31.12.2022	**31.12.2021**
Turnover	**-**	-
Cost of Sales	**-**	-
Gross Profit / (Loss)	**-**	-
Non-Operating Income / (Expenses)	**(216)**	6,294
Earnings / (Losses) before Taxes	**(216)**	6,294
Taxes	**(19)**	(6)
Earnings / (Losses) after Taxes	**(235)**	6,288
Intra-group Transactions	**200**	303
Earnings / (Losses) after Taxes	**(35)**	6,591

Discontinued Operations **Cash Flows**	**Thrace Linq INC 31.12.2022**
Cash Flows from operating activities	**(287)**
Cash Flows from investing activities	**(3,134)**
Cash Flows from financing activities	-
Change in cash and cash equivalents	**(3,421)**
Cash and cash equivalents as at 31.12.2021	**3,464**
Foreign exchange differences	**258**
Cash and cash equivalents as at 31.12.2022	**301**

** Refers to intra-group transaction.*

Amounts in thousand Euro, unless stated otherwise

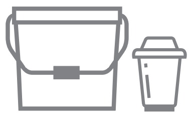
3.3 Segment Reporting

The Group applies IFRS 8 to monitor its business activities by sector. The areas of activity of the Group have been defined based on the legal structure and the business activities of the Group. The Group Management, being responsible for making financial decisions, monitors the financial information separately as presented by the parent company and by each of its subsidiaries.

The operating segments (business units) are structured based on the different product category, the structure of the Group's management and the internal reporting system. Using the criteria as defined in the accounting reporting standards and based on the Group's different activities, the Group's business activity is divided into two sectors, namely the "Technical Fabrics" and the "Packaging" sector.

The information related to the business activities that do not comprise separate segments for reporting purposes, have been aggregated and depicted in the category "Other", which includes the agricultural sector and the activities of the Parent Company.

The operating segments (business units) of the Group are as follows:

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

During the year 2020, which was characterized by the spread of the Covid-19 coronavirus pandemic, the Group faced significantly increased demand for specific products of its existing product portfolio and particularly in the area of technical fabrics used in personal protection and health applications (Personal Protective Equipment). The Group, taking advantage of the technological capabilities of its modern production lines and the know-how it has developed in technical fabrics, managed to meet the significantly increased demand, using the existing production lines and channeling a large part of the already produced volumes towards applications in this sector. At the same time the Group proceeded with targeted investments, such as the surgical mask production lines and the Meltblown non-woven fabric production line (as it has been already announced to the investor community via the corporate announcements of 04/05/2020 and 01/10/2020). The Group also proceeded with the purchase of machinery for the production of high protection masks (FFP2).

At the same time, there was a very high profitability at the Group level during the year 2021, where the pandemic was in full swing with repeated waves and mutations. The Group supported the market's needs, either through the network of the various retail chains (e.g. super markets) or through delivery of products according to contracts signed with the local health systems.

On the other hand during the year 2022, a sharp reduction in demand for products related to the COVID-19 pandemic was observed, resulting into significantly lower sales and profitability for the Group compared to the previous year. The first quarter of 2022 was an exception to the above, as due to the spread of "Omicron" variant but mainly due to the execution of the last part of a contractual agreement signed with a local health system, the Group posted strong profitability which was however much lower than the level of the corresponding period of 2021.

More specifically, Earnings before Taxes from Continuing Operations at the Group level for 2022 amounted to €32.1 million, of which, according to Management's estimates, €5.3 million were related to COVID-19 products (compared to €51.8 million in the year 2021). More specifically, €3.0 million were allocated in the Sector of "Technical Fabrics" (versus €49.9 million in 2021), and €2.3 million were allocated in the Sector of "Packaging" (versus €1.9 million in 2021).

From the year 2023 onwards, having entered into the post-pandemic era, personal protection and health products will not be presented separately, following the same pre-pandemic disclosure practice. Instead, they will comprise another product category within the context of the Group's normal business activity.

It should be noted that part of the specific investments that were implemented (such as the Meltblown non-woven technical fabrics production line), can be used to produce products serving other sectors and applications.

BALANCE SHEET OF 31.12.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Total consolidated assets	**265,247**	**126,947**	**85,238**	**(72,637)**	**404,795**

INCOME STATEMENT FOR THE PERIOD 01.01 - 31.12.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Turnover	274,488	132,672	5,658	(18,436)	394,382
Cost of sales	(218,010)	(105,433)	(5,376)	18,700	(310,119)
Gross profit	**56,478**	**27,239**	**282**	**264**	**84,263**
Other operating income	2,575	509	238	(556)	2,766
Selling & Distribution expenses	(28,805)	(10,409)	(1)	(478)	(39,693)
Administrative expenses	(12,290)	(4,304)	(1,160)	788	(16,966)
Research and Development Expenses	(1,805)	(490)	-	-	(2,295)
Other operating expenses	(829)	(743)	(6)	1	(1,577)
Other Gain / (Losses)	968	(57)	(2)	-	909
Operating profit / (loss)	**16,292**	**11,745**	**(649)**	**19**	**27,407**
Interest & Other related (expenses)/income	2,796	(630)	(55)	25	2,136
Income from dividends	-	-	13,478	(13,478)	-
Profit / (loss) from companies consolidated with the Equity method	1,007	1,069	449	-	2,525
Earnings / (losses) before tax (Continuing operations)	**20,095**	**12,184**	**13,223**	**(13,434)**	**32,068**
Earnings / (losses) before tax (Discontinued operations)	**(16)**	**-**	**-**	**-**	**(16)**
Total Earnings / (losses) before tax	**20,079**	**12,184**	**13,223**	**(13,434)**	**32,052**
Depreciation from continuing operations	**13,396**	**7,147**	**310**	**-**	**20,853**
Depreciation from discontinued operations	**-**	**-**	**-**	**-**	**-**
Total Depreciation	**13,396**	**7,147**	**310**	**-**	**20,853**
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	**29,688**	**18,892**	**(339)**	**19**	**48,259**
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	**(16)**	**-**	**-**	**-**	**(16)**
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	**29,671**	**18,892**	**(339)**	**19**	**48,243**

Amounts in thousand Euro, unless stated otherwise

BALANCE SHEET AS OF 31.12.2021	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Total consolidated assets	**269,145**	**120,606**	**88,026**	**(72,578)**	**405,199**

INCOME STATEMENT FOR THE PERIOD 01.01 - 31.12.2021	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Turnover	318,878	120,007	5,668	(16,124)	428,429
Cost of sales	(205,633)	(93,495)	(5,644)	16,492	(288,280)
Gross profit	**113,245**	**26,512**	**24**	**368**	**140,149**
Other operating income	1,355	459	166	(367)	1,613
Selling & Distribution expenses	(25,855)	(9,611)	-	(425)	(35,891)
Administrative expenses	(12,099)	(4,027)	(930)	314	(16,742)
Research and Development expenses	(1,483)	(339)	-	-	(1,822)
Other operating expenses	(3,351)	(1,144)	(99)	-	(4,594)
Other Gain / (Losses)	1,124	76	-	-	1,200
Operating profit / (loss)	**72,936**	**11,926**	**(839)**	**(110)**	**83,913**
Interest & Other related (expenses)/income	(1,811)	(959)	(38)	45	(2,763)
Income from dividends	-		15,007	(15,007)	-
Profit / (loss) from companies consolidated with the Equity method	1,311	1,125	334	-	2,770
Earnings / (losses) before tax (Continuing operations)	**72,436**	**12,092**	**14,464**	**(15,072)**	**83,920**
Earnings / (losses) before tax (Discontinued operations)	**6,597**	**-**	**-**	**-**	**6,597**
Total Earnings / (losses) before tax	**79,033**	**12,092**	**14,464**	**(15,072)**	**90,517**
Depreciation from continuing operations	**13,212**	**6,339**	**327**	**-**	**19,878**
Depreciation from discontinued operations	**-**	**-**	**-**	**-**	**-**
Total Depreciation	**13,212**	**6,339**	**327**	**-**	**19,878**
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	**86,148**	**18,265**	**(512)**	**(110)**	**103,791**
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	**6,484**	**-**	**-**	**-**	**6,484**
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	**92,632**	**18,265**	**(512)**	**(110)**	**110,275**

Amounts in thousand Euro, unless stated otherwise

3.4 Other Operating Income

Other Operating Income	Group		Company	
	2022	2021	2022	2021
Grants (*)	**1,279**	378	**-**	-
Income from rents	**15**	45	**-**	-
Income from provision of services	**65**	131	**-**	-
Income from prototype materials	**33**	37	**-**	-
Reverse entry of not utilized provisions	**88**	32	**10**	11
Income from energy management programs	**352**	426		-
Other operating income	**654**	564	**228**	157
Income from photovoltaics	**280**	-		
Total	**2,766**	**1,613**	**238**	**168**

** The amount of € 1,279 refers to the following grants awarded: investment, research and development, recruitment of junior graduates as well as professional training of the Group's employees.*

3.5 Other Gains / Losses

Other Gains / (Losses)	Group		Company	
	2022	2021	2022	2021
Gains / (Losses) from sale of PP&E	**28**	98	**8**	(2)
Extraordinary profit / (losses) from sale of tangible assets of Don & Low LTD	**-**	763	**-**	-
Foreign Exchange Differences	**881**	339	**(10)**	-
Total	**909**	**1,200**	**(2)**	(2)

Amounts in thousand Euro, unless stated otherwise

3.6 Analysis of Expenses (Production-Administrative-Sales & Distribution-Research & Development)

Analysis of Expenses (Production-Administrative-Sales & Distribution-Research & Development)	Group		Company	
	2022	2021	2022	2021
Payroll expenses	**57,366**	58,544	**2,825**	**3,148**
Third party fees – expenses *	**6,612**	5,707	**1,841**	**1,742**
Electric power – Natural gas	**25,984**	17,046	**31**	**18**
Repairs / Maintenance	**5,969**	6,436	**26**	**18**
Rental expenses (note 3.13)	**1,183**	929	**20**	**29**
Insurance expenses	**2,934**	2,632	**75**	**53**
Exhibitions / travelling expenses	**1,918**	699	**182**	**86**
IT and telecom expenses	**1,488**	1,302	**462**	**631**
Promotion and advertising expenses	**605**	660	**185**	**176**
Transportation expenses	**21,720**	20,003	**-**	**-**
Consumables	**6,777**	5,783	**3**	**2**
Sundry expenses / Other provisions	**3,952**	4,149	**576**	**344**
Depreciation / Amortization	20,673	19,805	310	327
Total	**157,181**	**143,695**	**6,536**	**6,574**

* *Third party fees – expenses include fees paid to auditors, legal and advisory firms, as well as to the Board of Directors.*

The analysis of expenses per operating category, is as follows:

Analysis of expenses	Group		Company	
	2022	2021	2022	2021
Production	**98,227**	89,240	**5,376***	5,644*
Administrative	**16,966**	16,742	**1,160**	930
Sales & Distribution	**39,693**	35,891	**-**	-
Research and Development	**2,295**	1,822	**-**	-
Total	**157,181**	**143,695**	**6,536**	**6,574**

The analysis of cost of goods sold is presented below:

Amounts in thousand Euro, unless stated otherwise

Analysis of Cost of Goods Sold	Group		Company	
	2022	2021	2022	2021
Production expenses	**98,227**	89,240	**5,376***	5,644*
Cost of materials and inventory	**211,892**	199,040	**-**	-
Total	**310,119**	**288,280**	**5,376**	**5,644**

** The production expenses in the Company refer to expenses provided to subsidiaries.*

3.7 Payroll Expenses

Payroll expenses analysis is as follows:

Payroll expenses	Group		Company	
	2022	2021	2022	2021
Salaries & Wages	**47,260**	48,629	**2,428**	2,767
Employer's contributions	**8,099**	7,859	**376**	344
Retirement benefits	**1,422**	1,466	**14**	8
Total	**56,781**	**57,954**	**2,818**	**3,119**
Other Expenses	**585**	590	**7**	29
Grand Total	**57,366**	**58,544**	**2,825**	**3,148**

The number of employed staff at the Group and Company level at the end of the financial year (without including the joint ventures), was as follows:

Number of employees	Group		Company	
	2022	2021	2022	2021
Full time employees – wage based employees	**1,682**	1,662	**26**	25

Amounts in thousand Euro, unless stated otherwise

3.8 Other Operating Expenses

Other Operating Expenses	Group		Company	
	2022	2021	2022	2021
Provisions for doubtful receivables	**115**	442	**-**	-
Other taxes and duties non-incorporated in operating cost	**172**	221	**-**	-
Depreciation	**180**	73	**-**	-
Staff indemnities	**3**	397	**-**	92
Supplies / other bank expenses	**132**	166	**6**	7
Expenses for the purchase of prototype materials (maquettes)	**56**	84	**-**	-
Other operating expenses	**328**	440	**-**	-
Sub-Total	**986**	**1,823**	**6**	**99**
Extraordinary and non-recurring expenses	**591**	2,771	**-**	-
Total	**1,577**	**4,594**	**6**	**99**

Analysis of extraordinary and non-recurring expenses	Group	
	2022	2021
Extraordinary personnel indemnities	**591**	798
Impairment of tangible assets' value - Don & Low LTD	**-**	1,973
Total	**591**	2,771

During the year 2021, in the context of the restructuring of the Group's holdings, expenses of € 1,973 had emerged as result of the operational reorganization of the subsidiary Don & Low LTD along with a profit of €763 from fixed asset sales (see note 3.5). This subsidiary reduced its presence in woven technical fabrics, while increasing its production capacity in non-woven technical fabrics. In addition, there was an expense of € 798 from extraordinary allowance to the personnel.

In the context of the completion of the restructuring of the Group's holdings, for the current fiscal year, costs of €591 were incurred from extraordinary personnel indemnities.

Amounts in thousand Euro, unless stated otherwise

3.9 Financial income/(expenses)

3.9.1 Financial income

Financial income	Group		Company	
	2022	2021	2022	2021
Interest income and other related income	**36**	106	-	-
Reverse of long-term receivable discount in relation to OAED (see note 3.15)	**4,563**	-	-	-
Foreign exchange differences	**1,954**	859	-	-
Total	**6,553**	**965**	**-**	**-**
Income from dividends	-	-	**13,478**	15,006

3.9.2 Financial expenses

Financial expenses	Group		Company	
	2022	2021	2022	2021
Interest expense and other related expenses	**(1,937)**	(2,049)	(55)	(37)
Foreign exchange differences	**(2,004)**	(1,208)	-	-
Financial result from Pension Plans	**(476)**	(471)	-	-
Total	**(4,417)**	**(3,728)**	**(55)**	**(37)**

3.10 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 respective financial year, after the deduction of any treasury shares held.

Basic earnings per share (Consolidated, continuing operations)	2022	2021
Earnings allocated to shareholders	**25,777**	65,436
Number of shares outstanding (weighted)	**43,067**	43,356
Basic and adjusted earnings per share (Euro in absolute terms)	**0.5985**	1.5093

Amounts in thousand Euro, unless stated otherwise

Basic earnings per share (Consolidated, discontinued operations)	2022	2021
Earnings allocated to shareholders	**(35)**	6,591
Number of shares outstanding (weighted)	**43,067**	43,356
Basic and adjusted earnings per share (Euro in absolute terms)	**(0.0008)**	0.1520

Basic earnings per share (Consolidated, total operations)	2022	2021
Earnings allocated to shareholders	**25,742**	72,027
Number of shares outstanding (weighted)	**43,067**	43,356
Basic and adjusted earnings per share (Euro in absolute terms)	**0.5977**	1.6613

As of 31st December 2022, the Company held 751,396 treasury shares.

3.11 Income Tax

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

Income Tax	Group		Company	
	2022	2021	2022	2021
Income tax	**(4,619)**	(15,826)	**(1,613)**	-
Tax of previous years	**-**	(12)	**-**	-
Deferred tax (expense)/income	**(1,179)**	(2,216)	**9**	(16)
Total	**(5,798)**	(18,054)	**(1,604)**	(16)

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

The effective tax rate of the Group differs significantly 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 significant non-tax deductible expenses.

Amounts in thousand Euro, unless stated otherwise

According to Law 4799/2021, the income tax rate of legal entities in Greece was reduced from 24% to 22% from the year 2021 onwards.

The income tax (reconciliation of the actual tax rate) is as follows:

Income Tax	Group		Company	
	2022	**2021**	**2022**	**2021**
Earnings / (losses) before tax	**32,068**	83,920	**12,775**	14,130
Income tax rate	**22%**	22%	**22%**	22%
Corresponding income tax	**(7,055)**	(18,462)	**(2,810)**	(3,109)
Effect due to different tax rates of subsidiaries abroad	**258**	1,902	**(293)**	-
Non-tax-deductible expenses	**(1,020)**	(672)	**(210)**	(89)
Revenues not subject to tax	**1,190**	512	**1,099**	3,301
Income tax differences from previous years	**307**	(27)	**-**	-
Effect from tax losses for which no deferred tax asset has been recognized	**(94)**	(159)	**-**	(105)
Effect from offsetting tax losses from previous years with taxable earnings for the year	**610**	-	**610**	-
Effect due to change of tax rate of companies	**6**	(1,147)	**-**	(14)
Income Tax	**(5,798)**	**(18,053)**	**(1,604)**	**(16)**

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

The tax audit for the year 2021 for the Group's Greek companies Thrace Plastics Co. SA, Thrace Nonwovens & Geosynthetics Single Person SA, Thrace Plastics Pack SA, Thrace Polyfilms Single Person SA, Thrace Eurobent SA, which was conducted in accordance with the provisions of article 65a of L. 4172/2013, was completed by the audit firm "PricewaterhouseCoopers SA" and revealed no material tax liabilities apart from those recorded and depicted in the financial statements. Tax certificates were issued, with an unqualified opinion, for each of the above companies.

For the financial year 2022, a tax audit for the above companies is already performed by PricewaterhouseCoopers SA in accordance with the provisions of article 65 of L. 4172/2013. This audit is underway and the relevant tax certificate is expected to be issued following the release of the 2022 financial statements. If until the completion of the tax audit additional tax liabilities arise, the Management of the Group assess that such will not have a material effect on the financial statements.

Amounts in thousand Euro, unless stated otherwise

The unaudited tax fiscal years, in which the tax liabilities have not been finalized, and therefore the probability of a tax audit from the tax authorities exists, are presented in the following table:

Company	Tax un-audited fiscal years
Thrace Plastics Co. Sa	2017-2022
Thrace Nonwovens & Geosynthetics Single Person SA	2017-2022
Thrace Plastics Pack SA	2017-2022
Thrace Polyfilms Single Person SA	2017-2022
Thrace Protect Single Person SMPC	2017-2022
Thrace Eurobent SA	2017-2022
Thrace Greenhouses SA	2017-2022

The following table depicts the unaudited tax fiscal years for which the tax liabilities have not been finalized for the Companies outside Greece.

Company	Tax un-audited f iscal years
Don & Low LTD	2018-2022
Don & Low Australia LTD	2018-2022
Synthetic Holdings LTD	2018-2022
Synthetic Textiles LTD	2016-2022
Thrace Synthetic Packaging LTD	2018-2022
Thrace Polybulk A.B	2016-2022
Thrace Polybulk A.S	2018-2022
Thrace Greiner Packaging SRL.	2016-2022
Trierina Trading LTD	2017-2022
Thrace Ipoma A.D.	2017-2022
Thrace Plastics Packaging D.O.O.	2017-2022
Lumite INC	2016-2022
Thrace Linq INC	2016-2022
Adfirmate LTD	2017-2022
Pareen LTD	2017-2022
Saepe LTD	2017-2022

Amounts in thousand Euro, unless stated otherwise

3.12 Property, Plant & Equipment (PP&E)

The Group pursues economic growth in alignment with environmental responsibility. All investments are assessed towards the Group's environmental strategy with a main focus on tackling climate change and serving the principles of the circular economy. At the same time, the Group constantly upgrades its PP&E, thus improving their environmental footprint, while it evaluates on a regular basis any evidence of impairment, including climate related criteria. As at 31.12.2022, the Group has not identified any relevant indications of possible impairments or negative impact during the review of the useful lives of tangible fixed assets.

The changes in the PP&E during the year are analyzed as follows:

Property, Plant & Equipment (PP&E)

Group 2022	Fields – land plots	Buildings & technical works	Machinery & technical facilities	Transportation means	Furniture & other equipment	Tangible assets under construction or installation	Total
ACQUISITION COST							
Acquisition cost 01.01.2022	**4,212**	**63,380**	**333,824**	**1,411**	**9,983**	**14,588**	**427,398**
Additions	225	7,820	16,937	80	488	11,785	37,335
Disposals	(99)	-	(4,024)	(105)	(37)	-	(4,265)
Transfers	32	3,230	13,071	28	126	(16,527)	(40)
Foreign exchange differences	(37)	(1,091)	(5,750)	(15)	(253)	(164)	(7,310)
Acquisition cost 31.12.2022	**4,333**	**73,339**	**354,058**	**1,399**	**10,307**	**9,682**	**453,118**
DEPRECIATION							
Accumulated depreciation 01.01.2022	**-**	**(31,588)**	**(232,499)**	**(1,123)**	**(8,340)**	**-**	**(273,550)**
Depreciation for the period	-	(1,927)	(17,130)	(97)	(438)		(19,592)
Disposals	-	-	4,284	103	36		4,423
Foreign exchange differences	-	680	3,871	12	256		4,819
Accumulated depreciation 31.12.2022	**-**	**(32,835)**	**(241,474)**	**(1,105)**	**(8,486)**		**(283,900)**
NET BOOK VALUE							
31.12.2021	4,212	31,792	101,325	288	1,643	14,588	153,848
31.12.2022	**4,333**	**40,504**	**112,584**	**294**	**1,821**	**9,682**	**169,218**

Amounts in thousand Euro, unless stated otherwise

Property, Plant & Equipment (PP&E)							
Group 2021	Fields – land plots	Buildings & technical works	Machinery & technical facilities	Transportation means	Furniture & other equipment	Tangible assets under construction or installation	**Total**
ACQUISITION COST							
Acquisition cost 01.01.2021	**3,510**	**57,679**	**301,826**	**1,446**	**9,102**	**4,381**	**377,944**
Additions	655	2,318	5,429	49	506	21,322	30,279
Disposals	-	-	(6,875)	(89)	(21)	-	(6,985)
Impairments	-	-	(2,456)	-	-	-	(2,456)
Transfers	-	2,110	8,932	5	95	(11,142)	-
Transfer from right-of-use assets	-	-	19,351	-	-	-	19,351
Foreign exchange differences	47	1,273	7,617	-	301	27	9,265
Acquisition cost 31.12.2021	**4,212**	**63,380**	**333,824**	**1,411**	**9,983**	**14,588**	**427,398**
DEPRECIATION							
Accumulated depreciation 01.01.2021	**-**	**(29,055)**	**(208,617)**	**(1,084)**	**(7,677)**	**-**	**(246,433)**
Depreciation for the period		(1,740)	(16,081)	(120)	(386)	-	(18,327)
Disposals	-	-	6,143	85	18	-	6,246
Transfer from right-of-use assets	-	-	(9,288)	(4)	-	-	(9,292)
Foreign exchange differences	-	(793)	(4,656)	-	(295)	-	(5,744)
Accumulated depreciation 31.12.2021	**-**	**(31,588)**	**(232,499)**	**(1,123)**	**(8,340)**	**-**	**(273,550)**
NET BOOK VALUE							
31.12.2020	3,510	28,624	93,209	362	1,425	4,381	131,512
31.12.2021	**4,212**	**31,792**	**101,325**	**288**	**1,643**	**14,588**	**153,848**

Amounts in thousand Euro, unless stated otherwise

Property, Plant & Equipment (PP&E)							
Company 2022	Fields – land plots	Buildings & technical works	Machinery & technical facilities	Transportation means	Furniture & other equipment	Tangible assets under construction or installation	**Total**
ACQUISITION COST							
Acquisition cost 01.01.2022	**-**	**392**	**11,159**	**221**	**1,250**	**-**	**13,022**
Additions	-	-	-	-	31	-	31
Disposals	-	-	-	(25)		-	(25)
Acquisition cost 31.12.2022	**-**	**392**	**11,159**	**196**	**1,281**	**-**	**13,028**
DEPRECIATION							
Accumulated depreciation 01.01.2022	**-**	**(247)**	**(11,124)**	**(216)**	**(1,108)**	**-**	**(12,695)**
Depreciation for the period	-	(12)		(3)	(39)	-	(54)
Disposals	-	-	-	23	-	-	23
Accumulated depreciation 31.12.2022	**-**	**(259)**	**(11,124)**	**(196)**	**(1,147)**		**(12,726)**
NET BOOK VALUE							
31.12.2021	-	145	35	5	142	-	327
31.12.2022	**-**	**133**	**35**	**-**	**134**	**-**	**302**

Amounts in thousand Euro, unless stated otherwise

Tangible Assets							
Company 2021	Fields – land plots	Buildings & technical works	Machinery & technical facilities	Transporta-tion means	Furniture & other equipment	Tangible assets under construction or installation	**Total**
ACQUISITION COST							
Acquisition cost 01.01.2021	**-**	**392**	**11,159**	**221**	**1,228**	**-**	**13,000**
Additions	-	-	-	-	22	-	22
Acquisition cost 31.12.2021	**-**	**392**	**11,159**	**221**	**1,250**	**-**	**13,022**
DEPRECIATION							
Accumulated depreciation 01.01.2021	**-**	**(234)**	**(11,124)**	**(214)**	**(1,071)**	**-**	**(12,644)**
Depreciation for the period	-	(13)	-	(2)	(37)	-	(51)
Accumulated depreciation 31.12.2021	**-**	**(247)**	**(11,124)**	**(216)**	**(1,108)**	**-**	**(12,695)**
NET BOOK VALUE							
31.12.2020	-	158	35	7	157	-	357
31.12.2021	**-**	**145**	**35**	**5**	**142**	**-**	**327**

There are no liens and guarantees on the Company's PP&E, while the liens on the Group's PP&E amount to € 6,130.

Amounts in thousand Euro, unless stated otherwise

3.13 Leases

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

Right-of-use assets					
Group 2022	**Buildings and technical works**	**Machinery equipment**	**Transportation vehicles**	**Furniture and other equipment**	**Total**
ACQUISITION COST					
Acquisition cost 01.01.2022	**1,266**	**486**	**3,242**	**62**	**5,056**
Additions	6	-	445	-	451
Deregognition	-	-	(175)	-	(175)
Foreign exchange differences	(12)	-	(31)	-	(43)
Acquisition cost 31.12.2022	**1,260**	**486**	**3,481**	**62**	**5,289**
DEPRECIATION					
Accumulated depreciation 01.01.2022	**(496)**	**(44)**	**(1,431)**	**(35)**	**(2,006)**
Depreciation for the period	(254)	(34)	(627)	(13)	(928)
Deregognition	-	-	145	-	145
Foreign exchange differences	5	-	19	(3)	21
Accumulated depreciation 31.12.2022	**(745)**	**(78)**	**(1,894)**	**(51)**	**(2,768)**
NET BOOK VALUE					
31.12.2021	770	442	1,811	27	3,051
31.12.2022	**515**	**408**	**1,587**	**11**	**2,521**

Amounts in thousand Euro, unless stated otherwise

Right-of-use assets					
Group 2021	**Buildings and technical works**	**Machinery equipment**	**Transportation vehicles**	**Furniture and other equipment**	**Total**
ACQUISITION COST					
Acquisition cost 01.01.2021	**531**	**19,837**	**2,980**	**62**	**23,410**
Additions	724	-	408	4	1,136
Deregognition	-	-	(181)	(4)	(185)
Transfers to PP&E	-	(19,351)	-	-	(19,351)
Foreign exchange differences	11	-	35	-	46
Acquisition cost 31.12.2021	**1,266**	**486**	**3,242**	**62**	**5,056**
DEPRECIATION					
Accumulated depreciation 01.01.2021	**(280)**	**(8,975)**	**(932)**	**(26)**	**(10,213)**
Depreciation for the period	(213)	(357)	(625)	(13)	(1,208)
Deregognition	-	-	137	4	141
Transfers to PP&E	-	9,288	4	-	9,292
Foreign exchange differences	(3)	-	(15)	-	(18)
Accumulated depreciation 31.12.2021	**(496)**	**(44)**	**(1,431)**	**(35)**	**(2,006)**
NET BOOK VALUE					
31.12.2020	251	10,862	2,048	36	13,197
31.12.2021	**770**	**442**	**1,811**	**27**	**3,051**

Amounts in thousand Euro, unless stated otherwise

Right-of-use assets			
Company 2022	**Buildings and technical works**	**Transportation vehicles**	**Total**
ACQUISITION COST			
Acquisition cost 01.01.2022	**622**	**117**	**739**
Additions	-	20	20
Acquisition cost 31.12.2022	**622**	**137**	**759**
DEPRECIATION			
Accumulated depreciation 01.01.2022	**(346)**	**(49)**	**(395)**
Depreciation for the period	(115)	(27)	(142)
Accumulated depreciation 31.12.2022	**(461)**	**(76)**	**(537)**
NET BOOK VALUE			
31.12.2021	276	68	344
31.12.2022	**161**	**61**	**222**

Right-of-use assets			
Company 2021	**Buildings and technical works**	**Transportation vehicles**	**Total**
ACQUISITION COST			
Acquisition cost 01.01.2021	**254**	**60**	**314**
Additions	368	57	425
Acquisition cost 31.12.2021	**622**	**117**	**739**

Amounts in thousand Euro, unless stated otherwise

Right-of-use assets			
Company 2021	**Buildings and technical works**	**Transportation vehicles**	**Total**
DEPRECIATION			
Accumulated depreciation 01.01.2021	**(232)**	**(27)**	**(259)**
Depreciation for the period	**(114)**	**(22)**	**(136)**
Accumulated depreciation 31.12.2020	**(346)**	**(49)**	**(395)**
NET BOOK VALUE			
31.12.2020	22	33	55
31.12.2021	**276**	**68**	**344**

The consolidated and stand-alone statements of financial position of year 2022, includes the following amounts related to lease liabilities:

Lease Liabilities	Group	Company
Short-term liabilities from leases	**967**	147
Long-term liabilities from leases	**1,470**	76
Total liabilities from Leases	**2,437**	**223**

The interest expense related to lease liabilities of the Group and the Company amounts to € 87 (2021: € 108) and € 10 (2021: € 14) respectively.

The expenses related to short-term leases of the Group amount to € 1,183 (2021: € 929) and are included in the cost of goods sold and the administrative and sales & distribution expenses. The expenses related to short-term leases of the Company amount to € 20 (2021: € 29) and are included in the administrative expenses.

The maturity of liabilities from leases is analyzed in Note 3.32.

Amounts in thousand Euro, unless stated otherwise

3.14 Intangible Assets

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

Intangible Assets	Group			Company	
	Concessions & industrial property rights	Company goodwill	Total	Concessions & industrial property rights	Total
ACQUISITION COST					
Acquisition cost 31.12.2021	**3,129**	**9,815**	**12,944**	**1,589**	**1,589**
Additions	185	-	185	-	-
Transfers	40	-	40	-	-
Impairments	(50)	-	(50)	-	-
Foreign exchange difference	(37)	(95)	(132)	-	-
Acquisition cost 31.12.2022	**3,267**	**9,720**	**12,987**	**1,589**	**1,589**
AMORTIZATION					
Accumulated amortization 31.12.2021	**(2,405)**	**-**	**(2,405)**	**(1,327)**	**(1,327)**
Amortization for the period	(333)	-	(333)	(114)	(114)
Impairments	50	-	50	-	-
Foreign exchange differences	57	-	57	-	-
Accumulated amortization 31.12.2022	**(2,631)**	**-**	**(2,631)**	**(1,441)**	**(1,441)**
NET BOOK VALUE					
31.12.2021	724	9,815	10,539	262	262
31.12.2022	**637**	**9,720**	**10,357**	**148**	**148**

Amounts in thousand Euro, unless stated otherwise

Intangible Assets	Group			Company	
	Concessions & industrial property rights	Company goodwill	Total	Concessions & industrial property rights	Total
ACQUISITION COST					
Acquisition cost 31.12.2020	**2,943**	**9,808**	**12,751**	**1,589**	**1,589**
Additions	141	-	141	-	-
Foreign exchange difference	45	7	52	-	-
Acquisition cost 31.12.2021	**3,129**	**9,815**	**12,944**	**1,589**	**1,589**
AMORTIZATION					
Accumulated amortization 31.12.2020	**(2,096)**	**-**	**(2,096)**	**(1,188)**	**(1,188)**
Amortization for the period	(342)	-	(342)	(139)	(139)
Transfers	57	-	57	-	-
Foreign exchange difference	(24)	-	(24)	-	-
Accumulated amortization 31.12.2021	**(2,405)**	**-**	**(2,405)**	**(1,327)**	**(1,327)**
NET BOOK VALUE					
31.12.2020	847	9,808	10,655	401	401
31.12.2021	**724**	**9,815**	**10,539**	**262**	**262**

The Group tests on an annual basis the goodwill for impairment according to the Group's accounting principle (see note 2.6).

The goodwill included in the consolidated Financial Statements, following their acquisition, has been allocated in the following cash flow generating units (CFGU) per subsidiary company.

Goodwill per Subsidiary	2022
Don & Low LTD	**7,490**
Trierina Trading LTD	**798**
Thrace Polybulk AB	**623**
Thrace Polybulk AS	**727**
Thrace Nonwovens & Geosynthetics Single Person S.A.	**50**
Other	**32**
Total	**9,720**

Amounts in thousand Euro, unless stated otherwise

Major Assumptions

The recoverable value of a cash flow generating unit is determined according to the calculation of the value in use. This calculation uses provisions of cash flows before taxes, based on 5-year financial budgets, which have been approved by the Management and then extrapolated into perpetuity.

Estimates of projected sales are provided by the local Management and are approved by the Group Management, reflecting their best comprehensive estimates, following a prudent approach. Factors taken into account for the development of such estimates are the following: historical sales trends, existing contracts with customers and suppliers, open orders (recorded in the system for the coming months), inflation, competition, increases in production costs combined with the potential sales increases, etc. The basic scenario developed takes into account the current production cost level, as well as the current energy and transportation prices, and the corresponding realistic scenario for sales potential process, followed for the full set of projections. Further, the impact of the new investments (already implemented or in progress) area slo taken into account, both in sales and cost of sales, while scenarios for the implementation of new investments and their impact are also developed. Finally, actions to be performed for the mitigation of potential operational risks (e.g. supply chain disruptions) and the enhancement of Group's environmental footprint are also taken into account.

The value in use for the cash flow generating units is being affected (in terms of sensitivity) from basic factors such as the growth rate to perpetuity which has been set at 0.5%, the projections with regard to the forecasted quantities and sales prices according to the 5-year investment plan of the group, the gross profit margin and the discount rates.

The discount rates reflect the current estimations of the market for the separate risks of each cash flow generating unit. The calculation of the discount rates is based on the certain conditions in which the Group operates along with its operating segments, and is being extracted from the weighted average cost of capital (WACC). The weighted average cost of capital is based on both the debt and the equity. The cost of equity derives from the expected return required by the Group's investors for their investment. The cost of debt is based on the interest rate of the Group's loans that are being repaid. The country's risk premium is incorporated with the application of individual beta sensitivity factors. Beta sensitivity factors (or beta coefficient) are being reviewed annually according to the published market data.

The above assumptions vary depending on the different market conditions prevailing in the countries which the Group activates in. The Group uses the services of an independent valuator who utilizes the Discounted Cash Flow method and values the companies based on the future cash flows in order to determine the value in use.

The basic assumptions used are consistent with independent external sources of information, and are analyzed below per cash flow generating unit (CFGU).

Assumptions* – *Don & Low LTD	**2022**	**2021**
Discount rate, weighted average	8.9%	6.9%
Annual growth rate in revenues	10.6%	5.3%
Earnings before interest, taxes, depreciation and amortization (5-year)	15% - 16%	20%
Assumptions* – *Trierina Trading LTD / Thrace Ipoma A.D.		
Discount rate, weighted average	7.2%	5.7%
Annual growth rate in revenues	8.8%	7.5%
Earnings before interest, taxes, depreciation and amortization (5-year)	16.6%	13% – 16%
Assumptions* – *Thrace Polybulk AS		
Discount rate, weighted average	8.4%	8.0%
Annual growth rate in revenues	5.9%	9.3%
Earnings before interest, taxes, depreciation and amortization (5-year)	10%	9.6% - 14%
Assumptions* – *Thrace Polybulk AB		
Discount rate, weighted average	7.3%	6.8%
Annual growth rate in revenues	4.8%	10.3%
Earnings before interest, taxes, depreciation and amortization (5-year)	5.7% - 5.9%	3.2% - 10.6%

Based on the results of the impairment test, as of December 31, 2022, no impairment losses emerged in the book value of the goodwill of the above cash flow generating units.

On December 31, 2022, the recoverable amount for the specific cash flow generating units compared to the corresponding book values, indicates that there is a significant margin and any substantial change in the assumptions used would not result in an impairment in the book value of goodwill.

Amounts in thousand Euro, unless stated otherwise

The Group analyzed the sensitivity of the recoverable amounts of each Cash Flow Generating Unit (CFGU) in relation to a rational and probable change in one of the major assumptions (as an indication it is noted the best case scenario which refers to 5% sales growth and 2% increase of gross profit, as well as the worst case scenario which refers to the corresponding opposite and unfavorable changes). In addition, sensitivity is calculated according to a 0.5% change in the growth rate in perpetuity and according to a 1% change in the discount rate. As a result of the sensitivity analysis, the recoverable amount for the above cash flow generating units (CFGU) compared to their respective book value, indicates a sufficient margin.

3.15 Other Long-Term Receivables

Due to delays observed in the collection of grants receivable from the Greek State, the Group had reclassified this item in the previous years from short-term to long-term receivables, while proceeding to a partial impairment, and therefore the current outstanding balance of the receivable at the end of the year 2021 had settled at €4,879.

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 (Greek Manpower Employment Organization).

Other Long-Term Receivables	Group		Company	
	2022	2021	2022	2021
Grants receivable	-	4,879	-	1,119
Other accounts receivable	**132**	122	**39**	37
Total	**132**	**5,001**	**39**	**1,156**

On July 17, 2020, the Law 4706/2020 was voted, according to which the outstanding receivables of the beneficiaries until 31.12.2015 will be offset against existing and future claims of the State, by the entry into force of the above law.

The liabilities of OAED (Greek Manpower Employment Organization) and the Greek State are exhausted according to the provisions of article 87, par. 2 of Law 4706/2020. The companies of the Group have implemented the procedures provided by Law 4706/2020, in accordance with the issued circulars of OAED, in order to certify the correctness of the claimed amounts by comparing the already submitted statements. During the financial year 2022, offsetting entries of receivables amounting to € 7,827 have been already carried out, resulting into a corresponding reduction of the receivables recorded and to an increase of financial income. The above applied in cases where the provision was lower than the value of the offsetting entry. The offsetting process is in progress. An amount of €1,202 has been transferred to short-term receivables (see note 3.17).

Amounts in thousand Euro, unless stated otherwise

3.16 Inventories

Inventories	Group		Company	
	2022	**2021**	**2022**	**2021**
Merchandise	**10,419**	8,684	**-**	-
Finished and semi-finished products	**33,277**	29,163	**-**	-
Raw & auxiliary materials	**32,527**	34,687	**-**	-
Provision for impairment of inventory *	**(2,703)**	(1,852)	**-**	-
Spare parts – other inventory	**2,895**	1,153	**-**	-
Total	**76,415**	**71,835**	**-**	-

Provision for Impairment of Inventory	Group	Company
Opening Balance 1.1.2021	**1,433**	-
Additional provisions	356	-
Foreign Exchange Differences	63	-
Total 31.12.2021	**1,852**	**-**
Additional provisions	951	-
Foreign Exchange Differences	(100)	-
Total 31.12.2022	**2,703**	-

It is noted that, according to the European and national legislation in effect, there are no product categories subject to marketing restrictions due to their impact on the environment. As a result, no requirement for impairment arises.

3.17 Trade and other receivables

3.17.1 Trade Receivables

Trade Receivables	Group		Company	
	2022	**2021**	**2022**	**2021**
Customers	**72,459**	72,268	**2,362**	2,626
Provisions for doubtful debts	**(7,690)**	(7,721)	**(2,307)**	(2,317)
Total	**64,769**	**64,547**	**55**	**309**

The customers' balance on the Group level included notes and checks overdue of € 7,993 for the year 2022 and of € 8,070 for the year 2021.

Amounts in thousand Euro, unless stated otherwise

Classification of Customer receivables

Receivables from customers consist of the amounts due from customers from the sale of products that occur within the normal operation of the Group. In general, credit terms range from 30 to 180 days and therefore trade receivables are classified as short-term.

Receivables from customers are initially recognized in the transaction amount if the Group has the unconditional right to receive the transaction price. The Group holds the receivables from customers in order to collect the contractual cash flows and therefore measures them at amortized cost using the effective interest rate method.

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

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 2.20.

For information on financial risk management, see note 3.32.

3.17.2 Other receivables

Other receivables	Group		Company	
	2022	**2021**	**2022**	**2021**
Debtors	**2,638**	3,438	**1,361**	1,066
OAED (Greek Manpower Employment Organization) subsidies receivable (note 3.15)	**1,202**	-	**851**	-
Investment Grant Receivable	**2,353**	2,353	**-**	-
V.A.T and Other Taxes receivables other than Income Tax	**2,838**	2,045	**115**	133
Prepaid expenses	**2,914**	1,773	**53**	54
Interim dividend - Dividends	**-**	4,750	**1,725**	5,750
Total	**11,945**	14,359	**4,105**	7,003

The above grant concerns a grant receivable of Law 3299/2004 of the subsidiary Thrace Plastics Pack SA concerning an implemented investment.

Prepaid expenses mainly concern the receivable for government grants and other prepaid expenses.

Amounts in thousand Euro, unless stated otherwise

3.17.3 Analysis of Provisions for Doubtful Receivables and other receivables

Analysis of Provisions for Doubtful Receivables	Group	Company
Opening balance 1.1.2021	**7,307**	**2,328**
Additional Provisions	456	-
Reverse Entry of Provision	(70)	-
Provisions utilized	(11)	(11)
Foreign Exchange Differences	39	-
Total 31.12.2021	**7,721**	**2,317**
Opening balance 1.1.2022	**7,721**	**2,317**
Additional Provisions	115	-
Reverse Entry of Provision	(90)	-
Provisions utilized	(41)	(10)
Foreign Exchange Differences	(15)	-
Total 31.12.2022	**7,690**	**2,307**

3.18 Cash & cash equivalents

Cash & cash equivalents	Group		Company	
	2022	2021	2022	2021
Cash in hand	**21**	20	**5**	5
Current and time deposits	**39,589**	63,220	**1,422**	132
Total	**39,610**	**63,240**	**1,427**	**137**

Credit rating of cash & cash equivalents

Approximately 22% of the Group's cash and cash equivalents are deposited in the Greek systemic banks within the Greek region. The Group's Management deems that there are no risks associated with the above deposits in the current period.

Following, cash & cash equivalents are categorized according to the credit rating of banks (conducted by Fitch) where the relevant deposits are placed.

Amounts in thousand Euro, unless stated otherwise

Credit rating of cash & cash equivalents	Group		Company	
	2022	2021	2022	2021
AA-	**1,086**	91	**-**	-
A+	**348**	3,521	**-**	-
A	**25,538**	45,315	**-**	-
A-	**1,254**	478	**-**	-
B-	**-**	2,909	**-**	53
BB-	**4,252**	-	**53**	-
BBB+	**1,078**	2,540	**-**	-
B	**2,706**	3,306	**134**	21
B+	**3,327**	5,060	**1,235**	58
Total	**39,589**	**63,220**	**1,422**	**132**

3.19 Share Capital and Share Premium Reserve

The Company's share capital accounted for 28,869,358.32 Euro (absolute number) on 31 December 2022 divided by 43,741,452 common registered shares with nominal value of 0.66 Euro per share.

Treasury shares Company holds are presented below:

Treasury Shares	Quantity	Value (In TH. €)
Beginning Balance	**541,318**	**2,291**
Acquired during the year	210,078	1,020
Ending Balance	**751,396**	**3,311**

3.20 Reserves

3.20.1 Statutory Reserves

In accordance with the provisions of Greek Law, the creation of a statutory reserve – by transferring to such a reserve an amount equal to 5% of the annual after tax profits realized – is mandatory until the time though the reserve reaches the 1/3 of the Company's share capital. The statutory reserve can be distributed only upon the dissolution of the Company. However, it can be used to offset accumulated losses.

3.20.2 Tax-exempt and Other Reserves

These reserves were formed by the application of special provisions of tax laws for special incentive laws. In case of their distribution, they will be taxed with the tax rate prevailing at the time of their distribution.

Amounts in thousand Euro, unless stated otherwise

3.20.3 Foreign exchange difference reserves

These reserves are formed from the conversion of the Assets, Liabilities and net income of subsidiaries based abroad into EUR, based on the exchange rate according to the accounting policies mentioned in note 2.11.3.

3.21 Bank Debt

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

The Group's short term loans have been granted from Greek and foreign banks with interest rates of Euribor or Libor plus a margin. The book value of loans approaches their fair value during 31 December 2022.

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

Debt	Group		Company	
	2022	2021	2022	2021
Long-term debt	31,641	33,610	-	-
Total long-term debt	**31,641**	**33,610**	**-**	**-**
Short term portion of long term debt	15,239	8,519	-	-
Short-term debt	11,750	8,874	1,022	1,519
Total short-term loans	**26,989**	**17,393**	**1,022**	**1,519**
Grand Total	**58,630**	**51,003**	**1,022**	**1,519**

Short-term loans include an amount of € 5,676 which relates to a Factoring arrangement of Thrace Plastics Pack SA with ABC Factors, which has been received by the aforementioned subsidiary and corresponds to non-reinsured customers.

The maturity of the loans is as follows:

Maturity of Loans	Group		Company	
	2022	2021	2022	2021
Up to 1 year	**26,989**	17,393	**1,022**	1,519
From 1 – 3 years	**16,587**	29,479	**-**	-
Over 3 years	**15,054**	4,131	**-**	-
Total loans	**58,630**	**51,003**	**1,022**	**1,519**

It should be noted that the Company does not have any bank debt liabilities, while the balance of the debt liabilities reported in its Balance Sheet refers to an intragroup, fixed rate, short term loan.

Amounts in thousand Euro, unless stated otherwise

Interest rates are linked to Euribor or Libor on per case basis and range from 1.25% to 3.50%. It is noted that 12% of the Group's loans carry a fixed interest rate ranging from 0.35% to 2.15%.

The majority of the Group's loans are linked to covenants which on December 31, 2022 are fully met.

3.22 Pension Liabilities

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 treatment is made on the basis of the accrued entitlement, as at the Balance Sheet date, that is anticipated to be paid, discounted to its present value by reference to the anticipated time of payment.

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

Employee Benefits	Group		Company	
	2022	2021	2022	2021
Defined benefit plans – Unfunded	1,385	1,599	**79**	**79**
Defined benefit plans – Funded	(7,169)	1,900	**-**	-
Total provision at the end of the year	**(5,784)**	**3,499**	**79**	**79**

3.22.1 Defined benefit plans – Unfunded

The IFRS Interpretations Committee issued in May 2021 the final decision on the agenda entitled "Distribution of benefits in periods of service in accordance with International Accounting Standard (IAS) 19", which includes explanatory material on how to distribute benefits in periods of service on a specific defined benefit plan proportional to that defined in article 8 of L.3198 / 1955 regarding the provision of compensation due to retirement (the "Program of Fixed Benefits of Labor Law").

Based on the above Decision, there should be an alteration in the way in which the basic principles of IAS 19 were applied in Greece in the past in this regard. Consequently, according to what is defined in the "IASB Due Process Handbook (par. 8.6)", the economic entities that prepare their financial statements in accordance with IFRS are required to amend their accounting policies in relation to the above.

Until the issuance of the decision, for the Greek subsidiaries, the Group applied IAS 19 distributing the benefits defined by the article 8 of L.3198 / 1955, L. 2112/1920, and its amendment by Law 4093/2012 in the period from the recruitment until the date of retirement of the employees.

Amounts in thousand Euro, unless stated otherwise

The application of this final Decision to the attached financial statements, has brought as requirement the distribution of benefits defined in the last sixteen (16) years until the date of retirement of employees following the scale of Law 4093/2012.

The Greek companies of the Group as well as the subsidiary Thrace Ipoma A.D. domiciled in Bulgaria participate in the following plan.

Defined benefit plans – Unfunded	Group		Company	
	2022	2021	2022	2021
Amounts recognized in the balance sheet				
Present value of liabilities	1,385	1,599	79	79
Net liability recognized in the balance sheet	**1,385**	**1,599**	**79**	**79**
Amounts recognized in the financial results				
Cost of current employment	231	164	14	12
Net interest on the liability / (asset)	8	6	-	-
Ordinary expense in the account of financial results	**239**	**170**	**14**	**12**
Recognition of prior service cost	-	(22)	-	-
Cost of curtailment / settlements / service termination	575	386	-	88
Other expense / (income)	-	-	-	-
Total expense in the account of financial results	**814**	**534**	**14**	**100**
Change in the present value of the liability				
Present value of liability at the beginning of period	**1,599**	**1,462**	**79**	**78**
Cost of current employment	231	164	15	12
Interest cost	**8**	**6**	**-**	**-**
Benefits paid from the employer	(764)	(480)	-	(92)
Cost of curtailment / settlements / service termination	575	386	-	88
Other expense / (income)	-		-	-
Cost of prior service during the period	-	59	-	-
Actuarial loss / (profit) – financial assumptions	(236)	(11)	(10)	3
Actuarial loss / (profit) – demographic assumptions	(53)	18	-	-

Amounts in thousand Euro, unless stated otherwise

Defined benefit plans – Unfunded	Group		Company	
	2022	2021	2022	2021
Actuarial loss / (profit) – evidence from the period	26	(5)	(5)	(10)
Present value of liability at the end of period	**1,385**	**1,599**	**79**	**79**
Adjustments				
Adjustments profit / (loss) in the liabilities due to change of assumptions	289	(88)	10	(3)
Empirical adjustments profit / (loss) in liabilities	(25)	5	5	10
Other	-	-	-	-
Total actuarial profit / (loss) in the Net Worth	**264**	**(83)**	**15**	**7**
Changes in the Net Liability recognized in Balance Sheet				
Net liability / receivable at the beginning of year	1,599	1,462	79	78
Benefits paid from the employer - Other	(764)	(480)	-	(92)
Total expense recognized in the account of financial results	**814**	**534**	**15**	**100**
Total amount recognized in the Net Worth	(264)	83	(15)	(7)
Other	-	-	-	-
Net liability at the end of year	**1,385**	**1,599**	**79**	**79**
Cumulative amount in the Net Worth Profit / (Loss)	**(59)**	**12**	**22**	**7**
Money flows				
Expected benefits from the plan in the following year	45	86	-	-

The actuarial assumptions are presented in the following table.

Amounts in thousand Euro, unless stated otherwise

Actuarial Assumptions	Greek Companies		Thrace Ipoma AD	
	2022	2021	2022	2021
Discount rate	3.20%	0.50%	6.00%	0.60%
Inflation	2.60%	2.03%	16.9%	7.80%
Average annual increase of personnel salaries	2.60%	2.03%	2.00%	5.00%
Duration of liabilities	5.2 years	6.7 years	7.4 years	10.5 years

It is noted that a change of 0.5% in the discount rate would result into a change in the present value of liabilities by 3%, while a change of 0.5% in the average annual increase of personnel salaries would lead to a change in the present value of liabilities by 3%.

3.22.2 Defined benefit plans – Funded

The subsidiaries Don & Low LTD and Thrace Polybulk AS have formed Pension Plans of defined benefits which operate as stand-alone legal entities in the form of trusts. Therefore the assets of the plans are not related to the assets of the companies.

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

Defined benefit plans – Funded	Group	
	2022	2021
Amounts recognized in the balance sheet		
Present value of liabilities	102,648	160,955
Fair value of the plan's assets	(109,817)	(159,055)
Net liability recognized in the balance sheet	**(7,169)**	**1,900**
Amounts recognized in the financial results		
Cost of current employment	118	186
Net interest on the liability / (asset)	1	120
Ordinary expense in the account of financial results	**119**	**306**
Cost recognition from previous years	-	-
Cost of curtailment / settlements / service termination	-	-
Other expense / (income)	469	349
Foreign exchange differences	-	-
Total expense in the account of financial results	**588**	**655**

Amounts in thousand Euro, unless stated otherwise

Defined benefit plans – Funded	Group	
	2022	2021
Change in the present value of the liability		
Present value of liability at the beginning of period	160,955	158,697
Cost of current employment	115	166
Interest cost	2,838	2,237
Benefits paid from the plan	(5,863)	(5,583)
Cost of curtailment / settlements / service termination	-	(121)
Other expense / (income)	(24)	(18)
Actuarial loss / (profit) – financial assumptions	(60,038)	(3,490)
Actuarial loss / (profit) – demographic assumptions	2,932	(349)
Actuarial loss / (profit) – evidence from the period	8,193	(1,441)
Foreign exchange differences	(6,460)	10,857
Present value of liability at the end of period	**102,648**	**160,955**
Change in the value of assets		
Present value of the plan's assets at the beginning of period	159,055	145,968
Income from interest	2,838	2,117
Return on assets	(40,718)	4,703
Employer's contributions	1,224	1,971
Employees' contributions	-	-
Benefits paid from the plan	(5,863)	(5,933)
Foreign exchange differences	(6,719)	10,229
Present value of assets at the end of period	**109,817**	**159,055**
Adjustments		
Adjustments profit / (loss) in the liabilities due to change of assumptions	48,913	5,280
Empirical adjustments profit / (loss) in liabilities	-	-
Empirical adjustments profit / (loss) in assets	(40,718)	4,823
Total actuarial profit / (loss) in the Net Worth	**8,195**	**10,103**
Cost recognition from previous years		
Foreign exchange differences		
Total amount recognized in the Net Worth	**8,195**	**10,103**

Amounts in thousand Euro, unless stated otherwise

Defined benefit plans – Funded	Group	
	2022	2021
Asset allocation*		
Mutual Funds (Equities)	13,490	15,640
Mutual Funds (Bonds)	64,547	79,893
Diversified Growth Funds	22,438	52,839
Other	9,342	10,683
Total	**109,817**	**159,055**
Changes in the Net Liability recognized in Balance Sheet		
Net liability / (receivable) at the beginning of year	1,900	12,729
Contributions from the employer / Other	(1,720)	(2,009)
Total expense recognized in the account of financial results	588	655
Total amount recognized in the Net Worth	(8,195)	(10,103)
Foreign exchange differences	258	628
Net liability / (asset) at the end of year	**(7,169)**	**1,900**
Cumulative amount in the Net Worth Profit / (Loss)	**27,087**	**18,148**
Money flows		
Expected benefits from the plan in the following year	(5,637)	(4,760)

* *The assets of the plan are measured at fair values and include mainly mutual funds of Baillie Gifford, of Legal & General Investment Management as well as of Ninety One plc.*

The category "Other" also includes the plan's cash reserves.

The actuarial assumptions are presented in the following table.

Amounts in thousand Euro, unless stated otherwise

Actuarial Assumptions	Don & Low LTD		Thrace Polybulk AS	
	2022	2021	2022	2021
Discount rate	5.02%	1.84%	3.00%	1.70%
Inflation	3.14%	3.37%	3.00%	2.00%
Average annual increase of personnel salaries	3.14%	3.37%	4.00%	2.00%
Duration of liabilities	14 years	18 years	10 years	10 years

It is noted that a change of 0.25% in the discount rate would result into a change in the present value of liabilities by 3.5%.

3.23 Deferred Taxes

Group

The following amounts are recorded in the consolidated Statement of Financial Position, after any offsetting entries wherever it is required:

Deferred Taxation	2022	2021
Deferred tax assets	**1,322**	2,261
Deferred tax liabilities	**(10,625)**	(8,623)
Total deferred taxation	**(9,303)**	**(6,362)**

A. Change of deferred tax in the financial results	2022	2021
As at 1 January	**(6,362)**	**(1,824)**
Change in the financial results	(1,179)	(2,216)
Foreign exchange differences	**442**	**(176)**
Change in statement of comprehensive income	(2,204)	(2,146)
As at 31 December	**(9,303)**	**(6,362)**

Amounts in thousand Euro, unless stated otherwise

B. Deferred tax (liabilities)	Liabilities for employee benefits	Amortization	Other	Total
As at 1 January 2021		**(5,774)**	**(661)**	**(6,435)**
Change in the financial results		(1,858)	(5)	(1,863)
Foreign exchange differences		(292)	(33)	(325)
Change in statement of comprehensive income		-	-	-
As at 31 December 2021	**-**	**(7,924)**	**(699)**	**(8,623)**
Change in the financial results	(42)	(1,418)	390	(1,070)
Foreign exchange differences	62	370	(16)	416
Change in other comprehensive income	(1,374)	26	-	(1,348)
As at 31 December 2022	**(1,354)**	**(8,946)**	**(325)**	**(10,625)**

C. Deferred tax assets	Liabilities for employee benefits	Provisions	Other	Total
As at 1 January 2021	**3,129**	**966**	**516**	**4,611**
Change in the financial results	(249)	(86)	(18)	(353)
Change in the other comprehensive income	(2,146)	-	-	(2,146)
Foreign exchange differences	122	-	27	149
As at 31 December 2021	**856**	**880**	**525**	**2,261**
Change in the financial results		12	(121)	(109)
Change in the other comprehensive income	(856)	-	-	(856)
Foreign exchange differences		-	26	26
As at 31 December 2022	**-**	**892**	**430**	**1,322**

Amounts in thousand Euro, unless stated otherwise

Company

A. Change of deferred tax in the financial results	2022	2021
As at 1 January	**113**	**130**
Change in the financial results	9	(16)
Change in the other comprehensive income	(3)	(1)
As at 31 December	**119**	**113**

B. Deferred tax (liabilities)	Depreciation	Other	Total
As at1 January 2021	**111**	**(2)**	**109**
Change in the financial results	(14)	-	(14)
Change in other comprehensive income	-	-	-
As at 31 December 2021	**97**	**(2)**	**95**
Change in the financial results	5	-	5
Change in other comprehensive income			
As at 31 December 2022	**102**	**(2)**	**100**

C. Deferred tax assets	Liabilities for employee benefits	Provisions	Other	Total
As at 1 January 2021	**21**	**-**	**-**	**21**
Change in the financial results	(2)	-	-	(2)
Change in other comprehensive income	(1)	-	-	(1)
As at 31 December 2021	**18**	**-**	**-**	**18**
Change in the financial results	3			
Change in other comprehensive income	(3)			
As at 31 December 2022	**18**			**18**

In the Statement of Financial Position, deferred tax assets and liabilities are offset per Company, while in the specific table deferred tax assets and liabilities are presented in detail. Therefore, any reconciliation is made in the change between assets and liabilities.

Amounts in thousand Euro, unless stated otherwise

3.24 Suppliers and Other Short-Term Liabilities

Suppliers and Other Short-Term Liabilities are presented analytically in the following tables:

3.24.1 Suppliers

Suppliers	Group		Company	
	2022	**2021**	**2022**	**2021**
Suppliers	**40,630**	55,441	**295**	1,046
Total	**40,630**	**55,441**	**295**	**1,046**

3.24.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	2022	**2021**	**2022**	**2021**
Sundry creditors	**5,053**	4,531	**14**	16
Liabilities from taxes and pensions	**4,917**	4,993	**238**	426
Dividends payable	**143**	107	**115**	102
Customer prepayments *	**1,483**	7,794	**-**	-
Personnel salaries payable	**1,412**	1,216	**69**	65
Accrued expenses – Other accounts payable	**9,962**	10,354	**896**	997
Total short-term liabilities	**22,970**	**28,995**	**1,332**	**1,606**

The fair value of the liabilities approaches the book value.

* Customer prepayments concern contractual liabilities of the Group for the performance of the contractual agreements and the transfer of goods and/or services. The Group expects that the total advances will be recognized as revenue in the financial year 2023.

Revenues will be recognized in the financial results upon delivery of the order. Revenue corresponding to previous year's customer advances has been recognized in the current year.

Amounts in thousand Euro, unless stated otherwise

3.25 Financial Derivative Products

The Group enters into foreign exchange futures -purchase and sale- contracts, to cover the exchange risk from collection of receivables and payments in foreign currency towards suppliers. These contracts have different expiration dates, depending on the date of each expected collection or payment. The valuation of the Company's open position as of 31st December 2022 is as follows:

Currency	Open Position	Pre-purchase / (Pre-sale) Amount (in $)	Pre-purchase / (Pre-sale) Value (in €)	Current Value in €	Gain/(Loss) from Valuation
USD	**Sale**	6,500	6,378	6,094	**284**
Total		**6,500**	6,378	**6,094**	**284**

3.26 Dividend

3.26.1 Dividend of Year 2021

The annual Ordinary General Meeting of the Company's shareholders, which took place on May 25, 2022 approved the allocation (distribution) of profits for the financial year 2021 (01.01.2021-31.12.2021) and specifically it approved the distribution (payment) of a total dividend of Euro 11,750,000.00 (gross amount) from the earnings of the particular financial year.

Given that the Company, by virtue of the relevant decision of the Board of Directors dated 24.09.2021, had already distributed to its shareholders for the fiscal year 2021 an interim dividend of total amount of 4,750,000.00 Euros (gross amount), i.e. 0.109858877 Euros per share (gross amount, along with the increase that corresponds to the treasury shares the Company held on the cut-off date of the interim dividend), the General Meeting unanimously approved the distribution of the remaining amount of the dividend, and in particular of 7,000,000.00 Euros (gross amount), i.e. an amount of 0.1600312674 Euros per share (gross amount). The latter amount per share after the increase that corresponds to 659,853 treasury shares held by the Company and which are excluded from the payment of dividend settled at 0.1624823628 Euros per share (gross amount).

The Company's shareholders registered in the records of the Dematerialized Securities System (SAT) as of Tuesday, 31 May 2022 (record date), were those entitled to receive the above dividend.

Monday 30 May 2022 was set as the ex-dividend date according to the relevant article 5.2 of the Athens Exchange Regulation.

The payment of dividend commenced on Friday, 3 June 2022, and was implemented through the Societe Anonyme under the name "PIRAEUS BANK S.A.", according to the procedure stipulated by the Regulation of the Athens Exchange in effect.

Amounts in thousand Euro, unless stated otherwise

3.26.2 Interim Dividend for the Year 2022

The Board of Directors of the Company during its meeting on 22 November 2022 approved the distribution of an interim dividend for the financial year 2022 based on the interim financial statements of the period 01.01.2022-30.06.2022. The interim dividend settled at 3,000,000.00 Euros (gross amount), i.e. 0.0685848289 Euros per share of the Company (gross amount), which after the increase that corresponds to the 751,396 treasury shares held by the Company and which are excluded from the payment of interim dividend, according to the law, amounted to 0.0697835797 Euros per share. The latter amount was also subject to withholding tax based on a rate of 5% in accordance with the provisions of Law 4646/2019 (Government Gazette A΄ 201/12.12.2019). Therefore, the finally paid amount of interim dividend for the year 2022 settled at 0.0662944007 Euros per share. Based on a relevant decision taken on 7th of December 2022 by the meeting of the Company's Board of Directors, the following dates were determined:

Monday 30 January 2023 was set as the ex-dividend date.

The Company's shareholders registered in the records of the Dematerialized Securities System (SAT) as of Tuesday, 31 January 2023 (record date), were those entitled to receive the above interim dividend for the year 2022.

The payment of the interim dividend commenced on Friday, 3 February 2023, and was implemented through the paying Bank "PIRAEUS BANK S.A."

3.27 Transactions with Related Parties

The Group classifies as related parties the members of the Board of Directors, the directors of the Companies 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 01.01.2022 – 31.12.2022 have been conducted according to market terms and in the context of the ordinary business activities.

The transactions with the Subsidiaries, Joint Ventures and Affiliated companies according to the IFRS 24 during the period 01.01.2022 – 31.12.2022 are presented below.

Income	Group		Company	
	01.01 – 31.12.2022	01.01 - 31.12.2021	01.01 – 31.12.2022	01.01 - 31.12.2021
Subsidiaries	**-**	-	**5,785**	5,664
Joint Ventures*	**7,061**	5,917	**102**	119
Affiliated Companies	**102**	13	**-**	-
Total	**7,163**	**5,930**	**5,887**	**5,783**

* The Group's revenues from joint ventures mainly refer to sales of goods.

Amounts in thousand Euro, unless stated otherwise

Expenses	Group		Company	
	01.01 – 31.12.2022	01.01 - 31.12.2021	01.01 – 31.12.2022	01.01 - 31.12.2021
Subsidiaries	**-**	-	**163**	84
Joint Ventures	**572**	486	**-**	-
Affiliated Companies	**1,590**	800	**561**	403
Total	**2,162**	**1,286**	**724**	**487**

Trade and other receivables	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Subsidiaries	**-**	-	**1,775**	1,297
Joint Ventures	**1,386**	1,195	**-**	7
Affiliated Companies	**55**	38	**26**	26
Total	**1,441**	**1,233**	**1,801**	**1,330**

Suppliers and Other Liabilities	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Subsidiaries	**-**	-	**1,241**	1,678
Joint Ventures	**90**	48	**1**	5
Affiliated Companies	**56**	92	**33**	69
Total	**146**	**140**	**1,275**	**1,752**

Long-term Liabilities	Group		Company	
	31.12.2022	31.12.2021	31.12.2022	31.12.2021
Subsidiaries	**-**	-	**283**	284
Joint Ventures	**-**	-	**-**	-
Affiliated Companies	**-**	-	**-**	-
Total	**-**	**-**	**283**	**284**

In the context of the adoption of IFRS 16, the Company's liabilities to Subsidiaries and Affiliated companies include lease liabilities.

The Company's lease liabilities with related parties are analyzed as follows:

Amounts in thousand Euro, unless stated otherwise

Company Liabilities from leases	Initial balance 01.01.2022	Payments of leases	New Contracts / Amendments of Contracts	Interests on Leases	Closing Balance 31.12.2022
Subsidiaries	**2**	**(1)**	-	**-**	**1**
Affiliated Companies	**277**	(120)	-	9	**166**
Total	**279**	**(121)**	**-**	**9**	**167**

Company Liabilities from leases	Initial balance 01.01.2021	Payments of leases	New Contracts / Amendments of Contracts	Interests on Leases	Closing Balance 31.12.2021
Subsidiaries	**3**	**(1)**	-	**-**	**2**
Affiliated Companies	**20**	(120)	368	9	**277**
Total	**23**	**(121)**	**368**	**9**	**279**

In addition, the depreciation of the Company includes depreciation for assets with the right of use, relating to lease agreements with related parties, amounting to € 115 (2021: € 114).

Also, the Group's liabilities to affiliated companies include lease liabilities which are analyzed as follows:

Group **Liabilities from leases**	Initial balance 01.01.2022	Payments of leases	New Contracts / Amendments of Contracts	Interests on Leases	Closing Balance 31.12.2022
Affiliated Companies	**559**	(246)	-	18	**331**
Total	**559**	**(246)**	-	**18**	**331**

Group **Liabilities from leases**	Initial balance 01.01.2021	Payments of leases	New Contracts / Amendments of Contracts	Interests on Leases	Closing Balance 31.12.2021
Affiliated Companies	**21**	(186)	708	16	**559**
Total	**21**	**(186)**	**708**	**16**	**559**

In addition, the depreciation of the Group includes depreciation for assets with the right to use, relating to lease agreements with related parties, amounting to € 227 (2021: € 182).

The Group's "subsidiaries" include all companies consolidated under "Thrace Plastics Group" via the full consolidation method.

The "Joint Ventures" include those consolidated with the equity method.

The Company has granted guarantees to banks against long-term debt of its subsidiaries. On 31st December 2022, the outstanding amount for which the Company had provided guarantee settled at € 43,616 and is analyzed as follows.

Amounts in thousand Euro, unless stated otherwise

Guarantees for Subsidiaries	2022
Thrace Nonwovens & Geosynthetics Single Person S.A.	21,443
Thrace Plastics Pack SA	17,676
Thrace Polyfilms Single Person S.A.	4,497
Total	**43,616**

3.28 Remuneration of Board of Directors

BoD Fees	Group		Company	
	2022	2021	2022	2021
BoD Fees	**4,797**	4,970	**1,664**	1,812

The remuneration concerns the Boards of Directors of 20 companies in which 31 members participate and include salaries of the executive members of the Boards of Directors, other remuneration and benefits of both the executive and the non-executive directors.

3.29 Investments

3.29.1 Investments in companies consolidated with the full consolidation method

The Management reviews at least on annual basis whether there are indications for impairment in goodwill. On 31.12.2022, the Management reviewed all equity investments with regard to any evidence of impairment. At the same time it followed the procedures described in note 2.6 with regard to the review for goodwill impairment and at the same time concluded that there is no indication of a need for impairment of participations in subsidiaries.

Based on the evaluation of the Management, there is no indication of a need for impairment of investments in subsidiaries as of 31.12.2022.

The value of the Company's investments in the subsidiaries, as of 31st December 2022, is as follows:

Amounts in thousand Euro, unless stated otherwise

Companies consolidated with the full consolidation method	2022	2021
Don & Low LTD	**37,495**	37,495
Thrace Plastics Pack SA	**15,507**	15,507
Thrace Nonwovens & Geosynthetics Single Person SA	**5,710**	5,710
Synthetic Holdings LTD	**11,728**	11,728
Thrace Polyfilms Single Person SA	**3,418**	3,418
Total	**73,858**	**73,858**

3.29.2 Investments 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 31/12/2022. 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 Shareholding
Thrace Greiner Packaging SRL	Romania	The company activates in the production of plastic boxes for food products and paints and belongs to the packaging sector. The company's shares are not listed.	**46.47%**
Lumite INC	United States	The company activates in the production of agricultural fabrics and belongs to the technical fabrics sector. The company's shares are not listed.	**50.00%**
Thrace Greenhouses SA	Greece	The company activates in the production of agricultural products and belongs to the agricultural sector. The company's shares are not listed.	**50.91%**
Thrace Eurobent SA	Greece	The company activates in the manufacturing of waterproof products via the use of Geosynthetic Clay Liner – GCL, and belongs to the technical fabrics sector. The company's shares are not listed.	**51.00%**

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

Amounts in thousand Euro, unless stated otherwise

Investment in companies consolidated with the equity method	THRACE GREINER PACKAGING SRL	THRACE GREENHOUSES SA	LUMITE INC	THRACE EUROBENT SA	Total
Balance at beginning 01.01.2021	**3,968**	**3,936**	**6,866**	**298**	**15,068**
Gain / (losses) from joint ventures	1,141	333	1,253	43	2,770
Dividends	(401)	-	-	-	(401)
Foreign exchange differences and other reserves	(64)	16	617	6	575
Balance at end 31.12.2021	**4,644**	**4,285**	**8,736**	**347**	**18,012**
Balance at beginning 01.01.2022	**4,644**	**4,285**	**8,736**	**347**	**18,012**
Gain / (losses) from joint ventures	1,069	449	790	217	2,525
Dividends	(669)	-	(441)	-	(1,110)
Foreign exchange differences and other reserves	(3)	-	497	-	494
Balance at end 31.12.2022	**5,041**	**4,734**	**9,582**	**564**	**19,921**

The financial statements of the companies are presented in the following tables:

STATEMENT OF FINANCIAL POSITION	THRACE GREINER PACKAGING SRL		THRACE GREEN-HOUSES SA		LUMITE INC		THRACE EUROBENT SA	
	2022	2021	2022	2021	2022	2021	2022	2021
% of Shareholding	**46.47%**	46.47%	**50.91%**	**50.91%**	**50%**	**50%**	**51%**	**51%**
ASSETS								
Property, Plant & Equipment	**6,738**	5,791	**9,463**	9,163	**4,441**	4,264	**922**	1,066
Inventories	**2,979**	4,139	**239**	181	**14,372**	12,555	**1,107**	931
Trade and other receivables	**3,390**	3,390	**1,953**	1,386	**1,556**	2,886	**439**	169
Other asset items	**-**	-	**427**	374	**167**	8	**117**	85
Cash	**2,685**	2,739	**1,360**	110	**3,057**	4,181	**605**	948
LIABILITIES								
Bank debt	**1,931**	2,684	**2,811**	1,731	**2,371**	2,345	**895**	1,035
Other liabilities	**3,703**	4,026	**1,332**	1,066	**2,110**	4,134	**1,100**	1,436
EQUITY	**10,158**	9,349	**9,299**	8,417	**19,112**	17,415	**1,195**	728

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF COMPREHENSIVE INCOME	THRACE GREINER PACKAGING SRL		THRACE GREEN-HOUSES SA		LUMITE INC		THRACE EUROBENT SA	
	2022	2021	2022	2021	2022	2021	2022	2021
Turnover	**22,815**	21,099	**9,424**	8,111	**31,750**	31,059	**6,994**	6,218
Cost of sales	**(18,194)**	(16,102)	**(7,169)**	(6,104)	**(26,087)**	(26,296)	**(5,419)**	(5,241)
Gross profit	**4,621**	4,997	**2,255**	2,007	**5,663**	4,763	**1,575**	977
Selling & Distribution expenses	**(890)**	(778)	**(872)**	(748)	**(2,209)**	(2,228)	**(812)**	(685)
Administrative expenses	**(1,244)**	(1,185)	**(538)**	(506)	**(1,382)**	(1,193)	**(96)**	(70)
Other (expenses) / income	**3**	(276)	**265**	93	**91**	1,491	**(43)**	(42)
Operating profit / loss	**2,490**	2,758	**1,110**	846	**2,163**	2,833	**624**	180
Financial result	**22**	(53)	**(97)**	(147)	**(119)**	(90)	**(33)**	(40)
Profit/(loss) before Taxes	**2,512**	2,705	**1,013**	699	**2,044**	2,743	**591**	140
Taxes	**(360)**	(438)	**(131)**	(45)	**(467)**	(264)	**(125)**	(64)
Profit/(loss) after Taxes	**2,152**	2,267	**882**	654	**1,577**	2,479	**466**	76

3.30 Commitments and Contingent Liabilities

On 31st December 2022 there are no significant legal issues pending that may have a material effect in the financial position of the Companies in the Group.

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

Amounts in thousand Euro, unless stated otherwise

3.31 Fees of auditing firms

During the financial year 2022, the total fees of the Company's and Group's external auditors, are analyzed as follows:

Fees of auditing firms	Group		Company	
	2022	2021	2022	2021
Fees for auditing services	**498**	419	**68**	63
Fees for tax certificate	**114**	153	**12**	11
Fees for non-audit services	**79**	28	**46**	-
Total	**691**	**600**	**126**	**74**

3.32 Financial risks

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

The Group's activities, in general, create several financial risks. Such risks include market risk (foreign exchange risk and risk from changes of raw materials prices), credit risk, liquidity risk and interest rate risk.

3.32.1 Risk of Price Fluctuations of Raw Materials

The Group is exposed to fluctuations in the price of polypropylene (represents 49% approximately of the cost of sales), which are mainly faced by a similar change in the selling price of the final product. The possibility that the increase in the price of polypropylene cannot be fully passed on to the selling price, causes unavoidably the compression of margins. For this reason, the Company accordingly adjusts, to the extent it is feasible, its inventory policy as well as its commercial policy in general. Hence, in any case, the particular risk is deemed as relatively controlled.

3.32.2 Credit Risks

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

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

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

Amounts in thousand Euro, unless stated otherwise

- **Impairment**

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

The Group and the Company recognize provisions for impairment with regard to the expected credit losses of all financial assets. The expected credit losses are based on the difference between the contractual cash flows and the entire cash flows which the Group (or the Company) anticipates to receive. The difference is discounted by using an estimate concerning the initial effective interest rate of the financial asset. For the trade receivables, the Group and the Company applied the simplified approach of the accounting standard and calculated the expected credit losses based on the expected credit losses for the entire lifetime of these items.

Regarding the remaining financial assets, the expected credit losses are being calculated according to the losses of the next 12 months. The expected credit losses of the following 12 months is part of the anticipated credit losses for the entire life of the financial assets, which emanates from the probability of a default in the payment of the contractual obligations within the next 12-month period starting from the reporting date. In case of a significant increase in credit risk since the initial recognition, the provision for impairment will be based on the expected credit losses of the entire life of the asset.

At the date of the preparation of the financial statements, impairment of receivables from customers and other financial assets was made on the basis of the above.

The following table presents an analysis of the maturity of customers at 31/12/2022.

Maturity of Trade Receivables' Balances 31.12.2022	Group	Company
01 – 30 days	19,708	50
31 – 90 days	37,429	-
91 – 180 days	8,196	-
180 days and over	7,126	2,312
Subtotal	**72,459**	**2,362**
Provisions for doubtful receivables	(7,690)	(2,307)
Total	**64,769**	**55**

The above amounts are expressed in terms of due days in the table below:

Amounts in thousand Euro, unless stated otherwise

Analysis of not past due/overdue trade receivables 31.12.2022	Group	Company
Receivables current	52,008	50
Overdue receivables 1 – 30 days	9,838	-
Overdue receivables 31 – 90 days	3,015	-
Overdue receivables above 91 days	7,598	2,312
Subtotal	**72,459**	**2,362**
Provisions for doubtful customer receivables	(7,690)	(2,307)
Total	**64,769**	**55**

With regard to uninsured receivables overdue more than 90 days, which the Group has classified as doubtful, relevant provisions have been made which are deemed as sufficient.

Correspondingly, the amounts of maturity and past due for the financial year 2021 are presented in the following tables:

Maturity of Trade Receivables' Balances 31.12.2021	Group	Company
01 – 30 days	23,443	304
31 – 90 days	37,175	-
91 – 180 days	4,980	-
180 days and over	6,670	2,322
Subtotal	**72,268**	**2,626**
Provisions for doubtful receivables	(7,721)	(2,317)
Total	**64,547**	**309**

Amounts in thousand Euro, unless stated otherwise

Analysis of not past due/overdue trade receivables 31.12.2021	Group	Company
Receivables current	53,323	297
Overdue receivables 1 – 30 days	9,492	7
Overdue receivables 31 – 90 days	2,639	-
Overdue receivables above 91 days	6,814	2,322
Subtotal	**72,268**	**2,626**
Provisions for doubtful customer receivables	(7,721)	(2,317)
Total	**64,547**	**309**

3.32.3 Liquidity risk

Liquidity risk monitoring focuses on the management of cash inflows and outflows on a permanent basis, so that the Group has the ability to meet its cash liabilities and retain the cash reserves required for its operations. Liquidity is managed by maintaining cash and approved bank credit lines. At the date of preparation of the financial statements, unused approved bank credits were available to the Group, which are considered sufficient to handle any possible shortage of cash in the future.

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

The following table presents the liabilities – disbursements according to their maturity dates.

Group 31.12.2022	Up to 1 month	1-6 months	6-12 months	1-5 Years	Over 5 years	Total
Suppliers	21,357	19,051	222	-	-	**40,630**
Other short-term liabilities	11,324	10,367	1,279	-	-	**22,970**
Short-term debt	3,658	8,735	14,596	-	-	**26,989**
Liabilities from Leases (short-term portion)	86	383	498	-	-	**967**
Long-term debt	-	-	-	30,993	648	**31,641**
Liabilities from Leases (long-term portion)	-	-	-	1,446	24	**1,470**
Other long-term liabilities	-	-	-	174	-	**174**
Total 31.12.2022	**36,425**	**38,536**	**16,595**	**32,613**	**672**	**124,841**

Amounts in thousand Euro, unless stated otherwise

Company 31.12.2022	Up to 1 month	1-6 months	6-12 months	1-5 Years	Over 5 years	Total
Suppliers	248	47	-	-	-	**295**
Other short-term liabilities	495	721	116	-	-	**1,332**
Short-term debt	1,022	-	-	-	-	**1,022**
Liabilities from Leases (short-term portion)	12	61	74	-	-	**147**
Long-term debt	-	-	-	-	-	**-**
Liabilities from Leases (long-term portion)	-	-	-	76	-	**76**
Other long-term liabilities	-	-	-	1	-	**1**
Total 31.12.2022	**1,777**	**829**	**190**	**77**	**-**	**2,873**

Group 31.12.2021	Up to 1 month	1-6 months	6-12 months	1-5 Years	Over 5 years	Total
Suppliers	29,665	25,484	292	-	-	**55,441**
Other short-term liabilities	12,723	15,891	381	-	-	**28,995**
Short-term debt	2,601	9,118	5,674	-	-	**17,393**
Liabilities from Leases (short-term portion)	75	330	509	-	-	**914**
Long-term debt	-	-	-	33,610	-	**33,610**
Liabilities from Leases (long-term portion)	-	-	-	1,941	120	**2,061**
Other long-term liabilities	-	-	-	237	-	**237**
Total 31.12.2021	**45,064**	**50,823**	**6,856**	**35,788**	**120**	**138,651**

Amounts in thousand Euro, unless stated otherwise

Company 31.12.2021	Up to 1 month	1-6 months	6-12 months	1-5 Years	Over 5 years	Total
Suppliers	520	526	-	-	-	**1,046**
Other short-term liabilities	178	1,331	97	-	-	**1,606**
Short-term debt	-	1,519	-	-	-	**1,519**
Liabilities from Leases (short-term portion)	11	58	70	-	-	**139**
Long-term debt	-	-	-	-	-	**-**
Liabilities from Leases (long-term portion)	-	-	-	208	-	**208**
Other long-term liabilities	-	-	-	-	1	**1**
Total 31.12.2021	**709**	**3,434**	**167**	**208**	**1**	**4,519**

3.32.4 Foreign exchange risk

The Group is exposed to foreign exchange risks arising from existing or expected cash flows in foreign currency and investments that have been made in countries outside Greece. The management uses hedge instruments, mainly foreign currency forward contracts, to hedge the risks arising from changes in foreign exchange rates.

Sensitivity analysis of the effect of exchange rate changes is given in the table below.

Foreign Currency	2022			2021		
Change of foreign currency against Euro*	USD	GBP	Other	USD	GBP	Other
Profit before tax						
+5%	(333)	65	(18)	(74)	(32)	5
-5%	368	(72)	21	81	35	(6)
Equity						
+5%	(56)	(881)	(302)	(218)	(1,358)	(222)
-5%	62	974	334	241	1,500	246

Note
- *Profit before Taxes are converted at the average exchange rates.*
- *Equity is converted at the exchange rate at the closing date of each fiscal year.*

3.32.5 Interest rate Risk

The long-term loans of the Group have been granted by Greek and foreign banks and are mainly in Euro. Their repayment time varies, depending on the loan agreement and they are usually linked to Euribor plus margin. The Group's short-term loans have been granted by various banks, with Euribor interest rate plus margin as well as Libor interest rate plus margin.

Amounts in thousand Euro, unless stated otherwise

The Group Management monitors the evolution of the interest rates level and initiate actions, to the extent possible, to retain or decrease the spreads. At the same time, effort is being placed on liquidity management, with a target to maintain a rational debt balance, compared with Group's sales volume, profitability level and its investment plans.

It is estimated that a change in the average annual interest rate by 1% will result in a (charge) / improvement of Earnings before Tax as follows:

Possible interest rate change	Effect on Earnings before Tax			
	Group		Company	
	2022	2021	2022	2021
Interest rate increase 1%	**(610)**	(540)	**(1)**	(16)
Interest rate decrease 1%	**610**	540	**1**	16

3.32.6 Capital Adequacy Risk

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

Capital Adequacy Risk	Group		Company	
	2022	2021	2022	2021
Long-term debt	31,641	33,610	-	-
Long-term liabilities from leases	1,470	2,061	76	208
Short-term debt	26,989	17,393	1,022	1,519
Short-term liabilities from leases	967	914	147	139
Total debt	**61,067**	**53,978**	**1,245**	**1,866**
Minus cash & cash equivalents	39,610	63,240	1,427	137
Net debt	**21,457**	**(9,262)**	**(182)**	**1,729**
EBITDA*	**48,243**	**110,275**	**(338)**	**(512)**
NET DEBT / EBITDA**	**0.44**	**(0.08)**	**-**	**-**
EQUITY	**267,861**	**252,250**	**80,828**	**82,415**
NET DEBT / EQUITY	**0.08**	**(0.04)**	**0.00**	**0.02**

* *Concerns Total Operations*

** *Since 2018, the Company has transformed into a Holding Company and therefore the net debt to EBITDA ratio does not reflect the actual relation between the Company's debt and its earnings. For this reason, going forward the Company does not monitor the particular ratio.*

It should be noted that the Company does not have any bank debt liabilities, while the balance of the debt liabilities reported in its Balance Sheet refers to an intragroup loan.

Amounts in thousand Euro, unless stated otherwise

3.33 Significant Events

Macroeconomic environment, COVID-19 impact and Russia-Ukraine war

2022 has been the first year in the post-pandemic era, which however was affected by a series of macroeconomic and geopolitical factors. The year at its beginning was marked by the war between Ukraine and Russia, a crucial event which in addition to the huge humanitarian issue it created, it was a determining factor for the course of the broader European economy within the year. Furthermore, the post-pandemic era has been characterized by strong inflationary pressures, which have significantly affected the purchasing power of households.

The above factors formed new conditions in the market, clearly more difficult ones than initially expected, such as the following: (a) lower demand for goods and services, especially in the second half of the year, (b) high uncertainty, both for the level of demand and for energy sufficiency, (c) continuation of the already strong inflationary pressures, (d) interest rate hikes and consequent increase in financing costs for businesses and households.

The above shaped an extremely difficult economic environment along with conditions of uncertainty regarding the course of economies and purchasing power internationally.

I. Group's Performance in the Financial Year 2022

In this highly difficult environment as described above and despite the unfavorable conditions that emerged, the Group managed to enter the post-pandemic era by posting enhanced profitability which was almost double the pre-pandemic levels.

In particular, in terms of demand, the first half of the year evolved at satisfactory levels and the Group managed to successfully handle the increased costs and maintain profitability at quite high levels. Nevertheless, the fourth quarter of 2022 proved to be particularly difficult, perhaps one of the most difficult ones that the industrial sector has encountered in recent years, as the combination of the parameters analyzed above brought a large slowdown in demand over the last months of the year. Therefore, the following were observed in the fourth quarter of 2022:

- Reduced demand for products in the construction sector.
- Low demand for products related to the infrastructure sector and to the large-scale construction projects.
- Decreased demand for most of the products of the agricultural sector.
- Steady demand for products related to the packaging sector.
- Almost zero demand for products related to COVID-19.
- Reduction in the cost of raw materials.
- Strong pressures for decreases on sales prices, in all product categories.
- Reduction of customer inventories due to the drop in raw materials prices and in view of the uncertainty over the course of the European economy.
- Significantly increased energy costs in all countries of operation with significant fluctuations on a monthly basis.

- Steadily rising transport costs, with only some de-escalation on specific routes.
- Significantly increased cost of raw materials and packaging materials.
- Gradually increase of interest rates

From a financial perspective, the Group, in terms of volumes and as a result of the reduced demand in the fourth quarter of the year, posted a relatively small drop by 5.5% compared to 2021. The turnover from continuing operations, as it was expected following the significantly lower demand for products related to COVID-19 pandemic but also due to the declining sale prices as a result of lower raw material prices in the second half of the year, posted a limited decrease of 7.9% compared to 2021. In more specific terms, and despite the especially negative conditions and their impact on the level of demand across the globe, sales amounted to €394.4 million compared to €428.4 million in the previous year. Earnings before Taxes (EBT) from continuing operations amounted to €32.1 million (compared to €83.9 in 2021), of which €22.2 million related to the traditional product portfolio (compared to € 32.1 in 2021), €5.3 million derived from sales of personal protection products (compared to earnings of €51.8 million in 2021), while there was a non-recurring financial income of €4.6 million (see note 3.9).

Earnings before Taxes from the traditional product portfolio, as expected, dropped by 30.8%, compared to the corresponding level of the previous year. However, given the special conditions that prevailed in 2021 due to the outbreak of the pandemic, but also due to the also special conditions prevailing in 2022, due to the ongoing war conflict and the escalating inflationary pressures, it is extremely difficult to make a direct comparison between the two periods.

On the other hand, compared to the pre-pandemic levels, i.e. the year 2019, which is more appropriate for direct comparison, the Earnings before Taxes from the traditional product portfolio in 2022 posted an increase of 166% (€22.2 million compared to €8.3 million in 2019). The above development demonstrates the significantly increased profitability of the Group, despite the especially unfavorable conditions that prevailed in the global market during 2022 and the substantially higher costs of raw materials, energy and transportation.

Therefore, it is now clear that despite the particularly difficult conditions prevailing in the global economy, **the Group is in strong position to achieve stable, sustainable and significantly higher recurring profitability compared to pre-pandemic levels.** Furthermore, this achievement was realized in very different and especially negative conditions compared to the previous years, demonstrating the Group's ability to adapt to the new conditions emerging each time, by demonstrating both flexibility and resilience.

In this context, the Group through the investment and restructuring plan that took place over the previous years has managed to set new performance standards in terms of financial results, even in a constantly difficult economic environment, creating new prospects for the future. These prospects can be further enhanced by the time the energy and inflationary crisis de-escalates.

Regarding the liquidity levels of the Group and the trading cycle of the subsidiaries, there was no negative effect due to the difficult conditions observed during the period under consideration. At the same time, the implementation of the Group's planned as well as extraordinary investments progressed smoothly. Investments reached €40 million in 2022 approximately, on a cash basis, consisting of investments mainly in the Group's facilities in Greece, but also in the other countries of operation, and being financed to a significant extent with own funds.

It is noted that the FY2022 investments have been part of the Group's extensive investment plan spanning the 3-year period 2022-2022 and amounting to approximately €100 million. The plan aims to achieve volume increases, cost reduction and stronger competitiveness, while improving the product mix, enhancing the recycling process and ensuring sustainable development. On the other hand, during the last months of the year, as expected, there was an improvement at the level of working capital. As a result of the above, the Group's Net Debt at the end of 2022 amounted to €21.5 million, posting a drop by approximately €4.2 million, as compared to the Net Debt of the 9months 2022 period.

II. Measures taken to reduce the impact of the pandemic

The Group's Management continues to closely monitor the developments related to the pandemic crisis, despite the significantly improving conditions, and to adjust its plans based on the revised health protocols as required by the various pertinent authorities in each country.

III. Prospects of the Group

Regarding the prospects for the year 2023, the Management closely monitors the macroeconomic developments, on a global level, which are still characterized by inflationary trends thus affecting all cost items that constitute the industrial sector's cost base. On the other hand, there is also evidence of some de-escalation in the prices of primary and secondary materials and of transportation costs. At the same time, demand remains at relatively low levels, having however recovered from the levels experienced in the last months of 2022.

For the first quarter of 2023, the Group's Management monitors and adapts to the changes taking place at the macroeconomic level, making an effort to achieve the best possible financial performance, while simultaneously managing the inherent business risks. However, the economic environment remains difficult due to the low demand, persistent inflation levels, high energy costs and also high financing costs.

However, for the first quarter of the year 2023, the Group's Management anticipates that a significant profitability will be achieved, which demonstrates the Group's ability, despite the intense and difficult market environment, to remain focused on its ultimate goals. Therefore, profitability in terms of EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization) of the Group from the traditional product portfolio for the first quarter of 2023 will be at the same levels approximately with the EBITDA profitability of the first quarter of 2022. This development is indeed satisfactory in view of the current market conditions (It is noted that according to the relevant corporate announcement, the Earnings before Taxes (EBT) in the first quarter of 2022 from personal protection products related to COVID-19 had amounted to €4.3 million, while it is estimated that also at an EBITDA level in the first quarter of 2022, the favourable effect was approximately the same).

Regarding the prospects for the next year, the Group's Management is constantly contemplating ways to mitigate, as far as possible, the negative consequences of the ongoing economic crisis experienced in Europe, but also at an international level. Despite the unfavorable market conditions and the overall uncertainty, which makes any attempt to estimate the course of next year rather difficult, there are very positive prospects for the Group. Thrace Group is now, more than ever, capable of capitalizing on the significant recurring profitability of the year 2022, but also on the extended investment plan that took place in the past years, with a target to maintain and further enhance the Group's profitability.

Given that the current conditions in the global market place create a lot of uncertainty, making any forecast concerning the production / commercial activity and the financial results of the Company and the Group precarious, the Management of the Group on the other hand strongly believes that neither the Group nor any of its business activities face a possible threat of interruption whatsoever ("going concern" principle).

IV. Climate issues

The Group recognizes the risks and impacts that may arise in its business activity due to the climate crisis and the energy transition, which may affect its production process and activities, while at the same time has identified great opportunities that are emerging through the adoption of the principles of circular economy, the use of recycled raw material and the investment in renewable energy sources.

In order to mitigate the risks arising from climate change, but also to take advantage of the opportunities that arise in order to achieve positive financial results for itself and the environment in which it operates, the Group is constantly adjusting its business model, in order to constantly reduce its environmental footprint. It achieves this through recording direct and indirect greenhouse gas emissions, reducing energy consumption in production processes, self-production and use of energy from renewable sources (solar, geothermal and hydroelectric), reducing the use of natural resources through the use of recycled raw material and proper waste management. In addition, it focuses on the development of innovative and sustainable products and services, applying the principles of the circular economy.

Therefore, it has established and communicated relevant principles and policies, while it has formulated a detailed strategic plan of specific actions, which are implemented with measurable positive results. More details are set out in the Report of Non-Financial Information (Section 12), as well as in the link below:

https://www.thracegroup.com/gr/en/sustainability/

V. Expected Credit Losses

There are no expected credit losses as a result of the current conditions and circumstances. In any case, according to the established policy, a big part of the companies' sales remain insured, while additional measures have been taken to ensure the Group carries out transactions with reliable customers (credit risk assessment, credit scoring, advances, etc.). More information on credit risk can be found in note 2.3.1.1 of financial statements.

Direct Impact of the War Conflict on the Financial Results of the Group

The war outbreak after the Russian military invasion of Ukraine creates geopolitical instability with adverse macroeconomic consequences. These consequences have been evident for all companies across the various economies on a day-to-day basis and are mainly related to the energy cost and the price increase in a series of raw materials and products. The above conditions created within the year 2022 an environment of great uncertainty affecting the level of demand especially in Europe. The Group does not have significant direct business activities in Ukraine and in Russia, i.e. in the areas directly affected by the war. Furthermore, the overall exposure to Ukraine and Russia is minimal. Based on the financial results of 2022, sales in these two countries stood at 0.2% of the Group's total turnover (for 2021, corresponding sales had stood at 0.6% of total Group sales). Therefore, no direct material impact is expected on the financial performance of the Group, given the non-existence of business activity in the specific areas as far as customers sales are concerned. However, the effects on the Group's activities from the negative developments, following the war conflict, in the energy sector, from the wider macroeconomic uncertainty and from the high inflation pressures with a focus on the abruptly rising energy costs, comprise factors which negatively affect the financial performance of the Group and specifically its cost structure. The Group's Management closely monitors all the above developments and has taken actions accordingly and in order to effectively deal with issues concerning the trading cycle and its cost base, to the extent possible.

Appointment of the Head of Regulatory Compliance and Risk Management Department

The Board of Directors of the Company, during its meeting of 21/02/2022, appointed Mr. Michael Psarros of George as Head of the Department (Unit) of Regulatory Compliance and Risk Management. Mr. Psarros has been working in the Group since 2010. He is a graduate of the University of Patras and the University of Leicester and has worked for 21 years as an internal auditor, gaining extensive experience in the areas of regulatory compliance and risk management. Mr. Michael Psarros will assume his duties as Head of the Regulatory Compliance and Risk Management Department (Unit) from 24.02.2022.

Annual Ordinary General Meeting of the Company's shareholders

The Annual Ordinary General Meeting of the Company's shareholders, which took place on May 25, 2022 remotely in real time via videoconference, approved the following among others:

A) the General Meeting unanimously approved the allocation of results for the financial year 2021 (01.01.2021-31.12.2021) and specifically it approved the distribution of a total dividend of Euro 11,750,000.00 (gross amount) from the earnings of the particular financial year.

Given that the Company, by virtue of the relevant decision of the Board of Directors dated 24.09.2021, had already distributed to its shareholders for the fiscal year 2021 an interim dividend of total amount of 4,750,000.00 Euros (gross amount), i.e. 0.109858877 Euros per share (gross amount, along with the increase that corresponds to the treasury shares the Company held on the cut-off date of the interim dividend), the General Meeting unanimously approved the distribution of the remaining amount of the dividend, and in particular of 7,000,000.00 Euros (gross amount), i.e. an amount of 0.1600312674 Euros per share (gross amount). The latter amount per share after the increase corresponding to 659,853 treasury shares held by the Company and which are excluded from the payment of dividend, settled at 0.1624823628 Euros per share (gross amount).

The Company's shareholders registered in the records of the Dematerialized Securities System (SAT) as of Tuesday, 31 May 2022 (record date), were those entitled to receive the above dividend.

Monday 30 May 2022 was set as the ex-dividend date according to the relevant article 5.2 of the Athens Exchange Regulation.

The payment of dividend commenced on Friday, 3 June 2022, and was implemented through the Societe Anonyme under the name "PIRAEUS BANK S.A.", according to the procedure stipulated by the Regulation of the Athens Exchange in effect.

B) the General Meeting approved by majority the Remuneration Report of the closing year 2021 (01.01.2021-31.12.2021), which was prepared in accordance with the provisions of article 112 of Law 4548/2018. The Report contains a comprehensive overview of the total remuneration of the members of the Board of Directors (executive and non-executive) and explains how the Remuneration Policy was implemented by the Company for the immediately preceding financial year.

The decisions of the General Meeting of Shareholders are posted on the Company's website at the link https://www.thracegroup.com/gr/en/general-meetings/

Issuance of Tax Certificate for the Fiscal Year 2021 in accordance with article 65 A of Law 4174/2013

Following the special tax audit carried out for the financial year 2021 by the statutory external auditors in accordance with article 65A of Law 4174/2013, both on the Company and its subsidiaries "Thrace Nonwovens & Geosynthetics S.A.", "Thrace-Polyfilms S.A.", "Thrace Plastics Pack S.A.", "Thrace Eurobent S.A." and "Thrace Greenhouses S.A.", the relevant tax certificates were issued with an unqualified opinion.

Liquidation and permanent Elimination of Subsidiary

With the decision dated 09/09/2022, the Hong Kong business registry approved the permanent elimination of the Group's subsidiary, Thrace Asia Ltd.

Thrace Asia operated as a sales office of Thrace Nonwovens & Geosynthetics Single Person SA in the market of China, with extremely limited activity in recent years, as most of the sales in the Asian market are made directly by Thrace Nonwovens & Geosynthetics Single Person SA. Therefore, the Group's Management decided to close the above sales office. The elimination did not affect the results of the Group and it only had an impact on the results of subsidiary SAEPE LTD.

Interim Dividend for the Year 2022

The Board of Directors of the Company during the meeting of November 22, 2022 approved the distribution of an interim dividend for the financial year 2022 based on the interim financial statements for the period 01.01.2022-30.06.2022. The Interim dividend amounted in total to 3,000 thousand Euros (gross amount), i.e. 0.0685848289 Euros per share of the Company. The above amount through the increase corresponding to the 751,396 treasury shares held by the Company and which are not entitled to an interim dividend, settled at 0.0697835797 Euros per share and was subject to a withholding tax of 5%, in accordance with the provisions of Law 4646/2019 (Government Gazette A' 201/12.12.2019). Therefore, the final amount paid as Interim dividend for the year 2022 amounted to 0.0662944007 Euros per share. The Board of Directors of the Company, during its meeting of December 7th, 2022 set the following dates: Monday, January 30, 2023 as the cut-off date for the interim dividend, Tuesday, January 31, 2023 as the date of determination of the beneficiaries to the above dividend (record date), and Friday, February 3, 2023 as the payment commencement date. The payment of the interim dividend was made through the paying Bank "PIRAEUS BANK SA".

3.34 Significant events after the Balance Sheet Date

Announcement of Regulated Information in accordance with Law 3556/2007

The Company following the relevant notification to the Company from March 10th, 2023, announced the following amendments / developments on March 9, 2023:

1. Mr. Konstantinos Chalioris, shareholder and Chairman of the Board of Directors of the Company, transferred from his individual share, to two "Joint Investor Shares" (KEM), the first one jointly created with his son Alexandros Chalioris and the second one jointly created with his son Stavros Chalioris (himself being the first beneficiary in both "Joint Investor Shares"), a total of 18,000,983 common registered shares with voting rights, i.e. a percentage of 41.153% of a total of 43,741,452 common registered shares with voting rights of the Company.

   However, following the above, there was absolutely no change in the number and percentage of shares and voting rights controlled by Mr. Konstantinos Chalioris, who holds a total of 18,936,558 common registered shares with voting rights of the Company (and the same number of voting rights) a percentage of 43.292%. More specifically, he holds 18,000,983 common registered shares through the aforementioned "Joint Investor Share" and 935,575 common registered shares with voting rights (percentage 2.139%) through his Personal Investment Account.

2. Mr. Stavros Chalioris, son of Konstantinos, due to his participation in the aforementioned "Joint Investor Share" (which he holds jointly with

Konstantinos Chalioris) holds 9,000,491 common registered shares of the Company (percentage 20.577%), while he already holds 212,071 common registered shares with voting rights (percentage 0.484%) in his Personal Investment Account and,

3. Mr. Alexandros Chalioris, son of Konstantinos, due to his participation in the aforementioned "Joint Investor Share" (which he holds jointly with Konstantinos Chalioris) holds 9,000,492 common registered shares of the Company (percentage 20.577%), while he already holds 212,071 common registered shares with voting rights (percentage of 0.484%) in his Personal Investment Account.

Proposed Dividend for the Year 2022

The Board of Directors of the Company, with its meeting of 24.4.2023, unanimously decided to propose to the Annual Ordinary General Meeting of shareholders the approval of the distribution (payment) of the profits of the fiscal year that ended on 31.12.2022 and in particular to propose the distribution (payment) to the shareholders of a dividend of a total amount of 11,300,000.00 Euros (gross amount), i.e. 0.2583361887 Euros per share (gross amount) from the profits of the fiscal year 2022 (01.01.2022-31.12.2022), but also from profits of previous years.

Given that the Company, pursuant to the relevant decision of the Board of Directors dated 22.11.2022, has already distributed to the shareholders the interim dividend for the fiscal year 2022 of a total amount of 3,000,000.00 Euros (gross amount), i.e. 0.0697835797 Euros per share (gross amount), the Board of Directors will subsequently propose to the Annual Ordinary General Meeting of shareholders the distribution of the remaining amount of the dividend, and in particular the amount of 8,300,000.00 Euros (gross amount), i.e. 0.1897513599 Euros per share (gross amount), which gross amount per share will be increased by the amount corresponding to the treasury shares that the Company will hold on the dividend cut-off date (and which treasury shares are not entitled to the payment of the dividend, by the provisions of article 50 of Law 4548/2018, as applicable.)

The Annual Ordinary General Meeting of shareholders will take the final decision concerning the approval of the above proposal.

There are no other events after the Balance Sheet date that have a significant impact on the financial statements of the Group.

The Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, were approved by the Board of Directors on 24 April 2023 and are signed by the representatives of such.

The Chairman of the BoD	The Chief Executive Officer	The Chief Financial Officer	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

V. ONLINE AVAILABILITY OF THE FINANCIAL REPORT

The Annual Financial Statements of the Company, the Audit Report of the Chartered Auditor-Accountant and the Management Report of the Board of Directors, as well as the Annual Financial Statements, the reports of the Chartered Auditor-Accountant and the Reports of the Board of Directors of the companies that are incorporated in the consolidated financial statements of "THRACE PLASTICS CO SA" are registered on the internet at www.thracegroup.gr.

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THRACE GROUP