THRACE PLASTICS CO S.A.

INTERIM FINANCIAL INFORMATION

01/01-31/03/2022

IN ACCORDANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS

22

General Commerce Reg. No. 12512246000

Domicile: Magiko, Municipality of Avdira Xanthi Greece

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

INTERIM CONDENSED FINANCIAL INFORMATION FOR THE PERIOD 01.01.2022– 31.03.2022

Statements

Contents of Notes

STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2022 – 31.03.2022)

		Group		Company	
	Note	1/1 - 31/03/2022	1/1 - 31/03/2021	1/1 - 31/03/2022	1/1 - 31/03/2021
Turnover		106,257	111,367	1,441	1,329
Cost of Sales		(81,570)	(66,947)	(1,307)	(1,297)
Gross profit/(loss) - continuing operations		24,687	44,420	134	32
Other Operating Income	3.4	326	226	24	31
Selling and Distribution Expenses		(10,303)	(8,175)	-	-
Administrative Expenses		(4,022)	(4,198)	(210)	(230)
Research and Development Expenses		(459)	(385)	-	-
Other Operating Expenses	3.7	(248)	(1,562)	(2)	(93)
Other gain / (losses)	3.5	153	(202)	(1)	(1)
Operating Profit /(loss) before interest and tax - continuing operations		10,134	30,124	(55)	(261)
Financial Income	3.8	356	236	-	-
Financial Expenses	3.8	(813)	(1,120)	(12)	(3)
Income from Dividends		-	-	-	-
Profit / (loss) from companies consolidated with the Equity Method	3.21	1,065	154	-	-
Profit/(loss) before Tax - continuing operations		10,742	29,394	(67)	(264)
Income Tax	3.10	(1,952)	(4,861)	2	(6)
Profit/(loss) after tax (A) - continuing operations		8,790	24,533	(65)	(270)
Profit/(loss) after tax (A) - discontinued operations	3.2	(8)	8	-	-
Profit/(loss) after tax (A)		8,782	24,541	(65)	(270)
FX differences from translation of foreign Balance Sheets		(347)	3,110	-	-
Actuarial profit/(loss)		1,824	6,406	-	-
Other comprehensive income after taxes (B) - continuing operations		1,477	9,516	-	-
FX differences from translation of foreign Balance Sheets		92	24	-	-
Actuarial profit/(loss)		-	-	-	-
Other comprehensive income after taxes (B) - discontinued operations		92	24	-	-
FX differences from translation of foreign Balance Sheets		(255)	3,134	-	-
Actuarial profit/(loss)		1,824	6,406	-	-
Other comprehensive income after taxes (B)		1,569	9,540	-	-
Total comprehensive income / (loss) after taxes (A) + (B) - continuing operations		10,267	34,049	(65)	(270)
Total comprehensive income / (loss) after taxes (A) + (B) - discontinued operations		84	32	-	-
Total comprehensive income / (loss) after taxes (A) + (B)		10,351	34,081	(65)	(270)

Amounts in thousand Euro, unless stated otherwise

		Group		Company	
Continuing operations		**1/1 - 31/03/2022**	1/1 - 31/03/2021	**1/1 - 31/03/2022**	1/1 - 31/03/2021
Profit / (loss) after tax					
Attributed to:					
Owners of the parent		**8,666**	**24,398**	-	-
Non controlling interest		**124**	**135**	-	-
Total comprehensive income / (loss) after taxes					
Attributed to:					
Owners of the parent		**10,143**	**33,918**	-	-
Non controlling interest		**124**	**131**	-	-
Discontinued operations					
Profit / (loss) after tax					
Attributed to:					
Owners of the parent		**(8)**	**8**	-	-
Non controlling interest		-	-	-	-
Total comprehensive income / (loss) after taxes					
Attributed to:					
Owners of the parent		**84**	**32**	-	-
Non controlling interest		-	-	-	-
Total Operations					
Profit / (loss) after tax					
Attributed to:					
Owners of the parent		**8,658**	**24,406**	-	-
Non controlling interest		**124**	**135**	-	-
Total comprehensive income / (loss) after taxes					
Attributed to:					
Owners of the parent		**10,227**	**33,950**	-	-
Non controlling interest		**124**	**131**	-	-
Profit/(loss) allocated to shareholders per share - continuing operations					
Number of shares		**43,281**	**43,419**		
Earnings/(loss) per share	3.9	**0.2002**	**0.5619**		
Profit/(loss) allocated to shareholders per share - discontinued operations					
Number of shares		**43,281**	**43,419**		
Earnings/(loss) per share	3.9	**(0.0002)**	**0.0002**		
Profit/(loss) allocated to shareholders per share					
Number of shares		**43,281**	**43,419**		
Earnings/(loss) per share	3.9	**0.2000**	**0.5621**		

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		31/03/2022	31/12/2021	**31/03/2022**	31/12/2021
ASSETS					
Non-Current Assets					
Tangible assets	3.11	**155,517**	153,848	**313**	327
Rights-of-use assets	3.12	**2,929**	3,051	**309**	344
Investment property		**113**	113	**-**	-
Intangible Assets	3.13	**10,503**	10,539	**227**	262
Investments in subsidiaries	3.21	**-**	-	**73,858**	73,858
Investments in joint ventures	3.21	**18,588**	18,012	**3,819**	3,819
Other long term receivables	3.14	**5,014**	5,001	**1,156**	1,156
Deferred tax assets		**313**	380	**115**	113
Total non-Current Assets		**192,977**	190,944	**79,797**	79,879
Current Assets					
Inventories		**79,625**	71,835	**-**	-
Income tax prepaid		**231**	274	**32**	25
Trade receivables	3.15	**78,408**	64,547	**61**	309
Other debtors	3.15	**16,735**	14,359	**6,178**	7,003
Cash and Cash Equivalents		**47,348**	63,240	**654**	137
Total Current Assets		**222,347**	214,255	**6,925**	7,474
TOTAL ASSETS		**415,324**	405,199	**86,722**	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		**22,702**	23,496	**12,066**	12,605
Retained earnings		**185,139**	174,631	**19,232**	19,297
Total Shareholders' equity		**258,234**	248,520	**81,811**	82,415
Non controlling interest		**3,856**	3,730	**-**	-
Total Equity		**262,090**	252,250	**81,811**	82,415
Long Term Liabilities					
Long Term Debt	3.16	**31,716**	33,610	**-**	-
Liabilities from leases	3.12	**1,976**	2,061	**173**	208
Provisions for Employee Benefits	3.18	**1,523**	3,499	**83**	79
Other provisions		**-**	0	**283**	284
Deferred Tax Liabilities		**6,779**	6,742	**-**	-
Other Long Term Liabilities		**222**	237	**1**	1
Total Long Term Liabilities		**42,216**	46,149	**540**	572
Short Term Liabilities					
Short Term Debt	3.16	**25,197**	17,393	**2,528**	1,519
Liabilities from leases	3.12	**880**	914	**139**	139
Income Tax		**3,529**	4,057	**56**	56
Suppliers	3.19	**57,380**	55,441	**451**	1,046
Other short-term liabilities	3.19	**24,032**	28,995	**1,197**	1,606
Total Short Term Liabilities		**111,018**	106,800	**4,371**	4,366
TOTAL LIABILITIES		**153,234**	152,949	**4,911**	4,938
TOTAL EQUITY & LIABILITIES		**415,324**	405,199	**86,722**	87,353

The accompanying notes that are presented in pages 10-51 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY

Group

	Share Capital	Share Premium	Other Reserves	Treasury shares 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	-	-	-	-	-	24,406	24,406	135	24,541
Other comprehensive income	-	-	-	-	3,138	6,406	9,544	(4)	9,540
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	(4)	(4)	-	(4)
Purchase of treasury shares	-	-	-	-	-	-	-	-	-
Changes during the period	-	-	-	-	3,138	30,808	33,946	131	34,077
Balance as at 31/03/2021	**28,869**	**21,524**	**33,891**	**(786)**	**(8,809)**	**130,356**	**205,045**	**3,615**	**208,660**
Balance as at 01/01/2022	**28,869**	**21,524**	**33,286**	**(2291)**	**(7,499)**	**174,631**	**248,520**	**3,730**	**252,250**
Profit / (losses) for the period	-	-	-	-	-	8,658	8,658	124	**8,782**
Other comprehensive income	-	-	-	-	(255)	1,824	1,569	-	**1,569**
Distribution of earnings	-	-	-	-	-	-	-	-	-
Dividends	-	-	-	-	-	-	-	-	-
Transfers	-	-	-	-	-	-	-	-	-
Other changes	-	-	-	-	-	26	26	2	**28**
Purchase of treasury shares	-	-	-	(539)	-	-	(539)	-	**(539)**
Changes during the period	-	-	-	**(539)**	**(255)**	**10,508**	**9,714**	**126**	**9,840**
Balance as at 31/03/2022	**28,869**	**21,524**	**33,286**	**(2,830)**	**(7,754)**	**185,139**	**258,234**	**3,856**	**262,090**

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CHANGES IN EQUITY (continues from previous page)

Company

	Share Capital	Share Premium	Other Reserves	Treasury shares reserves	FX translation reserves	Retained earnings	Total
Balance as at 01/01/2021	**28,869**	**21,644**	**14,320**	**(786)**	**16**	**12,560**	**76,623**
Profit / (losses) for the period	-	-	-	-	-	(270)	**(270)**
Other comprehensive income	-	-	-	-	-	-	**-**
Distribution of earnings	-	-	-	-	-	-	**-**
Dividends	-	-	-	-	-	-	**-**
Other changes	-	-	-	-	-	-	**-**
Purchase of treasury shares	-	-	-	-	-	-	**-**
Changes during the period	-	-	-	-	-	(270)	**(270)**
Balance as at 31/03/2021	**28,869**	**21,644**	**14,320**	**(786)**	**16**	**12,290**	**76,353**
Balance as at 01/01/2022	**28,869**	**21,644**	**14,880**	**(2,291)**	**16**	**19,297**	**82,415**
Profit / (losses) for the period	-	-	-	-	-	(65)	**(65)**
Other comprehensive income	-	-	-	-	-		**-**
Distribution of earnings	-	-		-	-		**-**
Dividends	-	-	-	-	-		**-**
Other changes	-	-	-	-	-	-	**-**
Purchase of treasury shares	-	-	-	(539)	-	-	**(539)**
Changes during the period	-	-	-	(539)	-	(65)	(604)
Balance as at 31/03/2022	**28,869**	**21,644**	**14,880**	**(2,830)**	**16**	**19,232**	**81,811**

Amounts in thousand Euro, unless stated otherwise

STATEMENT OF CASH FLOWS

	Group		Company	
	1/1 - 31/03/2022	1/1 - 31/03/2021	1/1 - 31/03/2022	1/1 - 31/03/2021
Cash flows from Operating Activities				
Profit before Taxes and Non controlling interest - continuing operations	**10,742**	29,394	**(67)**	(264)
Profit before Taxes and Non controlling interest - discontinued operations	**(8)**	8	**-**	-
Plus / (minus) adjustments for:				-
Depreciation	**5,396**	5,834	**84**	79
Provisions	**(1,463)**	655	**(213)**	(352)
Grants	**-**	-	**-**	-
FX differences	**(125)**	278	**1**	1
(Gain)/loss from sale of fixed assets	**(31)**	322	**-**	-
Dividends received	**-**	(401)	**-**	-
Impairments of fixed assets	**-**	840	**-**	-
Interest & similar expenses / (income)	**457**	884	**12**	3
(Profit) / loss from companies consolidated with the Equity method	**(1,065)**	(154)	**-**	-
Operating Profit before adjustments in working capital	**13,903**	37,660	**(183)**	(533)
(Increase)/decrease in receivables	**(13,982)**	(18,159)	**965**	40
(Increase)/decrease in inventories	**(7,881)**	(1,963)	**-**	-
Increase/(decrease) in liabilities (apart from banks-taxes)	**(2,264)**	21,254	**(689)**	448
Cash generated from Operating activities	**(10,224)**	38,792	**93**	(45)
Interest Paid	**(260)**	(444)	**-**	-
Other financial income/(expenses)	**(122)**	(28)	**(3)**	(3)
Taxes paid	**(2,073)**	(2,721)	**-**	-
Cash flows from operating activities (a)	**(12,679)**	35,599	**90**	(48)
Investing Activities				
Proceeds from sales of tangible and intangible assets	**32**	-	**-**	(3)
Proceeds from sale of a part of Thrace Linq property	**-**	-	**-**	-
Interest received	**15**	58	**-**	-
Dividends received	**-**	88	**-**	-
Purchase of tangible and intangible assets	**(8,792)**	(6,148)	**-**	-
Investment grants	**-**	-	**-**	-
Cash flow from investing activities (b)	**(8,745)**	(6,002)	**0**	(3)
Financing activities				
Proceeds from loans	**8,380**	-	**1,000**	-
Purchase of treasury shares	**(539)**	-	**(539)**	-
Repayment of loans	**(2,104)**	(6,468)	**-**	-
Financial leases	**(125)**	(3,124)	**(34)**	(31)
Dividends paid	**-**	-	**-**	-
Cash flow from financing activities (c)	**5,612**	(9,592)	**427**	(31)
Net increase /(decrease) in Cash and Cash Equivalents	**(15,812)**	20,005	**517**	(82)
Cash and Cash Equivalents at beginning of period	**63,240**	40,824	**137**	163
Effect from changes in foreign exchange rates on cash reserves	**(80)**	987	**-**	-
Cash and Cash Equivalents at end of period	**47,348**	61,816	**654**	81

The accompanying notes that are presented in pages 10-51 form an integral part of the present financial statements.

Amounts in thousand Euro, unless stated otherwise

1. Information about the Group

The company THRACE PLASTICS CO S.A. as it was renamed following the approval and the 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, kind and objective, either listed or non-listed on organized market, as well as the provision of Administrative - Financial - IT Services to its Subsidiaries.

The Company is the parent of a Group of companies (hereinafter the "Group"), which operate mainly in two sectors, the technical fabrics sector and the packaging sector.

The Company's shares are listed on the Athens Stock Exchange since June 26, 1995.

The company's shareholders, with equity stakes above 5%, as of 31.03.2022 were the following:

Chalioris Konstantinos	43.29%
Chaliori Eyfimia	20.85%

The Group maintains production and trade facilities in Greece, United Kingdom, Ireland, Sweden, Norway, Serbia, Bulgaria, U.S.A. and Romania.

The Group, including its joint ventures, employed a total of 2,202 employees as of March 31, 2022, of which 1,355 were employed in Greece.

The structure of the Group as of 31st March 2022 was as follows:

Amounts in thousand Euro, unless stated otherwise

Company	Registered Offices	Ownership Percentage of Parent Company	Ownership Percentage of Group	Consolidation Method
Thrace Plastics CO S.A.	**GREECE-Xanthi**	**Parent**	**-**	**Full**
Don & Low LTD	**SCOTLAND-Forfar**	**100.00%**	**100.00%**	**Full**
Don & Low Australia Pty LTD	AUSTRALIA	-	100.00%	Full
Thrace Nonwovens & Geosynthetics Single Person S.A.	**GREECE-Xanthi**	**100.00%**	**100.00%**	**Full**
Saepe LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace 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 - Sibiou	-	46.47%	Equity
Thrace Plastics Packaging D.O.O.	SERBIA-Nova Pazova	-	92.94%	Full
Trierina Trading LTD	CYPRUS-Nicosia	-	92.94%	Full
Thrace Ipoma A.D.	BULGARIA-Sofia	-	92.83%	Full
Synthetic Holdings LTD	**N. IRELAND-Belfast**	**100.00%**	**100.00%**	**Full**
Thrace Synthetic Packaging LTD	IRELAND - Clara	-	100.00%	Full
Arno LTD	IRELAND -Dublin	-	100.00%	Full
Synthetic Textiles LTD	N. IRELAND-Belfast	-	100.00%	Full
Thrace Polybulk A.B.	SWEDEN -Köping	-	100.00%	Full
Thrace Polybulk A.S.	NORWAY-Brevik	-	100.00%	Full
Lumite INC.	U.S.A. - Georgia	-	50.00%	Equity
Adfirmate LTD	CYPRUS-Nicosia	-	100.00%	Full
Pareen LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace Linq INC.	U.S.A. - South Carolina	-	100.00%	Full
Thrace Polyfilms Single Person S.A.	**GREECE - Xanthi**	**100.00%**	**100.00%**	**Full**
Thrace Greenhouses S.A.	**GREECE - Xanthi**	**50.91%**	**50.91%**	**Equity**
Thrace Eurobent S.A.	**GREECE - Xanthi**	**51.00%**	**51.00%**	**Equity**

Amounts in thousand Euro, unless stated otherwise

2. Basis for the Preparation of the interim condensed financial information and Main Accounting Principles

2.1 Basis of Preparation

The present interim condensed financial information has been prepared according to the International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (I.A.S.) and interpretations that have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as such have been adopted by the European Union until 31st March 2022. The basic accounting principles that were applied for the preparation of the interim condensed financial information of the period ended 31st March 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 interim condensed financial information and the respective accounts in the notes are due to rounding.

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

Moreover, the Group's and Company's interim condensed financial information has been prepared according to the "going concern" principle taking into account all the macroeconomic and microeconomic factors and their effect on the smooth operation of the Group and 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 13 May 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 1 January 2021. The Group's evaluation of the effect of these new standards, amendments to standards and interpretations is as follows.

STANDARDS AND INTERPRETATIONS EFFECTIVE FOR THE CURRENT FINANCIAL YEAR

IFRS 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.

Annual Improvements to IFRS Standards 2018–2020

IFRS 9 'Financial instruments'

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

IFRS 16 'Leases'

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

IAS 41 'Agriculture'

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

Standards and Interpretations effective 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. The amendments have not yet been endorsed by the EU.

IFRS 17 (Amendment) 'Initial Application of IFRS 17 and IFRS 9 – Comparative Information' *(effective for annual periods beginning on or after 1 January 2023)*

The amendment is a transition option relating to comparative information about financial assets presented on initial application of IFRS 17. The amendment is aimed at helping entities to avoid temporary accounting mismatches between financial assets and insurance contract liabilities, and therefore improve the usefulness of comparative information for users of financial statements. The amendment has not yet been endorsed by the EU.

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 historic data and expectations for future events, which are deemed as fair according to the ones in effect.

2.3.1 Significant Accounting Estimations 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 condensed financial information as well as the amounts of revenues and expenses that have been recognized during the reported period. The use of the available information, which is based in historical data and assumptions and the implementation of subjective evaluation are necessary in order to conduct estimates. The actual future results may differ from the above estimates and these differences may affect the interim condensed financial information. Estimates and relative assumptions are revised constantly. The revisions in accounting estimations are recognized in the period they occur if the revision affects only the specific period or in the revised period and the future 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 31, 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 first quarter of 2022:

Financial Results of First Quarter 2022 (CONTINUING OPERATIONS)			
(amounts in EUR thousand)	**First Quarter 2022**	**First Quarter 2021**	% **Change**
Turnover	**106,257**	**111,367**	***-4.6%***
Gross Profit	**24,687**	**44,420**	***-44.4%***
Gross Profit Margin	***23.2%***	***39.9%***	
EBIT	**10,134**	**30,124**	***-66.4%***
EBIT Margin	***9.5%***	***27.0%***	
EBITDA	**15,531**	**35,958**	***-56.8%***
EBITDA Margin	***14.6%***	***32.3%***	
Adjusted EBITDA	**15,531**	**36,691**	***-57.7%***
Adjusted EBITDA Margin	***14.6%***	***32.9%***	
Earnings before Taxes (EBT)	**10,742**	**29,394**	***-63.5%***
EBT Margin	***10.1%***	***26.4%***	
Earnings after Taxes (EAT)	**8,790**	**24,533**	***-64.2%***
EAT Margin	***8.3%***	***22.0%***	
Total EATAM	***8,666***	***24,398***	**-64.5%**
EATAM Margin	***8.2%***	***21.9%***	
Earnings per Share (in euro)	***0.2002***	***0.5619***	**-64.4%**

For completeness purposes, the following table includes the financial results of the Group for the first quarter of 2022 in total, both from continuing and discontinued operations:

Financial Results of First Quarter 2022 ***(CONTINUING & DISCONTINUED OPERATIONS)***			
(amounts in EUR thousand)	***First Quarter 2022***	***First Quarter 2021***	% **Change**
Turnover	**106,257**	**111,367**	***-4.6%***
Gross Profit	**24,687**	**44,420**	***-44.4%***
Gross Profit Margin	***23.2%***	***39.9%***	
EBIT	**10,126**	**30,088**	***-66.3%***
EBIT Margin	***9.5%***	***27.0%***	
EBITDA	**15,523**	**35,922**	***-56.8%***
EBITDA Margin	***14.6%***	***32.3%***	
Adjusted EBITDA	**15,531**	**36,691**	***-57.7%***
Adjusted EBITDA Margin	***14.6%***	***32.9%***	
Earnings before Taxes (EBT)	**10,734**	**29,402**	***-63.5%***
EBT Margin	***10.1%***	***26.4%***	
Earnings after Taxes (EAT)	**8,782**	**24,541**	***-64.2%***
EAT Margin	***8.3%***	***22.0%***	
Total EATAM	***8,658***	***24,406***	**-64.5%**
EATAM Margin	***8.1%***	***21.9%***	
Earnings per Share (in euro)	***0.2000***	***0.5621***	**-64.4%**

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 activities, 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 31.03.2022	Thrace Linq INC 31.03.2021
Turnover	-	-
Cost of Sales	-	-
Gross Profit / (Loss)	-	-
Non-Operating Income / (Expenses)	**(60)**	(68)
Earnings / (Losses) before Taxes	**(60)**	(68)
Earnings / (Losses) after Taxes	**(60)**	(68)
Intra- group Eliminations	**52**	76
Earnings / (Losses) after Taxes	**(8)**	8

Discontinued Operations Cash Flows	Thrace Linq INC 31.03.2022
Cash Flows from operating activities	**(218)**
Cash Flows from investment activities	**-**
Cash Flows from Financing Activities	-
Change in Cash and Cash Equivalents	**(218)**
Cash Flows 31.12.2021	**3,464**
Foreign Exchange Differences	**68**
Cash Flows 31.03.2022	**3,314**

Amounts in thousand Euro, unless stated otherwise

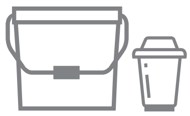
3.3 Segment Reporting

The Group applies IFRS 8 to monitor its business activities by sector. The areas of activity of the Group have been defined based on the legal structure and the business activities of the Group. The Group Management (CODM - Chief Operating Decision Maker), 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
		
Production and trade of technical fabrics for industrial and technical use.	Production and trade of packaging products, plastic bags, plastic boxes for packaging of food and paints and other packaging materials for agricultural use.	It includes the Agricultural sector and the business activity of the Parent company which apart from the investing activities provides also Administrative – Financial – IT services to its subsidiaries.

During the year 2020, which was characterized by the spread of the Covid-19 coronavirus pandemic, the Group faced significantly increased demand for specific products of its existing product portfolio and specifically for technical fabrics for personal protection and health applications (Personal Protective Equipment). The Group, taking advantage of the technological capabilities of its modern production lines and the know-how it has developed in technical fabrics, managed to meet the significantly increased demand, using the existing production lines and channeling a large part of the already produced volumes towards applications in this sector. At the same time the Group proceeded with targeted investments, such as the surgical mask production lines and the Meltblown non-woven fabric production line (as it has been already announced to the investor community via the corporate announcements of 04/05/2020 and 01/10/2020). The Group also proceeded with the purchase of machinery for the production of high protection masks (FFP2).

From a commercial point of view, the Group during both 2020 and 2021 developed 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 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.

During the third quarter of the year 2021, there was a significant decline in the demand for these products and an accelerated shift of the product mix towards the traditional portfolio, with this trend being even more evident and constant throughout the last quarter of the year.

However in the first two months of year 2022, 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. Towards the end of the quarter, demand fell sharply, mainly affected by the cancelation of protective measures and the overall management of the pandemic by the various governments.

Earnings before Taxes at the Group level in the first quarter of 2022 amounted to € 10.7 million out of which, according to the Management's estimates, € 4.3 million derived from the sales of personal protection and health products, € 3.2 million was generated from the "Technical Fabrics" Segment, whereas € 1.1 million came from the "Packaging" Sector.

ITEMS OF BALANCE SHEET AND INCOME STATEMENT

BALANCE SHEET OF 31.3.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Total consolidated assets	**275,505**	**125,060**	**87,192**	**(72,433)**	**415,324**

INCOME STATEMENT FOR THE PERIOD FROM 01.01 - 31.3.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Turnover	75,623	34,395	1,442	(5,203)	106,257
Cost of sales	(58,091)	(27,373)	(1,307)	5,200	(81,570)
Gross profit	**17,532**	**7,022**	**135**	**(3)**	**24,687**
Other operating income	318	75	24	(91)	326
Selling & Distribution Expenses	(7,733)	(2,423)	-	(146)	(10,303)
Administrative expenses	(3,040)	(984)	(210)	212	(4,022)
Research and Development Expenses	(362)	(98)	-	-	(459)
Other operating expenses	(38)	(208)	(2)	-	(248)
Other Income / (Losses)	162	(7)	(1)	-	153
Operating profit / (loss)	**6,839**	**3,377**	**(55)**	**(27)**	**10,134**
Interest & other related (expenses)/ income	(229)	(225)	(12)	9	(457)
Income from dividends	-	-	-	-	-
Profit / (loss) from companies consolidated under the Equity method	1,078	190	(204)	-	1,065
Earnings / (losses) before tax (Continuing operations)	**7,688**	**3,343**	**(271)**	**(18)**	**10,742**
Earnings / (losses) before tax (Discontinued operations)	**(8)**	**-**	**-**	**-**	**(8)**
Total Earnings / (losses) before tax	**7,680**	**3,343**	**(271)**	**(18)**	**10,734**
Depreciation from continuing operations	**3,255**	**2,058**	**84**	**-**	**5,396**
Depreciation from discontinued operations	**-**	**-**	**-**	**-**	**-**
Total Depreciation	**3,255**	**2,058**	**84**	**-**	**5,396**

Amounts in thousand Euro, unless stated otherwise

INCOME STATEMENT FOR THE PERIOD FROM 01.01 - 31.3.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	**10,093**	**5,436**	**28**	**(27)**	**15,531**
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	**(8)**	**-**	**-**	**-**	**(8)**
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	**10,085**	**5,436**	**28**	**(27)**	**15,523**

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 1.1 – 31.3.2021	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Turnover	85,194	28,360	1,329	(3,516)	111,367
Cost of sales	(48,083)	(21,046)	(1,297)	3,479	(66,947)
Gross profit	**37,111**	**7,314**	**32**	**(37)**	**44,420**
Other operating income	159	69	31	(33)	226
Selling & Distribution Expenses	(5,911)	(2,162)	-	(102)	(8,175)
Administrative expenses	(3,106)	(942)	(230)	80	(4,198)
Research and Development Expenses	(297)	(88)	-	-	(385)
Other operating expenses	(1,064)	(405)	(93)	-	(1,562)
Other Income / (Losses)	(203)	(3)	(1)	5	(202)
Operating profit / (loss)	**26,689**	**3,783**	**(261)**	**(87)**	**30,124**
Interest & other related (expenses)/ income	(622)	(277)	(3)	18	(884)
Income from dividends	-	-	-	-	-
Profit / (loss) from companies consolidated under the Equity method	164	234	(244)	-	154

Amounts in thousand Euro, unless stated otherwise

INCOME STATEMENT FOR THE PERIOD FROM 1.1 – 31.3.2021	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Earnings / (losses) before tax (Continuing operations)	26,231	3,740	(508)	(69)	29,394
Earnings / (losses) before tax (Discontinued operations)	**8**	**-**	**-**	**-**	**8**
Total Earnings / (losses) before tax	**26,239**	**3,740**	**(508)**	**(69)**	**29,402**
Depreciation from continuing operations	**4,199**	**1,556**	**78**	**-**	**5,833**
Depreciation from discontinued operations	**-**	**-**	**-**	**-**	**-**
Total Depreciation	**4,199**	**1,556**	**78**	**-**	**5,833**
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	**30,888**	**5,339**	**(183)**	**(87)**	**35,958**
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	**(36)**	**-**	**-**	**-**	**(36)**
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	**30,852**	**5,339**	**(183)**	**(87)**	**35,922**

Amounts in thousand Euro, unless stated otherwise

3.4 Other Operating Income

Other Operating Income	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Grants *	**17**	45	**-**	-
Income from rents	**5**	14	**-**	-
Income from provision of services	**47**	-	**-**	-
Income from prototype materials	**6**	8	**-**	-
Reverse entry of not utilized provisions	**-**	-	**-**	-
Income from electric energy management programs	**125**	113	**-**	-
Other operating income	**126**	46	**24**	31
Total	**326**	**226**	**24**	**31**

** refers to the following grants awarded for: research and development, recruitment of new graduates as well as professional training of the Group's employees.*

3.5 Other Gains / Losses

Other Gains / (Losses)	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Gains / (Losses) from sale of tangible assets	**31**	(323)	**-**	-
Foreign Exchange Differences	**122**	121	**(1)**	(1)
Total	**153**	**(202)**	**(1)**	**(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	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Full-time employees / Wage based employees	**1,746**	1,713	**26**	22

Amounts in thousand Euro, unless stated otherwise

3.7 Other Operating Expenses

Other Operating Expenses	Group		Company	
	31.03.2022	31.03.2021	**31.03.2022**	31.03.2021
Provisions for doubtful receivables	**80**	77	**-**	-
Other taxes and duties non-incorporated in operating cost	**41**	54	**-**	-
Depreciation	**22**	11	**-**	-
Staff indemnities	**3**	92	**-**	92
Commissions / other bank expenses	**19**	42	**2**	1
Expenses for the purchase of prototype materials (maquettes)	**19**	13	**-**	-
Other provisions	**-**	354	**-**	-
Impairment of tangible assets	**-**	107	**-**	-
Other operating expenses	**64**	79	**-**	-
Sub-Total	**248**	**829**	**2**	**93**
Extraordinary and non-recurring expenses	**-**	733	**-**	-
Total	**248**	**1,562**	**2**	**93**

The extraordinary non-recurring expenses of the year 2021 related to 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. These costs relate to the impairment of a tangible asset, i.e. mechanical equipment, of the company.

3.8 Financial income / (expenses)

3.8.1 Financial Income

Financial income	Group		Company	
	31.03.2022	31.03.2021	**31.03.2022**	31.03.2021
Credit interest and similar income	**16**	58	-	-
Foreign exchange differences	**340**	178	-	-
Total	**356**	**236**	**-**	**-**

Amounts in thousand Euro, unless stated otherwise

3.8.2 Financial Expenses

Financial expenses	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Interest Expense and other similar expenses	**(428)**	(582)	**(10)**	(3)
Foreign exchange differences	**(258)**	(414)	**-**	-
Interest on right of use assets	**(6)**	(7)	**(2)**	-
Financial result from Pension Plans	**(121)**	(117)	-	-
Total	**(813)**	**(1,120)**	**(12)**	**(3)**

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 relevant financial period, after the deduction of any treasury shares held.

Basic earnings per share ***(Consolidated, continuing operations)***	**31.03.2022**	31.03.2021
Earnings allocated to shareholders	**8,666**	24,398
Number of outstanding shares (weighted)	**43,281**	43,419
Basic and adjusted earnings per share (Euro in absolute terms)	**0.2002**	0.5619

Basic earnings per share ***(Consolidated, discontinued operations)***	**31.03.2022**	31.03.2021
Earnings allocated to shareholders	**(8)**	8
Number of outstanding shares (weighted)	**43,281**	43,419
Basic and adjusted earnings per share (Euro in absolute terms)	**(0.0002)**	0.0002

Basic earnings per share ***(Consolidated, total operations)***	**31.03.2022**	31.03.2021
Earnings allocated to shareholders	**8,658**	24,406
Number of outstanding shares (weighted)	**43,281**	43,419
Basic and adjusted earnings per share (Euro in absolute terms)	**0.2000**	0.5621

As of 31st March 2022, the Company held 628,218 treasury shares.

Amounts in thousand Euro, unless stated otherwise

3.10 Income Tax

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

Income Tax	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Income tax	**(1,755)**	(4,721)	**-**	-
Deferred tax (expense)/income	**(197)**	(140)	**2**	(6)
Total	**(1,952)**	**(4,861)**	**2**	**(6)**

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 as of 31.03.2021.

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 Tangible Assets

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

Tangible Assets	Group	Company
Balance as at 01.01.2022	**153,848**	**327**
Additions	8,642	-
Disposals	(2,268)	-
Transfer from tangible assets with right of use	-	-
Impairments	-	-
Depreciation	(5,075)	(14)
Depreciation of assets sold	696	-
Foreign exchange differences	(326)	-
Balance as at 31.03.2022	**155,517**	**313**

Amounts in thousand Euro, unless stated otherwise

Tangible Assets	Group	Company
Balance as at 01.01.2021	**131,512**	**357**
Additions	30,279	22
Disposals	(6,985)	-
Transfer from tangible assets with right of use	10,059	-
Impairments	(2,456)	-
Depreciation	(18,327)	(51)
Depreciation of assets sold	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 tangible assets, while the liens on the Group's tangible assets amount to € 6,922.

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	137	-
Derecognition	(51)	-
Transfer to tangible assets	-	-
Depreciation	(233)	(35)
Depreciation of assets sold	23	-
Foreign exchange differences	3	-
Balance as at 31.03.2022	**2,929**	**309**

Amounts in thousand Euro, unless stated otherwise

Assets with right of use	Group	Company
Balance as at 01.01.2021	**13,197**	**55**
Additions	**1,136**	**425**
Derecognition	(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	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Short-term liabilities from leasing	**880**	914	**139**	139
Long-term liabilities from leasing	**1,976**	2,061	**173**	208
Total Liabilities from Leasing	**2,856**	**2,975**	**312**	**347**

The above amounts include, among others, leases for buildings, cars, clark, printers and other equipment that were initially recognized due to the initial adoption of IFRS 16 in financial year 2019. These amounts for the Group account for € 1,993 for the current period and € 2,034 for the year 2021. For the Company the amounts account for € 312 and € 347 respectively.

3.13 Intangible Assets

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

Intangible Assets	Group	Company
Balance 01.01.2022	**10,539**	**262**
Additions	29	-
Amortization	(87)	(35)
Impairments	-	-
FX differences	22	-
Balance 31.03.2022	**10,503**	**227**

Amounts in thousand Euro, unless stated otherwise

Intangible Assets	Group	Company
Balance 01.01.2021	**10,655**	**401**
Additions	141	-
Amortization	(342)	(139)
Transfers	57	-
Impairments	-	-
FX differences	28	-
Balance 31.12.2020	**10,539**	**262**

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

3.14 Other Long-term Receivables

The analysis of the other long-term receivables is as follows.

Other Long-Term Receivables	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Grants receivable	**4,879**	4,879	**1,119**	1,119
Other accounts receivable	**135**	122	**37**	37
Total	**5,014**	**5,001**	**1,156**	**1,156**

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 current outstanding balance of the receivable at period end is €4,879. The total receivables of the Group that have been recorded before the impairments, amount to € 11,062.

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

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

Amounts in thousand Euro, unless stated otherwise

The obligations of OAED (Greek Manpower Employment Organization) and the Greek State are exhausted according to the provisions of article 87, par. 2 of Law 4706/2020. The companies of the Group have implemented the procedures provided by Law 4706/2020, in accordance with the issued circulars of OAED, in order to certify the correctness of the claimed amounts by comparing the already submitted statements. At the time of preparation of the current report, the process of receivables offsetting has not been initiated for all engaged companies and therefore the respective process remains in progress.

3.15 Trade and other receivables

3.15.1 Trade Receivables

Trade Receivables	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Customers	**86,204**	72,268	**2,378**	2,626
Provisions for doubtful debts	**(7,796)**	(7,721)	**(2,317)**	(2,317)
Total	**78,408**	**64,547**	**61**	**309**

The Group's Customers include notes and checks overdue of € 6,289 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 during the normal operation of the Group. In general, credit terms range from 30 to 180 days and therefore customer receivables are classified as short-term. 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 Annual Financial Statements of the year ended 31.12.2021. For information on financial risk management, see note 3.25.

Amounts in thousand Euro, unless stated otherwise

3.15.2 Other receivables

Other receivables	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Debtors	**4,601**	3,438	**1,360**	1,066
Investment Grant Receivable	**2,353**	2,353	**-**	-
Prepaid expenses	**5,031**	3,818	**68**	187
Interim Dividend - Dividend	**4,750**	4,750	**4,750**	5,750
Total	**16,735**	**14,359**	**6,178**	**7,003**

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

Accrued expenses mainly concern the receivable for government grants, advance payments of taxes other than income tax and other prepaid expenses.

3.16 Long - term and Short - term Borrowings

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

The Group's short term loans have been granted from Greek and foreign banks with interest rates of Euribor or Libor plus a margin. The book value of loans approaches their fair value during 31 March 2022.

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

Debt	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Long-term debt	31,716	33,610	-	-
Total long-term debt	**31,716**	**33,610**	**-**	**-**
Short term portion of long term debt	8,362	8,519	-	-
Short-term debt	16,835	8,874	2,528	1,519
Total short-term debt	**25,197**	**17,393**	**2,528**	**1,519**
Grand Total	**56,913**	**51,003**	**2,528**	**1,519**

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 a Euribor or Libor plus a margin ranging from 1.25% to 3.5%.

Amounts in thousand Euro, unless stated otherwise

3.17 Net Debt / (Net Cash)

Net Debt / (Net Cash)	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Long-term debt	31,716	33,610	-	-
Long-term liabilities from leases	1,976	2,061	173	208
Short-term debt	25,197	17,393	2,528	1,519
Short-term liabilities from leases	880	914	139	139
Total Debt & Lease Liabilities	**59,769**	**53,978**	**2,840**	**1,866**
Minus cash & cash equivalents	47,348	63,240	654	137
Net Debt / (Net cash)	**12,421**	**(9,262)**	**2,186**	**1,729**
EQUITY	**262,090**	**252,250**	**81,811**	**82,415**
NET DEBT (NET CASH) / EQUITY	**0.05**	**(0.04)**	**0.02**	**0.02**

Furthermore, the Net Debt / EBITDA ratio of the Group for the period amounted to 0.14x (where the EBITDA figure refers to the period from 01.04.2021 to 31.03.2022).

It is noted that on 31.12.2021 the Net Debt (Net Cash) / EBITDA ratio stood at (0.08x) while on 31.03.2021 it had settled at 0.10x.

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 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:

Amounts in thousand Euro, unless stated otherwise

Employee Benefits	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Defined contribution plans – Not self-financed	**1,650**	1,599	**83**	79
Defined benefit plans – Self financed	**(127)**	1,900	**-**	-
Total provision at the end of the year	**1,523**	**3,499**	**83**	**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.

Amounts in thousand Euro, unless stated otherwise

Defined contribution plans – Not self-financed	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Amounts recognized in the balance sheet				
Present value of liabilities	1,650	1,599	83	79
Net liability recognized in the balance sheet	**1,650**	**1,599**	**83**	**79**
Amounts recorded in SOCI				
Cost of current employment	49	164	4	12
Net interest on the liability / (asset)	2	6	-	-
Ordinary expense recorded in SOCI	**51**	**170**	**4**	**12**
Recognition of prior service cost	-	(22)	-	-
Cost of curtailment / settlements / service termination	-	386	-	88
Other expense / (income)	-	-	-	-
Total expense recorded in SOCI	**51**	**534**	**4**	**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	-	(480)	-	(92)
Total expense recorded in SOCI	51	534	4	100
Total amount recognized in SOCE	-	83	-	(7)
Other	-	-	-	
Net liability at the end of year	**1,650**	**1,599**	**83**	**79**

Amounts in thousand Euro, unless stated otherwise

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	Greek Companies		Thrace Ipoma AD	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Discount rate	**0.50%**	0.50%	**0.60%**	0.60%
Inflation	**2.03%**	2.03%	**7.80%**	7.80%
Average annual increase of personnel salaries	**2.03%**	2.03%	**5.00%**	5.00%
Duration of liabilities	**6.7 years**	6.7 years	**10.5 years**	10.5 years

3.18.2 Defined Benefit Plans – Self-financed

The subsidiaries Don & Low LTD and Thrace Polybulk AS have formed Pension Plans which operate as separate legal entities in the form of trusts. Therefore the assets of the plans are not related to the assets of the companies.

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

Defined Benefit Plans – Self financed	Group	
	31.03.2022	31.12.2021
Amounts recognized in the balance sheet		
Present value of liabilities	146,794	160,955
Fair value of the plan's assets	(146,921)	(159,055)
Net liability recognized in the balance sheet	**(127)**	**1,900**
Amounts recorded in SOCI		
Cost of current employment	-	186
Net interest on the liability / (asset)	-	120
Ordinary expense recorded in SOCI	**-**	**306**
Cost recognition from previous years	-	-
Cost of curtailment / settlements / service termination	-	-
Other expense / (income)	119	349
Foreign exchange differences	-	-
Total expense recorded in SOCI	**119**	**655**

Amounts in thousand Euro, unless stated otherwise

Defined Benefit Plans – Self financed	Group	
	31.03.2022	31.12.2021
Asset allocation*		
Mutual Funds (Equities)	15,069	15,640
Mutual Funds (Bonds)	73,002	79,893
Diversified Growth Funds	48,818	52,839
Other	10,032	10,683
Total	**146,921**	**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	(359)	(2,009)
Total expense recorded in SOCI	119	655
Total amount recognized in SOCE	(1,793)	(10,103)
Foreign exchange differences	6	628
Net liability / (asset) at the end	**(127)**	**1,900**

** The assets of the plan are measured at fair values and include mainly mutual funds of Baillie Gifford, of Legal & General Investment Management as well as of Ninety One plc.*

The category "Other" also includes the plan's cash reserves.

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	Don & Low LTD		Thrace Polybulk AS	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Discount rate	**1.84%**	1.84%	**1.70%**	1.70%
Inflation	**3.37%**	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

Amounts in thousand Euro, unless stated otherwise

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	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Suppliers	**57,380**	55,441	**451**	1,046
Total	**57,380**	**55,441**	**451**	**1,046**

3.19.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Sundry creditors	**6,514**	4,531	**16**	16
Liabilities from taxes and pensions	**5,089**	4,993	**357**	426
Dividends payable	**105**	107	**102**	102
Customer prepayments *	**1,754**	7,794	**-**	-
Personnel salaries payable	**1,211**	1,216	**51**	65
Accrued expenses – Other accounts payable	**9,359**	10,354	**671**	997
Total short-term liabilities	**24,032**	**28,995**	**1,197**	**1,606**

The fair value of the liabilities approaches the book value.

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

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.

Amounts in thousand Euro, unless stated otherwise

3.20 Transactions with Related Parties

The Group classifies as related parties the members of the Board of Directors, the directors of the Company's divisions as well as the shareholders who own 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 – 31.03.2022 have been conducted according to market terms and in the context of the ordinary business activities.

The transactions with the Subsidiaries, Joint Ventures and Related companies according to the IFRS 24 during the period 01.01.2022 – 31.03.2022 are presented below.

Income	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Subsidiaries	**-**	-	**1,435**	1,257
Joint Ventures	**2,108**	1,700	**29**	29
Related Companies	**3**	3	**-**	-
Total	**2,111**	**1,703**	**1,464**	**1,286**

Expenses	Group		Company	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Subsidiaries	**-**	-	**35**	18
Joint Ventures	**213**	114	**-**	-
Related Companies	**189**	207	**96**	86
Total	**402**	**321**	**131**	**104**

Trade and other receivables	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Subsidiaries	**-**	-	**55**	1,297
Joint Ventures	**2,365**	1,195	**-**	7
Related Companies	**31**	38	**26**	26
Total	**2,396**	**1,233**	**81**	**1,330**

Amounts in thousand Euro, unless stated otherwise

Suppliers and Other Liabilities	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Subsidiaries	**-**	-	**2,558**	1,678
Joint Ventures	**50**	48	**-**	5
Related Companies	**75**	92	**43**	69
Total	**125**	**140**	**2,601**	**1,752**

Long-term Liabilities	Group		Company	
	31.03.2022	31.12.2021	31.03.2022	31.12.2021
Subsidiaries	**-**	-	**283**	284
Joint Ventures	**-**	-	**-**	-
Related 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 consolidated with the equity method.

The Company has granted guarantees to banks against long-term loans of its subsidiaries. On 31st March 2022, the outstanding amount for which the Company had provided guarantee settled at € 37,512 and is analyzed as follows:

Guarantees for Subsidiaries	31.3.2022
Thrace Nonwovens & Geosynthetics Single Person S.A.	18,696
Thrace Plastics Pack S.A.	14,323
Thrace Polyfilms Single Person S.A.	4,493
Total	**37,512**

Amounts in thousand Euro, unless stated otherwise

3.21 Investments

3.21.1 Investments in companies consolidated with the full consolidation method.

The value of the Company's investments in the subsidiaries, as of 31st March 2022, is as follows:

Companies consolidated with the full consolidation method	31.03.2022	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**

3.21.2 Investments in companies consolidated with the equity method

The following table presents the companies in which the management is jointly controlled with another shareholder with the right to participate in their net assets. The companies are consolidated according to the Equity method in line with the provisions of IFRS 11. The parent Company holds direct business interest of 50.91% in Thrace Greenhouses SA with a value of € 3,615 and of 51% in Thrace Eurobent SA with a value of € 204 as at 31.03.2022. The company Thrace Greiner Packaging SRL is 50% owned by Thrace Plastics Pack SA whereas Lumite INC. is 50% owned by Synthetic Holdings LTD.

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

Amounts in thousand Euro, unless stated otherwise

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 – 31.03.2022	01.01 - 31.12.2021
Balance at beginning of period	**18,012**	**15,068**
Profit / (loss) from joint ventures	1,065	2,770
Dividends	(678)	(401)
Foreign exchange differences and other reserves	189	575
Balance at end of period	**18,588**	**18,012**

3.22 Commitments and Contingent Liabilities

On 31st March 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.

3.23 Reclassification of Amounts

In the present financial statements, reclassifications of immaterial accounting amounts have been made, in order to be comparable with those of the current period.

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 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.

Amounts in thousand Euro, unless stated otherwise

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 interim financial information, 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 statements, 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 instruments. 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.

3.24.6 Capital Adequacy Risk

The Group controls capital adequacy using the net debt (net cash) to operating profit ratio, the net debt (net cash) to equity ratio and the net debt (net cash) to EBITDA ratio. The Group's objective in relation to capital management is to ensure the ability for its smooth operation in the future, while providing 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 3.18).

3.25 Significant Events

Macroeconomic Environment and Impact of COVID-19

The conditions prevailing on a global scale with regard to the macroeconomic environment have been steadily affected by the recurring waves of COVID-19 pandemic despite the fact that gradually and up until the end of the first quarter 2022, most of the containment measures previously imposed in most European countries had been lifted. As a result, it has become clear now that the pandemic will be affecting on a lower degree the broader economic environment but on the other hand there might be notable exceptions in terms of containment measures imposed due to pandemic such as in the case of China, which in turn has created significant repercussions when it comes to the world trade conditions.

At the same time, the war between Ukraine and Russia began during the first quarter of the year which resulted into a huge humanitarian crisis but also created especially difficult conditions both in the world market and particularly in Europe. The Group, although not facing any direct negative impact from the violent deterioration of commercial activity in this region (as already announced, for the whole year of 2021 the Group's sales in Ukraine and Russia accounted for only 0.6% of total sales), is being affected from the broader economic environment and the new conditions of uncertainty that have gradually emerged.

More specifically, during the first months of 2022 most economies across the globe experienced higher inflationary pressures which greatly affected the cost base of the industrial production in particular, i.e. via increases in raw material prices, secondary materials, packaging materials, transport costs and through additional increases in the already high energy costs, with any prospect of price de-escalation remaining quite unclear.

The above developments on the one hand create challenges, which the Group already faces and will continue to face in the near future, and on the other hand have generated conditions of uncertainty regarding the course of the economies and their growth trajectories.

I. Performance of the Group during the first quarter of year 2022 and impact of pandemic on its operations

In this especially unfavorable environment as described above and in view of the significant disruptions occurring in world supply and demand, the Group continues to successfully address the current challenges despite the fact that the key production costs have been significantly impacted and also despite the fluctuations observed in terms of global supply and demand.

With regard to the Group's operations, all production units continued to operate smoothly throughout the first quarter of 2022, without facing any operational issues due to the evolution of pandemic, in terms of the health and safety of employees, as a result of the very strict protection measures applied by the Group, but also by ensuring the smooth operation of the supply chain.

On demand level, the following were observed during the first quarter of 2022:

- Stable demand for products in the construction sector.

- Stable demand for products in the infrastructure and large-scale construction projects.
- Stable demand for agricultural products with the exception of fertilizer packaging products.
- Stable demand for products related to the packaging sector with fluctuations per individual segment of activity.
- Significant decline in demand, as it was expected, for personal protection products related to the pandemic.
- Cost of raw materials maintained at high level, while in individual cases there have been additional increases depending on the type of raw material and the geographic region.
- Significantly higher energy costs, and notably higher compared to the already increased costs seen in the last months of 2021, in all countries of activity of the Group.
- Significantly higher transportation costs with incidents of very limited containers' availability.
- Significantly increased cost of auxiliary materials as well as packaging materials.

In financial terms, the Group reported a relatively small decline in turnover from continuing operations compared to the first quarter of 2021, despite the extremely negative conditions that have prevailed, mainly as a result of the significant decline in sales of personal protection products related to the pandemic. In this context the Group achieved sales of € 106.3 million in the first quarter of 2022 versus a level of € 111.4 million in the same period of 2021.

Earnings before Taxes (EBT) from continuing operations amounted to € 10.7 million out of which € 6.4 million concerned the traditional product portfolio and € 4.3 million was generated from sales of personal protection products related to COVID-19.

Earnings before Taxes (EBT) from the traditional product portfolio in the first quarter of 2022 posted a 27.2% drop compared to the Earnings before Taxes in the corresponding period of year 2021. However, given the unprecedented circumstances prevailing both in the first quarter of 2021, due to the outbreak of COVID-19 pandemic, and the extraordinary circumstances of the first quarter of 2022, due to the ongoing war and the high inflationary pressures, it has become extremely difficult to directly compare the two time periods.

Compared to the pre-pandemic levels, i.e. in the first quarter of 2019, where a direct comparison can be performed, Earnings before Taxes have more than doubled in the first quarter of 2022, recording a sharp increase of 108.9%. This development demonstrates the significantly stronger profitability achieved despite the extremely negative conditions prevailing in the global marketplace during the first quarter of 2022 and the especially high raw material prices as well as the increased energy and transportation costs.

Regarding the Group's liquidity levels and the trading cycle of the Group's subsidiaries, there was no negative impact as a result of the adverse conditions prevailing. In parallel, the implementation of the scheduled and extraordinary investment plan is running smoothly, which for the year 2022 amounts to €42 mil. on a cash basis, including investments which will be implemented mainly in Greece as well as in the other countries the Group is operating in and which are mainly internally financed.

On the other hand, the increase observed on the level of working capital is mainly due to seasonality and increases in raw material prices, as all working capital parameters follow the anticipated typical transaction pattern of the first quarter. As a result of the above, the Group's Net Debt at the end of the first quarter 2022 settled at € 12.4 million.

All the above demonstrate that in the first quarter of 2022, there have been no negative impact on the financial results and transaction cycle of the Group and therefore the latter did not face any financial risk which would adversely affect its business continuity.

II. Measures taken to reduce the impact of the pandemic

The Management of the Group continues to closely monitor the developments in relation to the pandemic crisis and to fully implement its plan in order to ensure the health and safety of personnel as well as the smooth business continuity of the Group. More relevant information is included in the Annual Financial Report.

III. Assessment of the impact of COVID-19 pandemic in the future and Prospects of the Group

With regard to the outlook for the remaining months of the year, the Management closely monitors the global macroeconomic developments which are mainly characterized by significantly **higher inflationary pressures** across the entire economy but also in all cost categories when it comes to industrial production. It also closely observes the developments of **the ongoing Russia - Ukraine war** which continues to affect the broader economic environment.

As a result, there are still incidents of quite notable fluctuations in terms of demand across the various sectors of the economy along with the maintenance of increased prices for both raw and auxiliary materials, energy costs as well as transport costs.

As far as **the second quarter of 2022** is concerned, the Management remains optimistic anticipating a satisfactory performance for the Group, taking into account the backdrop of the conditions prevailing currently in the market. Specifically, the Group targets Earnings before Taxes of € 9 million, coming from the traditional product portfolio which means a targeted increase of approximately 140% compared to the second quarter of 2019, but implying a drop by 72% compared to the second quarter of 2021, as expected, due to lack of demand for products related to the pandemic.

In relation to the performance of the Group for the entire year 2022, the especially difficult and volatile macroeconomic environment as described above, the high inflation pressures and the ongoing outcome of the war conflict generates difficulties in developing solid forecasts for the year, due to the limited visibility when it comes to financial results and level of demand for the second half of the year. The Group targets for the current year 2022, based on its budget, Earnings before Taxes of more than € 25 million coming from the traditional product portfolio and the Group's Management is working towards this objective.

Furthermore it is important to note that the Group has so far effectively managed the high costs of raw materials, energy and transportation, and the above objectives both for the second quarter and therefore for the entire year of 2022 these targets are attainable, provided that there is no deterioration in macroeconomic conditions, in the levels of availability of raw materials and energy, and provided also that the level of demand remains at current levels and there are no other factors that will create additional hardships in the market.

In view of the fact that the current conditions in the global marketplace create a lot of uncertainty, thus making any assessment of the impact of pandemic on the commercial activity and the financial results of the Company and the Group uncertain, the Management of the Group, taking into consideration the above, estimates that neither the Group nor any of its individual business activities face any threat in terms of the principle of going concern.

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

The war conflict that began after the Russian invasion of Ukraine has created a geopolitical instability with significant macroeconomic consequences, the extent of which cannot be yet clearly foreseen. The Group does not have significant business activities in Ukraine and Russia, i.e. in the region directly affected by the war and therefore its overall exposure to both Ukraine and Russia is immaterial. Based on the financial results of the year 2021, sales in these two particular markets accounted for only 0.6% of the Group's total turnover. Therefore the Group does not expect any direct material impact on its financial performance due to loss of business activity in the specific area when it comes to sales. However, the impact on the Group's business activities coming from the unfavorable developments in the energy sector due to the war, the wider macroeconomic effects and the escalating inflationary pressures, is a fact that directly affects the Group's financial performance as it creates a significant burden on its production cost structure. The Management of the Group continues to closely monitor all developments while at the same time undertaking certain actions related to both the transaction cycle and the costs, in order to manage any negative effect to the extent feasible.

Appointment of Risk & Compliance Manager

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 assuming his duties on 24/02/2022.

3.26 Events after the Balance Sheet Date

Invitation to the annual Ordinary General Meeting of Shareholders

Since 04.05.2022, the Company has released the Invitation to the annual Ordinary General Meeting of Shareholders which is to convene on Wednesday, May 25, 2022 at 11:00 am, and will be held remotely, in real time via a video conference and without the physical presence of the Company's shareholders at the venue. The General Meeting will discuss and decide on the following items of the daily agenda.

1. Submission and approval of the Annual Financial Statements (Separate and Consolidated) of the Company for the fiscal year 2021 (01.01.2021-31.12.2021), along with the Annual Report of the Board of Directors and the Audit Report on the statements by the Certified Auditor Accountant.
2. Submission and presentation of the annual Audit Committee's Report on its activities for the fiscal year 2021 (01.01.2021-31.12.2021).
3. Approval of allocation (distribution) of the earnings for the fiscal year 2021 (01.01.2021-31.12.2021), decision with regard to the distribution (payment) of dividend and granting of the relevant authorizations to the Board of Directors.
4. Approval of the overall management for the fiscal year 2021 (01.01.2021 - 31.12.2021) and discharge of the Certified Auditors of the Company from any compensation or liability deriving from the facts and their management, as well as from the respective annual Financial Statements.
5. Election of an Auditing Firm from the Public Registry for the audit of the annual and half-year financial statements (Separate and Consolidated) of the year fiscal year 2022 (01/01/2022-31/12/2022) and determination of their remuneration.
6. Approval of the remuneration, salaries and compensations paid to the members of the Board of Directors for the services provided by them during the fiscal year 2021 (01/01/2021 - 31/12/2021).
7. Submission for discussion and voting by the Annual Ordinary General Meeting of the Remuneration Report for the fiscal year 2021 (01.01.2021-31.12.2021), in accordance with the provisions of article 112 of Law 4548/2018, as in force.
8. Approval of the proposed new Remuneration Policy of the Company, according to articles 110 and 111 of Law 4548/2018, as in force.
9. Determination and pre-approval of the remuneration, salaries and compensations of the members of the Board of Directors for the current fiscal year 2022 (01.01.2022-31.12.2022, as well as the granting of permission for advance payment of the remuneration to the above members for the period until the next Ordinary General Meeting, according to the article 109 of Law 4548/2018, as in force.
10. Approval of the proposed new Suitability Policy of the members of the

Board of Directors, in accordance with the provisions of article 3 of law 4706/2020, as in force.

11. Granting of approval-authorization in accordance with the provisions of article 98 paragraph 1 of Law 4548/2018 as in force, to the Directors of the Board of Directors, to the General Managers, and to the Managers of the Company with regard to their participation in the Boards of Directors or in the Management of companies of the Group.

12. Announcement to the Ordinary General Meeting of the election of the new non-executive member of Board of Directors in replacement of resigned member, in accordance with the provisions of article 82 par. 1 of law 4548/2018, as in force.

Proposed Dividend for the Year 2021

Specifically, and with regard to the 3rd item of the daily agenda, the Board of Directors at its meeting of May 3, 2022 decided to propose to the Annual Ordinary General Meeting of Shareholders the distribution from the earnings of financial year ended 31.12.2021 and in particular to submit for approval the distribution (payment) to the shareholders of the Company of a dividend totaling € 11,750 (gross amount) from the earnings of the closing financial year 2021 (01.01.2021 - 31.12.2021).

Given that the Company, pursuant to the relevant decision of its Board of Directors as of 24.09.2021, proceeded already with the distribution (payment) to the shareholders of the interim dividend for the financial year 2021 based on the respective interim financial statements for the period 01.01.2021-30.06.2021, amounting to € 4,750 in total (gross amount), i.e. 0.109858877 Euros per share (gross amount, along with the incremental increase due to the treasury shares held by the Company at the cut-off date of the interim dividend), and with the distribution of the interim dividend taking place on December 8, 2021, the Board of Directors will consequently propose to the Annual Ordinary General Meeting of Shareholders the distribution of the remaining amount of the dividend. In particular, it will propose the distribution of the amount of € 7,000 (gross amount), i.e. 0.1600312674 Euros per share (gross amount), which will be increased by the amount corresponding to the treasury shares held by the Company at the cut-off date of the dividend, as these treasury shares are not entitled to the above distribution in line with the provisions of article 50 of Law 4548/2018 as in effect.

Furthermore, the Board of Directors of the Company will propose to the Annual Ordinary General Meeting of Shareholders to set the following dates with regard to the dividend of 2021:

(a) Monday, 30 May 2022 as the dividend cut-off date,

(b) Tuesday, 31 May 2022 as the date of determination of the beneficiaries of dividend (record date), and

(c) Friday, June 3, 2022 as the payment commencement date with the payment being made via a banking institution.

The condensed interim financial information has been prepared in accordance with International Financial Reporting Standards as adopted by the European Union, was approved by the Board of Directors on 13 May 2022 and is 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

ONLINE AVAILABILITY OF THE INTERIM FINANCIAL REPORT

The interim condensed financial information of the company THRACE PLASTICS CO S.A. is available on the internet, on the website www.thracegroup.gr.

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