

THRACE PLASTICS CO S.A.

INTERIM FINANCIAL INFORMATION

01.01-30.09.2022

ACCORDING TO INTERNATIONAL FINANCIAL
REPORTING STANDARDS

General Commerce Reg. No. 12512246000

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22

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 **THRACE GROUP**
A WORLD OF MATERIALS & SOLUTIONS



INTERIM CONDENSED FINANCIAL INFORMATION FOR THE PERIOD 01.01.2022 – 30.09.2022

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2022 – 30.09.2022)	4
CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2022 – 30.09.2022)	6
CONDENSED STATEMENT OF FINANCIAL POSITION	8
CONDENSED STATEMENT OF CHANGES IN EQUITY	9
CONDENSED STATEMENT OF CASH FLOWS	11

22

CONTENTS

1. Information about the Group	12
2. Basis for the Preparation of the Interim Condensed Statements of Financial Information and Main Accounting Principles	14
2.1 Basis of Preparation	14
2.2 New standards, amendments to standards and interpretations	15
2.3 Significant Accounting Estimations and Judgments of the Management	17
3. Notes on the Financial Statements	18
3.1 Developments and Performance of the Group	18
3.2 Discontinued Operations	19
3.3 Segment Reporting	20
3.4 Other Operating Income	24
3.5 Other Gains / Losses	24
3.6 Number of Employees	24
3.7 Other Operating Expenses	25
3.8 Financial income / (expenses)	26
3.9 Earnings per Share (Consolidated)	26
3.10 Income Tax	27
3.11 Property, Plant and Equipment	28
3.12 Right-of-use assets	29
3.13 Intangible Assets	30
3.14 Other Long-term Receivables	30
3.15 Trade and other receivables	31
3.16 Borrowings	32
3.17 Net Debt / (Net Cash)	33
3.18 Employee Benefits	33
3.19 Suppliers and Other Short-Term Liabilities	37
3.20 Transactions with Related Parties	38
3.21 Remuneration of Board of Directors	39
3.22 Investments	40
3.23 Commitments and Contingent Liabilities	41
3.24 Financial risks	41
3.25 Significant Events	44
3.26 Significant Events after the Balance Sheet Date	49

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2022 – 30.09.2022)

	Note	Group		Company	
		1/1 - 30/09/2022	1/1 - 30/09/2021	1/1 - 30/09/2022	1/1 - 30/09/2021
Turnover		316,068	341,575	4,299	3,982
Cost of Sales		(245,833)	(219,503)	(3,937)	(4,144)
Gross profit/(loss) - continuing operations		70,235	122,072	362	(162)
Other Operating Income	3.4	1,831	1,170	126	141
Selling and Distribution Expenses		(30,916)	(26,666)	-	-
Administrative Expenses		(12,582)	(13,444)	(684)	(747)
Research and Development Expenses		(1,614)	(1,383)	-	-
Other Operating Expenses	3.7	(981)	(2,550)	(5)	(96)
Other gain / (losses)	3.5	1,061	938	(6)	1
Operating Profit /(loss) before interest and tax - continuing operations		27,034	80,137	(207)	(863)
Financial Income	3.8	5,512	849	-	-
Financial Expenses	3.8	(3,157)	(2,868)	(44)	(24)
Income from Dividends		-	-	7,964	8,108
Profit / (loss) from companies consolidated with the Equity Method	3.22	2,791	2,836	-	-
Profit/(loss) before Tax - continuing operations		32,180	80,954	7,713	7,221
Income Tax	3.10	(5,366)	(15,816)	(17)	(16)
Profit/(loss) after tax (A) - continuing operations		26,814	65,138	7,696	7,205
Profit/(loss) after tax (A) - discontinued operations	3.2	(49)	6,531	-	-
Profit/(loss) after tax (A)		26,765	71,669	7,696	7,205
FX differences from SOFP balances translation		(3,188)	2,259	-	-
Actuarial profit/(loss)		1,011	7,329	-	-
Other comprehensive income after taxes (B) - continuing operations		(2,177)	9,588	-	-
FX differences from SOFP balances translation		293	143	-	-
Actuarial profit/(loss)		-	-	-	-
Other comprehensive income after taxes (B) - discontinued operations		293	143	-	-
FX differences from SOFP balances translation		(2,895)	2,402	-	-
Actuarial profit/(loss)		1,011	7,329	-	-
Other comprehensive income after taxes (B)		(1,884)	9,731	-	-
Total comprehensive income / (loss) after taxes (A) + (B) - continuing operations		24,637	74,726	7,696	7,205
Total comprehensive income / (loss) after taxes (A) + (B) - discontinued operations		244	6,674	-	-
Total comprehensive income / (loss) after taxes (A) + (B)		24,881	81,400	7,696	7,205

The accompanying notes that are presented in pages 12-50 form an integral part of the Interim Condensed Statements of Financial Information.

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2022 – 30.09.2022)

(continues from previous page)

	Group		Company	
	1/1 - 30/09/2022	1/1 - 30/09/2021	1/1 - 30/09/2022	1/1 - 30/09/2021
Continuing operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	26,414	64,731	-	-
Non controlling interest	400	407	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	24,234	74,324	-	-
Non controlling interest	403	402	-	-
Discontinued operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	(49)	6,531	-	-
Non controlling interest	-	-	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	244	6,674	-	-
Non controlling interest	-	-	-	-
Total Operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	26,365	71,262	-	-
Non controlling interest	400	407	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	24,478	80,998	-	-
Non controlling interest	403	402	-	-
Profit/(loss) allocated to shareholders per share - continuing operations				
Number of shares		43,224	43,363	
Earnings/(loss) per share	3.9	0.6111	1.4928	
Profit/(loss) allocated to shareholders per share - discontinued operations				
Number of shares		43,224	43,363	
Earnings/(loss) per share	3.9	(0.0011)	0.1506	
Profit/(loss) allocated to shareholders per share				
Number of shares		43,224	43,363	
Earnings/(loss) per share	3.9	0.6100	1.6434	

The accompanying notes that are presented in pages 12-50 form an integral part of the Interim Condensed Statements of Financial Information.

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2022 – 30.09.2022)

	Group		Company	
	1/7 - 30/9/2022	1/7 - 30/9/2021	1/7 - 30/9/2022	1/7 - 30/9/2021
Turnover	103,358	107,290	1,389	1,350
Cost of Sales	(81,097)	(75,452)	(1,267)	(1,036)
Gross profit/(loss) - continuing operations	22,261	31,838	122	314
Other Operating Income	623	532	83	34
Selling and Distribution Expenses	(11,049)	(9,166)	-	-
Administrative Expenses	(4,056)	(3,645)	(206)	(213)
Research and Development Expenses	(577)	(432)	-	-
Other Operating Expenses	(201)	(420)	(1)	(2)
Other gain / (losses)	475	236	(3)	(1)
Operating Profit / (loss) before interest and tax - continuing operations	7,476	18,944	(5)	132
Financial Income	5,041	89	-	-
Financial Expenses	(1,369)	(982)	(12)	(14)
Income from Dividends	-	-	470	-
Profit / (loss) from companies consolidated with the Equity Method	964	933	-	-
Profit/(loss) before Tax - continuing operations	12,112	18,984	453	118
Income Tax	(1,426)	(2,329)	(6)	2
Profit/(loss) after tax (A) - continuing operations	10,686	16,655	447	120
Profit/(loss) after tax (A) - discontinued operations	(20)	6,499	-	-
Profit/(loss) after tax (A)	10,666	23,154	447	120
FX differences from SOFP balances translation	(1,945)	(174)	-	-
Actuarial profit/(loss)	(206)	327	-	-
Other comprehensive income after taxes (B) - continuing operations	(2,151)	153	-	-
FX differences from SOFP balances translation	131	100	-	-
Actuarial profit/(loss)	-	-	-	-
Other comprehensive income after taxes (B) - discontinued operations	131	100	-	-
FX differences from SOFP balances translation	(1,814)	(74)	-	-
Actuarial profit/(loss)	(206)	327	-	-
Other comprehensive income after taxes (B)	(2,020)	253	-	-
Total comprehensive income / (loss) after taxes (A) + (B) - continuing operations	8,535	16,808	447	120
Total comprehensive income / (loss) after taxes (A) + (B) - discontinued operations	111	6,599	-	-
Total comprehensive income / (loss) after taxes (A) + (B)	8,646	23,407	447	120

It is noted that the Group's EBITDA for the Third Quarter of 2022 amounted to € 12,611 compared to € 24,211 in the corresponding period of 2021. For the Company the amounts are € 71 and € 216 respectively.

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Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2022 – 30.09.2022)

(continues from previous page)

	Group		Company	
	1/7 - 30/9/2022	1/7 - 30/9/2021	1/7 - 30/9/2022	1/7 - 30/9/2021
Continuing operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	10,525	16,552	-	-
Non controlling interest	161	103	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	8,374	16,706	-	-
Non controlling interest	161	102	-	-
Discontinued operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	(20)	6,499	-	-
Non controlling interest	-	-	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	111	6,599	-	-
Non controlling interest	-	-	-	-
Total Operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	10,505	23,051	-	-
Non controlling interest	161	103	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	8,485	23,305	-	-
Non controlling interest	161	102	-	-
Profit/(loss) allocated to shareholders per share - continuing operations				
Number of shares	43,224	43,363		
Earnings/(loss) per share	0.2435	0.3817		
Profit/(loss) allocated to shareholders per share - discontinued operations				
Number of shares	43,224	43,363		
Earnings/(loss) per share	(0.0005)	0.1499		
Profit/(loss) allocated to shareholders per share				
Number of shares	43,224	43,363		
Earnings/(loss) per share	0.2430	0.5316		

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Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30/09/2022	31/12/2021	30/09/2022	31/12/2021
ASSETS					
Non-Current Assets					
Property Plant and Equipment	3.11	164,917	153,848	316	327
Rights-of-use assets	3.12	2,533	3,051	238	344
Investment property		113	113	-	-
Intangible Assets	3.13	10,444	10,539	174	262
Investments in subsidiaries	3.22	-	-	73,858	73,858
Investments in joint ventures	3.22	21,215	18,012	3,819	3,819
Other long term receivables	3.14	1,594	5,001	1,157	1,156
Deferred tax assets		408	380	96	113
Total non-Current Assets		201,224	190,944	79,658	79,879
Current Assets					
Inventories		80,517	71,835	-	-
Income tax prepaid		1,859	274	45	25
Trade receivables	3.15	79,859	64,547	23	309
Other debtors	3.15	12,485	14,359	1,581	7,003
Cash and Cash Equivalents		36,471	63,240	140	137
Total Current Assets		211,191	214,255	1,789	7,474
TOTAL ASSETS		412,415	405,199	81,447	87,353
EQUITY AND LIABILITIES					
Equity					
Share Capital		28,869	28,869	28,869	28,869
Share premium		21,524	21,524	21,644	21,644
Other reserves		22,604	23,496	12,320	12,605
Retained earnings		187,297	174,631	14,537	19,297
Total Shareholders' equity		260,294	248,520	77,370	82,415
Non controlling interest		4,019	3,730	-	-
Total Equity		264,313	252,250	77,370	82,415
Long Term Liabilities					
Long Term Debt	3.16	38,564	33,610	-	-
Liabilities from leases	3.12	1,595	2,061	102	208
Provisions for Employee Benefits	3.18	1,619	3,499	90	79
Other provisions		-	-	338	284
Deferred Tax Liabilities		6,993	6,742	-	-
Other Long Term Liabilities		187	237	-	1
Total Long Term Liabilities		48,958	46,149	530	572
Short Term Liabilities					
Short Term Debt	3.16	21,067	17,393	1,414	1,519
Liabilities from leases	3.12	875	914	141	139
Income Tax		2,131	4,057	56	56
Suppliers	3.19	51,546	55,441	441	1,046
Other short-term liabilities	3.19	23,525	28,995	1,495	1,606
Total Short Term Liabilities		99,144	106,800	3,547	4,366
TOTAL LIABILITIES		148,102	152,949	4,077	4,938
TOTAL EQUITY & LIABILITIES		412,415	405,199	81,447	87,353

The accompanying notes that are presented in pages 12-50 form an integral part of the Interim Condensed Statements of Financial Information.

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF CHANGES IN EQUITY

Group

	Share Capital	Share Premium	Other Reserves	Treasury shares reserves	FX translation reserves	Retained earnings	Total before non controlling interest	Non controlling interest	Total
Balance as at 01/01/2021	28,869	21,524	33,891	(786)	(11,947)	99,548	171,099	3,484	174,583
Profit / (losses) for the period	-	-	-	-	-	71,262	71,262	406	71,668
Other comprehensive income	-	-	-	-	2,407	7,329	9,736	(5)	9,731
Distribution of earnings	-	-	559	-	-	(559)	-	-	-
Dividends	-	-	-	-	-	(6,947)	(6,947)	(176)	(7,123)
Transfers	-	-	(1,121)	-	-	1,121	-	-	-
Other changes	-	-	-	-	-	(18)	(18)	-	(18)
Purchase of treasury shares	-	-	-	(955)	-	-	(955)	-	(955)
Changes during the period	-	-	(562)	(955)	2,407	72,188	73,078	225	73,303
Balance as at 30/09/2021	28,869	21,524	33,329	(1,741)	(9,540)	171,736	244,177	3,709	247,886
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	-	-	-	-	-	26,365	26,365	400	26,765
Other comprehensive income	-	-	-	-	(2,895)	1,011	(1,884)	-	(1,884)
Distribution of earnings	-	-	2,994	-	-	(2,994)	-	-	-
Dividends	-	-	-	-	-	(11,750)	(11,750)	(114)	(11,864)
Transfers	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	34	34	3	37
Purchase of treasury shares	-	-	-	(991)	-	-	(991)	-	(991)
Changes during the period	-	-	2,994	(991)	(2,895)	12,666	11,774	289	12,063
Balance as at 30/09/2022	28,869	21,524	36,280	(3,282)	(10,394)	187,297	260,294	4,019	264,313

The accompanying notes that are presented in pages 12-50 form an integral part of the Interim Condensed Statements of Financial Information.

Amounts in thousand Euro, unless stated otherwise

CONDENSED 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
Balance as at 01/01/2021	28,869	21,644	14,320	(786)	16	12,560	76,623
Profit / (losses) for the period	-	-	-	-	-	7,205	7,205
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	560	-	-	(560)	-
Dividends	-	-	-	-	-	(6,947)	(6,947)
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	(955)	-	-	(955)
Changes during the period	-	-	560	(955)	-	(302)	(697)
Balance as at 30/09/2021	28,869	21,644	14,880	(1,741)	16	12,258	75,926
Balance as at 01/01/2022	28,869	21,644	14,880	(2,291)	16	19,297	82,415
Profit / (losses) for the period	-	-	-	-	-	7,696	7,696
Other comprehensive income	-	-	-	-	-	-	-
Distribution of earnings	-	-	706	-	-	(706)	-
Dividends	-	-	-	-	-	(11,750)	(11,750)
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	(991)	-	-	(991)
Changes during the period	-	-	706	(991)	-	(4,760)	(5,045)
Balance as at 30/09/2022	28,869	21,644	15,586	(3,282)	16	14,537	77,370

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Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF CASH FLOWS

	Group		Company	
	1/1 - 30/09/2022	1/1 - 30/09/2021	1/1 - 30/09/2022	1/1 - 30/09/2021
Cash flows from Operating Activities				
Profit before Taxes and Non controlling interest - continuing operations	32,180	80,954	7,713	7,221
Profit before Taxes and Non controlling interest - discontinued operations	(43)	6,533	-	-
<i>Plus / (minus) adjustments for:</i>				
Depreciation	15,537	16,532	234	243
Provisions	(1,254)	4,678	(150)	782
Grants	(25)	(92)	-	-
FX differences	(667)	(108)	6	1
(Gain)/loss from sale of property, plant and equipment	(16)	(7,345)	-	(2)
Dividends received	-	-	(7,964)	(8,108)
Impairment of fixed assets	-	1,182	-	-
Interest & similar expenses / (income)	(2,355)	1,907	44	24
(Profit) / loss from companies consolidated with the Equity method	(2,791)	(2,836)	-	-
Operating Profit before adjustments in working capital	40,566	101,405	(117)	161
(Increase)/decrease in receivables	(12,560)	(15,618)	4,621	(170)
(Increase)/decrease in inventories	(9,879)	(1,420)	-	-
Increase/(decrease) in liabilities (apart from banks-taxes)	(14,344)	14,611	(5,192)	(417)
Cash generated from Operating activities	3,783	98,978	(688)	(426)
Interest Paid	(842)	(1,355)	-	-
Other financial income/(expenses)	3,442	(366)	(9)	(14)
Taxes paid	(8,994)	(12,030)	-	-
Cash flows from operating activities (a)	(2,611)	85,227	(697)	(440)
Investing Activities				
Proceeds from sales of property, plant and equipment and intangible assets	47	1,164	-	-
Cash collection of part of the sale proceeds related to Thrace Linq property	-	2,970	-	-
Interest received	19	73	-	-
Dividends received	338	429	8,952	8,108
Purchase of property, plant and equipment and intangible assets	(28,094)	(23,285)	(30)	(17)
Investment grants	1,016	92	-	-
Cash flow from investing activities (b)	(26,674)	(18,557)	8,922	8,091
Financing activities				
Proceeds from loans	23,819	4,140	1,000	1,500
Purchase of treasury shares	(991)	(955)	(991)	(955)
Repayment of loans	(11,597)	(24,558)	(1,141)	(960)
Financial leases	(671)	(3,712)	(104)	(97)
Dividends paid	(7,100)	(6,935)	(6,986)	(6,935)
Cash flow from financing activities (c)	3,460	(32,020)	(8,222)	(7,447)
Net increase /(decrease) in Cash and Cash Equivalents	(25,825)	34,650	3	204
Cash and Cash Equivalents at beginning of period	63,240	40,824	137	163
Effect from changes in foreign exchange rates on cash reserves	(944)	769	-	-
Cash and Cash Equivalents at end of period	36,471	76,243	140	367

The accompanying notes that are presented in pages 12-52 form an integral part of the Interim Condensed Statements of Financial Information.

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 amendment of its name on GEMI (hereinafter the "Company") was founded in 1977. It is based in Magiko of municipality of Avdira in Xanthi, Northern Greece, and is registered in the Public Companies (S.A.) Register under Reg. No. 11188/06/B/86/31 and in the General Commercial Register under Reg. No. 12512246000.

The main objective of the Company was altered as result of the spin-off of the business segment of production and trade of industrial packaging products of the Company and the subsequent amendment of the relevant article 3 of the Company's Articles of Association, according to the precise form that was previously announced by the Company, and in line with the clauses of article 27, paragraph 3, case d' of P.L. 2190/1920. The aim of the Company and its main objective is to participate in the share capital of companies and to finance companies of any legal form, type 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 stake above 5%, as of 30.09.2022 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 2,220 employees in total as of September 30, 2022, of which 1,375 were employed in Greece.

The structure of the Group as of 30th September 2022 was as follows:

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 Asia	HONG KONG	-	100.00%	Full
Thrace Protect S.M.P.C.	GREECE-Xanthi	-	100.00%	Full
Thrace Plastics Pack S.A.	GREECE-Ioannina	92.94%	92.94%	Full
Thrace Greiner Packaging SRL	ROMANIA - Sibiu	-	46.47%	Equity
Thrace Plastics Packaging D.O.O.	SERBIA-Nova Pazova	-	92.94%	Full
Trierina Trading LTD	CYPRUS-Nicosia	-	92.94%	Full
Thrace Ipoma A.D.	BULGARIA-Sofia	-	92.83%	Full
Synthetic Holdings LTD	N. IRELAND-Belfast	100.00%	100.00%	Full
Thrace Synthetic Packaging LTD	IRELAND - Clara	-	100.00%	Full
Arno LTD	IRELAND -Dublin	-	100.00%	Full
Synthetic Textiles LTD	N. IRELAND-Belfast	-	100.00%	Full
Thrace Polybulk A.B.	SWEDEN -Köping	-	100.00%	Full
Thrace Polybulk A.S.	NORWAY-Brevik	-	100.00%	Full
Lumite INC.	U.S.A. - Georgia	-	50.00%	Equity
Adfirmate LTD	CYPRUS-Nicosia	-	100.00%	Full
Pareen LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace Linq INC.	U.S.A. - South Carolina	-	100.00%	Full
Thrace Polyfilms 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

▶ 2. Basis for the Preparation of the Interim Condensed Statements of Financial Information and Main Accounting Principles

2.1 Basis of Preparation

The present interim financial information has been prepared according to the International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (I.A.S.) and interpretations that have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as such have been adopted by the European Union until 30th September 2022. The basic accounting principles that were applied for the preparation of the interim condensed financial information of the period ended 30th September 2022 are the same as those applied for the preparation of the Financial Statements for the year ended 31st December 2021.

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

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

The interim condensed financial information has been prepared according to the historic cost principle, as such is disclosed in the Company's accounting principles presented below.

Moreover, the Group's and Company's interim condensed financial information has been prepared under the "going concern" principle taking into account the significant profitability of the Group and the Company along with all the macroeconomic and microeconomic factors and their effect on the smooth operation of the Group and the Company.

The interim condensed financial information contains a limited number of explanations and does not contain all the information required for the annual financial statements. Therefore, the interim condensed financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2021.

The interim condensed financial information was approved by the Board of Directors of the Company on 29 November 2022.

The interim condensed financial information of the Group THRACE PLASTICS Co. S.A. is 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 1st January 2022.

STANDARDS AND INTERPRETATIONS EFFECTIVE FOR THE CURRENT FINANCIAL YEAR

IFRS 16 (Amendment) 'Covid-19-Related Rent Concessions'

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 targeting to make a reference 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.

STANDARDS AND INTERPRETATIONS MANDATORY FOR SUBSEQUENT PERIODS

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

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is unaffected by the expectations of the entity or events after the reporting date. The amendment 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.

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 obligations.

Annual Improvements to IFRS 2018–2020 (*effective for annual periods beginning on or after 1 January 2022*)

IFRS 9 'Financial instruments'

The amendment addresses which fees should be included in the 10% test for de-recognition of financial liabilities. Costs or fees could be paid to either third parties or the lender. Under the

amendment, costs or fees paid to third parties will not be included in the 10% test.

IFRS 16 'Leases'

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

IAS 41 'Agriculture'

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

2.3 Significant Accounting Estimations and Judgments of the 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 ones in effect.

2.3.1 Significant Accounting Estimates and Assumptions

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

interim condensed financial information. Estimates and relative assumptions are revised constantly. The revisions in accounting estimations are recognized in the period they occur if the revision affects only the specific period or in the revised period and the future periods if the revisions affect the current and the future periods.

For the preparation of the interim condensed financial information, the significant accounting estimates and assumptions by the Management in the application of the accounting policies of the Group and the Company, as well as the main sources for the assessment of uncertainty are the same as those adopted during the preparation of the annual financial statements as of December 31st, 2021.

▶ 3. Notes on the Financial Statements

3.1 Developments and Performance of the Group

The following table depicts in synopsis the Group's financial results from continuing operations for the period ended on 30th September 2022:

Financial Results of the 9-Month Period of 2022 (CONTINUING OPERATIONS)			
<i>(amounts in EUR thousand)</i>	9-Month 2022	9-Month 2021	% Change
Turnover	316,068	341,575	-7.5%
Gross Profit	70,235	122,072	-42.5%
<i>Gross Profit Margin</i>	22.2%	35.7%	
EBIT	27,034	80,137	-66.3%
<i>EBIT Margin</i>	8.6%	23.5%	
EBITDA	42,571	96,670	-56.0%
<i>EBITDA Margin</i>	13.5%	28.3%	
Adjusted EBITDA	42,571	97,052	-56.1%
<i>Adjusted EBITDA Margin</i>	13.5%	28.4%	
Earnings before Taxes (EBT)	32,180	80,954	-60.2%
<i>EBT Margin</i>	10.2%	23.7%	
Earnings after Taxes (EAT)	26,814	65,138	-58.8%
<i>EAT Margin</i>	8.5%	19.1%	
Total EATAM	26,414	64,731	-59.2%
<i>EATAM Margin</i>	8.4%	19.0%	
Earnings per Share (in euro)	0.6111	1.4928	-59.1%

For completeness purposes, the following table depicts in synopsis the financial results of the Group for the period ended September 30, 2022 in total, both from continuing and discontinued operations:

Financial Results of the 9-Month Period of 2022 (CONTINUING & DISCONTINUED OPERATIONS)			
<i>(amounts in EUR thousand)</i>	9-Month 2022	9-Month 2021	% Change
Turnover	316,068	341,575	-7.5%
Gross Profit	70,235	122,072	-42.5%
<i>Gross Profit Margin</i>	22.2%	35.7%	
EBIT	26,991	86,558	-68.8%
<i>EBIT Margin</i>	8.5%	25.3%	
EBITDA	42,528	103,091	-58.7%
<i>EBITDA Margin</i>	13.5%	30.2%	
Adjusted EBITDA	42,571	97,052	-56.1%
<i>Adjusted EBITDA Margin</i>	13.5%	28.4%	
Earnings before Taxes (EBT)	32,137	87,487	-63.3%
<i>EBT Margin</i>	10.2%	25.6%	
Earnings after Taxes (EAT)	26,765	71,669	-62.7%
<i>EAT Margin</i>	8.5%	21.0%	
Total EATAM	26,365	71,262	-63.0%
<i>EATAM Margin</i>	8.3%	20.9%	
Earnings per Share (in euro)	0.6100	1.6434	-62.9%

3.2 Discontinued Operations

Due to the decision to permanently discontinue the production activity of Thrace Linq INC, which was taken in order for the Group to focus on profitable business ac-

tivities, this specific business activity is recorded in the income statement and the other comprehensive income as "discontinued operations".

Discontinued Operations Statement of Income and Other Comprehensive Income	Thrace Linq INC	
	30.09.2022	30.09.2021
Turnover	-	-
Cost of Sales	-	-
Gross Profit / (Loss)	-	-
Non-Operating Income / (Expenses)	(206)	6,306
Earnings / (Losses) before Taxes	(206)	6,306
Earnings / (Losses) after Taxes	(212)	6,304
Intra- group Eliminations	163	227
Earnings / (Losses) after Taxes	(49)	6,531

Discontinued Operations Cash Flows	Thrace Linq INC 30.09.2022
Cash Flows from operating activities	(257)
Cash Flows from investment activities *	(3,102)
Cash Flows from financing activities	-
Change in Cash and Cash Equivalents	(3,359)
Cash Flows as at 31.12.2021	3,464
Foreign Exchange Differences	254
Cash Flows as at 30.09.2022	359

* Refers to intra-group transaction.

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, 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

financial 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
		
<p>Production and trade of technical fabrics for industrial and technical use.</p>	<p>Production and trade of packaging products, plastic bags, plastic boxes for packaging of food and paints and other packaging materials.</p>	<p>It includes the Agricultural sector and the business activity of the Parent company which apart from the investment activities provides also Administrative – Financial – IT services to its subsidiaries.</p>

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 specifically for technical fabrics for personal protection and health applications (Personal Protective Equipment).

From a commercial point of view, the Group during both 2020 and 2021 increased its customer base, through the available sales networks per country, based on the separate needs of the respective markets in each country, through the Group's subsidiaries and regardless of the reference sector. The Group acted in the above manner either by channeling the products into the retail market or by entering into agreements with the respective national (local) health systems.

With regard to the current fiscal year, in the first quarter there was strong demand

especially for enhanced protection masks and technical fabrics with similar attributes, which in turn led to the improvement of the sales and profitability of this particular product category. Also, the fulfillment of the final part of the available contract with a national health system took place. During the remaining months of the year, respective demand has significantly declined, while demand is allocated mainly to enhanced protection masks (FFP2).

Earnings before Taxes at the Group level in the 9-months period of 2022 amounted to € 32.2 million, out of which, according to the Management's estimates, € 5.3 million derived from the sales of personal protection and health products allocated as follows: an amount of € 3.2 million was generated from the "Technical Fabrics" Segment, whereas € 2.1 million was generated from the "Packaging" Sector.

BALANCE SHEET OF 30.09.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Total consolidated assets	274,049	127,710	82,587	(71,931)	412,415

INCOME STATEMENT FOR THE PERIOD FROM 01.01 - 30.09.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA- SEGMENT ELIMINATIONS	GROUP
Turnover	222,514	103,854	4,300	(14,600)	316,068
Cost of sales	(173,493)	(83,014)	(3,937)	14,611	(245,833)
Gross profit	49,021	20,840	363	11	70,235
Other operating income	1,806	203	126	(304)	1,831
Selling & Distribution expenses	(22,894)	(7,676)	-	(346)	(30,916)
Administrative expenses	(9,298)	(3,292)	(684)	692	(12,582)
Research and Development expenses	(1,297)	(317)	-	-	(1,614)
Other operating expenses	(344)	(632)	(5)	-	(981)
Other Income / (Losses)	1,071	(4)	(6)	-	1,061
Operating profit / (loss)	18,065	9,122	(206)	53	27,034

INCOME STATEMENT FOR THE PERIOD FROM 01.01 - 30.09.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Interest & other related (expenses)/ income	2,717	(325)	(44)	7	2,355
Income from dividends	-	-	7,964	(7,964)	-
Profit / (loss) from companies consolidated under the Equity method	1,466	858	467	-	2,791
Earnings / (losses) before tax (Continuing operations)	22,248	9,655	8,181	(7,904)	32,180
Earnings / (losses) before tax (Discontinued operations)	(43)	-	-	-	(43)
Total Earnings / (losses) before tax	22,205	9,655	8,181	(7,904)	32,137
Depreciation from continuing operations	9,905	5,398	234	-	15,537
Depreciation from discontinued operations	-	-	-	-	-
Total Depreciation	9,905	5,398	234	-	15,537
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	27,970	14,520	28	53	42,571
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	(43)	-	-	-	(43)
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	27,927	14,520	28	53	42,528

BALANCE SHEET 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 FROM 01.01 - 30.09.2021	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Turnover	257,670	91,692	3,982	(11,769)	341,575
Cost of sales	(156,537)	(70,918)	(4,145)	12,097	(219,503)
Gross profit	101,133	20,774	(163)	328	122,072

INCOME STATEMENT FOR THE PERIOD FROM 01.01 - 30.09.2021	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Other operating income	800	314	141	(85)	1,170
Selling & Distribution expenses	(19,218)	(7,161)	-	(287)	(26,666)
Administrative expenses	(9,797)	(2,902)	(747)	2	(13,444)
Research and Development expenses	(1,144)	(239)	-	-	(1,383)
Other operating expenses	(1,637)	(817)	(96)	-	(2,550)
Other Income / (Losses)	863	74	1	-	938
Operating profit / (loss)	71,000	10,043	(864)	(42)	80,137
Interest & other related (expenses)/income	(1,314)	(718)	(24)	37	(2,019)
Income from dividends	-	-	8,108	(8,108)	-
Profit / (loss) from companies consolidated under the Equity method	1,470	966	400	-	2,836
Earnings / (losses) before tax (Continuing operations)	71,156	10,291	7,620	(8,113)	80,954
Earnings / (losses) before tax (Discontinued operations)	6,533	-	-	-	6,533
Total Earnings / (losses) before tax	77,689	10,291	7,620	(8,113)	87,487
Depreciation from continuing operations	11,600	4,689	244	-	16,533
Depreciation from discontinued operations	-	-	-	-	-
Total Depreciation	11,600	4,689	244	-	16,533
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	82,600	14,732	(620)	(42)	96,670
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	6,421	-	-	-	6,421
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	89,021	14,732	(620)	(42)	103,091

3.4 Other Operating Income

Other Operating Income	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Grants *	1,065	299	-	-
Income from rents	8	38	-	-
Income from provision of services	106	152	-	-
Income from prototype materials	24	25	-	-
Reverse entry of not utilized provisions	-	20	-	-
Income from electric energy management programs	329	341	-	-
Other operating income	299	295	126	141
Total	1,831	1,170	126	141

* The amount of € 1,065 concerns grants relating to: investments, 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	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Gains / (Losses) from sale of property, plant and equipment	19	85	-	2
Extraordinary Gains / (Losses) from sale of property, plant and equipment of Don & Low LTD	-	760	-	-
Foreign Exchange Differences	1,042	93	(6)	(1)
Total	1,061	938	(6)	1

3.6 Number of Employees

The number of employed staff at the Group and the Company at the end of the period (excluding the joint ventures) was as follows:

Number of employees	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Full-time employees / Wage based employees	1,738	1,684	27	24

3.7 Other Operating Expenses

Other Operating Expenses	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Provisions for doubtful receivables	259	236	-	-
Other taxes and duties non-incorporated in operating cost	122	184	-	-
Depreciation	76	41	-	-
Staff indemnities	71	334	-	92
Commissions / other bank expenses	86	105	-	4
Expenses for the purchase of prototype materials (maquettes)	40	58	-	-
Other operating expenses	327	450	5	-
Sub-Total	981	1,408	5	96
Extraordinary and non-recurring expenses	-	1,142	-	-
Total	981	2,550	5	96

Analysis of Extraordinary non-recurring expenses	Group	
	30.09.2022	30.09.2021
Impairment of fixed assets	-	742
Provision for expenses	-	400
Total	-	1,142

During the 9-month period of 2022, no extraordinary non-recurring expenses were recorded.

During the year 2021, in the context of the Group's restructuring plan, there were fixed asset impairments of € 742 resulting from the operational restructuring of the

subsidiary Don & Low LTD. This company reduced its presence in the market of woven technical fabrics, while increasing its production capacity in the non-woven technical fabrics. Furthermore, additional expenses of € 400 arose relating to provisions for personnel costs and indemnities.

3.8 Financial income / (expenses)

3.8.1 Financial Income

Financial income	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Interest income and related income	20	76	-	-
Income related to implementation of provisions of Law 4706/2020 (see note 3.14)	4,560	-	-	-
Foreign exchange differences	932	773	-	-
Total	5,512	849	-	-
Income from dividends	-	-	7,964	8,108

During the 9-month period of 2022, OAED (Manpower Employment Organization of Greece) has issued the first receivables offsetting decisions for two companies of the Group (according to the provisions of Law 4706/2020), where offsetting of receivables of € 7,827 have been carried out, with a corresponding decrease in the receiv-

able balance and an increase in financial income, in cases where the receivable balance was less than the value of the offsetting amounts, resulting into income of € 4,560. The process of issuing the receivables offsetting decisions for the rest of the companies of the Group, as well as the settlement process, are still in progress.

3.8.2 Financial Expenses

Financial expenses	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Interest Expense and other related expenses	(1,401)	(1,599)	(44)	(23)
Foreign exchange differences	(1,397)	(914)	-	-
Financial result from Pension Plans	(359)	(355)	-	(1)
Total	(3,157)	(2,868)	(44)	(24)

3.9 Earnings per Share (Consolidated)

Earnings after taxes 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 period, after the deduction of any treasury shares held.

Basic earnings per share (Consolidated, continuing operations)	30.09.2022	30.09.2021
Earnings allocated to shareholders	26,414	64,731
Number of outstanding shares (weighted)	43,224	43,363
Basic and adjusted earnings per share (Euro in absolute terms)	0.6111	1.4928

Basic earnings per share (Consolidated, discontinued operations)	30.09.2022	30.09.2021
Earnings allocated to shareholders	(49)	6,531
Number of outstanding shares (weighted)	43,224	43,363
Basic and adjusted earnings per share (Euro in absolute terms)	(0.0011)	0.1506

Basic earnings per share (Consolidated, total operations)	30.09.2022	30.09.2021
Earnings allocated to shareholders	26,365	71,262
Number of outstanding shares (weighted)	43,224	43,363
Basic and adjusted earnings per share (Euro in absolute terms)	0.6100	1.6434

As of 30th September 2022, the Company held 743,393 treasury shares.

3.10 Income Tax

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

Income Tax	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
Income tax	(5,191)	(14,904)	-	-
Deferred tax (expense)/income	(175)	(912)	(17)	(16)
Total	(5,366)	(15,816)	(17)	(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.

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.

3.11 Property, Plant and Equipment

The changes in Property, Plant & Equipment during the period are analyzed as follows:

Property, Plant and Equipment	Group	Company
Balance as at 01.01.2022	153,848	327
Additions	29,678	30
Disposals	(5,106)	-
Transfers	(40)	-
Depreciation	(14,586)	(41)
Disposals – Cumulative depreciation	3,550	-
Foreign exchange differences	(2,427)	-
Balance as at 30.09.2022	164,917	316

Property, Plant and Equipment	Group	Company
Balance as at 01.01.2021	131,512	357
Additions	30,279	22
Disposals	(6,985)	-
Transfer from right-of-use assets	10,059	-
Impairment	(2,456)	-
Depreciation	(18,327)	(51)
Disposals – Cumulative depreciation	6,246	-
Foreign exchange differences	3,520	-
Balance as at 31.12.2021	153,848	327

There are no liens and guarantees on the Company's property, plant and equipment, while the liens on the Group's property, plant and equipment amount to € 6,425.

3.12 Right-of-use assets

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

Assets with right of use	Group	Company
Balance as at 01.01.2022	3,050	344
Additions	236	-
Derecognition – acquisition cost	(79)	-
Depreciation	(703)	(106)
Derecognition – Cumulative depreciation	52	-
Foreign exchange differences	(23)	-
Balance as at 30.09.2022	2,533	238

Assets with right of use	Group	Company
Balance as at 01.01.2021	13,197	55
Additions	1,136	425
De-recognition – acquisition cost	(44)	-
Transfer to tangible assets	(10,059)	-
Depreciation	(1,208)	(136)
Foreign exchange differences	28	-
Balance as at 31.12.2021	3,050	344

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

Liabilities from Leasing	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Short-term liabilities from leasing	875	914	141	139
Long-term liabilities from leasing	1,595	2,061	102	208
Total Liabilities from Leasing	2,470	2,975	243	347

The above amounts include, among others, leases for buildings, cars, clark, printers and other equipment that were initially recognized due to the first time adoption of IFRS 16 in financial year 2019.

These amounts for the Group settled at €1,725 for the 9-month period of 2022 and at €2,034 for 2021. On the Company level, the respective amounts settled at €243 and at €347 respectively.

3.13 Intangible Assets

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

Intangible Assets	Group	Company
Balance as at 01.01.2022	10,539	262
Additions	185	-
Amortization	(248)	(88)
Transfers	40	-
FX differences	(72)	-
Balance as at 30.09.2022	10,444	174

Intangible Assets	Group	Company
Balance as at 01.01.2021	10,655	401
Additions	141	-
Amortization	(342)	(139)
Transfers	57	-
FX differences	28	-
Balance as at 31.12.2021	10,539	262

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

3.14 Other Long-term Receivables

Due to delays observed in the collection of grants receivable from the Greek State, the Group has reclassified this item in the previous years from short-term to long-term receivables, while proceeding to a partial impairment, and therefore the outstanding balance of the receivable at the end of

the previous period was €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	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Grants receivable	1,471	4,879	1,119	1,119
Other accounts receivable	123	122	38	37
Total	1,594	5,001	1,157	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 liabilities against the State, by the entry into force of the above law.

The obligations of OAED (Greek Manpower Employment Organization) and the Greek State are exhausted according to the provisions of article 87, paragraph 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 9-month period of 2022, OAED has issued the first settlement decisions for two companies of the Group where offsetting of receivables of € 7,827 have been carried out, with a corresponding decrease in the outstanding receivable and an increase in financial income, in cases where the receivables balance was less than the value of the offsetting. The process of issuing the approval settlement decisions for the rest of the companies of the Group, as well as the offsetting process, are still in progress.

3.15 Trade and other receivables

3.15.1 Trade Receivables

Trade Receivables	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Customers	87,831	72,268	2,340	2,626
Provisions for doubtful debts	(7,972)	(7,721)	(2,317)	(2,317)
Total	79,859	64,547	23	309

The Group's trade receivables balance include notes and checks overdue of € 6,388 as of 30.09.2022 versus € 8,070 which was the corresponding amount as of 31.12.2021.

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 customer receivables are classified as short-term. Receivables from customers are initially recognized in the transaction amount if the Group has the unconditional right to receive the transaction price. The Group holds the receivables

from customers in order to collect the contractual cash flows and therefore measures them at amortized cost using the effective interest rate method.

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 2.10 in the financial statements of the year ended 31.12.2021. For information on financial risk management, see note 3.24.

3.15.2 Other receivables

Other receivables	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Debtors	4,276	3,438	1,393	1,066
Investment Grant Receivable	2,353	2,353	-	-
Prepaid expenses	5,856	3,818	176	187
Interim Dividend – Dividend receivable	-	4,750	12	5,750
Total	12,485	14,359	1,581	7,003

The above concerns a grant receivable of the subsidiary Thrace Plastics Pack SA concerning an implemented investment and the grant is related to Law 3299/2004.

Prepaid expenses mainly concern receivable from government grants, advance payments of taxes other than income tax and other prepaid expenses.

3.16 Borrowings

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

The Group's short term loans have been granted from Greek and foreign banks

with interest rates of Euribor or Libor plus spread. The book value of loans approaches their fair value during at 30 September 2022.

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

Debt	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Long-term debt	38,564	33,610	-	-
Total long-term debt	38,564	33,610	-	-
Short term portion of long term debt	9,232	8,519	-	-
Short-term debt	11,835	8,874	1,414	1,519
Total short-term debt	21,067	17,393	1,414	1,519
Total Debt	59,631	51,003	1,414	1,519

During the Third quarter of the year there was no substantial change in the Group's debt level.

The Company has no bank debt, whereas the balance of debt liabilities in its Balance

Sheet refers to an intragroup loan.

As noted, interest rates are linked on a case by case basis with Euribor or Libor plus spread, ranging from 1.25% to 3.5%.

3.17 Net Debt / (Net Cash)

Net Debt / (Net Cash)	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Long-term debt	38,564	33,610	-	-
Long-term liabilities from leases	1,595	2,061	102	208
Short-term debt	21,067	17,393	1,414	1,519
Short-term liabilities from leases	875	914	141	139
Total Debt & Lease Liabilities	62,101	53,978	1,657	1,866
Minus cash & cash equivalents	36,471	63,240	140	137
Net Debt / (Net cash)	25,630	(9,262)	1,517	1,729
EQUITY	264,313	252,250	77,370	82,415
NET DEBT (NET CASH) / EQUITY	0.10	(0.04)	0.02	0.02

Furthermore, the Net Debt / EBITDA ratio of the Group for the period amounted to 0.52x (the EBITDA figure refers to the period from 01.10.2021 to 30.09.2022).

It is noted that, on 31.12.2021 the ratio stood at (0.08x) while on 30.09.2021 it had settled at (0.18x).

3.18 Employee Benefits

The liabilities of the Company and the Group towards its employees in providing them with certain future benefits, depending on the length of service is calculated by an actuarial study on an 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	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Defined contribution plans – Not self-financed	1,735	1,599	90	79
Defined benefit plans – Self financed	(116)	1,900	-	-
Total provision at the end of period	1,619	3,499	90	79

3.18.1 Defined contribution plans – Not self-financed

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.

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.

In this context, the application of the above Final Decision has been treated as a change in accounting policy, applying the change retroactively from the beginning of the first comparative period, in accordance with paragraphs 19 to 22 of IAS 8.

The Greek companies of the Group as well as the subsidiary Thrace Ipoma A.D. domiciled in Bulgaria participate in the following plan.

Defined contribution plans – Not self-financed	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Amounts recognized in the balance sheet				
Present value of liabilities	1,735	1,599	90	79
Net liability recognized in the balance sheet	1,735	1,599	90	79
Amounts recorded in SOCI				
Cost of current employment	137	164	11	12
Net interest on the liability / (asset)	5	6	-	-
Expense amount recorded in SOCI	142	170	11	12
Recognition of prior service cost	-	(22)	-	-
Cost of curtailment / settlements / service termination	-	386	-	88
Other expense / (income)	-	-	-	-
Total expense recorded in SOCI	142	534	11	100
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	(6)	(480)	-	(92)
Total expense recorded in SOCI	142	534	11	100
Total amount recognized in SOCE	-	83	-	(7)
Other	-	-	-	-
Net liability at the end of the period	1,735	1,599	90	79

During the current period, no changes have been made to the actuarial assumptions as presented in note 3.23 of the annual financial statements of the year 2021.

3.18.2 Defined Benefit Plans – Self financed

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 – Self financed	Group	
	30.09.2022	31.12.2021
Amounts recognized in the balance sheet		
Present value of liabilities	102,992	160,955
Fair value of the plan's assets	(103,108)	(159,055)
Net liability recognized in the balance sheet	(116)	1,900
Amounts recognized in the financial results		
Cost of current employment	-	186
Net interest on the liability / (asset)	-	120
Expense amount recognized in SOCI	-	306
Cost recognition from previous years	-	-
Cost of curtailment / settlements / service termination	-	-
Other expense / (income)	354	349
Foreign exchange differences	-	-
Total expense recorded in SOCI	354	655
Asset allocation*		
Mutual Funds (Equities)	12,958	15,640
Mutual Funds (Bonds)	46,917	79,893
Diversified Growth Funds	42,356	52,839
Other	877	10,683
Total	103,108	159,055
Changes in the Net Liability recognized in Balance Sheet		
Net liability / (receivable) at the beginning of year	1,900	12,729
Contributions paid from the employer / Other	7,318	(2,009)
Total expense recorded in SOCI	354	655
Total amount recognized in SOCE	(9,679)	(10,103)
Foreign exchange differences	(9)	628
Net liability / (asset) at the end of the period	(116)	1,900

* The assets of the plan are measured at fair value 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.

Actuarial Assumptions	Don & Low LTD		Thrace Polybulk AS	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Discount rate	3.87%	1.84%	1.70%	1.70%
Inflation	3.11%	3.37%	2.00%	2.00%
Average annual increase of personnel salaries	3.37%	3.37%	2.00%	2.00%
Duration of liabilities	18 years	18 years	10 years	10 years

3.19 Suppliers and Other Short-Term Liabilities

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

3.19.1 Suppliers

Suppliers	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Suppliers	51,546	55,441	441	1,046
Total	51,546	55,441	441	1,046

3.19.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Various creditors	5,973	4,531	16	16
Liabilities from taxes and pensions	4,048	4,993	140	426
Dividends payable	119	107	116	102
Customer prepayments *	1,336	7,794	-	-
Personnel salaries payable	1,173	1,216	53	65
Accrued expenses – Other accounts payable	10,876	10,354	1,170	997
Total short-term liabilities	23,525	28,995	1,495	1,606

* Customer prepayments refer to the Group's liability to deliver products to third parties.

The fair value of the liabilities approaches the book value.

Revenues will be recognized in the results upon delivery of the order. Revenue corresponding to previous year's customer advances has been recognized in the current period.

3.20 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 more than 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 – 30.09.2022 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 – 30.09.2022 are depicted below.

Income	Group		Company	
	01.01 – 30.09.2022	01.01 – 30.09.2021	01.01 – 30.09.2022	01.01 – 30.09.2021
Subsidiaries	-	-	4,346	3,993
Joint Ventures	5,881	4,779	79	84
Affiliated Companies	36	8	-	-
Total	5,917	4,787	4,425	4,077

Expenses	Group		Company	
	01.01 – 30.09.2022	01.01 – 30.09.2021	01.01 – 30.09.2022	01.01 – 30.09.2021
Subsidiaries	-	-	125	56
Joint Ventures	462	352	-	-
Affiliated Companies	1,293	597	349	309
Total	1,755	949	474	365

Trade and other receivables	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Subsidiaries	-	-	17	1,297
Joint Ventures	2,689	1,195	-	7
Affiliated Companies	48	38	26	26
Total	2,737	1,233	43	1,330

Suppliers and Other Liabilities	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Subsidiaries	-	-	506	1,678
Joint Ventures	97	48	-	5
Affiliated Companies	182	92	81	69
Total	279	140	587	1,752

Long-term Liabilities	Group		Company	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Subsidiaries	-	-	283	284
Joint Ventures	-	-	-	-
Affiliated Companies	-	-	-	-
Total	-	-	283	284

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

The Company has granted guarantees to banks against long-term loans of its subsidiaries. On 30.09.2022, the outstanding amount for which the Company had provided guarantee settled at € 41,731 and is analyzed as follows:

Guarantees for Subsidiaries	30.09.2022
Thrace Nonwovens & Geosynthetics Single Person S.A.	20,748
Thrace Plastics Pack SA	16,486
Thrace Polyfilms Single Person SA	4,497
Total	41,731

3.21 Remuneration of Board of Directors

BoD Remuneration	Group		Company	
	30.09.2022	30.09.2021	30.09.2022	30.09.2021
BoD Remuneration	3,048	2,993	1,084	968

The remuneration concerns the Boards of Directors of 21 companies in which 32 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.

3.22 Investments

3.22.1 Investments in companies consolidated with the full consolidation method

The value of the Company's investments in the subsidiaries, as of 30th September 2022, is as follows:

Companies consolidated with the full consolidation method	30.09.2022	31.12.2021
Don & Low LTD	37,495	37,495
Thrace Plastics Pack S.A.	15,507	15,507
Thrace Nonwovens & Geosynthetics Single Person S.A.	5,710	5,710
Synthetic Holdings LTD	11,728	11,728
Thrace Polyfilms Single Person S.A.	3,418	3,418
Total	73,858	73,858

3.22.2 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 30.09.2022. 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 Operation	Business Activity	Percentage of Shareholding
Thrace Greiner Packaging SRL	Romania	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	Production of agricultural fabrics and belongs to the technical fabrics sector. The company's shares are not listed.	50.00%
Thrace Greenhouses SA	Greece	Production of agricultural products and belongs to the agricultural sector. The company's shares are not listed.	50.91%
Thrace Eurobent SA	Greece	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:

Investments in companies consolidated with the equity method	01.01 – 30.09.2022	01.01 - 31.12.2021
Balance at beginning of period	18,012	15,068
Profit / (loss) from joint ventures	2,791	2,770
Dividends	(1,112)	(401)
Foreign exchange differences and other reserves	1,524	575
Balance at end of period	21,215	18,012

3.23 Commitments and Contingent Liabilities

On 30th September 2022 there are no significant legal issues pending that may have a material effect in the financial position of the Group Companies.

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

3.24 Financial risks

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

In general, the Group's activities create

several financial risks. Such risks include market risk (foreign exchange risk and risk from changes and raw materials prices), credit risk, liquidity risk and interest rate risk.

3.24.1 Risk of Price Fluctuations of Raw Materials

The Group is exposed to fluctuations in the price of polypropylene (represents approximately 52% of the cost of sales), which are mainly counterbalanced 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. Therefore in any case, the particular risk is deemed as relatively controlled.

3.24.2 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 obligations.

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

The Group and the Company recognize provisions for impairment with regard to the expected credit losses of all financial assets. The expected credit losses are based on the difference between the contractual cash flows and the entire cash flows which

the Group (or the Company) anticipates to receive. The difference is discounted by using an estimate concerning the initial effective interest rate of the financial asset. 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.

3.24.3 Liquidity risk

The monitoring of liquidity risk is focused on managing cash inflows and outflows on a constant basis, in order for the Group to have the ability to meet its cash flow obligations. The management of liquidity risk is applied by maintaining cash equivalents and approved bank credits. During the preparation date of the financial state-

ments, there were adequate, unused bank credits, approved to the Group, which are considered sufficient to face a possible shortage of cash equivalents.

Short-term bank liabilities are revolved at their maturity, as they are part of the approved bank credits.

3.24.4 Foreign exchange risk

The Group is exposed to foreign exchange risks arising from existing or expected cash flows in foreign currency and investments that have been made in foreign countries. The management of the various risks is made by the use of natural hedge instru-

ments. In order to hedge foreign currency risk from foreign currency customer receivables, borrowings are contracted in the same currency, according to the management's judgment.

3.24.5 Interest rate Risk

The Group's long-term loans have been granted by Greek and foreign banks and are mainly denominated in Euro. The repayment period varies, according to each loan contract, while long-term loans are mainly linked to Euribor plus a margin. The

Group's short-term loans have been granted by several banks, under Euribor, plus a margin and Libor plus a margin. Therefore changes in interest rates may positively or negatively affect the Group.

3.24.6 Capital Adequacy Risk

The Group controls capital adequacy using the net debt (net cash) to operating profit ratio and the net debt (net cash) to equity ratio. The Group's objective in relation to capital management is to ensure the ability for its smooth operation in the future, while providing satisfactory returns

to shareholders and benefits to other parties, as well as to maintain an ideal capital structure so as to ensure a low cost of capital. For this purpose, it systematically monitors working capital in order to maintain the lowest possible level of external financing (see note 3.17).

3.25 Significant Events

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

During the third quarter of the current year, the conditions prevailing on the global macroeconomic environment, continued to be affected by strong inflationary pressures primarily due to skyrocketing energy costs. The phenomenon of persistent inflation affects the purchasing power of final consumers, but also creates conditions of uncertainty in the broader marketplace, resulting into a gradual decline in the level of demand for various products. All the above constitute an extremely unfavourable mix of factors, where on the one hand the cost basis of industrial production is significantly burdened due to inflationary pressures, and on the other hand both the customers of the Group as well as their final customers demonstrate an ever declining level of demand, targeting to decrease their inventories and waiting to obtain a better visibility of the markets in the coming months.

At the same time, the ongoing war between Ukraine and Russia, apart from the huge humanitarian crisis, continues to maintain difficult conditions at the level of the global market place, and especially of Europe, which is still more affected than the other economies across the globe. The Group, although not facing any direct negative effects from the declining trading activity in the particular region (as already announced, the Group's sales for the year 2021 in Ukraine and Russia amounted to only 0.6% of total sales), is being affected on the other hand from the unfavorable economic environment in broader terms as well as from the conditions of uncertainty that have been created.

Finally, COVID-19 pandemic appears to be

affecting in a lesser degree the day-to-day activities and consequently the real economy.

The above created an extremely difficult economic environment, along with conditions of uncertainty regarding the course of the economies and their growth potential in the future.

I. Group's performance during the 9-month period of the financial year 2022

In this highly difficult environment as described above and despite the negative conditions that have emerged, the Group is still effectively facing its existing challenges, when the most basic cost categories have been significantly increasing and despite the evidence of a lag at the level of demand.

Regarding the production operation, all production units within the Group continued to operate smoothly throughout the 9-month period of 2022, without facing any operational issues from the spread of the pandemic, but also ensuring the smooth operation of the supply chain.

The following were observed during the third quarter of 2022:

- Stable demand for products in the construction sector.
- Steady demand for products related to the infrastructure sector and to the large-scale construction projects.
- Lag in demand for most of the products of the agricultural sector.
- Steady demand for products related to the packaging sector.
- Significantly decreased demand for

products related to COVID-19.

- Small decline of the cost of raw materials.
- Significantly increased energy cost in all countries which the Group is operating in, with significant volatility from month to month.
- Steadily increased transport costs, with minor de-escalation on specific routes.
- Significantly increased cost of raw materials as well as of packaging materials.

In financial terms, the Group, as it was expected due to the very low demand for COVID-19 related products, posted a limited drop in turnover from continuing operations, compared to the 9-month period of 2021, despite the extremely negative conditions that have emerged and their impact on global demand. More specifically, the Group generated sales of €316 million, while the sales of the 9-month period of the previous year had amounted to €341.6 million (7.5% decline). Earnings before Taxes (EBT) from continuing operations amounted to €32.2 million (while in the 9-month period of 2021 EBT had amounted to €81 million), of which €22.3 million related to the traditional product portfolio and €5.3 million were generated from sales of personal protection equipment / products (while in the 9-month period of 2021, EBT related to the traditional product portfolio amounted to €30.3 million and EBT related to personal protection products amounted to €50.7 million), whereas € 4.6 million concerned an extraordinary profit (see note 3.14).

Earnings before Taxes in the 9-month period of 2022 and in relation to the traditional product portfolio, as expected, posted a

drop of 26.2%, compared to Earnings before Taxes from the traditional product portfolio of the corresponding period last year. During the third quarter of 2022 the decline compared to the same quarter of 2021 settled at 24%. However, given the special conditions that prevailed both in the 9-month period of 2021, due to the outbreak of the pandemic, and the current period, due to the ongoing war conflict and the high inflationary pressures, any direct comparison between the two periods becomes extremely difficult.

As there is more direct comparison between the 9-month period of 2022 and the pre-pandemic levels, i.e. the 9-month period of 2019, it should be noted that Earnings before Taxes from the traditional product portfolio, recording an increase of 89,4%. This also demonstrates the significantly higher profitability that was generated amid especially difficult market conditions globally during the period under consideration along with the higher costs in terms of raw materials, energy and transportation. In addition, specifically for the third quarter of 2022, Earnings before Taxes from the traditional product portfolio, posted an increase of 34.2% compared to the third quarter of 2019.

More specifically, during the third quarter of the year, the Group's Earnings before Taxes amounted to €12.1 million, of which €7 million were generated from the traditional product portfolio, showing that the Group achieved once again significant profitability. As it is evident, the above achievement was accomplished amid very different and actually negative conditions, compared to the ones that prevailed when such targets were adopted by the Management. This also demonstrates the Group's ability to adapt to the new conditions in a flexible but also resilient manner.

Therefore, it is now fully evident and can be confirmed for another quarter as well that despite the especially difficult conditions prevailing in the global economy, the Group is capable of generating a stable, sustainable, and significantly higher recurring profitability, compared to the pre-pandemic levels. As a result, the Group, through its investment plan and the reorganization plan implemented in the past years, has now further strengthened its financial performance, even in an unfavorable economic environment. This implies an even stronger outlook for the Group in the future especially if the energy crisis and the inflationary pressures de-escalate.

Regarding the liquidity levels of the Group and the trading cycle of the subsidiaries, there has been no negative impact due to the prevailing extreme conditions. At the same time, the implementation of the Group's already planned as well as extraordinary investments is progressing smoothly. The investment plan for 2022 amounts to €42 million, on a cash basis, consisting of investments mainly in the Group's facilities in Greece, but also in the other countries of operation. The investment plan is being financed to a significant extent with own funds. It should be noted the annual investments are part of the extended investment plan of the Group for the period 2020-2022 amounting to €102 mil., focusing on volume increase, cost reduction, increase of competitiveness, product mix and profitability improvement, recycling and sustainable development. On the other hand, there has not been any negative trend at the level of working capital, as all working capital parameters have resembled the well anticipated trend whereas during the 9-month period of 2022 there were specific and significant outflows, such as the financing of ongoing investments and the distribution of dividends.

As a result of the above, the Group's Net Debt at the end of the 9-month period of 2022 amounted to €25.6 million.

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 and also continues to maintain in full implementation a plan to ensure the health and safety of the personnel and the smooth business continuity of the Group. The above plan has now been adapted to the newly revised health protocols as required by the various pertinent authorities in each country.

III. Prospects of the Group, in terms of financial performance

Regarding the prospects for the year 2022, the Management closely monitors the macroeconomic developments, on a global level, which are characterized by the significantly stronger inflationary trends, throughout the economy but also in all cost items that constitute the industrial sector's cost base and the ongoing slowdown of demand, which is substantially aggravating the economic environment.

Regarding the fourth quarter of 2022, the Management of the Group closely monitors and adapts, in the most feasible manner, to the changes taking place at the macroeconomic level and to the clearly more difficult conditions compared to the previous months of the year. In this context, the Management is taking measures to maximize the Group's financial performance to the greatest possible extent and given the unfavorable market conditions, with a parallel effort to effectively manage the operational risks that arise each time. However, the high level of inflation, the significant decline in demand, as a result

of uncertainty and of the customers' effort to reduce their inventory levels, as well as the extremely high energy cost, comprise factors that are outside the Group's control therefore creating a very difficult financial environment. In this context and with regard to the fourth quarter, as expected and also due to the seasonality of the operating segments, the Management anticipates a lower profitability compared to the previous quarters of the current year. It should be also noted that the last quarter of each year is traditionally the weakest one in terms of profitability. Therefore, a relatively small deviation from the budget's target (€25 million) is estimated in terms of Earnings before Taxes related to the traditional portfolio, however the annual profitability will remain at significantly higher levels, and more than double than the pre-pandemic levels, while the overall Earnings before Taxes will by far exceed the expectations demonstrating Group's robustness and potential.

Regarding the outlook for next year, the Group's Management is systematically

working in order to limit, to the greatest possible extent, the negative consequences of the evolving economic crisis taking place in Europe and worldwide. Despite the difficult market conditions and the general uncertainty, which makes precarious any attempt to predict the future, there are still very positive prospects for the Group. This is due to the fact that the Management is now able to build on the significant and recurring profitability of 2022, but also on the extensive investment plan of the previous years, with the objective to maintain and further boost the Group's profitability.

Despite the fact that the current conditions in the global market place create significant volatility, making any assessment regarding the production / commercial activity and the financial results of the Company and the Group uncertain, the Group's Management estimates that neither the Group nor any of its individual activities face any potential threat in terms of cessation of business activity (going concern).

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 macroeconomic consequences, the extent of which cannot yet be estimated. These consequences have been evident for all companies across the various economies on a day-to-day basis. The Group does not have significant 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 2021, sales in these two countries stood at 0.6% of the Group's total turnover. 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 sales towards customers are concerned. However, the effects on the Group's activities from the negative developments 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.

Appointment of the Head of Regulatory Compliance and Risk Management Department (Unit)

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 Leices-

ter 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 (distribution) of results 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, has 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/el/general-meetings/>.

3.26 Significant Events after the Balance Sheet Date

On 03.11.2022 the Company announced to the investors that following the completion of the tax audits for the financial year 2021 (fiscal year 2021), which were carried out by the tax auditors of the Group, in accordance with the provisions of article 65A law 4174/2013, both for 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".

There are no other events subsequent to the date of the Balance Sheet, which materially affect 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 29 November 2022 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



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ONLINE AVAILABILITY OF THE INTERIM FINANCIAL REPORT

The interim condensed financial information of the Company "THRACE PLASTICS CO SA" is registered on the internet at www.thracegroup.gr.

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 **THRACE GROUP**
A WORLD OF MATERIALS & SOLUTIONS