

**THRACE SYNTHETIC PACKAGING LIMITED**

**Directors' Report and Financial Statements  
For the year ended 31 December 2023**

Registered Number: 102221

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## THRACE SYNTHETIC PACKAGING LIMITED

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## THRACE SYNTHETIC PACKAGING LIMITED

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### DIRECTORS AND OTHER INFORMATION

<b>DIRECTORS</b>	D. Malamos (Greek) (Chairman) K. Chalioris (Greek) A. Devery C. Johnson (Scottish)
<b>SECRETARY</b>	D. Dunne
<b>REGISTERED NUMBER</b>	102221
<b>REGISTERED OFFICE</b>	Clara, Co. Offaly.
<b>AUDITORS</b>	RBK Business Advisers, Chartered Accountants and Statutory Audit Firm, RBK House, Irishtown, Athlone, Co. Westmeath N37 XP52.
<b>BANKERS</b>	Bank of Ireland, Bridge Street, Tullamore, Co. Offaly.  Bank of Ireland, 12 Trevor Hill, Newry, Co. Down.
<b>SOLICITORS</b>	Adrian Burke & Associates, 51/52 Fitzwilliam Square, Dublin 2.

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# THRACE SYNTHETIC PACKAGING LIMITED

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## DIRECTORS' REPORT FOR THE YEAR ENDED 31 DECEMBER 2023

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The directors present their annual report together with the audited financial statements of Thrace Synthetic Packaging Limited for the year ended 31 December 2023.

### Principal Activity and Business Review

The principal activity of the Company is the distribution of polypropylene products received from companies in the Thrace Plastics Group and the manufacture of injection moulding products.

The directors are satisfied with the results for the year.

### Future Developments

The directors plan to continue with the Company's current activity.

### Principal risks and Uncertainties

The Company faces the following key risks and uncertainties:

#### Market Risk

Economic and market challenges have continued to have a significant influence on the business.

#### Financial Risk

The market place is volatile and movements in raw material prices and exchange rates provide an ongoing challenge for the Company. These factors are monitored closely by the Directors and the Company responds to these by detailed strategic planning, thorough budgeting, review of the cost structure and by recovery of unavoidable cost increases.

#### Financial Management

The Company prepares a detailed annual budget and this becomes the key document against which progress during the year is monitored.

The key performance indicators focused on by management include:

	<b>Year ended 31 December 2023 €'000</b>	Year ended 31 December 2022 €'000
Revenue	17,920	17,852
EBIT	1,420	844
EBIT margin	7.9%	4.7%
Profit for the year	1,247	742

Key performance indicators are in line with Company targets.

### Results and Dividends

The results for the year are set out on page 9.

A dividend amount of €340,000 for 2022 was declared and paid in February 2024.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**DIRECTORS REPORT (Continued)  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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**Directors and Secretary**

In accordance with the company's Articles of Association the directors are not required to retire by rotation.

The directors and secretary and their families had no interests other than those shown below in the shares of the company or group companies at 31 December 2023 and 31 December 2022:

<i>Name of Director</i>	<i>Description of instrument</i>	<i>Name of company</i>	<i>Number 2023</i>	<i>Number 2022</i>
K. Chalioris	Common Bearer Shares	Thrace Plastics Co. SA	18,936,558	18,936,558

**Disabled Employees**

Applications for employment by disabled persons are always fully considered bearing in mind the respective aptitudes and abilities of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment within the Company continues and that appropriate training is arranged. It is the policy of the Company that the training, career development and promotion of disabled persons should, as far as possible, be identical with that of other employees.

**Accounting records**

The measures taken by the directors to secure compliance with the requirements of section 281 to 285 of the Companies Act, 2014 with regard to keeping of accounting records, are the employment of appropriately qualified accounting personnel and the maintenance of computerised accounting systems. The company's accounting records are maintained at the company's registered office at Clara, Co. Offaly.

**Charitable and Political Donations**

The Company made a charitable donation of €Nil during the year (2022: €Nil). The Company made no political donations during the year (2022: €Nil).

**Events after the Reporting Period**

There have been no events after the reporting period which requires disclosure in the financial statements.

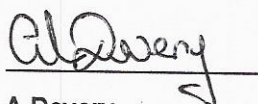
**Disclosure of Information to Auditor**

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Company's auditor is unaware; and each director has taken all the steps that they ought to have taken as a director to make themselves aware of any relevant audit information and to establish that the Company's auditor is aware of that information.

**Auditors**

The auditors, RBK Business Advisers, continue in office in accordance with section 383(2) of the Companies Act 2014.

On behalf of the board



**A Devery**  
Director

Date: 16 February 2024



**C. Johnson**  
Director

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**STATEMENT OF DIRECTORS' RESPONSIBILITIES  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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The directors are responsible for preparing the Directors' Report and the financial statements, in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law, the directors have elected to prepare the financial statements in accordance with International Financial Reporting Standards ("IFRSs") as adopted by the EU and applicable law.

The financial statements are required by law and IFRSs as adopted by the EU to present fairly the financial position and performance of the company; the Companies Act 2014 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

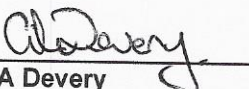
In preparing the financial statements, the directors are required to:

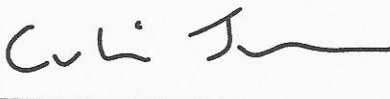
- Select suitable accounting policies for the company financial statements and then apply them consistently;
- Make judgements and accounting estimates that are reasonable and prudent;
- State whether the financial have been prepared in accordance with applicable accounting standards, identify those standards, and note the effect and the reasons for any material departure from those standards; and
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue this business.

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act 2014. They are also responsible for taking such steps as are reasonably open to them to safeguard the assets of the company and to prevent and detect fraud and other irregularities.

The directors are also responsible for preparing a directors' report that complies with the requirements of the Companies Act 2014.

On behalf of the board

  
A Devery  
Director

  
C. Johnson  
Director

Date: 16 February 2024

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## THRACE SYNTHETIC PACKAGING LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THRACE SYNTHETIC PACKAGING LIMITED

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#### Opinion

We have audited the financial statements of Thrace Synthetic Packaging Limited for the year ended 31 December 2023, which comprise the statement of comprehensive income, statement of other comprehensive income, the statement of financial position, the statements of changes in equity, the statement of cash flow and the notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is Irish law and international financial reporting standards (IFRS) issued by the Financial Reporting Council and promulgated by the Institute of Chartered Accountants as adopted by the European Union ("EU").

This report is made solely to the Company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

In our opinion the financial statements:

- give a true and fair view of the assets, liabilities and financial position of the Company's affairs as at 31 December 2023 and of its profit for the period then ended;
- have been properly prepared in accordance with International Financial Reporting Standards (IFRS) applicable in the UK and Republic of Ireland'; and
- have been prepared in accordance with the requirements of the Companies Act 2014.

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (Ireland) (ISAs (Ireland)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of financial statements in Ireland, including the Ethical Standard issued by the Irish Auditing and Accounting Supervisory Authority (IAASA), and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

We have nothing to report in respect of the following matters in relation to which the ISAs (Ireland) require us to report to you where:

- the directors' use of the going concern basis of accounting in the preparation of the financial statements is not appropriate; or
- the directors have not disclosed in the financial statements any identified material uncertainties that may cast significant doubt about the Company's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from the date when the financial statements are authorised for issue.



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## THRACE SYNTHETIC PACKAGING LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THRACE SYNTHETIC PACKAGING LIMITED (Continued)

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#### Other Information

The directors are responsible for the other information. The other information comprises the information included in the Annual report, other than the financial statements and our Auditors' report thereon. Our opinion on the financial statements does not cover the information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

#### Opinion on other matters prescribed by the Companies Act 2014

Based solely on the work undertaken in the course of the audit, we report that:

- in our opinion, the information given in the Directors' Report is consistent with the financial statements; and
- in our opinion, the Directors' Report has been prepared in accordance with applicable legal requirements.

We have obtained all the information and explanations which we consider necessary for the purposes of our audit.

In our opinion the accounting records of the Company were sufficient to permit the financial statements to be readily and properly audited, and financial statements are in agreement with the accounting records.

#### Matters on which we are required to report by exception

Based on the knowledge and understanding of the Company and its environment obtained in the course of the audit, we have not identified material misstatements in the Directors' Report.

The Companies Act 2014 requires us to report to you if, in our opinion, the disclosures of directors' remuneration and transactions required by sections 305 to 312 of the Act are not made. We have nothing to report in this regard.

#### Respective responsibilities

##### Responsibilities of directors for the financial statements

As explained more fully in the directors' responsibilities statement on page 4, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.



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## THRACE SYNTHETIC PACKAGING LIMITED

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### INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF THRACE SYNTHETIC PACKAGING LIMITED (Continued)

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In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### **Auditors' responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (Ireland) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs (Ireland), we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion of the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as going concerns. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF  
THRACE SYNTHETIC PACKAGING LIMITED (Continued)**

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**The purpose of our audit work and to whom we own our responsibilities**

This report is made solely to the company's members, as a body, in accordance with Section 391 of the Companies Act 2014. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in an Auditors' Report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members, as a body, for our audit work, for this report, or for the opinions we have formed.



**Cathal Melia**

**for and on behalf of**

**RBK Business Advisers**

Chartered Accountants & Statutory Audit Firm

RBK House

Irishtown

Athlone

Co. Westmeath

N37 XP52

Date: 16 February 2024

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**STATEMENT OF COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	Note	2023 €	2022 €
<b>Revenue</b>	4	<b>17,919,747</b>	17,852,104
Cost of sales		<b>(13,425,285)</b>	(14,431,001)
<b>Gross Profit</b>		<b>4,494,462</b>	3,421,103
Distribution costs		<b>(1,716,642)</b>	(1,293,359)
Administrative costs		<b>(1,355,409)</b>	(1,298,214)
Other operating income		<b>(2,575)</b>	14,739
Other operating expenses		-	-
<b>Profit from Operating Activities</b>	7	<b>1,419,836</b>	844,269
Interest payable and similar expenses		<b>(4,687)</b>	(9,080)
<b>Profit before income tax</b>		<b>1,415,149</b>	835,189
Tax on profit	8	<b>(167,352)</b>	(92,357)
<b>Total comprehensive income for the financial year</b>		<b>1,247,797</b>	742,832

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**STATEMENT OF OTHER COMPREHENSIVE INCOME  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	2023 €	2022 €
<b>Profit for the financial year</b>	<u><b>1,247,797</b></u>	<u>742,832</u>
<b>Total other comprehensive income for the financial year</b>	<u><b>1,247,797</b></u>	<u>742,832</u>
<b>Attributable to:</b>	<b>1,247,797</b>	742,832
Equity Holders of the Company	<u><b>1,247,797</b></u>	<u>742,832</u>

The accompanying notes form an integral part of the financial statements.

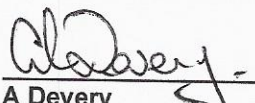
**THRACE SYNTHETIC PACKAGING LIMITED**


**STATEMENT OF FINANCIAL POSITION  
FOR THE YEAR ENDED 31 DECEMBER 2023**

	Note	2023		2022	
		€	€	€	€
<b>Assets</b>					
Property, plant and equipment	9		5,211,264		4,037,050
<b>Total non-current assets</b>			<b>5,211,264</b>		<b>4,037,050</b>
Inventories	10	3,663,748		3,927,060	
Trade and other receivables	11	3,178,465		5,127,196	
Cash and cash equivalents	12	1,986,286		983,437	
<b>Total current assets</b>			<b>8,828,499</b>		<b>10,037,693</b>
<b>Total Assets</b>			<b>14,039,763</b>		<b>14,074,743</b>
<b>Equity</b>					
Issued share capital	13		1,000,000		1,000,000
Capital conversion reserve	13		72,783		72,783
Retained earnings			10,776,663		9,528,866
Revaluation reserve			38,911		38,911
<b>Total equity</b>			<b>11,888,357</b>		<b>10,640,560</b>
<b>Non-current liabilities</b>					
Lease liability	14		54,541		38,646
<b>Total non-current liabilities</b>			<b>54,541</b>		<b>38,646</b>
<b>Current Liabilities</b>					
Trade and other payables	14 & 15		2,096,865		3,395,537
<b>Total current liabilities</b>			<b>2,096,865</b>		<b>3,395,537</b>
<b>Total Liabilities</b>			<b>2,151,406</b>		<b>3,434,183</b>
<b>Total Equity and Liabilities</b>			<b>14,039,763</b>		<b>14,074,743</b>

The accompanying notes form an integral part of the financial statements.

These financial statements were approved by the board of directors and were signed on its behalf by:

  
A Devery  
Director  
Date: 16 February 2024

  
C. Johnson  
Director

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**STATEMENT OF CHANGES IN EQUITY  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	<b>Share Capital €</b>	<b>Capital Conversion Reserve €</b>	<b>Reservation Reserve €</b>	<b>Retained Earnings €</b>	<b>Total Attributable To Equity Holders of The Company €</b>
At 1 January 2022	1,000,000	72,783	38,911	9,786,034	10,897,728
Profit for the year	-	-	-	742,832	742,832
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	742,832	742,832
Dividends				(1,000,000)	(1,000,000)
<b>At 31 December 2022</b>	<b>1,000,000</b>	<b>72,783</b>	<b>38,911</b>	<b>9,528,866</b>	<b>10,640,560</b>
Profit for the year	-	-	-	1,247,797	1,247,797
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	-	-	1,247,797	1,247,797
Dividends				-	-
<b>At 31 December 2023</b>	<b>1,000,000</b>	<b>72,783</b>	<b>38,911</b>	<b>10,776,663</b>	<b>11,888,357</b>

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**STATEMENT OF CASH FLOWS  
FOR THE YEAR ENDED 31 DECEMBER 2023**

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	Note	2023	2022
<b>Cash flows from operating activities</b>			
(Loss)/Profit for the year		1,247,797	724,751
Adjustments for:			
Depreciation	7	605,953	563,424
Taxation charge	8	167,352	92,357
Interest on leases		4,687	9,080
		2,025,789	1,389,612
Decrease/(Increase) in inventories	10	263,312	(154,705)
Decrease/(Increase) in trade and other receivables	11	1,875,986	(1,502,585)
(Decrease)/Increase in trade and other payables	15	(1,362,929)	128,547
		2,802,158	(139,131)
Tax Paid		(50,443)	(53,908)
<b>Net cash generated from operating activities</b>		2,751,715	(193,039)
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	9	(1,780,167)	(409,366)
Lease interest paid		(4,793)	(3,541)
<b>Net cash used in investing activities</b>		(1,784,960)	(412,907)
<b>Cash flow from financing activities</b>			
Repayment of/new finance leases		36,094	54,252
Interest paid		-	(5,423)
Dividend payable		-	(1,000,000)
<b>Net cash inflow generated from financing activities</b>		36,094	(951,171)
<b>Net (decrease)/increase in cash and cash equivalents</b>		1,002,849	(1,557,117)
Cash and cash equivalents at beginning of year	12	983,437	2,540,554
<b>Cash and cash equivalents at end of year</b>	12	1,986,286	983,437
<b>Cash and cash equivalents at end of year comprise:</b>			
Cash at bank and in hand		1,986,286	983,437
		1,986,286	983,437



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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

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#### 1. General Information

Thrace Synthetic Packaging Limited (“the Company”) is a company incorporated and domiciled in the Republic of Ireland. The address of its registered office and principal place of business is disclosed in the introduction to the annual report. The company’s registered number is 102221.

#### 2. Basis of Preparation

##### a. Statement of Compliance

The financial statements have been prepared and approved by the directors in accordance with International Financial Reporting Standards (“IFRSs”) as adopted by the European Union (“EU”) as issued by the International Accounting Standards Board (IASB). They have been prepared under the assumption that the company operates on a going concern basis.

##### b. Measurement

The financial statements have been prepared on the historical cost basis.

##### c. Functional and Presentation Currency

The financial statements are presented in Euro, which is the Company’s functional currency.

##### d. Use of Estimates and Judgements

The preparation of financial statements in conformity with IFRSs as adopted by the EU, requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affect both current and future periods.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 3. Significant Accounting Policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements.

##### a. Foreign Currency

###### i. Foreign currency transactions

Transactions in foreign currencies are translated at the foreign exchange rate ruling at the date of the transaction. Non-monetary assets that are carried at historical cost are not subsequently re-translated. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are translated to functional currency at the foreign exchange rate ruling at that date. Foreign exchange differences arising on translations are recognised in the income statement. Non-monetary assets and liabilities denominated in foreign currencies that are stated at fair value are translated to functional currency exchange rates ruling at the dates the fair values were determined.

##### b. Property, Plant and Equipment

###### i. Owned Assets

Items of property, plant and equipment are stated at cost, net of accumulated depreciation and any impairment losses (see accounting policy (c)). Cost includes those costs, including employee and other costs, which are directly attributable to bringing assets into working consideration for their intended use. The cost of self-constructed assets and acquired assets includes, where relevant, (i) the initial estimate at the time of installation of the assets of dismantling and removing the items and of restoring the site on which they are located; and (ii) changes in the measurement of existing liabilities recognised for those costs during the period of use resulting from changes in the timing or outflow of resources required to settle the obligation or from changes in the discount rate.

Costs in relation to assets in development and construction are capitalised, where, in the opinion of the directors, the related project will be successfully developed and the economic benefits arising from future operations will at least equal the amount of capitalised expenditure incurred to date. Depreciation commences when the asset is substantially complete and ready for its intended use.

Where parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items of property, plant and equipment.

###### ii. Subsequent expenditure

The Company recognises in the carrying amount of an item of property, plant and equipment the cost of replacing part of such an item, when that cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the Company and the cost of the replaced item can be measured reliably for its de-recognition. All other costs are recognised in the income statement as an expense is incurred.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 3. Significant Accounting Policies (*continued*)

##### b. Property, Plant and Equipment (*continued*)

##### iii. Depreciation

Depreciation is charged to the income statement on a straight line basis over the estimated useful lives of each part of an item of property, plant and equipment. The estimated useful lives are as follows:

Land	-	Nil
Buildings	-	25 years
Plant and equipment	-	3-14 years
Software	-	5 years
Motor vehicles	-	3 years

Assets under construction are not depreciated until such time as they are ready for use.

The residual value, if significant and remaining useful lives are reassessed annually.

##### iv. Impairment

The carrying amounts of the Company's assets, other than inventories (see accounting policy (d)) and deferred tax assets (see accounting policy (i)) are reviewed at each statement of financial position date to determine whether there is any indication or impairment. Non-depreciable assets and goods are assessed annually for impairment. In assessing an asset for impairment, the recoverable amount of the asset or its cash generating unit is estimated. An impairment loss is recognised when the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. Impairment losses are recognised in the income statement.

Impairment losses recognised in respect of cash-generating units are allocated to reduce the carrying amount of the other assets in the unit (group of units) on a pro-rata basis.

##### v. Calculation of recoverable amount

The recoverable amount of such assets is the greater of their net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate largely independent cash inflows, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

##### vi. Reversals of Impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss has been recognised.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 3. Significant Accounting Policies (*continued*)

##### b. Property, Plant and Equipment (*continued*)

###### vii. Leased assets

###### Accounting policy applicable from 1 January 2020

###### The company as a lessee

For any new contracts entered into on or after 1 January 2020, the company considers whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'. To apply this definition the company assesses whether the contract meets three key evaluation which can whether:

- the contract contains an identified asset, which is either explicitly identified in the contract or implicitly specified by being identified at the time the asset is made available to the company;
- the company has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract;
- the company has the right to direct the use of the identified asset throughout the period of use. The company assess whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

###### Measurement and recognition of leases as a lessee

At lease commencement date, the company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the company, an estimate of any costs to dismantle and remove the asset at the end of the lease, and any lease payments made in advance of the lease commencement date.

The company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The company also assesses the right-of-use asset for impairment when such indicators exist.

Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed).

Subsequent to initial measurement, the liability will be reduced for payments made. It is remeasured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments.

When the lease liability is remeasured, the corresponding adjustment is reflected in the right-of-use asset, or profit and loss if the right-of-use asset is already reduced to zero.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 3. Significant Accounting Policies (*continued*)

##### b. Property, Plant and Equipment (*continued*)

###### vii. Leased assets (*continued*)

The company has elected to account for short-term leases and leases of low-value assets using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these are recognised as an expense in profit and loss on a straight-line basis over the lease term.

On the statement of financial position, right-of-use assets have been included in property, plant and equipment and lease liabilities have been included in trade and other payables.

###### Accounting policy applicable before 1 January 2020

###### The company as a lessee

###### Operating leases

All other leases are treated as operating leases. Where the company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

##### c. Inventories

Inventories are stated at the lower of cost and net realisable value. Cost is based on the weighted average method and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition. Net realisable value is based on estimated selling price in the ordinary course of business, less further costs expected to be incurred to completion and disposal. Provision is made for obsolete, slow-moving or defective items where appropriate.

##### d. Financial Instruments

###### Non-derivative financial instruments

Non derivative financial instruments comprise investments in trade and other receivables, cash and cash equivalents and trade and other payables. Non derivatives are recognised initially at fair value plus any directly attributable transaction costs, except as described below. Subsequent to initial recognition, non-derivative financial instruments re measured as described below.

A financial instrument is recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognised when the Company's contractual rights to the cash flows from the financial assets expire, are extinguished or if the Company transfers the financial asset to another party without retaining control or substantially all risks and rewards of the asset. Regular purchases and sales of financial assets are accounted for at trade date i.e. the date that the Company commits itself to purchase or sell the asset. Financial liabilities are derecognised if the Company's obligations specified in the contracts expire or are discharged or cancelled.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 3. Significant Accounting Policies (*continued*)

##### d. Financial Instruments (*continued*)

###### i. Trade and other receivables

Trade and other receivables are stated at their cost less impairment losses (see accounting policy (c)).

###### ii. Cash and cash equivalents

Cash and cash equivalents comprise cash balances and call deposits. Bank overdrafts that are repayable on demand and form an integral part of the Company's cash management are included as a component of cash and cash equivalents for the purpose of the statement of cash flows.

###### iii. Trade and other payables

Trade and other payables are stated at their expected settlement amount.

##### e. Post-employment benefits plans

The company provides post-employment benefits through defined contribution plans. The company pays fixed contributions into independent entities for individual employees. The company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

##### f. Revenue

Revenue represents the fair value of goods and services delivered to customers in the normal course of business, net of trade discounts and VAT. Revenue is recognised when the goods are delivered to the customer.

###### i. Rental income

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease

##### g. Cost of Sales

Cost of sales includes those costs directly attributable to the Company's revenue streams.

##### h. Expenses

###### i. Finance costs and finance income

Net financing costs comprise interest payable on borrowings calculated using the effective interest rate method and interest receivable on funds invested. Interest payable in borrowings is shown as an operating activity in the statement of cash flows. Interest income is recognised in the income statement as it accrues, taking into account the effective yield on the asset. Interest income is shown as an operating activity in the statement of cash flows.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 3. Significant Accounting Policies (*continued*)

##### h. Expenses (*continued*)

##### i. Finance costs and finance income

The interest expense component of finance lease payments is recognised in the income statement using the effective interest rate method.

##### i. Income Tax

Income tax on the profit for the period comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the statement of financial position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the statement of financial position liability method, providing for temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The following temporary differences are not provided for: goodwill not deductible for tax purposes, those arising on the initial recognition of assets or liabilities that affect neither accounting or taxable profit and differences relating to retained earnings in subsidiaries, to the extent that they will probably not reverse in the foreseeable future. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities, using tax rates enacted or substantially enacted at the statement of financial position date.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

#### 4. Revenue

Revenue arises as follows:

	2023	2022
	€	€
Sale of polypropylene products	12,073,209	12,500,987
Manufacturing	5,846,538	5,351,117
	<u>17,919,747</u>	<u>17,852,104</u>
<b>Geographical segments</b>	<b>€</b>	<b>€</b>
Ireland	14,673,869	15,246,403
United Kingdom	3,119,877	2,561,546
Rest of Europe	126,001	44,155
Asia/Other	-	-
	<u>17,919,747</u>	<u>17,852,104</u>



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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**4. Revenue (continued)**

**Business Segments**

	<b>Manufacturing continuing operations</b>		<b>Packaging continuing operations</b>		<b>Consolidated</b>	
	<b>2023</b>	2022	<b>2023</b>	2022	<b>2023</b>	2022
Total Revenue from Sales to External Customers	<u><b>5,846,538</b></u>	<u>5,351,118</u>	<u><b>12,073,209</b></u>	<u>12,500,987</u>	<u><b>17,919,747</b></u>	<u>17,852,104</u>

**5. Employee benefits and transactions with executive directors and other key management personnel**

The average number of persons employed by the Company during the year ended 31 December 2023 was 44 (2022: 49) and is analysed as follows:

	<b>2023</b>	2022
Production and packaging	<b>25</b>	27
Sales and distribution	<b>13</b>	11
Administration	<b>7</b>	6
	<u><b>45</b></u>	<u>44</u>
Staff costs comprise:	<b>2023</b>	2022
	<b>€</b>	€
Wages and salaries	<b>1,982,817</b>	1,759,289
Social welfare costs	<b>202,624</b>	174,892
Define contribution pension costs	<b>45,808</b>	50,651
	<u><b>2,231,249</b></u>	<u>1,984,832</u>

In the opinion of the directors, executive directors comprise the key management of the Company.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**6. Employee benefits and transactions with executive directors and other key management personnel**

Directors/Key management personnel compensation is as follows:

	<b>2023</b>	2022
	€	€
Emoluments	<b>193,109</b>	309,782
Pension costs	<b>29,208</b>	28,187
	<u><b>222,317</b></u>	<u>337,969</u>

The interests of the directors in the share capital of the company at 31 December 2023 and 31 December 2022 are set out in the Directors' report on page 2 and 3.

**7. Statutory and other information**

	<b>2023</b>	2022
	€	€
Directors' remuneration	<b>193,109</b>	309,782
Auditor	<b>54,835</b>	37,380
Depreciation of:		
- Property, plant and equipment	<b>497,233</b>	451,938
- Software	<b>8,613</b>	25,837
- Buildings	<b>49,868</b>	49,869
-Motor vehicles	<b>50,239</b>	35,780
	<u><b>50,239</b></u>	<u>35,780</u>

**8. Income tax**

	<b>2023</b>	2022
	€	€
<b>Recognised in the income statement</b>		
Current tax	<b>149,271</b>	92,357
Adjustment relating to an earlier period	<b>18,081</b>	-
Total current tax charge	<u><b>167,352</b></u>	<u>92,357</u>
Deferred tax:		
Arising on losses carried forward	-	-
Total deferred tax charge	<u><b>167,352</b></u>	<u>92,357</u>
Total income tax charge	<u><b>167,352</b></u>	<u>92,357</u>

**THRACE SYNTHETIC PACKAGING LIMITED**

**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

**8. Income tax (continued)**

The difference between the total income tax expense shown above and the amount calculated by applying the standard rate of Irish corporation tax is as follows:

	<b>2023</b>	<b>2022</b>
	<b>€</b>	<b>€</b>
Profit before income tax	<b>1,415,149</b>	835,189
Irish corporate tax rate 12.5% (2022: 12.5%)	<b>176,894</b>	104,399
<i>Effects of:</i>		
Expenses not deductible for tax purposes	<b>1,562</b>	1,543
Income charged at higher rate	-	5,658
Depreciation in excess of capital allowances	<b>(26,856)</b>	(16,494)
Other adjustments	<b>11,337</b>	(7,627)
Tax deducted at source	<b>4,415</b>	4,878
Current tax charge for year	<b><u>167,352</u></b>	<u>92,357</u>

**9. Property, plant and equipment**

	<b>Land and Buildings</b>	<b>Plant and Equipment</b>	<b>Motor Vehicles</b>	<b>Computer Equipment</b>	<b>Asset under construction</b>	<b>Total</b>
<b>Cost</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>	<b>€</b>
At 01/01/23	1,631,083	5,504,318	144,393	129,185	-	7,408,979
Additions	-	1,003,447	75,215	-	701,505	1,780,167
Disposals	-	-	(56,632)	-	-	(56,632)
At 31/12/23	<u>1,631,083</u>	<u>6,507,765</u>	<u>162,976</u>	<u>129,185</u>	<u>701,505</u>	<u>9,132,514</u>
<b>Depreciation</b>						
At 01/01/23	636,795	2,551,337	63,225	120,572	-	3,371,929
Charge	49,868	497,233	50,239	8,613	-	605,953
Disposals	-	-	(56,632)	-	-	(56,632)
At 31/12/23	<u>686,663</u>	<u>3,048,570</u>	<u>56,832</u>	<u>129,185</u>	<u>-</u>	<u>3,921,250</u>
<b>Carrying Amounts</b>						
At 31/12/22	994,288	2,952,981	81,168	8,613	-	4,037,050
At 31/12/23	<u>944,420</u>	<u>3,459,195</u>	<u>106,144</u>	<u>-</u>	<u>701,505</u>	<u>5,211,264</u>

Included in the cost of valuation of freehold land and buildings at 31 December 2023 is €171,059 (2022: €171,059) attributed to land in respect of which no depreciation is provided. The directors do not consider the remaining useful lives of plant and equipment to be materially different from the period over which the assets are being depreciated.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**10. Inventories**

	2023	2022
	€	€
Raw materials and consumables	1,295,113	1,044,070
Finished goods	2,368,635	2,882,990
	3,663,748	3,927,060

In the opinion of the directors, there is no material difference between the carrying values of the Company's inventories and the fair value less costs to sell.

**11. Trade and other receivables**

	2023	2022
	€	€
Trade debtors	3,148,922	3,885,978
Other receivables and prepayments	29,543	24,456
Other debtors	-	72,745
Amounts owed by group undertakings	-	121,387
Short term loan to parent company	-	1,022,630
	3,178,465	5,127,196

The company's exposure to credit risk related to trade and other receivables is disclosed in note 16.

**12. Cash and cash equivalents**

	2023	2022
	€	€
Bank balances, being cash and cash equivalents	1,986,286	983,437
	1,986,286	983,437

**13. Share capital**

	2023	2022
	€	€
<i>Authorised</i>		
1,812,567 (2022: 1,812,567) ordinary shares of €1.25 each		
At end of year	2,265,709	2,265,709
<i>Allotted, called up and fully paid</i>		
800,000 (2022: 800,000) ordinary shares of €1.25 each		
At beginning and end of year	1,000,000	1,000,000

In prior years, the Company re-denominated its share capital from Irish pounds to Euro. This resulted in a transfer to the capital conversion reserve of €72,783.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**14. Loans and liabilities more than one year**

**Hire purchase and finance leases**

	<b>2023</b>	2022
	€	€
Within one year	<b>55,135</b>	45,895
Between 1-2 years	<b>54,541</b>	38,646
	<u><b>109,676</b></u>	<u>84,541</u>

**15. Creditors: Amounts falling due within one year**

	<b>2023</b>	2022
	€	€
Corporation Tax	<b>55,017</b>	-
Trade creditors	<b>623,771</b>	709,700
Accruals	<b>324,708</b>	360,247
Social security tax, PAYE and VAT	<b>272,992</b>	484,435
Amounts due to group undertakings	<b>765,242</b>	795,260
Dividends payable	-	1,000,000
Obligations under finance lease and hire purchase contracts	<b>55,135</b>	45,895
	<u><b>2,096,865</b></u>	<u>3,395,537</u>

The company's exposure to liquidity risk related to trade and other payables is disclosed in note 16.

**16. Financial instruments and financial risk management**

**a. Overview of risk exposures and risk management strategy**

The Company faces a number of financial risks in the ordinary course of business, including credit risk and liquidity risk. These are set out in more detail below. The most significant exposures relate to the creditworthiness of the Company's counterparties.

The Company's overall risk management programme is the responsibility of the directors. They seek to minimise potential adverse effects on the Company's financial performance from fluctuations in financial markets and to manage these risks in a non-speculative manner.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**16. Financial instruments and financial risk management (continued)**

**b. Financial assets and liabilities**

The following are contractual maturities of financial assets and liabilities.

31 December 2023	Carrying Amounts €	Contractual Cash Flows €	Due Within 6 Months €
<b>Financial assets</b>			
Cash and cash equivalents	1,986,286	1,986,286	1,986,286
Trade receivables	3,148,922	3,148,922	3,148,922
<b>Financial liabilities</b>			
Trade and other payables	(1,272,606)	(1,272,606)	(1,272,606)
	<u>3,862,602</u>	<u>3,862,602</u>	<u>3,862,602</u>

31 December 2022	Carrying Amounts €	Contractual Cash Flows €	Due Within 6 Months €
<b>Financial assets</b>			
Cash and cash equivalents	983,437	983,437	983,437
Trade receivables	3,885,978	3,885,978	3,885,978
<b>Financial liabilities</b>			
Trade and other payables	(1,600,277)	(1,600,277)	(1,600,277)
	<u>3,269,138</u>	<u>3,269,138</u>	<u>3,269,138</u>

**c. Basis for determining fair value**

Set out below are the major methods and assumptions used in determining the fair values of the financial assets and liabilities disclosed in the preceding tables.

**Cash and cash equivalents**

The nominal amount of cash and cash equivalents, all of which have a remaining maturity of three months, is deemed to reflect fair value at the statement of financial position date.

**Receivables and payables**

For receivables and payables with a remaining life of less than six months, the carrying value less impairment provision, where appropriate, is deemed to reflect fair value. All other receivables and payables are discounted to fair value on initial recognition, and at statement of financial position date.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**16. Financial instruments and financial risk management (continued)**

**d. Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and cash and cash equivalents.

**Trade and other receivables**

The directors have a credit policy in place where credit evaluations are performed on all customers requiring credit over certain thresholds and credit limits are established for each customer. The Company's exposure to credit risk and credit limits are monitored regularly.

The carrying amount of financial assets, net of impairment provisions, represents the Company's maximum credit exposure.

**Cash and cash equivalents**

These balances earn interest at a floating rate.

The maximum exposure to credit risk was as follows:

	2023	2022
	€	€
Cash and cash equivalents	1,986,286	983,437
Trade receivables	3,148,922	3,885,978
	<u>5,135,208</u>	<u>4,869,415</u>

Trade receivables are monitored by geographic region and by largest customers. At the statement of financial position date, there were no significant concentrations of credit risk.

The maximum exposure to credit risk on trade receivables by geographic region was as follows:

	2023	2022
	€	€
Ireland	2,657,971	3,484,183
United Kingdom	560,496	491,500
Rest of Europe	38,953	44,340
Other countries	-	-
	<u>3,257,420</u>	<u>4,020,023</u>

The Company's most significant customer accounts for €303,090 of the trade receivables carrying amount at 31 December 2023 (2022: €327,668).



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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**16. Financial instruments and financial risk management (continued)**

**d. Credit risk (continued)**

The following table details the ageing of gross trade receivables and the related impairment provisions in respect of specific amounts expected to be irrecoverable.

	2023	2023	2022	2022
	Gross	Impairment	Gross	Impairment
	€	€	€	€
Not past due	1,322,677	-	1,585,871	-
Past due 0 – 30 days	995,349	-	1,195,845	-
Past due 31 – 90 days	634,940	-	851,436	-
Past due 91 – 180 days	112,685	-	251,890	-
Past due 180 days – one year	191,769	(108,038)	134,981	(134,045)
	<u>3,257,420</u>	<u>(108,038)</u>	<u>4,020,023</u>	<u>(134,045)</u>

The allowance for impairments account is used to record impairment losses unless the Company is satisfied that no recovery of the amount owing is possible, at which point the amount is considered irrecoverable and is written off directly against the trade receivable. The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade receivables. The main components of this allowance are a specific loss component that related to individually significant exposures and a collective loss component established for group of similar assets in respect of losses that have been incurred but not yet identified.

The movement in the allowance for impairments in respect of trade receivables during the year was as follows:

	2023	2022
	€	€
At beginning of year	134,045	153,257
Impairment loss/(gain)	(25,547)	(19,212)
At end of year	<u>108,498</u>	<u>134,045</u>

**e. Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to manage liquidity is to ensure as far as possible that it will always have sufficient liquidity to meet its liabilities when due without incurring unacceptable losses or risking damage to the Company's reputation. It is the policy of the Company to have adequate committed undrawn facilities available at all times to cover unanticipated financing requirements.

**THRACE SYNTHETIC PACKAGING LIMITED**

**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

**16. Financial instruments and financial risk management (continued)**

**e. Liquidity risk (continued)**

The following are contractual maturities of financial liabilities, including interest payments and excluding the impact of netting arrangements:

	Carrying amount €'000	Contractual cash flows €'000	< 1 Year €'000	1-5 Years €'000	After 5 Years €'000
<b>31 December 2023</b>					
Trade and other payables	1,272,606	1,272,606	1,272,606	-	-
	<u>1,272,606</u>	<u>1,272,606</u>	<u>1,272,606</u>	<u>-</u>	<u>-</u>
	Carrying amount €'000	Contractual cash flows €'000	< 1 Year €'000	1-5 Years €'000	After 5 Years €'000
<b>31 December 2022</b>					
Trade and other payables	1,600,277	1,600,277	1,600,277	-	-
	<u>1,600,277</u>	<u>1,600,277</u>	<u>1,600,277</u>	<u>-</u>	<u>-</u>

**f. Market risk**

Market risk is the risk that changes in market prices, such as interest rates and commodity prices, will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

**Interest rate risk**

In managing interest rate risk, the Company's objective is to reduce the impact of short-term fluctuations on the Company's income. Over the long-term, however, permanent changes in interest rates would have an impact on income. The risk is managed by the use of forward interest rate contracts.

The Company's interest-bearing assets and liabilities are as follows:

	2023 €	2022 €
Variable rate assets	1,986,286	983,437
Fixed rate liabilities	-	-
	<u>1,986,286</u>	<u>983,437</u>

In respect of income-earning financial assets and interest-bearing financial liabilities, the following table indicates their effective interest rates at the statement of financial position date and the periods in which they re-price or mature.

**THRACE SYNTHETIC PACKAGING LIMITED**

**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

**16. Financial instruments and financial risk management (continued)**

**g. Interest rate risk**

<b>31 December 2023</b>	<b>Effective interest rate</b>	<b>Total €</b>	<b>&lt; 1 Year €</b>	<b>1-5 Years €</b>	<b>After 5 Years €</b>
<b>Financial assets</b>					
Cash and cash equivalents	0.01%	1,986,286	1,986,286	-	-
<b>31 December 2022</b>					
<b>31 December 2022</b>	<b>Effective interest rate</b>	<b>Total €</b>	<b>&lt; 1 Year €</b>	<b>1-5 Years €</b>	<b>After 5 Years €</b>
<b>Financial assets</b>					
Cash and cash equivalents	0.01%	983,437	983,437	-	-

**Sensitivity Analysis**

At 31 December 2023, it is estimated that a general increase or decrease of one percentage basis points in the bank's base rate would increase or decrease the Company's profit before tax by €NIL (2022: €NIL).

**Price risk**

Price risk arises from the purchase of raw materials for the sale of finished goods.

The Company's objective is to reduce exposure to price risks on raw materials, work in progress and finished goods through a low inventory holding and a high inventory turnover. The Company had a total inventory holding of €3,663,748 at 31 December 2023 (2022: €3,927,060).

**Foreign currency risk management**

The company under take transaction denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. Exchange rate exposures are managed within approved policy parameters utilising forward foreign exchange contracts. The net exchange differences recognised in profit or loss for the year amounted to gain of €170 (2022: loss of €9,447).

**17. Control of the Company and related party transactions**

*(i) Parent and ultimate controlling party*

The Company's controlling party is Thrace Plastics SA, the ultimate parent which is incorporated in Greece. The consolidated accounts are accessible to the public and may be obtained from The Ministry of Development Secretariat of Commerce, Kanigos Square, GR10181, Athens, Greece. The Company's immediate parent is Synthetic (Holdings) Limited, registered in Northern Ireland, and copies of its consolidated financial statements are available from the Registrar of Companies, IDB House, 64 Chicester Street, Belfast, BT1 4JX.

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## THRACE SYNTHETIC PACKAGING LIMITED

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### NOTES FOR THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023 (Continued)

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#### 17. Control of the Company and related party transactions (continued)

(ii) *Transactions with key management personnel*

Transactions with key management personnel are disclosed in note 6.

(iii) *Other related party transactions*

During the current and previous financial years, the Company incurred expenses and received income from the following related parties (Thrace Plastics Co. SA and subsidiary companies and Synthetic (Holdings) Limited (the Company's immediate parent undertaking)), which resulted in the following amounts being charged/(credited) to the income statement and being owned by/(to) the Company:

	Transaction value for the year		Balance outstanding as at:	
	2023	2022	2023	2022
	€	€	€	€
Thrace Plastics Co S.A.	208,075	213,000	-	(2,000)
Fellow subsidiary undertakings	6,846,401	6,901,731	547,660	456,291

Purchase of stock from intercompany on arms-length transactions.

#### 18. Accounting estimates and judgements

##### **Key sources of estimation uncertainty and critical accounting judgements in applying the Company's accounting policies**

(i) *Recoverability of trade receivables*

The Company has made judgements when assessing the impairment of its trade receivables. Outstanding balances have been grouped on the basis of similar risk characteristics such as past-due status, and impairment has been reviewed with reference to historical loss experience updated for current conditions.

(ii) *Inventory provisioning*

The directors are of the view that an adequate charge has been made to reflect the possibility of inventory being sold at less than cost.

(iii) *Going concern*

The financial statements are prepared on a going concern basis. The directors have considered forecasts and cash-flows for a period of twelve months from the date of the approval of the financial statements which demonstrate that there is no material uncertainty regarding the company's ability to meet its liabilities as they fall due. On this basis the directors consider it appropriate to prepare the financial statements on a going concern basis.

These financial statements do not include any adjustments to the carrying amounts and classification of assets and liabilities that may arise if the company was unable to continue as a going concern.

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**THRACE SYNTHETIC PACKAGING LIMITED**

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**NOTES FOR THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 DECEMBER 2023  
(Continued)**

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**19. Significant events after the reporting period**

There have been no events after the reporting period which requires disclosure in the financial statements.

**20. Approval of financial statements**

The financial statements were approved by the Directors on.16 February 2024