

THRACE PLASTICS CO S.A.

INTERIM CONDENSED FINANCIAL INFORMATION

FOR THE PERIOD

01.01.2023 – 30.09.2023

General Commerce Reg. No. 12512246000

Domicile: Magiko, Municipality of Avdira
Xanthi Greece

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

23

www.thracegroup.com

 **THRACE GROUP**

I. INTERIM CONDENSED FINANCIAL INFORMATION OF THE PERIOD 01.01.2023– 30.09.2023

CONTENTS OF STATEMENTS

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2023 – 30.09.2023)	4
CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2023 – 30.09.2023)	6
CONDENSED STATEMENT OF FINANCIAL POSITION	8
CONDENSED STATEMENT OF CHANGES IN EQUITY - GROUP	9
CONDENSED STATEMENT OF CHANGES IN EQUITY - COMPANY	10
CONDENSED STATEMENT OF CASH FLOWS	11

23

CONTENTS

1. Information about the Group	12
2. Basis for the Preparation of the Financial Statements 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 Evolution and Performance of the Group	18
3.2 Segment Reporting	20
3.3 Other Operating Income	24
3.4 Other Gains / Losses	25
3.5 Number of Employees	25
3.6 Other Operating Expenses	25
3.7 Financial income/(expenses)	26
3.8 Earnings per Share (Consolidated)	26
3.9 Income Tax	27
3.10 Property, Plant & Equipment (PP&E)	28
3.11 Leases	29
3.12 Intangible Assets	30
3.13 Other Long-Term Receivables	30
3.14 Trade and other receivables	31
3.15 Long Term and Short Term Borrowings	33
3.16 Net Debt	34
3.17 Pension Liabilities	34
3.18 Suppliers and Other Short-Term Liabilities	37
3.19 Financial Derivative Products	38
3.20 Transactions with Related Parties	39
3.21 Remuneration of Board of Directors	40
3.22 Investments	41
3.23 Commitments and Contingent Liabilities	42
3.24 Financial risks	42
3.25 Significant Events	45
3.26 Significant Events after the Balance Sheet Date	56

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2023 – 30.09.2023)

	Note	Group		Company	
		1/1 - 30/09/2023	1/1 - 30/09/2022	1/1 - 30/09/2023	1/1 - 30/09/2022
Turnover		269,788	316,068	4,197	4,299
Cost of Sales		(207,212)	(245,833)	(4,041)	(3,937)
Gross profit/(loss) - continuing operations		62,576	70,235	156	362
Other Operating Income	3.3	2,059	1,831	294	126
Selling and Distribution Expenses		(28,936)	(30,916)	-	-
Administrative Expenses		(13,006)	(12,582)	(988)	(684)
Research and Development Expenses		(1,903)	(1,614)	-	-
Other Operating Expenses	3.6	(1,283)	(981)	(3)	(5)
Other Gain / (Losses)	3.4	177	1,061	(3)	(6)
Operating Profit /(loss) before interest and tax - continuing operations		19,684	27,034	(544)	(207)
Financial Income	3.7	2,680	5,512	892	-
Financial Expenses	3.7	(3,879)	(3,157)	(38)	(44)
Income from Dividends		-	-	9,677	7,964
Profit / (loss) from Companies consolidated with the Equity Method	3.22	1,744	2,791	-	-
Profit/(loss) before Tax - continuing operations		20,229	32,180	9,987	7,713
Income Tax	3.9	(4,820)	(5,366)	(226)	(17)
Profit/(loss) after tax (A) - continuing operations		15,409	26,814	9,761	7,696
Profit/(loss) after tax (A) - discontinued operations		-	(49)	-	-
Profit/(loss) after tax (A)		15,409	26,765	9,761	7,696
Other Comprehensive Income (Loss)					
Items that may be classified in the future in the statement of income					
FX differences from SOFP balances translation		1,689	(3,188)	-	-
Items that will not be classified in the future in the statement of income					
Actuarial profit/(loss)		1,575	1,011	-	-
Other comprehensive income after taxes (B) - continuing operations		3,264	(2,177)	-	-
Items that may be classified in the future in the statement of income					
FX differences from SOFP balances translation		-	293	-	-
Items that will not be classified in the future in the statement of income					
Actuarial profit/(loss)		-	-	-	-
Other comprehensive income after taxes (B) - discontinued operations		-	293	-	-
Items that may be classified in the future in the statement of income					
FX differences from SOFP balances translation		1,689	(2,895)	-	-
Items that will not be classified in the future in the statement of income					
Actuarial profit/(loss)		1,575	1,011	-	-
Other comprehensive income after taxes (B)		3,264	(1,884)	-	-
Total comprehensive income / (loss) after taxes (A) + (B) - continuing operations		18,673	24,637	9,761	7,696
Total comprehensive income / (loss) after taxes (A) + (B) - discontinued operations		-	244	-	-
Total comprehensive income / (loss) after taxes (A) + (B)		18,673	24,881	9,761	7,696

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.01.2023 – 30.09.2023) *(continued from previous page)*

	Group		Company	
	1/1 - 30/09/2023	1/1 - 30/09/2022	1/1 - 30/09/2023	1/1 - 30/09/2022
<u>Continuing operations</u>				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	14,929	26,414	-	-
Non controlling interest	480	400	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	18,195	24,234	-	-
Non controlling interest	478	403	-	-
<u>Discontinued operations</u>				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	-	(49)	-	-
Non controlling interest	-	-	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	-	244	-	-
Non controlling interest	-	-	-	-
<u>Total Operations</u>				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	14,929	26,365	-	-
Non controlling interest	480	400	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	18,195	24,478	-	-
Non controlling interest	478	403	-	-
<u>Profit/(loss) allocated to shareholders per share - continuing operations</u>				
Number of shares		42,976	43,224	
Earnings/(loss) per share	3.8	0.3474	0.6111	
<u>Profit/(loss) allocated to shareholders per share - discontinued operations</u>				
Number of shares		42,976	43,224	
Earnings/(loss) per share	3.8	0.0000	(0.0011)	
<u>Profit/(loss) allocated to shareholders per share</u>				
Number of shares		42,976	43,224	
Earnings/(loss) per share	3.8	0.3474	0.6100	

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2023 – 30.09.2023)

	Group		Company	
	1/7 - 30/09/2023	1/7 - 30/09/2022	1/7 - 30/09/2023	1/7 - 30/09/2022
Turnover	89,692	103,358	1,398	
Cost of Sales	(68,592)	(81,097)	(1,274)	
Gross profit/(loss) - continuing operations	21,100	22,261	124	
Other Operating Income	639	623	182	
Selling and Distribution Expenses	(9,469)	(11,049)	-	
Administrative Expenses	(4,064)	(4,056)	(215)	
Research and Development Expenses	(611)	(577)	-	
Other Operating Expenses	(496)	(201)	(1)	
Other gain / (losses)	(25)	475	(1)	
Operating Profit / (loss) before interest and tax - continuing operations	7,074	7,476	89	
Financial Income	1,417	5,041	688	
Financial Expenses	(1,447)	(1,369)	(5)	
Income from Dividends	-	-	-	
Profit / (Loss) from companies consolidated with the Equity Method	943	964	-	
Profit/(loss) before Tax - continuing operations	7,987	12,112	772	
Income Tax	(1,671)	(1,426)	(228)	
Profit/(loss) after tax (A) - continuing operations	6,316	10,686	544	
Profit/(loss) after tax (A) - discontinued operations	-	(20)	-	
Profit/(loss) after tax (A)	6,316	10,666	544	
Other Comprehensive Income (Loss)				
Items that may be classified in the future in the statement of income				
FX differences from SOFP balances translation	(156)	(1,945)	-	
Items that will not be classified in the future in the statement of income				
Actuarial profit/(loss)	353	(206)	-	
Other comprehensive income after taxes (B) - continuing operations	197	(2,151)	-	
Items that may be classified in the future in the statement of income				
FX differences from SOFP balances translation	-	131	-	
Items that will not be classified in the future in the statement of income				
Actuarial profit/(loss)	-	-	-	
Other comprehensive income after taxes (B) - discontinued operations	-	131	-	
Items that may be classified in the future in the statement of income				
FX differences from SOFP balances translation	(156)	(1,814)	-	
Items that will not be classified in the future in the statement of income				
Actuarial profit/(loss)	353	(206)	-	
Other comprehensive income after taxes (B)	197	(2,020)	-	
Total comprehensive income / (loss) after taxes (A) + (B) - continuing operations	6,513	8,535	544	
Total comprehensive income / (loss) after taxes (A) + (B) - discontinued operations	-	111	-	
Total comprehensive income / (loss) after taxes (A) + (B)	6,513	8,646	544	

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF INCOME AND OTHER COMPREHENSIVE INCOME (01.07.2023 – 30.09.2023)
(continues from previous page)

	Group		Εταιρεία	
	1/7 - 30/09/2023	1/7 - 30/09/2022	1/7 - 30/09/2023	1/7 - 30/09/2022
Continuing operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	6,139	10,525	-	-
Non controlling interest	177	161	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	6,337	8,374	-	-
Non controlling interest	176	161	-	-
Discontinued operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	-	(20)	-	-
Non controlling interest	-	-	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	-	111	-	-
Non controlling interest	-	-	-	-
Total Operations				
Profit / (loss) after tax				
<u>Attributed to:</u>				
Equity holders of the parent	6,139	10,505	-	-
Non controlling interest	177	161	-	-
Total comprehensive income / (loss) after taxes				
<u>Attributed to:</u>				
Equity holders of the parent	6,337	8,485	-	-
Non controlling interest	176	161	-	-
Profit/(loss) allocated to shareholders per share - continuing operations				
Number of shares	42,976	43,224		
Earnings/(loss) per share	0.1428	0.2435		
Profit/(loss) allocated to shareholders per share - discontinued operations				
Number of shares	42,976	43,224		
Earnings/(loss) per share	0.0000	(0.0005)		
Profit/(loss) allocated to shareholders per share				
Number of shares	42,976	43,224		
Earnings/(loss) per share	0.1428	0.2430		

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF FINANCIAL POSITION

	Note	Group		Company	
		30/9/2023	31/12/2022	30/9/2023	31/12/2022
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	3.10	172,691	169,218	268	302
Rights-of-use Assets	3.11	3,108	2,521	345	222
Investment Property		113	113	-	-
Intangible Assets	3.12	10,307	10,357	102	148
Investments in subsidiaries	3.22	-	-	73,858	73,858
Investments in joint ventures	3.22	20,286	19,921	3,819	3,819
Net benefit from funded defined benefit plans	3.17	9,430	7,169	-	-
Other Long term Receivables	3.13	139	132	50	39
Deferred Tax Assets		352	357	123	119
Total non-Current Assets		216,426	209,788	78,565	78,507
Current Assets					
Inventories		72,963	76,415	-	-
Income Tax Prepaid		1,029	1,984	860	25
Trade Receivables	3.14	71,776	64,769	545	55
Other Receivables	3.14	11,495	11,945	292	4,105
Financial Derivative Products		-	284	-	-
Cash and Cash Equivalents		38,406	39,610	1,918	1,427
Total Current Assets		195,669	195,007	3,615	5,612
TOTAL ASSETS		412,095	404,795	82,180	84,119
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		23,610	20,992	12,662	12,291
Retained earnings		196,761	192,355	15,926	18,024
Total Shareholders' equity		270,764	263,740	79,101	80,828
Non controlling interest		4,458	4,121	-	-
Total Equity		275,222	267,861	79,101	80,828
Long Term Liabilities					
Long Term Debt	3.16	32,598	31,641	-	-
Liabilities from Leases	3.16	1,926	1,470	198	76
Provisions for Employee Benefits	3.17	1,620	1,385	91	79
Other Provisions		-	-	280	283
Deferred Tax Liabilities		10,254	9,660	-	-
Other Long Term Liabilities		139	174	1	1
Total Long Term Liabilities		46,537	44,330	570	439
Short Term Liabilities					
Short Term Debt	3.16	22,235	26,989	-	1,022
Liabilities from Leases	3.16	1,058	967	146	147
Income Tax		2,458	1,048	468	56
Suppliers	3.18	41,443	40,630	179	295
Other short-term liabilities	3.18	22,915	22,970	1,716	1,332
Financial Derivative Products	3.19	227	-	-	-
Total Short Term Liabilities		90,336	92,604	2,509	2,852
TOTAL LIABILITIES		136,873	136,934	3,079	3,291
TOTAL EQUITY & LIABILITIES		412,095	404,795	82,180	84,119

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF CHANGES IN EQUITY

Group

	<i>Attributed to the shareholders of the Parent Company</i>								
	Share Capital	Share Premium	Other Reserves	Treasury shares reserves	FX translation reserves	Retained earnings	Total	Non controlling interest	Total Equity
Balance as at 01/01/2022	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)
Formation of statutory reserve	-	-	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
Balance as at 01/01/2023	28,869	21,524	36,282	(3,311)	(11,979)	192,355	263,740	4,121	267,861
Profit / (losses) for the period	-	-	-	-	-	14,929	14,929	480	15,409
Other Comprehensive Income	-	-	-	-	1,691	1,575	3,266	(2)	3,264
Formation of statutory reserve	-	-	807	-	-	(807)	-	-	-
Dividends	-	-	-	-	-	(11,300)	(11,300)	(141)	(11,441)
Transfers	-	-	-	-	-	-	-	-	-
Other changes	-	-	307	-	1	9	317	-	317
Purchase of Treasury shares	-	-	-	(188)	-	-	(188)	-	(188)
Changes during the period	-	-	1,114	(188)	1,692	4,406	7,024	337	7,361
Balance as at 30/09/2023	28,869	21,524	37,396	(3,499)	(10,287)	196,761	270,764	4,458	275,222

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

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 Equity
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	-	-	-	-	-	-	-
Formation of statutory reserve	-	-	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
Balance as at 01/01/2023	28,869	21,644	15,586	(3,311)	16	18,024	80,828
Profit / (losses) for the period	-	-	-	-	-	9,761	9,761
Other comprehensive income	-	-	-	-	-	-	-
Formation of statutory reserve	-	-	559	-	-	(559)	-
Dividends	-	-	-	-	-	(11,300)	(11,300)
Other changes	-	-	-	-	-	-	-
Purchase of treasury shares	-	-	-	(188)	-	-	(188)
Changes during the period	-	-	559	(188)	-	(2,098)	(1,727)
Balance as at 30/09/2023	28,869	21,644	16,145	(3,499)	16	15,926	79,101

The accompanying notes that are presented in pages 12-60 form an integral part of the present financial statements

Amounts in thousand Euro, unless stated otherwise

CONDENSED STATEMENT OF CASH FLOWS

	Group		Company	
	1/1 - 30/09/2023	1/1 - 30/09/2022	1/1 - 30/09/2023	1/1 - 30/09/2022
Cash flows from Operating Activities				
Profit before Taxes and Non controlling interest - continuing operations	20,229	32,180	9,987	7,713
Profit before Taxes and Non controlling interest - discontinued operations	-	(43)	-	-
<i>Plus / (minus) adjustments for:</i>				
Depreciation	17,340	15,537	186	234
Provisions	4,687	(1,254)	214	(150)
Grants	(123)	(25)	-	-
FX differences	(388)	(667)	8	6
(Gain)/loss from sale of property, plant and equipment	(47)	(16)	-	-
Income from dividends	-	-	(9,677)	(7,964)
Interest & similar (income) / expenses	1,200	(2,355)	(854)	44
(Profit) / loss from companies consolidated with the Equity method	(1,744)	(2,791)	-	-
Operating Profit before adjustments in working capital	41,154	40,566	(136)	(117)
(Increase)/decrease in receivables	(6,815)	(12,560)	3,692	4,621
(Increase)/decrease in inventories	3,264	(9,879)	-	-
Increase/(decrease) in liabilities (apart from debt and taxes)	(841)	(14,344)	(2,495)	(5,192)
Cash generated from Operating activities	36,762	3,783	1,061	(688)
Interest Paid	(1,565)	(842)	(23)	-
Other financial income/(expenses)	497	3,442	877	(9)
Taxes paid	(1,780)	(8,994)	(246)	-
Cash flows from operating activities (a)	33,914	(2,611)	1,669	(697)
Investing Activities				
Proceeds from sales of property, plant and equipment and intangible assets	145	47	-	-
Interest received	405	19	-	-
Dividends received	954	338	11,390	8,952
Purchase of property, plant and equipment and intangible assets	(19,102)	(28,094)	(4)	(30)
Investment grants	1,489	1,016	-	-
Cash flow from investing activities (b)	(16,109)	(26,674)	11,386	8,922
Financing activities				
Time deposits	(3,470)	-	-	-
Proceeds from loans	6,772	23,819	-	1,000
Purchase of treasury shares	(188)	(991)	(188)	(991)
Repayment of loans	(10,735)	(11,597)	(1,000)	(1,141)
Payments for leases	(686)	(671)	(100)	(104)
Dividends paid	(11,416)	(7,100)	(11,276)	(6,986)
Cash flow from financing activities (c)	(19,723)	3,460	(12,564)	(8,222)
Net increase /(decrease) in Cash and Cash Equivalents	(1,918)	(25,825)	491	3
Cash and Cash Equivalents at beginning of period	39,610	63,240	1,427	137
Effect from changes in foreign exchange rates on cash reserves	714	(944)	-	-
Cash and Cash Equivalents at end of period	38,406	36,471	1,918	140

The accompanying notes that are presented in pages 12-60 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 GEMI Reg. No. 12512246000.

The purpose of the Company and its main objective is to participate in the share capital of companies and to finance companies of any legal form, kind and objective, either listed or non-listed on organized

market, as well as the provision of Administrative - Financial - IT Services to its Subsidiaries.

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

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

The Company's shareholders, with equity stake above 5%, as of 30.09.2023 were the following:

LAST NAME	NAME	SHARES IN "JOINT INVEST- MENT SHARES"	TOTAL SHARES	VOTING RIGHTS
Chalioris	Konstantinos	41.15%	43.29%	43.29%
Chaliori	Eyfimia	-	20.85%	20.85%
Chalioris	Alexandros	20.58%	21.06%	0.48%
Chalioris	Stavros	20.58%	21.06%	0.48%

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 2,150 employees as of 30th September 2023, of which 1,322 were employed in Greece.

The structure of the Group as of 30th September 2023 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
Thrace Nonwovens & Geosynthetics Single Person S.A.	GREECE-Xanthi	100.00%	100.00%	Full
Saepe LTD	CYPRUS-Nicosia	-	100.00%	Full
Thrace Protect S.M.P.C.	GREECE-Xanthi	-	100.00%	Full
Thrace Plastics Pack S.A.	GREECE-Ioannina	92.94%	92.94%	Full
Thrace Greiner Packaging SRL	ROMANIA - 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 Financial Statements and Main Accounting Principles

2.1 Basis of Preparation

The present financial statements have been prepared according to the International Financial Reporting Standards (I.F.R.S.), including the International Accounting Standards (I.A.S.) and interpretations that have been issued by the International Financial Reporting Interpretations Committee (I.F.R.I.C.), as such have been adopted by the European Union until 30th September 2023. The basic accounting principles that were applied for the preparation of the interim financial information of the period ended 30th September 2023 are the same as those applied for the preparation of the Financial Statements for the year ended on 31st December 2022.

When deemed necessary, the comparative data has 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 Group'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 and all 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 31st December 2022.

The interim condensed financial information was approved by the Board of Directors of the Company on 17 November 2023.

The interim condensed financial information of THRACE Group and the Company 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 2023.

STANDARDS AND INTERPRETATIONS MANDATORY FOR THE CURRENT FINANCIAL YEAR

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.

IAS 12 'Income taxes' (Amendments): International Tax Reform – Pillar Two Model Rules *(effective for annual periods beginning on or after 1 January 2023)*

The amendments introduce a mandatory temporary exception from accounting for deferred taxes arising from the Organization for Economic Co-operation and Development's (OECD) international tax reform. The amendments also introduce targeted disclosure requirements.

The temporary exception applies immediately and retrospectively in accordance with IAS 8, whereas the targeted disclosure requirements will be applicable for annual reporting periods beginning on or after 1 January 2023. The amendments have not yet been endorsed by the EU.

The aforementioned amended standards did not have a significant impact on the financial statements of the Group and the Company.

STANDARDS AND INTERPRETATIONS EFFECTIVE FOR SUBSEQUENT PERIODS

IAS 1 'Presentation of Financial Statements' (Amendments) *(effective for annual periods beginning on or after 1 January 2024)*

- **2020 Amendment 'Classification of liabilities as current or non-current'**

The amendment clarifies that liabilities are classified as either current or non-current depending on the rights that exist at the end of the reporting period. Classification is

unaffected by the expectations of the entity or events after the reporting date. The amendment also clarifies what IAS 1 means when it refers to the 'settlement' of a liability. The amendment has not yet been endorsed by the EU.

- **2022 Amendments 'Non-current liabilities with covenants'**

The new amendments clarify that if the right to defer settlement is subject to the entity complying with specified conditions (covenants), this amendment will only apply to conditions that exist when compliance is measured on or before the reporting date. Additionally, the amendments aim to improve the information an entity provides when its right to defer settlement of a liability is subject to compliance with covenants within twelve months after the reporting period.

The 2022 amendments changed the effective date of the 2020 amendments. As a result, the 2020 and 2022 amendments are effective for annual reporting periods beginning on or after 1 January 2024 and should be applied retrospectively in accordance with IAS 8. As a result of aligning the effective dates, the 2022 amendments override the 2020 amendments when they both become effective in 2024. The amendments have not yet been endorsed by the EU.

IFRS 16 (Amendment) 'Lease Liability in a Sale and Leaseback' (*effective for annual periods beginning on or after 1 January 2024*)

The amendment clarifies how an entity ac-

counts for a sale and leaseback after the date of the transaction. Sale and leaseback transactions where some or all the lease payments are variable lease payments that do not depend on an index or rate are most likely to be impacted. An entity applies the requirements retrospectively back to sale and leaseback transactions that were entered into after the date when the entity initially applied IFRS 16. The amendment has not yet been endorsed by the EU.

IAS 7 'Statement of Cash Flows' and IFRS 7 'Financial Instruments' (Amendments) - Disclosures: Supplier Finance Arrangements (*effective for annual periods beginning on or after 1 January 2024*)

The amendments require companies to disclose information about their Supplier Finance Arrangements such as terms and conditions, carrying amount of financial liabilities that are part of such arrangements, ranges of payment due dates and liquidity risk information. The amendments have not yet been endorsed by the EU.

IAS 21 'The Effects of Changes in Foreign Exchange Rates' (Amendments) - Lack of exchangeability (*effective for annual periods beginning on or after 1 January 2025*)

These amendments require companies to apply a consistent approach in assessing whether a currency can be exchanged into another currency and, when it cannot, in determining the exchange rate to use and the disclosures to provide. The amendments have 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 historical data and expectations for future events, which are deemed as fair according to the relevant provisions in effect.

2.3.1 Significant Accounting Estimates and Assumptions

The preparation of the 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 preparation of the interim condensed financial information, as well as the amounts of income and expenses recognized during the period under consideration. 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, 2022.

3. Notes on the Financial Statements

3.1 Evolution and Performance of the Group

The following table depicts the Group's financial results (from Continuing Operations) for the period ended 30th September 2023:

Financial Results of the 9-Month Period of 2023 (CONTINUING OPERATIONS)

<i>(amounts in EUR thousand)</i>	9-Month 2023	9-Month 2022	% Change
Turnover	269,788	316,068	-14.6%
Gross Profit	62,576	70,235	-10.9%
<i>Gross Profit Margin</i>	23.2%	22.2%	
EBIT	19,684	27,034	-27.2%
<i>EBIT Margin</i>	7.3%	8.6%	
EBITDA*	37,024	42,571	-13.0%
<i>EBITDA Margin</i>	13.7%	13.5%	
<i>Adjusted EBITDA</i>	37,024	42,571	-13.0%
<i>Adjusted EBITDA Margin</i>	13.7%	13.5%	
Earnings before Taxes (EBT)	20,229	32,180	-37.1%
<i>EBT Margin</i>	7.5%	10.2%	
Earnings after Taxes (EAT)	15,409	26,814	-42.5%
<i>EAT Margin</i>	5.7%	8.5%	
Total EATAM	14,929	26,414	-43.5%
<i>EATAM Margin</i>	5.5%	8.4%	
Earnings per Share (in euro)	0.3474	0.6111	-43.2%

Note: The alternative performance measures are presented and described analytically in the section 3 of the present Report.

It is noted that EBITDA, Adjusted EBITDA, EBIT and Earnings before Taxes (EBT) of the 9-month period of 2022 include also profits from sales of COVID-19 related products amounting to €5.3 million and should be

excluded to allow direct comparison of profitability, between the two periods.

* EBITDA comprises the operating earnings before interest, taxes, depreciation

and amortization and before financial and investment activities. EBITDA is calculated as follows:

“Operating profit / (loss) before taxes, financial and investment results - continuing operations” + “Depreciation/Amortization”, where:

- Operating Profit / (loss) before taxes, financial and investment results - continuing operations (see “Segment Information, Statement of Income for the period, note 3.2): €19,684
- Depreciation/Amortization (see “Segment Information, Statement of In-

come for the period, note 3.2): €17,340.

In addition, the Adjusted EBITDA is calculated as EBITDA, minus extraordinary, non-recurring gains or expenses. It is noted that for the period 01/01/2023 – 30/09/2023, there were no extraordinary, non-recurring gains or expenses.

For completeness purposes, the following table depicts in synopsis the financial results of the Group, both from Continuing and Discontinued Operations, for the period ended on 30th September 2023:

Financial Results of the 9-Month Period of 2023 (CONTINUING AND DISCONTINUED OPERATIONS)

<i>(amounts in EUR thousand)</i>	9-Month 2023	9-Month 2022	% Change
Turnover	269,788	316,068	-14.6%
Gross Profit	62,576	70,235	-10.9%
<i>Gross Profit Margin</i>	23.2%	22.2%	
EBIT	19,684	26,991	-27.1%
<i>EBIT Margin</i>	7.3%	8.5%	
EBITDA	37,024	42,528	-12.9%
<i>EBITDA Margin</i>	13.7%	13.5%	
Adjusted EBITDA	37,024	42,571	-13.0%
<i>Adjusted EBITDA Margin</i>	13.7%	13.5%	
Earnings before Taxes (EBT)	20,229	32,137	-37.1%
<i>EBT Margin</i>	7.5%	10.2%	
Earnings after Taxes (EAT)	15,409	26,765	-42.4%
<i>EAT Margin</i>	5.7%	8.5%	
Total EATAM	14,929	26,365	-43.4%
<i>EATAM Margin</i>	5.5%	8.3%	
Earnings per Share (in euro)	0.3474	0.6100	-43.0%

Note: The alternative performance measures are presented and described analytically in the section 3 of the present Report

3.2 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's Management, being responsible for making financial decisions, monitors the financial information separately as presented by the parent company and each subsidiary.

The operating segments (business units) are based on the different product category, the structure of the Group's management and the internal reporting system. Using the criteria as defined in the accounting 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 for agricultural use.</p>	<p>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.</p>

During the year 2020, which was characterized by the spread of the coronavirus Covid 19 pandemic, the Group faced significantly increased demand for specific products in its existing product portfolio and particularly in the area of technical fabrics used in personal protection and health applications (Personal Protective Equipment). This high demand continued and was maximized within the year 2021.

On the other hand during the year 2022, a sharp reduction in demand for products

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

More specifically, Earnings before Taxes from Continuing Operations on the Group level for the 9-month period of 2022 amounted to € 32.2 million, of which, according to Management's estimates, € 5.3 million was related to COVID-19 products out of which €3.2 million were allocated to the "Technical Fabrics" Segment and €2.1 million were allocated to the "Packaging" Segment.

From year 2023 onwards, having entered into the post-pandemic era, personal protection products will not be reported separately, following the same pre-pandemic

disclosure practice. Instead, they will comprise another product category within the context of the Group's normal business activity but with limited contribution to the total profitability.

However, it is noted that especially for the 9-month period of 2023, as well as for the full year, the profitability of each period should be directly compared with the profitability of the previous year's period, without including the previous year's extraordinary earnings from sales of COVID-19 related products in the results of the Group and of the respective sectors.

BALANCE SHEET OF 30.09.2023	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Total consolidated assets	133,272	266,294	1,287	(11,242)	412,095
Total consolidated liabilities	55,608	80,896	3,079	(2,710)	136,873

INCOME STATEMENT FOR THE PERIOD FROM 01.01 – 30.09.2023	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Turnover	181,675	96,600	4,196	(12,683)	269,788
Cost of sales	(142,668)	(73,582)	(4,040)	13,078	(207,212)
Gross profit	39,007	23,018	156	395	62,576
Other operating income	1,662	703	295	(601)	2,059
Selling & Distribution Expenses	(20,236)	(8,450)	-	(250)	(28,936)
Administrative expenses	(9,140)	(3,336)	(987)	457	(13,006)
Research and Development Expenses	(1,432)	(471)	-	-	(1,903)
Other operating expenses	(539)	(756)	(3)	15	(1,283)
Other Gains / (Losses)	182	-	(5)	-	177
Operating profit / (loss)	9,504	10,708	(544)	16	19,684
Interest & other related (expenses)/ income	(1,101)	(966)	854	14	(1,199)

INCOME STATEMENT FOR THE PERIOD FROM 01.01 – 30.09.2023	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Income from dividends	-	-	9,677	(9,677)	-
Profit / (loss) from companies consolidated under the Equity method	540	1,036	168	-	1,744
Earnings / (losses) before tax (EBT) (Continuing operations)	8,943	10,778	10,155	(9,647)	20,229
Earnings / (losses) before tax (EBT) (Discontinued operations)	-	-	-	-	-
Total Earnings / (losses) before tax (EBT)	8,943	10,778	10,155	(9,647)	20,229
Taxes (Continuing operations)	(2,740)	(1,854)	(226)	-	(4,820)
Taxes (Discontinued operations)	-	-	-	-	-
Total Taxes	(2,740)	(1,854)	(226)	-	(4,820)
Earnings / (losses) after tax (Continuing operations)	6,203	8,924	9,929	(9,647)	15,409
Earnings / (losses) after tax (Discontinued operations)	-	-	-	-	-
Total Earnings / (losses) after tax	6,203	8,924	9,929	(9,647)	15,409
Depreciation from continuing operations	11,683	5,471	186	-	17,340
Depreciation from discontinued operations	-	-	-	-	-
Total Depreciation	11,683	5,471	186	-	17,340
Earnings / (losses) before interest, tax, depreciation & amortization from continuing operations (EBITDA)	21,187	16,179	(358)	16	37,024
Earnings / (losses) before interest, tax, depreciation & amortization from discontinued operations (EBITDA)	-	-	-	-	-
Total Earnings / (losses) before interest, tax, depreciation & amortization (EBITDA)	21,187	16,179	(358)	16	37,024

BALANCE SHEET OF 31.12.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
Total consolidated assets	265,247	126,947	85,238	(72,637)	404,795
Total consolidated liabilities	82,493	55,512	3,291	(4,362)	136,934

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 Gains / (Losses)	1,071	(4)	(6)	-	1,061
Operating profit / (loss)	18,065	9,122	(206)	53	27,034
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
Taxes (Continuing operations)	(3,429)	(1,919)	(18)	-	(5,366)
Taxes (Discontinued operations)	(6)	-	-	-	(6)
Total Taxes	(3,435)	(1,919)	(18)	-	(5,372)
Earnings / (losses) after tax (EBT) (Continuing operations)	18,819	7,736	8,163	(7,904)	26,814
Earnings / (losses) after tax (EBT) (Discontinued operations)	(49)	-	-	-	(49)
Total Earnings / (losses) after tax	18,770	7,736	8,163	(7,904)	26,765
Depreciation from continuing operations	9,905	5,398	234	-	15,537

INCOME STATEMENT FOR THE PERIOD FROM 01.01 - 30.09.2022	TECHNICAL FABRICS	PACKAGING	OTHER	INTRA-SEGMENT ELIMINATIONS	GROUP
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

3.3 Other Operating Income

Other Operating Income	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Grants (*)	270	1,065	-	-
Income from rents	54	8	-	-
Income from provision of services	27	106	-	-
Income from prototype materials	53	24	-	-
Reversal of unutilized provisions	304	-	-	-
Income from energy management programs	188	329	-	-
Other operating income	313	299	294	126
Income from photovoltaics	850	-	-	-
Total	2,059	1,831	294	126

* The amount of € 270 refers to the following grants awarded: investment, research and development, recruitment of new graduates as well as professional training of the Group's employees.

3.4 Other Gains / Losses

Other Gains / (Losses)	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Gains / (losses) from sale of Property, Plant and Equipment	45	19	-	-
Foreign Exchange Differences	127	1,042	(8)	(6)
Other	5	-	5	-
Total	177	1,061	(3)	(6)

3.5 Number of Employees

The number of employed staff at a Group and Company level at the end of the period (without including the joint ventures), was as follows:

Number of employees	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Full time employees – Wage based employees	1,677	1,738	26	27

3.6 Other Operating Expenses

Other Operating Expenses	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Provisions for doubtful receivables	75	259	-	-
Other taxes and duties non-incorporated in operating cost	120	122	-	-
Depreciation	251	76	-	-
Staff indemnities	164	71	-	-
Commissions / other bank expenses	79	86	-	-
Expenses for the purchase of prototype materials (maquettes)	84	40	-	-
Other operating expenses	510	327	3	5
Total	1,283	981	3	5

3.7 Financial income/(expenses)

3.7.1 Financial income

Financial income	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Interest income and other related income	550	20	-	-
Profit from Law 4706/2020 (see note 3.14.2)	1,088	4,560	892	-
Foreign exchange differences	1,042	932	-	-
Total	2,680	5,512	892	-
Income from dividends	-	-	9,677	7,964

3.7.2 Financial expenses

Financial expenses	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Interest expense and other related expenses	(2,399)	(1,401)	(16)	(44)
Foreign exchange differences	(1,101)	(1,397)	(22)	-
Financial result from Pension Plans	(379)	(359)	-	-
Total	(3,879)	(3,157)	(38)	(44)

3.8 Earnings per Share (Consolidated)

Earnings after tax, per share, are calculated by dividing net earnings (after tax) allocated to shareholders, by the weighted aver-

age number of shares outstanding during the respective fiscal year, after the deduction of any treasury shares held.

Basic earnings per share (Consolidated, continuing operations)	30.09.2023	30.09.2022
Earnings allocated to shareholders	14,929	26,414
Number of shares outstanding (weighted)	42,976	43,224
Basic and diluted earnings per share (Euro in absolute terms)	0.3474	0.6111

Basic earnings per share (Consolidated, discontinued operations)	30.09.2023	30.09.2022
Earnings allocated to shareholders	-	(49)
Number of shares outstanding (weighted)	42,976	43,224
Basic and diluted earnings per share (Euro in absolute terms)	-	(0.0011)

Basic earnings per share (Consolidated, total operations)	30.09.2023	30.09.2022
Earnings allocated to shareholders	14,929	26,365
Number of shares outstanding (weighted)	42,976	43,224
Basic and diluted earnings per share (Euro in absolute terms)	0.3474	0.6100

As of 30th September 2023, the Company held 789,699 treasury shares.

3.9 Corporate Tax

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

Corporate Tax	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
Corporate tax	(4,829)	(5,191)	(230)	-
Deferred tax (expense)/income	9	(175)	4	(17)
Total	(4,820)	(5,366)	(226)	(17)

The corporate tax for the period is calculated based on the applicable local 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 corporate income tax rate in Greece has settled at 22%.

3.10 Property, Plant & Equipment (PP&E)

The changes in the PP&E during the period are analyzed as follows:

Property, Plant & Equipment	Group	Company
Balance as at 01.01.2023	169,218	302
Additions	18,989	4
Disposals	(4,528)	-
Transfers	(111)	
Depreciation	(16,411)	(38)
Depreciation of assets sold	4,404	-
Foreign exchange differences	1,130	-
Balance as at 30.09.2023	172,691	268

Property, Plant & Equipment	Group	Company
Balance as at 01.01.2022	153,848	327
Additions	37,335	31
Disposals	(4,265)	(25)
Transfers	(40)	-
Depreciation	(19,592)	(54)
Depreciation of assets sold	4,423	23
Foreign exchange differences	(2,491)	-
Balance as at 31.12.2022	169,218	302

There are no liens and guarantees on the Company's PP&E, while the liens on the Group's PP&E amount to € 5,298.

3.11 Leases

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

Right-of-use assets	Group	Company
Balance as at 01.01.2023	2,521	222
Additions	1,006	113
Amendment of lease contracts	352	112
Derecognition	-	-
Depreciation	(766)	(102)
Foreign exchange differences	(5)	-
Balance as at 30.09.2023	3,108	345

Right-of-use assets	Group	Company
Balance as at 01.01.2022	3,051	344
Additions	451	20
Derecognition	(31)	-
Depreciation	(928)	(142)
Foreign exchange differences	(22)	-
Balance as at 31.12.2022	2,521	222

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

Lease Liabilities	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Short-term liabilities from leases	1,058	967	146	147
Long-term liabilities from leases	1,926	1,470	198	76
Total liabilities from Leases	2,984	2,437	344	223

3.12 Intangible Assets

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

Intangible Assets	Group	Company
Balance as at 01.01.2023	10,357	148
Additions	77	-
Amortization	(163)	(46)
Transfers	111	-
Foreign exchange difference	(75)	-
Balance as at 30.09.2023	10,307	102

Intangible Assets	Group	Company
Balance as at 01.01.2022	10,539	262
Additions	185	-
Amortization	(333)	(114)
Transfers	40	-
Foreign exchange difference	(74)	-
Balance as at 31.12.2022	10,357	148

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

3.13 Other Long-Term Receivables

The Other Long-Term Receivables are presented in the following table:

Other Long-Term Receivables	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Other long term receivables	139	132	50	39
Total	139	132	50	39

The Other Long Term Receivables mainly include guarantees granted to third parties.

3.14 Trade and other receivables

3.14.1 Trade Receivables

Trade Receivables	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Customers	79,230	72,459	2,852	2,362
Provisions for doubtful debts	(7,454)	(7,690)	(2,307)	(2,307)
Total	71,776	64,769	545	55

The Customers' balance at a Group level included notes and checks overdue of € 6,287 as of 30.09.2023, whereas the corresponding amount on 31.12.2022 had settled at € 7,993.

Classification of Customer receivables

Receivables from customers consist of the amounts due from customers from the sale of products that occur within the normal operation of the Group. In general, credit terms range from 30 to 180 days and therefore trade receivables are classified as short-term. Receivables from customers are initially recognized in the transaction amount if the Group has the unconditional right to receive the transaction price. The Group holds the receivables from customers in order to collect the contractual cash flows and therefore measures them at amortized cost using the effective interest rate method.

The dispersion of the Group's sales is deemed as satisfactory. There is no concentration of sales into a limited number of customers and therefore there is no increased risk of income loss or increased credit risk.

Fair value of receivables from customers

Given their short-term nature, the fair value of receivables approximates their book value.

Impairment of receivables from customers

For the accounting policy on impairment of receivables from customers, see note 2.20 in the financial statements of the year ended on 31.12.2022. For information on financial risk management, see note 3.24.

3.14.2 Other receivables

Other receivables	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Debtors	3,260	2,638	71	1,361
OAED (Greek Manpower Employment Organization) subsidies receivable	89	1,202	89	851
Investment Grant Receivable	987	2,353	-	-
Bank Time Deposits	3,470	-	-	-
V.A.T and Other Taxes receivables, other than Corporate Income Tax	667	2,838	43	115
Prepaid expenses	2,571	2,914	77	53
Interim Dividend - Dividends	451	-	12	1,725
Total	11,495	11,945	292	4,105

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

The above concern "older" and mature receivables of the Group (up to the year 2015), which due to the delays that occurred in the repayment of subsidy receivables from the State, were reclassified in the previous fiscal years from the current receivables to non-current receivables. At the same time a provision for impairment of a part of those receivables was formed, with the final balance at the end of the year 2021 standing at €4,879.

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 receivables of the State, by the entry into force of the above law.

The liabilities of OAED (Greek Manpower Employment Organization) and the Greek State are exhausted according to the provisions of

article 87, paragraph 2 of Law 4706/2020. The companies of the Group have followed the procedures dictated by Law 4706/2020, in accordance with the circulars issued by OAED, in order to certify the correctness of the claimed amounts by comparing the already submitted statements. During the fiscal year 2022, offsetting entries of receivables amounting to € 7,827 have been already carried out, resulting into a corresponding reduction of the receivables recorded and to an increase of financial income in the cases where the available provision was lower than the value of the offsetting entry. The offsetting process is in progress and is expected to be completed by the end of the year. The respective receivable settled at €89 on 30/9/2023.

The investment grant receivable refers to a grant receivable of Law 3299/2004 of the subsidiary Thrace Plastics Pack SA concerning a fully implemented investment.

An amount of € 3,470 has been included in the time deposits. The amount concerns a bank time deposit which was concluded during the

second quarter of the year, with a duration of nine months and as a result is not currently included in the cash and cash equivalents.

Prepaid expenses mainly concern the receivable for government grants and other prepaid expenses.

3.15 Bank Debt

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

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

with interest rates of Euribor or Libor plus a margin. The book value of loans approaches their fair value during September 30th, 2023.

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

Total Debt	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Long-term debt	32,598	31,641	-	-
Total long-term debt	32,598	31,641	-	-
Short term portion of long term debt	14,414	15,239	-	-
Short-term debt	7,821	11,750	-	1,022
Total short-term debt	22,235	26,989	-	1,022
Grand Total	54,833	58,630	-	1,022

Short-term loans include an amount of € 3,824 which relates to a Factoring arrangement of Thrace Plastics Pack SA with ABC Factors, which has been received by the aforementioned subsidiary and corresponds to factoring with recourse (non-insured).

Interest rates are linked to Euribor or Libor on a per case basis plus a spread which ranges from 1.2% to 2.5%.

The majority of the Group's loans are subject to compliance with ratios (covenants) which on September 30th, 2023 are fully met.

3.16 Net Debt

Net Debt	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Long-term debt	32,598	31,641	-	-
Long-term liabilities from leases	1,926	1,470	198	76
Short-term debt	22,235	26,989	-	1,022
Short-term liabilities from leases	1,058	967	146	147
Total Debt & Lease Liabilities	57,817	61,067	344	1,245
Minus cash & cash equivalents	38,406	39,610	1,918	1,427
Net Debt / (Net Cash)	19,411	21,457	(1,574)	(182)
EQUITY	275,222	267,861	79,101	80,828
NET DEBT / EQUITY	0.07	0.08	(0.02)	0.00

The cash and cash equivalents, and therefore the net debt, do not include a nine-month bank time deposit of €3,470, which

was concluded during the second quarter of the year, and has been transferred to other receivables.

3.17 Pension Liabilities

The liabilities of the Company and the Group towards its employees in providing them with certain future benefits, depending on the length of service is calculated by an actuarial study on annual basis. The accounting treatment is made on the basis of the accrued entitlement, as at the Balance Sheet date, that is anticipated

to be paid, discounted to its present value by reference to the anticipated time of payment.

The liability for the Company and the Group, as presented in the Balance Sheet, is analyzed as follows:

Employee Benefits	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Defined benefit plans – Unfunded	1,620	1,385	91	79
Defined benefit plans – Funded	(9,430)	(7,169)	-	-
Total provision at the end	(7,810)	(5,784)	91	79

3.17.1 Defined contribution plans – Unfunded

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 – Unfunded	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Amounts recognized in the balance sheet				
Present value of liabilities	1,620	1,385	91	79
Net liability recognized in the balance sheet	1,620	1,385	91	79
Amounts recognized in the Statement of Comprehensive Income				
Cost of current employment	208	231	10	14
Net interest on the liability / (asset)	38	8	2	-
Ordinary expense recognized in the Statement of Comprehensive Income	246	239	12	14
Recognition of prior service cost	-	-	-	-
Cost of curtailment / settlements / service termination	(2)	575	-	-
Other expense / (income)	-	-	-	-
Total expense in the Statement of Comprehensive Income	244	814	12	14
Changes in the Net Liability recognized in Balance Sheet				
Net liability / receivable at the beginning of year	1,385	1,599	79	79
Benefits paid from the employer - Other	(9)	(764)	-	-
Total expense recognized in the Statement of Comprehensive Income	244	814	12	15
Total amount recognized in SOCE	-	(264)	-	(15)
Other	-	-	-	-
Net liability at the end of period	1,620	1,385	91	79

The actuarial assumptions are presented in the following table.

Actuarial Assumptions	Greek Companies		Thrace Ipoma AD	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Discount rate	3.20%	3.20%	6.00%	6.00%
Inflation	2.60%	2.60%	16.90%	16.90%
Average annual increase of personnel salaries	2.60%	2.60%	2.00%	2.00%
Duration of liabilities	5.2 years	5.2 years	7.4 years	7.4 years

3.17.2 Defined benefit plans – Funded

The subsidiaries Don & Low LTD and Thrace Polybulk AS have formed Pension Plans of defined benefits which operate as stand-alone legal entities in the form of trusts.

Therefore, the assets of the plans are not related to the assets of the companies.

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

Defined benefit plans – Funded	Group	
	30.09.2023	31.12.2022
Amounts recognized in the balance sheet		
Present value of liabilities	97,534	102,648
Fair value of the plan's assets	(106,964)	(109,817)
Net liability recognized in the balance sheet	(9,430)	(7,169)
Amounts recognized in the Statement of Comprehensive Income		
Cost of current employment	-	118
Net interest on the liability / (asset)	-	1
Ordinary expense in the Statement of Comprehensive Income	-	119
Cost recognition from previous years	-	-
Cost of curtailment / settlements / service termination	-	-
Other expense / (income)	344	469
Foreign exchange differences	-	-
Total expense in the Statement of Comprehensive Income	344	588
Asset allocation*		
Mutual Funds (Equities)	14,179	13,490
Mutual Funds (Bonds)	77,449	64,547
Diversified Growth Funds	13,995	22,438
Other	1,341	9,342
Total	106,964	109,817

Defined benefit plans – Funded	Group	
	30.09.2023	31.12.2022
Changes in the Net Liability recognized in Balance Sheet		
Net liability / (receivable) at the beginning of year	(7,169)	1,900
Contributions paid from the employer / Other	(344)	(1,720)
Total expense recognized in the Statement of Comprehensive Income	344	588
Total amount recognized in SOCE	(2,068)	(8,195)
Foreign exchange differences	(193)	258
Net liability / (asset) at the end of period	(9,430)	(7,169)

* 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	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Discount rate	5.66%	5.02%	3.00%	3.00%
Inflation	3.21%	3.14%	3.00%	3.00%
Average annual increase of personnel salaries	3.21%	3.14%	4.00%	4.00%
Duration of liabilities	14 years	14 years	10 years	10 years

3.18 Suppliers and Other Short-Term Liabilities

Suppliers and Other Short-Term Liabilities are presented analytically in the following tables:

3.18.1 Suppliers

Suppliers	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Suppliers	41,443	40,630	179	295
Total	41,443	40,630	179	295

3.18.2 Other Short-Term Liabilities

Other Short-Term Liabilities	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Creditors	4,316	5,053	17	14
Liabilities from taxes and pensions	4,790	4,917	142	238
Dividends payable	144	143	140	115
Customer prepayments *	876	1,483	-	-
Personnel salaries payable	1,162	1,412	51	69
Accrued expenses – Other accounts payable	11,627	9,962	1,366	896
Total short-term liabilities	22,915	22,970	1,716	1,332

The fair value of the liabilities approaches the book value.

* Customer prepayments concern contractual liabilities of the Group for the performance of the contractual agreements and the transfer of goods and/or services. The Group expects that the total advances will

be recognized as revenue in the fiscal year 2023.

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

3.19 Financial Derivative Products

The Group enters into foreign exchange futures -purchase and sale- contracts, to cover the exchange risk from collection of receivables and payments to suppliers in foreign currency. These contracts have different expiration dates, depending on

the date of each expected collection or payment. The valuation of the Company's open position as of 30th September 2023 is as follows:

Currency	Open Position	Pre-purchase / (Pre-sale) Amount (in \$)	Pre-purchase / (Pre-sale) Value (in €)	Current Value (in €)	Gain / (Loss) from Valuation
USD	Sale	6,300	5,719	5,946	(227)
Total		6,300	5,719	5,946	(227)

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 over 5% of the Company's share capital (their related parties included).

The commercial transactions of the Group with these related parties during the period 01.01.2023 – 30.09.2023 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 01.01.2023 – 30.09.2023 are presented below.

Income	Group		Company	
	01.01 – 30.09.2023	01.01 – 30.09.2022	01.01 – 30.09.2023	01.01 – 30.09.2022
Subsidiaries	-	-	4,418	4,346
Joint Ventures *	3,763	5,881	72	79
Affiliated Companies	135	36	-	-
Total	3,898	5,917	4,490	4,425

*The Group's revenues from joint ventures mainly refer to sales of goods.

Expenses	Group		Company	
	01.01 – 30.09.2023	01.01 – 30.09.2022	01.01 – 30.09.2023	01.01 – 30.09.2022
Subsidiaries	-	-	88	125
Joint Ventures	586	462	-	-
Affiliated Companies	671	1,293	356	349
Total	1,257	1,755	444	474

Trade and other receivables	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Subsidiaries	-	-	540	1,775
Joint Ventures	1,460	1,386	-	-
Affiliated Companies	43	55	26	26
Total	1,503	1,441	566	1,801

Suppliers and Other Liabilities	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Subsidiaries	-	-	531	1,241
Joint Ventures	65	90	-	1
Affiliated Companies	92	56	13	33
Total	157	146	544	1,275

Long-term Liabilities	Group		Company	
	30.09.2023	31.12.2022	30.09.2023	31.12.2022
Subsidiaries	-	-	280	283
Joint Ventures	-	-	-	-
Affiliated Companies	-	-	-	-
Total	-	-	280	283

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

The Company has granted guarantees to

banks against long-term debt of its subsidiaries. On 30th September 2023, the outstanding amount for which the Company had provided guarantee settled at € 44,213 and is analyzed as follows:

Guarantees for Subsidiaries	30.09.2023
Thrace Nonwovens & Geosynthetics Single Person S.A.	21,126
Thrace Plastics Pack S.A.	18,587
Thrace Polyfilms Single Person S.A.	4,500
Total	44,213

3.21 Remuneration of Board of Directors

BoD Remuneration	Group		Company	
	30.09.2023	30.09.2022	30.09.2023	30.09.2022
BoD Remuneration	2,903	3,048	1,025	1,084

The remuneration concerns the Boards of Directors of 20 companies in which 31 members participate and include salaries of the executive members of the Boards

of Directors, other remuneration and benefits of both the executive and the non-executive directors.

3.22 Investments

3.22.1 Investments in companies consolidated with the full consolidation method

The value of the Company's investments in subsidiaries, as of 30th September 2023, is as follows:

Companies consolidated with the full consolidation method	30.09.2023	31.12.2022
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. 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 operates 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 operates 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 operates 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 operates in the manufacturing of waterproof products via the use of Geosynthetic Clay Liner – GCL, and belongs to the technical fabrics sector. The company's shares are not listed.	51.00%

The change of the Group's Investments in the companies that are consolidated with the equity method is analyzed as follows:

Investment in companies consolidated with the equity method	01.01 – 30.09.2023	01.01 - 31.12.2022
Balance at beginning of period	19,921	18,012
Gain / (losses) from joint ventures	1,744	2,525
Dividends	(1,410)	(1,110)
Foreign exchange differences and other reserves	31	494
Balance at end of period	20,286	19,921

3.23 Commitments and Contingent Liabilities

On September 30, 2023 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 account of 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 accounts, payable accounts and loans.

The Group's activities, in general, create

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

3.24.1 Risk of Price Fluctuations of Raw Materials

The Group is exposed to fluctuations in the price of polypropylene (represents 46% approximately of the cost of sales), which are mainly faced by a similar change in the selling price of the final product. The possibility that the increase in the price of polypropylene cannot be fully passed on to the selling price, causes unavoidably

the compression of margins. For this reason, the Company accordingly adjusts, to the extent it is feasible, its inventory policy as well as its commercial policy in general. Hence, in any case, the particular risk is deemed as relatively controlled.

3.24.2 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 liabilities.

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

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

- **Impairment**

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

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

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

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

3.24.3 Liquidity risk

Liquidity risk monitoring focuses on the management of cash inflows and outflows on a permanent basis, so that the Group has the ability to meet its cash obligations and retain the cash reserves required for its operations. Liquidity is managed by maintaining cash and approved bank credit lines. At the date of preparation of

the financial statements, unused approved bank credits were available to the Group, which are considered sufficient to handle any possible shortage of cash in the future.

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

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 countries outside Greece. The management of the various risks is addressed by the use of natural hedging instruments. In order to

offset the exchange risk emerging from customer receivables in foreign currency, an equivalent amount of borrowing in the same currency is being conducted according to the judgment of the management.

3.24.5 Interest Rate Risk

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

have been granted by various banks, with Euribor interest rate plus margin as well as Libor interest rate plus margin. Therefore, the Group may be affected by changes in interest rates, either positively or negatively.

3.24.6 Capital Adequacy Risk

The Group monitors its capital adequacy by using the Net Debt to Operating Earnings ratio and the Net Debt 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 rational 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 the working capital needs in order to maintain the lowest possible levels of external financing. (see note 3.16)

3.25 Significant Events

The most significant events that took place during the 9-month period of 2023 are presented below.



Macroeconomic Environment, Financial Performance and Prospects of the Group, Climate Related Issues and Expected Credit Losses

Year 2023 is one more year which continues to be affected by a series of unfavorable macroeconomic and geopolitical factors. More specifically, up until today the year has been affected by a number of factors such as the following: a) the high inflation in several product categories, (b) the increased energy costs which were lower however compared to the previous months of the year, (c) the high interest rates and the consequent increased financial costs for both businesses and households, and (d) the ongoing war and uncertainty caused, mainly in the European economy, resulting in low demand in certain sectors of the economy.

I. Group's Performance during the 9-month period and third quarter of 2023

In this difficult economic environment and despite the negative conditions that have emerged, the Group has managed to achieve strong profitability.

More specifically during the third quarter of 2023, the following were observed:

- Decreased demand for products in the construction sector.
- Stable demand for products related to the infrastructure sector and to the large-scale construction projects as compared to the previous months of the year.
- Significantly decreased demand for products of the agricultural sector.

- Increased demand for products related to the packaging sector for food and paints.
- Almost zero demand for products related to COVID-19.
- Stabilization in the cost of raw materials as compared to the previous months of the year, with mild fluctuations per month.
- Further pressures for decreases on sales prices, in all product categories as a result of the reduced raw material prices and the low demand.
- Stabilization in the energy costs, which remain higher compared to pre-pandemic levels but on the other hand have settled at lower level compared to 2022.
- Reductions in transport costs, with satisfactory availability of means of transport.
- Limited reduction in the cost of secondary raw materials and packaging materials.
- Constantly increased interest rates.

In financial terms, Turnover amounted to €269.8 million while the Turnover in the 9-month period of previous year had settled at €316.1 million, mainly due to the significant decrease of average sale prices (in the first months of 2022, raw material prices increased at historically high levels and therefore sale prices has also settled at higher levels), and also due to the relatively limited decline in volumes by 1.6%, as

a result of the lower demand in the main sectors of the economy (e.g. construction, agricultural sector) primarily in the European Union, United Kingdom and USA.

In the 9-month period of 2023, Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA) amounted to €37.0 million. During the 9-month period of 2022, EBITDA had amounted to €42.6 million, however after deducting the extraordinary profit from the sales of COVID-19 products (of approximately €5.3 million), in directly comparable terms, EBITDA of the 9-month period of 2022 amounted to €37.3 million. Therefore, in comparable terms, EBITDA for the 9-month period of 2023 decreased by 0.7% (versus same period of previous year) due to the lower demand.

In particular, during the third quarter of the year, turnover amounted to €89.7 million compared to €103.4 million in the third quarter of 2022, entirely due to lower average sale prices resulting from the lower raw material prices and limited demand, however in terms of volumes, the Group managed to attain an increase by 6.9% compared to the third quarter of 2022. In terms of operating profitability, EBITDA of the third quarter amounted to €13.0 million, increased by 7.7% compared to the adjusted EBITDA of €12.0 million of the third quarter of 2022 (i.e. after deducting the profit from the sales of COVID-19 products of €0.6 million).

Therefore, it is now clear that despite the ongoing difficult conditions prevailing in the global economy and the recession observed in the main targeted markets, the Group has achieved a stable, sustainable and strong profitability for another quarter. The fact that this achievement took place amid a period of economic recession, demonstrates the Group's ability to

always align with the new market conditions, demonstrating flexibility and resilience, while creating optimism for further improvement of its financial performance in the future.

Regarding the liquidity levels of the Group and the trading cycle of the subsidiaries, there was no negative effect due to the difficult conditions observed during the period under consideration. On the contrary, the Group's Net Debt amounted to €19.4 million compared to €21.5 million at the end of the previous year, indicating that during the period the Group's financial position was even further improved. Also, the calculation of Net Debt does not include a 9-month time deposit of €3.5 million, therefore, in case this amount had been included, Group's Net Debt would amount to €15.9 million.

At the same time, the implementation of the Group's investment plan is progressing smoothly. The investment plan for 2023 is expected to amount to €30 million on a cash basis, with investments implemented mainly in the Group's facilities in Greece, but also in the other countries where the Group operates. In addition, recently the Group announced the implementation of an extraordinary investment plan of €10 million in the Packaging Sector in Greece.

II. Prospects of the Group

With regard to the last quarter of the year, the Group's Management closely monitors and continues to adapt to the changes taking place on the macro-economic level, making at the same time strong efforts to achieve the best possible financial performance despite the deterioration of the geopolitical backdrop in Middle East. Although the Group does not expect any di-

rect impact in terms of sales in that region (sales in the two involved parties amounted to 0.4% of Group's total turnover in 2022), the broader uncertainty of macro-economic conditions may affect both the markets and the economies in which the Group operates.

However, regarding the Group's annual profitability, the Management estimates that although demand in several product categories remains subdued and uncertainty flares up amid the new geopolitical crisis, the current year's profitability in terms of EBITDA is expected to fluctuate alongside the respective levels of 2022 (it is noted that the extraordinary profit of €5.3 million due to COVID-19 should be deducted from FY2022 EBITDA). This demonstrates the ability of the Group amid intense and adverse conditions to remain focused and capable of achieving its goals.

Despite the unfavorable market conditions and the overall uncertainty that is prevailing again, making any forecasts especially for the last quarter of the year 2023 rather precarious, it is now evident that the conditions of stable and strong profitability have further strengthened the prospects of the Group, especially following the Group's extensive investment plan that has been realized over the past years but continues to be implemented in the current year.

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

III. Climate Related issues

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

In order to mitigate the risks arising from climate change, but also to take advantage of the opportunities that arise in order to achieve positive financial results for itself and the environment in which it operates, the Group is constantly adjusting its business model, in order to constantly reduce its environmental footprint. It achieves this through (a) recording direct and indirect greenhouse gas emissions along with the constant improvement of the respective indicators, (b) reducing energy consumption in production processes, (c) self-production and use of energy from renewable sources (solar, geothermal and hydroelectric), (d) reducing the use of natural resources through the use of recycled raw material and (e) proper waste management.

In addition, the Group focuses on the development of innovative and sustainable products and services, applying the principles of the circular economy. With the aim of further strengthening the achievement of this goal, the Group has created the circular economy platform IN THE LOOP, which networks companies, brands, public entities and consumers, facilitates the continuous reduction of environmental footprint throughout the value chain, and also designs specialized closed / controlled cycle systems of upgraded recycling purposes.

Therefore, the Company has established and communicated relevant principles and policies, while it has formulated a detailed strategic plan of specific actions, which are being implemented with measurable positive results thus ensuring the Group's business continuity. At the same time, through a specialized team, appropriate actions are already being taken in order to implement the requirements of the new CSRD (Corporate Sustainability Reporting Directive). The Group's excellent performance is also reflected in the respective evaluations performed from recognized international organizations. The Group has ranked in the highest "Platinum" scale in "Forbes ESG Transparency Index", which reflects the level of transparency and has been also awarded the "B" rating from the international organization CDP (Carbon Disclosure Project), exceeding the global average for the manner by which it manages the impact of its activities on climate change.

Further details are set out in the Non-Fi-

ancial Information Report (Section 12) of the Annual Financial Report and also in the Sustainability Report in the following links:

https://www.thracegroup.com/uploads_file/2023/04/25/p1gusg6pd1mnt1ufr1jdp-1q2i27ce.pdf

https://www.thracegroup.com/uploads_file/2023/10/25/p1hdivkpbf1mfdnf9g-qi8drne34.pdf

IV. Expected Credit Losses

There are no expected credit losses as a result of the current conditions and circumstances. In any case, according to the established policy, a big part of the companies' sales remain insured, while additional measures have been taken to ensure the Group carries out transactions with reliable customers (credit risk assessment, credit scoring, advances, etc.). More information on credit risk can be found in note 3.24.2 of financial statements.



Direct Impact of the War Conflict between Russia and Ukraine on the Financial Results of the Group

The war outbreak after the Russian military invasion of Ukraine creates geopolitical instability with adverse macroeconomic consequences. These consequences have been evident for all companies across the various economies on a day-to-day basis and are mainly related to the energy cost and the price increase in a series of raw materials and products. The above conditions created within the year 2023 an environment of great uncertainty affecting the level of demand especially in Europe. The Group does not have significant direct business activities in Ukraine and in Russia, i.e. in the areas directly affected by the war. Furthermore, the overall exposure to

Ukraine and Russia is minimal. Based on the financial results of the first half of 2023, sales in these two countries stood at 0.5% of the Group's total turnover (for the same period of 2022, corresponding sales had stood at 0.1% of total Group sales). Therefore, no direct material impact is expected on the financial performance of the Group in the event of a significant decrease of the existing business activity in the specific areas as far as customer sales are concerned. However, the impact on the Group's activities from the negative developments, following the war conflict, in the energy sector, from the wider macroeconomic uncertainty and from the high inflation pres-

sures with a focus on the abruptly rising energy costs, comprise factors which negatively affect the financial performance of the Group and specifically its cost structure. The Group's Management closely

monitors all the above developments and has taken actions accordingly and in order to effectively deal with issues concerning the trading cycle and its cost base, to the extent possible.

Interim Dividend fiscal year 2022

THRACE PLASTICS CO S.A. with reference to its earlier announcement dated December 8th, 2022, announced to the investor community, pursuant to the article 4.1.3.4 of the Athens Exchange Rulebook, that the Board of Directors of the Company, during its meeting of November 22nd, 2022 approved the distribution (payment) of interim dividend for fiscal year 2022 to the shareholders of the Company, of a total amount of 3,000,000.00 Euros (gross amount), corresponding to 0.0685848289 Euros per share (gross amount), which with the increase corresponding to the 751,396 treasury shares, which were held by the Company and in accordance with the law are excluded from the interim dividend distribution, amounted to 0.0697835797 Euros per share.

The above amount of the interim dividend is subject to 5% withholding tax, in accordance with articles 40 par. 1 and 64 par. 1 of Law 4172/2013 (Government Gazette

A' 167/23.07.2013), as in force after its amendment by Law 4646/2019 (Government Gazette A' 201/12.12.2019).

Therefore, the final payable amount of the interim dividend for the fiscal year 2022 was 0.0662944007 Euro per share.

The cut-off (ex-dividend) date of the interim dividend, as it had been already announced, was Monday, January 30, 2023.

Beneficiaries of the interim dividend for fiscal year 2022 were the shareholders registered in the Company's records in the Dematerialized Securities System on Tuesday, January 31, 2023 (Record Date).

The payment (distribution) of the interim dividend commenced on Friday, February 3, 2023, and was paid through the paying Bank "PIRAEUS BANK S.A.", according to the procedure that had been described in the relevant Company's announcement dated December 8th, 2022.

Announcement of Regulated Information in accordance with Law 3556/2007

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

1. Mr. Konstantinos Chalioris, shareholder and Chairman of the Board of Directors of the Company, transferred from his individual Investment Account, to two "Joint Investor Shares" (KEM), the first one jointly created with his son Alexan-

dros Chalioris and the second one jointly created with his son Stavros Chalioris (himself being the first beneficiary in both "Joint Investor Shares"), a total of 18,000,983 common registered shares with voting rights, i.e. a percentage of 41.153% of a total of 43,741,452 common registered shares with voting rights of the Company.

However, following the above, there was

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

2. Mr. Stavros Chalioris, son of Konstantinos, due to his participation in the aforementioned "Joint Investor Share" (which he holds jointly with Konstantinos

Chalioris) holds 9,000,491 common registered shares of the Company (percentage 20.577%), while he already holds 212,071 common registered shares with voting rights (percentage 0.484%) in his Personal Investment Account and,

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



Replacement of a resigning member of the Audit Committee – Formation of the Audit Committee into a Body

The Company announced that as a result of the resignation of the member of the Company's Audit Committee, Mr. Konstantinos Gianniris (third person - Non-Member of the Board of Directors), which is effective from 28.4.2023, the Board of Directors of the Company, by its Decision on. 2/5/2023, appointed Mrs. Sofia Manesi (third person - Non-Member of the Board of Directors) as a temporary replacement of the above resigned member in the Audit Committee of the Company until 24 May 2023, when the Annual General Meeting of the Company's shareholders was convened.

The Board of Directors, following a relevant recommendation of the Remuneration and Nominations Committee, found in the person of Mrs. Sofia Manesi sufficient knowledge of the Company's subject matter, a guarantee of ethics and reputation, reliability and solvency, and that she has sufficient time to perform her duties as a member of the Audit Committee as well

as experience and knowledge in auditing and accounting matters. The Board of Directors appointed Mrs. Sofia Manesi to replace the resigned member after having considered the Audit Committee's Rules of Procedure and after finding that she fulfils the requirements of independence of Article 9 of Law 4706/2020 and therefore has no dependency relationship with the Company or with persons connected to it, nor is she in any potential or actual situation that leads to a conflict of interest with the Company.

The Audit Committee decided on 2 May 2023 to elect Mr. Georgios Samothrakis, Independent Non-Executive Member of the Board of Directors of the Company, as Chairman of the Audit Committee, in accordance with the provisions of article 44 par. 1 case e) of Law 4449/2017, as in force.

Following the above, the Audit Committee of the Company is constituted as follows:

- Georgios Samothrakis, Independent

Non-Executive Member of the Board of Directors of the Company, as Chairman of the Audit Committee

- Konstantinos Kotsilinis, Non-Member of the Board of Directors, - third person, member of the Audit Committee
- Sofia Manesi, Non-Member of the Board of Directors, - third person, member of the Audit Committee, temporary Member of the Audit Committee until the Annual General Meet-

ing of the Company's shareholders to be held on 24.5.2023, in accordance with article 44 par. 1 case f) of Law 4449/2017.

Finally, it was noted that all members of the Audit Committee meet the requirements and independence criteria under the current regulatory framework (article 44 par. 1 of Law 4449/2017 as in force and article 9 par. 1 and 2 of Law 4706/2020).

Annual Ordinary General Meeting of the Company's Shareholders

The Annual Ordinary General Meeting of the Company's shareholders, which took place on May 24, 2023 remotely in real time via videoconference, approved the following among others:

- A) the shareholders approved unanimously the allocation (distribution) of the earnings for the fiscal year 2022 (01.01.2022-31.12.2022), and specifically they approved the distribution (payment) of total dividend amounting to 11.300.000,00 Euro (gross amount) to the shareholders of the Company from the profits of the fiscal year ended December 31, 2022, but also from profits of previous years.

Given that the Company, pursuant to the relevant decision of its Board of Directors dated 22.11.2022, has already made the allocation (distribution) to the shareholders of an interim dividend for the fiscal year 2022 of a total amount of 3,000,000.00 Euros (gross amount), i.e. 0.0697835797 Euros per share (gross amount increased by the amount corresponding to the treasury shares that the Company held at the cut-off date of interim dividend), the Annual Ordinary General Meeting of shareholders approved

unanimously the distribution of the remaining amount of the dividend, and in particular of the amount of 8,300,000.00 Euros (gross amount), i.e. 0.1897513599 Euros per share (gross amount), which amount will be increased by the amount corresponding to the treasury shares that the Company will hold at the dividend cut-off date and which (treasury shares) are excluded from the distribution, according to the provisions of article 50 of Law 4548/2018, as in force.

The above final (gross) amount of the dividend is subject to 5% tax withholding, in accordance with articles 40 par. 1 and 64 par. 1 of Law 4172/2013 (Government Gazette A' 167/23.07.2013), as in force.

- B) the shareholders voted by majority positively the Remuneration Report of the fiscal year 2022, which was prepared in accordance with the provisions of article 112 of L. 4548/2018, containing a comprehensive overview of the total remuneration of the members of the Board of Directors (executive and non-executive), and explaining how the Remuneration Policy of the Company was implemented for

- the immediately preceding fiscal year.
- C) the shareholders approved by majority the amendment of the article 15 of the Company's Articles of Association referring to the compensation (remuneration) of the members of the Board of Directors.
- D) the shareholders approved by majority the final decision on the appointment of a new member of the Company's Audit Committee, in accordance with the provisions of article 44, par. 1 of Law 4449/2017, as applicable, Mrs. Sofia Manesi, who is also a third person and non-member of the Board of Directors, in replacement of a resigned member-third person who is not a member of the Board of Directors Mr. Konstantinos Gianniris. The new member fulfil all the conditions of independence of Law 4706/2020, as in force and the conditions of article 44 of Law 4449/2017, as in force.
- The decisions of the General Meeting of Shareholders are posted on the Company's website at the link <https://www.thrace-group.com/gr/en/general-meetings/>

Announcement of ex-dividend date / Payment of remaining dividend for the Year 2022

The company announced, pursuant to the article 4.1.3.4 of the Athens Exchange Rulebook, that the Annual Ordinary General Meeting of Shareholders, that took place on May 24th 2023, approved unanimously the distribution (payment) of dividend to Company's Shareholders, from the profits of the fiscal year 2022 (01.01.2022-31.12.2022) and from prior years' profits, and in particular, approved the payment of the total amount of 11.300.000 Euro (gross amount), i.e. 0.2583361887 Euros per share (gross amount).

It is noted that the Company has already made the allocation (distribution) to the shareholders of an interim dividend for the fiscal year 2022, on February 3th, 2023, of a total amount of 3,000,000 Euros (gross amount), i.e. 0.0685848289 Euros per share (gross amount), which with the corresponding increase of the 751,396 treasury shares, which were held by the Company and were excluded by law from the interim dividend distribution, amounted to 0.0697835797 Euros per share (gross amount).

After that, the remaining amount of the dividend was 8,300,000 Euros (gross amount), from the profits of the fiscal year 2022 (01.01.2022-31.12.2022), i.e. 0.1897513599 Euros per share (gross amount), which after the increase corresponding to 751,396 treasury (own) shares, which were held by the Company and were excluded from the dividend payment, amounted to 0.1930679039 Euro per share (gross amount).

The above amount of the dividend was subject to 5% tax withholding, in accordance with articles 40 par. 1 and 64 par. 1 of Law 4172/2013 (Government Gazette A' 167/23.07.2013), as in force after its amendment of par. 24 of Law 4646/2019 (Government Gazette A' 201/12.12.2019).

Therefore, the final payable amount of dividend settled at 0.1834145087 Euro per share (net amount). The cut-off (ex-dividend) date of the dividend was set for Wednesday, 31st May 2023.

Beneficiaries of the remaining dividend for fiscal year 2022 are shareholders regis-

tered in the Company's records in the Dematerialized Securities System on Thursday, 1st June 2023 (Record Date).

The distribution (payment) of the above

remaining dividend commenced on Wednesday, 7th June 2023 and was paid through the paying Bank "PIRAEUS BANK S.A."

Re-constitution of the Audit Committee into Body - Appointment of New Member

The Company notified the investor community, in accordance with the provisions of article 17 paragraph 1 of Regulation (EU) under no. 596/2014 of the European Parliament and of the Council of April 16, 2014, that the Annual Ordinary General Meeting of the Company's Shareholders of May 24, 2023 approved by majority in accordance with the provisions of article 44 of Law 4449/2017, as applicable after the amendment by the article 74 of Law 4706/2020, the election-appointment of a new member of the Audit Committee (a third person, not a member of the Board of Directors) namely Ms. Sofia Manesi superseding a resigned member (a third person also not member of the Board of Directors) and namely Mr. Konstantinos Gianniris.

It should be noted that the Audit Committee under its new composition:

- (a) constitutes an Independent Joint Committee;
- (b) consists of three (3) members in total and in particular of one (1) Independent Non-Executive Member of the Board of Directors and two (2) third persons - Non-Members of the Board, independent of the Company. All persons fulfil the independence criteria of article 9, paragraph 1 and 2 of Law 4706/2020, as applicable, and
- (c) the term of the Committee coincides with the term of the Board of Directors, i.e. it will be five years, ending on February 11, 2026, extending until the end of the period within which

the next Ordinary General Meeting of Shareholders must be convened and until the relevant decision is taken. In no case, however, may the term of Committee exceed six years.

In particular, following its aforementioned decision, the composition of the Company's Audit Committee is as follows:

- 1) Georgios Samothrakis of Panagiotis, independent non-executive member of the Board of Directors,
- 2) Konstantinos Kotsilinis of Eleftherios, third person - non-member of the Board of Directors.
- 3) Sofia Manesis of Nikolaos, third person – non-member of the Board of Directors,

while at the same time the following were established and reconfirmed for each of the above members of the Committee:

- (a) the fulfilment of the individual and collective suitability criteria, in accordance with the provisions of article 3 of Law 4706/2020 and the Circular under number 60/18.09.2020 of the Hellenic Capital Market Commission, as well as the provisions of the applicable and approved Suitability Policy of company,
- (b) the fulfilment -by all members of the Audit Committee- of the conditions of independence in accordance with the provisions of article 9, paragraph 1 and 2 of Law 4706/2020, as applicable, namely that:

- (i) the above members did not hold directly or indirectly a percentage of voting rights greater than 0.5% of the Company's share capital, and
- (ii) the above members were not associated with any financial, business, family or other dependent relationships, which may influence their decisions as well as their independent and objective judgment;
- (c) the non-existence of obstacles and conditions that are being described in provisions of article 3, paragraph 4 of Law 4706/2020, as applicable, i.e. the non-issuance within one (1) year, before or after the election of the member respectively, of a final court decision that acknowledges the member's guiltiness for loss-making transactions with related parties on behalf of a company or a non-listed company as provided by Law 4548/2018,
- (d) the absence of obstacles/incompatibilities posed by the provisions of the current legislative framework on corporate governance, including the Greek Corporate Governance Code applied by the Company, the Operating Regulations and the Company's Suitability Policy.
- (e) the sufficient knowledge of the sector in which the Company operates, and finally
- (f) the persons of the entire Audit Committee possessed sufficient knowledge and experience in auditing and accounting (including knowledge and complete understanding of International Auditing Standards), conditions that were imposed by the provision of article 44, paragraph 1, section g' of Law 4449/2017.
- The Members of the Company's Audit Committee during the meeting of May 25, 2023 unanimously elected Mr. Georgios Samothrakis of Panagiotis as Chairman of the Committee, since it was previously established but also verified that the above person:
- (a) is independent from the audited entity within the meaning of article 9, paragraph 1 and 2 of Law 4706/2020, as applicable,
- (b) is the most suitable for the position of Chairman based on professional training, knowledge and experience.
- Following the above, the Audit Committee under its new final composition was reconstituted into a body as follows:
- 1) Georgios Samothrakis of Panagiotis, independent non-executive member of the Board of Directors, Chairman of the Committee.
 - 2) Konstantinos Kotsilinis of Eleftherios, third person - non-member of the Board of Directors. Member of the Committee.
 - 3) Sofia Manesis of Nikolaos, third person – non-member of the Board of Directors, Member of the Committee.

Commencement of Share Buyback Program

The Company announced in compliance with the Regulation No. 596/2014/EU and the Athens Exchange Rulebook, that the Board of Directors approved the commencement of the implementation of the Company's Shares Buy-back Program, as approved by the Annual General Meeting of the Shareholders dated May 24th, 2023. It was noted that the approved Shares Buy-back program includes the purchase of Company's shares through the Athens Exchange (ATHEX), in accordance with the provisions of articles 49 & 50 of

L.4548/2018, until May 24th, 2025, at a maximum number of 4,341,876 common registered shares (including and aggregating the treasury shares already purchased by the Company within the context of the previous Share Buy-back programs), with a purchase price range between fifty cents of Euro (0.50€) (minimum) per share and ten Euro (10 €) (maximum) per share.

Share purchases are carried out in accordance with the current regulatory framework.

Announcement of the Decision to Distribute an Interim Dividend the 2023

The Company informed the investor community, that the Board of Directors of the Company, during its meeting on 25th September 2023, approved the distribution (payment) to the Company's shareholders of an interim dividend from the earnings of the current financial year 2023 **amounting in total to 3,000,000 Euros** (gross amount), i.e. 0.0685848289 Euro per share of the Company (gross amount).

The final amount per share of the interim dividend to be paid will be increased by the amount corresponding to the treasury shares held by the Company on the cut-off date of the interim dividend.

The Company via a subsequent announcement will provide further information regarding the exact final and payable amount per share of the interim dividend, including the increase that will correspond to the treasury shares held by the Company on the cut-off date of the interim dividend.

The above amount of interim dividend is subject to a withholding tax of 5% in accordance with the provisions of article 40

paragraph 1 and of article 64 paragraph 1 of Law 4172/2013 (Government Gazette A' 167/23.07.2013) as applicable after its amendment by Law 4646/2019 (Government Gazette A' 201/12.12.2019).

The distribution of the interim dividend takes place two (2) months after the registration in G.E.M.I. of the relevant announcement regarding the release of the interim financial statements for the period 01.01.2023-30.06.2023 (First half of the current financial year 2023).

With a subsequent decision of the Company's Board of Directors, the following will be defined: (a) the cut-off date of the right to collect the interim dividend (cut-off date), (b) the date based on which the beneficiaries will be entitled to the interim dividend (record date), and (c) the date on which the process for the payment of interim dividend to the beneficiaries will commence, as well as the paying bank through which the payment of the interim dividend will be made towards the beneficiaries.

3.26 Significant Events after the Balance Sheet Date

Announcement of the cut-off date / payment process of the interim dividend for the year 2023

Via the relevant announcement made on September 28th, 2023, THRACE PLASTICS CO. S.A. (hereinafter the "Company") informed the investor community in accordance with the article 4.1.3.4 of the Regulation of the Athens Exchange, Greece (hereinafter "**Regulation**"), as in force today, that the Board of Directors of the Company during its meeting on 25th September 2023, approved the distribution (payment) to the Company's shareholders of an interim dividend from the earnings of the current financial year 2023 amounting in **total to 3,000,000 Euros** (gross amount), i.e. 0.0685848289 Euro per share of the Company (gross amount). The investor community has already been informed by the company's announcement on September 28th, 2023 (please see note 3.25).

During the meeting of the Company's Board of Directors on October 6th, 2023, the following dates were defined and validated:

The **cut-off date** of the interim dividend was set on **Thursday, November 30th, 2023 (cut-off date)**.

Beneficiaries to the interim dividend for the financial year 2023 were those shareholders registered in the records of the Dematerialized Securities System (DSS or S.A.T.) on **Friday, December 1st, 2023 (Record Date)**.

The **payment** process of the interim dividend for the financial year 2023 was set to commence on **Wednesday, December 6th, 2023**, through the paying bank "PIRAEUS BANK S.A." as follows:

1. Through the Participating Entities (Banks and Brokerage Firms) of beneficiaries in the Dematerialized Securities System (DSS or S.A.T.) in accordance with the current Operating Regulations of the Greek Central Securities Depository (GCSD or EL.K.A.T.) and the relevant decisions of ATHEXCSD.
2. Especially in cases of interim dividend payments to heirs of deceased beneficiaries, whose securities are held in the Special Account of their Share Unit in the Dematerialized Securities System under the administration of ATHEXCSD, the dividend payment process will be carried out after the completion of legalization of the heirs' entitlement through the branch network of "PIRAEUS BANK SA".

It is clarified to the Company's shareholders that the right to collect the interim dividend expires in a period of five years (article 250, paragraph 15 of the Civil Code) from the end of the year in which the entitlement to the subject dividend was established. After the above period any uncollected amounts of dividends are irrevocably transferred to the Greek State, in accordance with the provisions of article 1 of the legislative act 1195/1942.

Write-off of Dividend for the Financial Year 2017

The Société Anonyme under the name “THRACE PLASTICS HOLDING COMPANY COMMERCIAL SOCIETE ANONYME” with the distinctive title “THRACE PLASTICS CO S.A.” (called as “Company” hereafter), hereby announces to the investor community, that the five-year period for the collection

of the dividend for the financial year 2017, expires on December 31st, 2023. Following that date, dividends not collected from entitled parties will be written off, in favor of the Greek State in accordance with the applicable legislation.

Direct Impact from the new crisis in Middle East

The new middle east crisis has created geopolitical instability anew and a broader uncertainty about the potential macro-economic consequences that will likely emerge, especially in the event of a long-lasting conflict. It is noted that the Group does not directly carry out any significant business activities in the involved parties, i.e. in the areas directly affected by the conflict. More specifically, the overall exposure to the markets of Israel and Palestine is minimal, as based on the volume data of 2022, sales in these two countries amounted to 0.4% of the Group’s total turnover. Therefore, given the non-existence of any significant business activity in the specific region when it comes to customer sales, the Group does not expect to have

any immediate and significant impact on its financial performance. However, the negative and long-lasting evolution of the conflict along with the wider and unfavorable macro-economic repercussions might potentially have a negative effect on the activities of all businesses and companies activating in Europe and therefore on the business activities of the Group. The Group’s Management closely monitors the relevant developments and if needed will undertake a series of actions to weather any negative consequences, should they arise.

Thrace Group's New Investment Plan of a total amount of € 10 million in Packaging Business in Greece

The Company announced the immediate implementation of a new extended unplanned investment program of €10 million, for the Packaging Business Unit, which will take place in Greece, through its subsidiary Thrace Plastics Pack SA.

The new investment program is oriented towards the Sustainable Development, focusing on the further increase of the production capacity in the specific subsidiary of the Group, as well as in the Packaging Business Unit in general, targeting to support the Greek clientele in a more efficient, direct and complete manner, with an even more complete product portfolio, as well as to further develop the Group's export activities and subsequently enhance its business extroversion.

The specific categories of the new investment plan with immediate implementation by the specific subsidiary, are summarized as follows:

- Investment in Injection Molding Production Machines for the production of plastic containers, which is the main technology for production of plastic containers, targeting the food sector, the hotels / restaurants industries and the paints industry,
- Investment in Thermoforming technology, for the production of small plastic containers, targeting the food sector and in specific the dairy market,
- Investment in Paper Packaging Production Machinery, to produce paper packaging products, supplementary to the existing product portfolio for the catering sector.

The new investment plan, which will reach an amount of €10 million approximately, is in accordance with the sustainable development practices and will contribute to an environmental footprint reduction, while the new machines are expected to be fully operational within the first half of 2024. Based on this time plan, it is estimated that the new investments will increase the production capacity of the subsidiary by 4,000 tons approximately, on an annual basis. The new investment plan will be financed both with own funds and external financing.

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 17 November 2023 and are signed by the representatives of such.

The Chairman of the BoD	The Chief Executive Officer	The Chief Financial Officer	The Chief Accountant
----------------------------	--------------------------------	--------------------------------	-------------------------

KONSTANTINOS ST.
CHALIORIS

ID NO. AM 919476

DIMITRIOS P.
MALAMOS

ID NO. AO 000311

DIMITRIOS V.
FRAGKOU

ID NO. AH 027548

FOTINI K.
KYRLIDOU

ID NO. AK 104541
Accountant Lic. Reg. No.
34806
A' CLASS

II. 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.



General Commerce Reg. No. 12512246000

Domicile: Magiko, Municipality of Avdira

Xanthi Greece

Offices: 20 Marinou Antypa Str.

17455 Alimos, Attica Greece

www.thracegroup.com

 THRACE GROUP