

PRESS RELEASE

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FINANCIAL RESULTS OF THE NINE-MONTH PERIOD OF 2020

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The purpose of the current release is to present the Group's financial results for the nine-month period of the current year.

More specifically, the following table presents the main financial figures of the Group in the 9-month period of 2020 in relation to the corresponding period of 2019. It is also noted that US subsidiary Thrace Linq Inc. operations are categorized as discontinued operations.

CONSOLIDATED FIGURES OF THE GROUP (in € thousand)	30/09/2020	30/09/2019	Change (%)
Turnover (Continuing Operations)	253,729	230,497	10.1%
Gross Profit (Continuing Operations)	77,339	48,557	59.3%
EBIT* (Continuing Operations)	39,385	14,888	+164.5%
EBITDA* (Continuing Operations)	52,404	25,555	+105.1%
Adjusted EBITDA*	54,596	25,555	+113.6%
EBT (Continuing Operations)	38,409	12,932	+197.0%
Earnings after Taxes (Continuing Operations)	28,920	9,390	+208.0%
Earnings/(Losses) after Taxes (Discontinued Operations)	(3,421)	(1,147)	
EAT (Continuing and Discontinued Operations)	25,499	8,243	+209.3%
Earnings after Taxes and Minority Interests (Continuing Operations)	28,368	9,147	+210.1%
Earnings/(Losses) after Taxes and Minority Interests (Discontinued Operations)	(3,421)	(1,147)	
EATAM (Continuing and Discontinued Operations)	24,947	8,000	+211.8%
Basic Earnings per Share (Continuing Operations) (in Euro)	0.6496	0.2091	+210.7%
Basic Earnings / (Losses) per Share (Discontinued Operations) (in Euro)	(0.0783)	(0.0262)	
Basic Earnings per Share (Continuing and Discontinued Operations) (in Euro)	0.5712	0.1829	212.3%

It should be noted that the **Adjusted EBITDA** does not include costs related to the operational reorganization of the Scottish subsidiary Don & Low Ltd totaling € 2,192 thousand. This subsidiary has reduced its presence in the market of Woven Technical Fabrics while increasing its production capacity in Non Woven Technical Fabrics.

The reduction of **Net Debt** by € 43,282 thousand was also significant (on 30.09.2020 the Net Debt had amounted to 40,246 thousand Euros, compared to 83,528 thousand Euros on 31.12.2019, implying a **reduction by 51.8%**), with the Net Debt / Equity ratio settling at 0.24x versus 0.57x on 31.12.2019. The Net Debt / EBITDA ratio for the period settled at 0.76x (EBITDA refers to the period from 01.10.2019 to 30.09.2020). It is noted that on 31.12.2019 the ratio was 2.91x while on 30.09.2019 it had reached 3.04x.

Total Equity on 30.09.2020 amounted to 165,050 thousand Euros compared to 146,349 thousand Euros on 31.12.2019.

*** Note**

Alternative Performance Measures (APM): During the description of the developments and the performance of the Group, ratios such as the EBIT and the EBITDA are utilized.

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

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

Adjusted EBITDA (The adjusted indicator of operating earnings before the financial and investment activities as well as the depreciation, amortization, impairment and taxes): The adjusted EBITDA equals with the EBITDA excluding any extraordinary or non-recurring Expenses/Income.

ANALYSIS OF MAJOR FINANCIAL RESULTS OF THE NINE-MONTH PERIOD OF 2020 (in € thousand)

Turnover	€253,729 (+10.1%)
Group sales increased by 10.1%. The increase in the sales of Packaging Unit settled at 12.5% whereas the growth in sales of the Technical Fabrics Unit reached 9%.	
Gross Profit	€77,339 (+59.3 %)
Gross profit margin settled at 30.5% in the nine-month period of 2020 compared to 21.1% in the same period of 2019.	
Other Operating Income	€816 (-12.0%)
Other operating income refers mainly to the grants for hiring new graduates, income from electric energy management programs and income generated from the provision of other services.	
Distribution Expenses	€22,776 (+3.6%)
As % of Turnover, Distribution Expenses stood at 9.0% compared to 9.5% in the nine-month period of 2019.	
Administrative Expenses	€11,575 (+3.1%)
As % of Turnover, Administrative Expenses stood at 4.6% compared to 4.9% in the nine-month period of 2019.	
Research and Development Expenses	€1,058
As % of Turnover, R&D Expenses stood at 0.4% compared to 0.5% in the 9-month period of 2019.	
Other Operating Expenses	€3,390 (+152.4%)
Increase in other operating expenses by 152,4%, mainly due to extraordinary expenses.	
Other Profit	€29 (-97.4%)
Within the nine-month period of 2020, there have been no sales of fixed assets and therefore no significant impact on the other profit has emerged.	
EBITDA (Continuing Operations)	€52,404(+105.1%)
EBITDA margin settled at 20.7% compared to 11.1% in the nine-month period of 2019.	
Adjusted EBITDA (Continuing Operations)	€54,596 (+113.6%)
The Adjusted EBITDA margin settled at 21.5% compared to 11.1% in the nine-month period of 2019.	
Financial Cost (Net)	-€2,765 (-15.4%)
The decrease emerged due to the repayment and consequently the reduction of bank debt in conjunction with the relative drop in interest rates.	
EBT (Continuing Operations)	€38,409 (+197.0%)
EBT Margin settled at 15.1%, compared to 5.6% in the nine-month period of 2019.	
Earnings after Taxes (Cont. & Discont. Operations)	€25,499 (+202.7%)
EAT Margin settled at 9.8% compared to 3.3% in the nine-month period 2019 calculated as percentage of the Total Turnover (Continuing and Discontinued Activities). (258,891 thousand versus 254,358 thousand last year)	
EATAM (Cont. & Discont. Operations)	€24,947 (+211.8%)
EAT Margin settled at 9.6% compared to 3.2% in the nine-month period of 2019 calculated as percentage of the Total Turnover.	
Earnings per Share (Continuing Operations)	€ 0.6496 (+210.7%)
Earnings per Share (Cont.&Discont. Operations)	€0.5712 (+212.3%)
Inventory	€55,695 (-5.9%)
The drop in inventory is mainly due to the decrease of the finished products.	
Trade Receivables	€68,407 (+19.1%)
Increase of trade receivables due to seasonality factors and higher Turnover.	
Suppliers	€39,690 (+9.7%)
Increase of liabilities towards suppliers due to seasonality factors and higher Turnover.	
Net Debt	€40,246 (-51.8%)
The ratio Net Debt / Total Equity settled at 0.24x on 30.09.2020 versus 0.57x on 31.12.2019.	

Statement of Income of Nine-Month Period 2020			
	9-Month 2020	9-Month 2019	% Ch.
<i>(amounts in thousand euro)</i>			
Turnover (Continuing Operations)	253,729	230,497	10,1%
Gross Profit (Continuing Operations)	77,339	48,557	59,3%
Gross Profit Margin	30,5%	21,1%	
Other Operating Income	816	927	-12,0%
Distribution Expenses	22,776	21,986	3,6%
As % of Turnover	9,0%	9,5%	
Administrative Expenses	11,575	11,232	3,1%
As % of Turnover	4,6%	4,9%	
Research & Development Expenses	1,058	1,163	-9,0%
As % of Turnover	0,4%	0,5%	
Other Operating Expenses	3,390	1,343	152,4%
Other Earnings / (Losses)	29	1,128	-97,4%
EBIT* (Continuing Operations)	39,385	14,888	164,5%
EBIT Margin	15,5%	6,5%	
EBITDA* (Continuing Operations)	52,404	25,555	105,1%
EBITDA Margin	20,7%	11,1%	
Adjusted EBITDA* (Continuing Operations)	54,596	25,555	113,6%
Adjusted EBITDA Margin	21,5%	11,1%	
Financial Cost (Net)	-2,765	-3,270	-15,4%
Equity Method	1,789	1,314	36,1%
EBT (Continuing Operations)	38,409	12,932	197,0%
EBT Margin	15,1%	5,6%	
Income Tax	9,489	3,542	167,9%
EAT (Continuing Operations)	28,920	9,390	208,0%
Earnings / (Losses) after Taxes (Discontinued Operations)	-3,421	-1,147	
EAT (Total Operations)	25,499	8,243	209,3%
EAT Margin*	9,8%	3,2%	
EATAM (Continuing Operations)	28,368	9,147	210,1%
Earnings / (Losses) after taxes and minorities (Discontinued Operations)	-3,421	-1,147	
EATAM (Total Operations)	24,947	8,000	211,8%
EATAM Margin*	9,6%	3,1%	
Earnings per Share (from Continuing Operations)	0,6496	0,2091	210,7%
Earnings / (Losses) per Share (from Discontinued Operations)	-0,0783	-0,0262	
Earnings per Share from Total Operations (in Euro)	0,5712	0,1829	212,3%

****Note:** EAT margin and EATAM margin have been calculated as percentage of the Total Turnover (from continuing and discontinued activities). Specifically for the 9-month period of 2020, the Total Turnover amounted to € 258,891 thousand whereas for the same period of 2019 the Total Turnover had settled at € 254,358 thousand.

Results per Business Unit of Nine-Month Period 2020 (Continuing Operations)

Sector	Technical Fabrics			Packaging			Other		Eliminations	
	9M 2020	9M 2019	% Ch.	9M 2020	9M 2019	% Ch.	9M 2020	9M 2019	9M 2020	9M 2019
<i>(Amounts in € thous.)</i>										
Turnover	178,164	163,404	9.0%	82,412	73,267	12.5%	3,723	3,875	-10,571	-10,049
Gross Profit	51,774	32,572	59.0%	25,378	15,779	60.8%	346	565	-160	-359
Gross Profit Margin	29.1%	19.9%		30.8%	21.5%		9.3%	14.6%	-	-
Total EBITDA	33,144	15,359	115.8%	19,686	10,458	88.2%	-357	-175	-69	-87
EBITDA Margin	18.6%	9.4%		23.9%	14.3%		-9.6%	-4.5%	-	-

Basic Balance Sheet Accounts as of 30.09.2020

	30/9/2020	31/12/2019	% Ch.
<i>(amounts in thousand euro)</i>			
Tangible Fixed Assets	130,315	123,210	5.8%
Right-of-use Assets	13,199	14,972	-11.8%
Investment Property	113	113	0.0%
Intangible Assets	10,635	11,350	-6.3%
Interests in Joint Ventures	15,404	14,547	5.9%
Other Long-term Receivables	5,074	5,091	-0.3%
Deferred Tax Assets	695	833	-16.6%
Total Fixed Assets	175,435	170,116	3.13%
Inventories	55,695	59,158	-5.9%
Income Tax Prepaid	538	588	-8.5%
Trade Receivables	68,407	57,428	19.1%
Other Receivables	7,354	7,844	-6.2%
Fixed Assets Available for Sale	5,760	6,155	-6.4%
Cash & Cash Equivalents	35,287	22,051	60.0%
Total Current Assets	173,041	153,224	12.93%
TOTAL ASSETS	348,476	323,340	7.8%
TOTAL EQUITY	165,050	146,349	12.8%
Long-term Loans	45,528	52,871	-13.9%
Liabilities from Leases	3,019	4,439	-32.0%
Provisions for Employee Benefits	14,780	15,252	-3.1%
Other Long-term Liabilities	5,717	2,636	116.9%
Total Long-term Liabilities	69,044	75,198	-8.2%
Short-term Bank Debt	23,667	43,496	-45.6%
Liabilities from Leases	3,319	4,773	-30.5%
Suppliers	39,690	36,187	9.7%
Other Short-term Liabilities	47,706	17,337	175.2%
Total Short-term Liabilities	114,382	101,793	12.4%
TOTAL EQUITY & LIABILITIES	348,476	323,340	7.8%