

PRESS RELEASE

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**FINANCIAL RESULTS OF THE NINE-MONTH PERIOD OF 2021**

ATHEX: PLAT  
Reuters: THRr.AT  
Bloomberg: PLAT GA

The purpose of the current press release is to present the Thrace Group's financial results for the nine-month period of 2021.

The Group's **Turnover** from continuing operations amounted to **€ 341.6 million**, posting an increase of 34.6%, compared to the corresponding period of 2020, while **Earnings before Interest, Taxes, Depreciation and Amortization (EBITDA)** from continuing operations amounted to **€ 96.7 million**, increased by 84.5% compared to the nine-month period of the previous year. Also, **Earnings before Taxes (EBT)** from continuing operations amounted to **€ 81 million**, higher by 110.8% compared to the corresponding period of 2020. It should be noted that according to Management estimates, for the nine-month period of 2021, Earnings before Taxes, at α Group level, generated by products of the existing portfolio used in personal protection and health applications, amounted to € 50.7 million.

Regarding the liquidity level, the Group achieved the further enhancement of its liquidity, recording a **Net Cash of € 22.7 million**, as cash and cash equivalents exceeded its debt liabilities. The total **Equity** on 30.09.2021 amounted to € 247.9 million, compared to € 174.6 million on 31.12.2020.

From a financial point of view, the Group achieved to increase its revenues and profitability, thus successfully offsetting any negative impact or volatility on demand.

More specifically, with regard to the third quarter of the year the following were observed:

- Increased demand for products in the construction industry.
- Continuous demand in the infrastructure and agricultural sectors.
- Continuous demand for products aimed at the packaging sector.
- Significant drop in demand for the products related to personal protection and health.
- Constantly rising prices of raw materials, while in individual cases additional increases were observed, depending on the type of raw materials and the geographical area.
- Significantly increased energy costs, in all countries the Group is operating in.
- Significantly increased transport costs with significant shortages in both ground transport means and containers.
- Significantly increased cost of auxiliary materials and packaging materials.

More specifically, the following table presents the main financial figures of the Group during the nine-month period of 2021 in relation to the corresponding period of the year 2020. It is noted that the discontinued operations concern the termination of production activities of the US subsidiary Thrace Linq Inc.

| <b>GROUP CONSOLIDATED FINANCIAL RESULTS (in € thousand)</b>                           | <b>30/9/2021</b> | <b>30/9/2020</b> | <b>Change (%)</b> |
|---|------------------|------------------|-------------------|
| <b>Turnover (Continuing Operations)</b>   | <b>341,575</b>   | <b>253,729</b>   | <b>34.6%</b>      |
| <b>Gross Profit (Continuing Operations)</b>   | <b>122,072</b>   | <b>77,339</b>    | <b>57.8%</b>      |
| <b>EBIT* (Continuing Operations)</b>  | <b>80,137</b>    | <b>39,385</b>    | <b>103.5%</b>     |
| <b>EBITDA* (Continuing Operations)</b>  | <b>96,670</b>    | <b>52,404</b>    | <b>84.5%</b>      |
| <b>Adjusted EBITDA* (Continuing Operations)</b>                                       | <b>97,052</b>    | <b>54,596</b>    | <b>77.8%</b>      |
| <b>EBT (Continuing Operations)</b>  | <b>80,954</b>    | <b>38,409</b>    | <b>110.8%</b>     |
| Earnings after Taxes (Continuing Operations)  | 65,138           | 28,920           | 125.2%            |
| Earnings/(Losses) after Taxes (Discontinued Operations)                               | 6,531            | -3,421           |                   |
| <b>EAT (Continuing and Discontinued Operations)</b>                                   | <b>71,669</b>    | <b>25,499</b>    | <b>181.1%</b>     |
| Earnings after Taxes and Non-Controlling Interests (Continuing Operations)            | 64,731           | 28,368           | 128.2%            |
| Earnings/(Losses) after Taxes and Non-Controlling Interests (Discontinued Operations) | 6,531            | -3,421           |                   |
| <b>EATAM (Continuing and Discontinued Operations)</b>                                 | <b>71,262</b>    | <b>24,947</b>    | <b>185.7%</b>     |
| Basic Earnings per Share (Continuing Operations) (in Euro)                            | 1.4928           | 0.6496           | 129.8%            |
| Basic Earnings / (Losses) per Share (Discontinued Operations) (in Euro)               | 0.1506           | -0.0783          |                   |
| <b>Basic Earnings per Share (Continuing and Discontinued Operations) (in Euro)</b>    | <b>1.6434</b>    | <b>0.5712</b>    | <b>187.7%</b>     |

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It is noted that **Adjusted EBITDA** does not include gains from the sale of fixed assets of € 760 thousand and impairment losses of fixed assets amounting to € 742 thousand, which relate to the operational reorganization of Don & Low LTD. Moreover, the above figure does not include provisions for expenses amounting to € 400 thousand in relation to personnel compensation and indemnities.

Regarding the **investment plan**, the implementation of the planned investments of the Group is progressing smoothly, as well as the additional extraordinary investment plan of € 25.5 million, of which € 21.4 million relate to the investments that will be made in the production facilities of the Group in Xanthi, Greece and € 4.1 million relate to investments in the Group's facilities in Scotland, United Kingdom.

It should be noted that the Board of Directors of the Company decided to **distribute an interim dividend** for the fiscal year 2021, with the total amount settling at € 4,750 thousand (gross amount). The dividend payment will take place on December 8, 2021.

### **Assessing the impact of the pandemic in the future and prospects of the Group**

Regarding the prospects for the current year, Company's Management estimates that the financial performance of the Group will continue to show a satisfactory course in the fourth quarter of 2021, although a slowdown in profitability is expected, compared to the previous quarters of the year. The further decline in demand for personal protection and health products, combined with the maintenance of increased prices of both raw materials as well as energy and transport costs, are expected to affect the latest months of the year and create conditions of uncertainty for the following year as well.

In this macroeconomic environment, the Group acts with the aim of maintaining the profitability that derives from the traditional sales mix by having in the past carried out a series of actions while it continues to implement actions towards the above direction. At the same time, the Group's priority is to develop new products and to penetrate new markets, while important actions are implemented regarding recycling and the circular economy, actions that are an integral part of the Group's strategy and will form new dynamics for the future.

At the same time, the Management of the Group works uninterruptedly for the implementation of the new strategy, as well as the implementation of the annual investment plan, but also of the extraordinary investment actions that have been approved. The Management of the Group is confident that the overall implementation of the respective investment plans creates conditions for the Group to gradually enter into a new era of development, improvement of infrastructure, further expansion of activities and improvement of profit margins, compared to the pre-pandemic levels. At the same time, the strengthening of the Group's financial position is the basis for the implementation of the future investment plans, as they will be unveiled in the coming years, actions that in turn will contribute to the successful implementation of the new strategy, always within the framework of profitable sustainable development.

Despite the fact that the current conditions in the global market place create significant volatility, making any assessment regarding the impact of the pandemic on the commercial activity and the financial results of the Company and the Group uncertain, the Group's Management estimates that neither the Group nor any of its individual activities face any potential threat in terms of cessation of business activity (going concern). At the same time, the Management remains optimistic with regard to the satisfactory performance of the Group's financial results for the entire fiscal year, although it maintains reservations about the consequences of the pandemic on the economies of the respective countries over the next period as well as over the next year and for the evolution and potential increase of the Group's main operating cost items.

For further clarifications or information regarding the present release you may refer to the Department of Investor Relations and Corporate Announcements, tel.: + 30 210-9875081.

#### **\* Note**

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

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

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

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

## ANALYSIS OF FINANCIAL RESULTS OF THE NINE-MONTH PERIOD OF 2021 (in € thousand)

|   |                 |                   |
|---|-----------------|-------------------|
| <b>Turnover (Continuing Operations)</b>   | <b>€341,575</b> | <b>(+34.6%)</b>   |
| Group sales increased by 34.6%. The increase in the sales of Packaging Unit settled at 11.3%, whereas the growth in sales of the Technical Fabrics Unit reached 44.6%.  |                 |                   |
| <b>Gross Profit (Continuing Operations)</b>   | <b>€122,072</b> | <b>(+57.8 %)</b>  |
| Gross profit margin settled at 35.7% in the nine-month period of 2021 compared to 30.5% in the same period of 2020.   |                 |                   |
| <b>Other Operating Income</b>   | <b>€1,170</b>   | <b>(+43.4%)</b>   |
| Other operating income refers mainly to the grants for hiring new graduates, income from Electric Energy management programs and income generated from the provision of other services.   |                 |                   |
| <b>Selling &amp; Distribution Expenses</b>  | <b>€26,666</b>  | <b>(+17.1%)</b>   |
| As % of Turnover, Selling & Distribution Expenses stood at 7.8% compared to 9.0% in the nine-month period of 2020.  |                 |                   |
| <b>Administrative Expenses</b>  | <b>€13,444</b>  | <b>(+16.1%)</b>   |
| As % of Turnover, Administrative Expenses stood at 3.9% compared to 4.6% in the nine-month period of 2020.  |                 |                   |
| <b>Research and Development Expenses</b>  | <b>€1,383</b>   | <b>(+30.7%)</b>   |
| As % of Turnover, R&D Expenses stood at 0.4%, at the same level as 2020.  |                 |                   |
| <b>Other Operating Expenses</b>   | <b>€2,550</b>   | <b>(-24.8%)</b>   |
| Other operating expenses dropped by -24.8%, comprising mainly one-off extraordinary non-recurring expenses.   |                 |                   |
| <b>Other Gain / (Losses)</b>  | <b>€938</b>     | <b>(3,134.5%)</b> |
| The large increase is due to the extraordinary gain from the sale of fixed assets of the subsidiary Don & Low LTD.  |                 |                   |
| <b>EBITDA (Continuing Operations)</b>   | <b>€96,670</b>  | <b>(+84.5%)</b>   |
| EBITDA margin settled at 28.3% compared to 20.7% in the nine-month period of 2020.  |                 |                   |
| <b>Adjusted EBITDA</b>  | <b>€ 97,052</b> | <b>(+77.8%)</b>   |
| The Adjusted EBITDA margin settled at 28.4% compared to 21.5% in the nine-month period of 2020.   |                 |                   |
| <b>Finance Cost (Net)</b>   | <b>€-2,019</b>  | <b>(-27.0%)</b>   |
| The decrease emerged due to the repayment and consequently the reduction of debt in conjunction with the relative drop in interest rates.   |                 |                   |
| <b>EBT (Continuing Operations)</b>  | <b>€80,954</b>  | <b>(+110.8%)</b>  |
| EBT Margin settled at 23.7%, compared to 15.1% in the nine-month period of 2020.  |                 |                   |
| <b>Earnings after Taxes (Total Operations)</b>  | <b>€71,669</b>  | <b>(+181.1%)</b>  |
| EAT Margin settled at 21.0% compared to 9.8% in the nine-month period 2020 calculated as percentage of the Total Turnover (Continuing and Discontinued Operations). (€341,575 thousand versus €258,891 thousand in previous year) |                 |                   |
| <b>EATAM (Total Operations)</b>   | <b>€71,262</b>  | <b>(+185.7%)</b>  |
| EAT Margin settled at 20.9% compared to 9.6% in the nine-month period of 2020 calculated as percentage of the Total Turnover.   |                 |                   |
| <b>Earnings per Share (Continuing Operations)</b>   | <b>€ 1.4928</b> | <b>(+129.8%)</b>  |
| <b>Earnings per Share (Total Operations)</b>  | <b>€1.6434</b>  | <b>(+187.7%)</b>  |
| <b>Inventories</b>  | <b>€57,290</b>  | <b>(+3.5%)</b>    |
| Increase mainly due to the higher raw material prices.  |                 |                   |
| <b>Trade Receivables</b>  | <b>€72,871</b>  | <b>(+28.2%)</b>   |
| Increase of trade receivables due to seasonality factors and higher Turnover.   |                 |                   |
| <b>Suppliers</b>  | <b>€52,662</b>  | <b>(+77.3%)</b>   |
| Increase of liabilities towards suppliers due to seasonality factors and stronger business activity.  |                 |                   |
| <b>Net Debt</b>   | <b>€-22,679</b> | <b>(-159.4%)</b>  |
| The Group reported a Net Cash of € 22.7 million as cash & cash equivalents exceeded debt liabilities. The ratio Net Debt / Total Equity settled at -0.09x on 30.09.2021 versus 0.22x on 31.12.2020.                               |                 |                   |

| Statement of Income for the Nine-Month Period of 2021                    |                 |                 |               |
|--|-----------------|-----------------|---------------|
|  | 9-Month<br>2021 | 9-Month<br>2020 | %<br>Ch.      |
| <i>(amounts in thousand euro)</i>  |                 |                 |               |
| Turnover (Continuing Operations)   | 341,575         | 253,729         | 34.6%         |
| Gross Profit (Continuing Operations)                                     | 122,072         | 77,339          | 57.8%         |
| <b>Gross Profit Margin</b>   | <b>35.7%</b>    | <b>30.5%</b>    |               |
| Other Operating Income   | 1,170           | 816             | 43.4%         |
| Selling & Distribution Expenses  | 26,666          | 22,776          | 17.1%         |
| As % of Turnover   | 7.8%            | 9.0%            |               |
| Administrative Expenses  | 13,444          | 11,575          | 16.1%         |
| As % of Turnover   | 3.9%            | 4.6%            |               |
| Research & Development Expenses  | 1,383           | 1,058           | 30.7%         |
| As % of Turnover   | 0.4%            | 0.4%            |               |
| Other Operating Expenses   | 2,550           | 3,390           | -24.8%        |
| Other Gain / (Losses)  | 938             | 29              | 3134.5%       |
| <b>EBIT* (Continuing Operations)</b>                                     | <b>80,137</b>   | <b>39,385</b>   | <b>103.5%</b> |
| <b>EBIT Margin</b>   | <b>23.5%</b>    | <b>15.5%</b>    |               |
| <b>EBITDA* (Continuing Operations)</b>                                   | <b>96,670</b>   | <b>52,404</b>   | <b>84.5%</b>  |
| <b>EBITDA Margin</b>   | <b>28.3%</b>    | <b>20.7%</b>    |               |
| <b>Adjusted EBITDA* (Continuing Operations)</b>                          | <b>97,052</b>   | <b>54,596</b>   | <b>77.8%</b>  |
| <b>Adjusted EBITDA Margin</b>  | <b>28.4%</b>    | <b>21.5%</b>    |               |
| Finance Cost (Net)   | -2,019          | -2,765          | -27.0%        |
| Earnings / (Losses) from Companies consolidated with the Equity Method   | 2,836           | 1,789           | 58.5%         |
| <b>EBT (Continuing Operations)</b>                                       | <b>80,954</b>   | <b>38,409</b>   | <b>110.8%</b> |
| <b>EBT Margin</b>  | <b>23.7%</b>    | <b>15.1%</b>    |               |
| Income Tax   | 15,816          | 9,489           | 66.7%         |
| EAT (Continuing Operations)  | 65,138          | 28,920          | 125.2%        |
| Earnings / (Losses) after Taxes (Discontinued Operations)                | 6,531           | -3,421          |               |
| <b>EAT (Total Operations)</b>  | <b>71,669</b>   | <b>25,499</b>   | <b>181.1%</b> |
| <b>EAT Margin*</b>   | <b>21.0%</b>    | <b>9.8%</b>     |               |
| EATAM (Continuing Operations)  | 64,731          | 28,368          | 128.2%        |
| Earnings / (Losses) after taxes and minorities (Discontinued Operations) | 6,531           | -3,421          |               |
| <b>EATAM (Total Operations)</b>  | <b>71,262</b>   | <b>24,947</b>   | <b>185.7%</b> |
| <b>EATAM Margin*</b>   | <b>20.9%</b>    | <b>9.6%</b>     |               |
| Earnings per Share (from Continuing Operations) (in euros)               | 1.4928          | 0.6496          | 129.8%        |
| Earnings / (Losses) per Share (from Discontinued Operations) (in euros)  | 0.1506          | -0.0783         |               |
| <b>Earnings per Share from Total Operations (in euros)</b>               | <b>1.6434</b>   | <b>0.5712</b>   | <b>187.7%</b> |

\*\* Note: EAT margin and EATAM margin have been calculated as percentage of the Total Turnover (from continuing and discontinued activities). Specifically for the 9-month period of 2020, the Total Turnover amounted to € 258,891 thousand whereas for the same period of 2021 the Total Turnover had settled at € 341,575 thousand.

| Results per Business Unit of Nine-Month Period 2021(Continuing Operations) |                   |         |        |           |         |        |         |         |              |         |         |         |
|--|-------------------|---------|--------|-----------|---------|--------|---------|---------|--------------|---------|---------|---------|
| Sector   | Technical Fabrics |         |        | Packaging |         |        | Other   |         | Eliminations |         | Group   |         |
| (Amounts in € thous.)  | 9M 2021           | 9M 2020 | % Ch.  | 9M 2021   | 9M 2020 | % Ch.  | 9M 2021 | 9M 2020 | 9M 2021      | 9M 2020 | 9M 2021 | 9M 2020 |
| Turnover   | 257,670           | 178,164 | 44.6%  | 91,692    | 82,412  | 11.3%  | 3,982   | 3,723   | -11,769      | -10,571 | 341,575 | 253,728 |
| Gross Profit   | 101,133           | 51,774  | 95.3%  | 20,774    | 25,378  | -18.1% | -163    | 346     | 328          | -160    | 122,072 | 77,338  |
| Gross Profit Margin  | 39.2%             | 29.1%   |        | 22.7%     | 30.8%   |        | -4.1%   | 9.3%    | -            | -       | 35.7%   | 30.5%   |
| Total EBITDA   | 82,600            | 33,144  | 149.2% | 14,732    | 19,686  | -25.2% | -620    | -357    | -42          | -69     | 96,670  | 52,404  |
| EBITDA Margin  | 32.1%             | 18.6%   |        | 16.1%     | 23.9%   |        | -15.6%  | -9.6%   | -            | -       | 28.3%   | 20.7%   |

## Condensed Statement of Financial Position

| <i>(amounts in thousand euro)</i>     | 30/9/2021      | 31/12/2020     | % Change      |
|---------------------------------------|----------------|----------------|---------------|
| Tangible Fixed Assets                 | 149,649        | 131,512        | 13.8%         |
| Right-of-use Assets                   | 3,231          | 13,197         | -75.5%        |
| Investment Property                   | 113            | 113            | 0.0%          |
| Intangible Assets                     | 10,564         | 10,655         | -0.9%         |
| Interests in Joint Ventures           | 17,881         | 15,068         | 18.7%         |
| Other Long-term Receivables           | 4,993          | 5,034          | -0.8%         |
| Deferred Tax Assets                   | 1,020          | 588            | 73.5%         |
| <b>Total Fixed Assets</b>             | <b>187,451</b> | <b>176,167</b> | <b>6.41%</b>  |
| Inventories                           | 57,290         | 55,338         | 3.5%          |
| Income Tax Prepaid                    | 527            | 278            | 89.6%         |
| Trade Receivables                     | 72,871         | 56,863         | 28.2%         |
| Other Receivables                     | 7,629          | 7,211          | 5.8%          |
| Fixed Assets Available for Sale       | 0              | 5,478          | -100.0%       |
| Cash & Cash Equivalents               | 76,243         | 40,824         | 86.8%         |
| <b>Total Current Assets</b>           | <b>214,560</b> | <b>165,992</b> | <b>29.26%</b> |
| <b>TOTAL ASSETS</b>                   | <b>402,011</b> | <b>342,159</b> | <b>17.5%</b>  |
| <b>TOTAL EQUITY</b>                   | <b>247,886</b> | <b>174,583</b> | <b>42.0%</b>  |
| Long-term Loans                       | 29,724         | 46,691         | -36.3%        |
| Liabilities from Leases               | 2,223          | 3,210          | -30.7%        |
| Provisions for Employee Benefi        | 7,064          | 16,012         | -55.9%        |
| Other Long-term Liabilities           | 5,510          | 2,358          | 133.7%        |
| <b>Total Long-term Liabilities</b>    | <b>44,521</b>  | <b>68,271</b>  | <b>-34.8%</b> |
| Short-term Bank Debt                  | 20,821         | 26,311         | -20.9%        |
| Liabilities from Leases               | 796            | 2,822          | -71.8%        |
| Suppliers                             | 52,662         | 29,697         | 77.3%         |
| Other Short-term Liabilities          | 35,325         | 40,475         | -12.7%        |
| <b>Total Short-term Liabilities</b>   | <b>109,604</b> | <b>99,305</b>  | <b>10.4%</b>  |
| <b>Total Liabilities</b>              | <b>154,125</b> | <b>167,576</b> | <b>-8.0%</b>  |
| <b>TOTAL EQUITY &amp; LIABILITIES</b> | <b>402,011</b> | <b>342,159</b> | <b>17.5%</b>  |