

FINANCIAL RESULTS OF THE FIRST QUARTER 2025

Increase in Turnover (9%) and Volumes Sold (+5%), albeit the adverse conditions

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

Period Summary:

- **Volumes Sold of 31.1 thousand tons (+5%)**
- **Turnover of € 96.4 mil. (+9.2%)**
- **Adjusted EBITDA amounted to € 9.4 mil.**
- **Net Debt amounted to € 48.1 mil.**
- **Prospects for rapid recovery in Operating Profitability (EBITDA) within the First Half of the year**

THRACE GROUP presents the financial results for the first quarter 2025.

First quarter 2025 Financial Results

During the first months of 2025, economic trends largely mirrored those of the previous year, as both macroeconomic factors and geopolitical tensions persisted. Concurrently, the threat of tariff imposition by the United States and the broader uncertainty it generates have created conditions of caution and anticipation regarding future developments, resulting in relative market stagnation. Overall, demand during the quarter followed the trajectory observed in the final months of 2024, remaining subdued—particularly in Central Europe and the United Kingdom.

In terms of the Group's business segments, the first quarter of the year was characterized by continued weak demand in the Technical Fabrics sector, albeit with a mild recovery in certain product categories. Demand in the Packaging sector remained stable.

Specifically, during the first quarter of 2025, the following trends were observed:

- Weak demand for construction-related products, with mild signs of recovery in specific markets.
- Stable demand for infrastructure and large-scale project-related products.
- Weak demand for agricultural sector products.
- Stable demand for food and paint packaging products.
- Market share increase across most business segments.
- Increased raw material costs compared to the end of the previous year, despite relatively weak demand.
- Significantly higher energy costs compared to the same quarter of the previous year.
- Stable transportation costs with minor fluctuations.
- Stable costs for secondary materials and packaging materials.
- Stable borrowing interest rates.

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In financial terms, the Group's turnover for Q1 2025 amounted to €96.4 million, compared to €88.3 million in the same period of the previous year, representing an increase of 9.2%. This growth is attributed to both higher sales volumes (which increased by 5.0% year-over-year) and a moderate rise in average selling prices.

Regarding operating profitability, adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization (EBITDA) for Q1 2025 amounted to €9.4 million, marking a 23.7% decrease compared to Q1 2024 (€12.3 million). This decline in operating profitability compared to the previous year was largely expected, due to: (a) continued weak demand, particularly in the construction and agricultural sectors, and (b) the increase in the cost base, especially the rise in energy costs, as Group-level energy expenses were higher by €2.5 million compared to the same quarter of the previous year.

In terms of liquidity and the working capital cycle of subsidiaries, the Group's Net Debt stood at €48.1 million, up from €34.4 million at the end of 2024. This increase is mainly attributed to seasonality, which typically results in higher working capital requirements in the first quarter compared to the final quarter of each fiscal year. Nevertheless, the low level of Net Debt reflects the Group's strong financial position, the quality of its customer portfolio, and its capacity to invest while maintaining low leverage.

More specifically, the following table depicts the key financial figures of the Group during the first quarter of 2025, compared to the corresponding period in 2024:

CONSOLIDATED FINANCIAL RESULTS (in € thous.)	31/03/2025	31/03/2024	Change (%)
Turnover	96,444	88,347	+9.2%
Volumes Sold	31,126	29,645	+5.0%
Gross Profit	18,901	20,506	-7.8%
EBIT	2,414	6,077	-60.3%
EBITDA	9,154	12,279	-25.4%
EBITDA Adjusted*	9,372	12,279	-23.7%
EBT	1,203	4,963	-75.8%
Earnings after Taxes	533	3,380	-84.2%
Earnings after Taxes and Non-Controlling Interests	450	3,183	-85.9%
Basic Earnings per Share (in €)	0.0105	0.0741	-85.8%

*The Adjusted EBITDA does not include non-recurring expenses amounting to €218, associated with the restructuring of subsidiary Don & Low LTD, specifically related to employee severance payments.

Prospects of the Group

As the second quarter of the year progresses, markets and economies exhibit characteristics largely consistent with those of the first quarter. Inflation remains stable, interest rates are unchanged, and raw material prices are declining—albeit with a lag—reflecting the persistently low demand. Additionally, energy costs are trending downward compared to Q1. In parallel, the recent crisis between Israel and Iran creates new conditions in that area, but also globally, while the level and duration of this crisis, as well as its potential impact in the economies and the market, remain unknown.

Given the limited time remaining in Q2 2025, it is not possible to provide a precise forecast for the Group's operating profitability (EBITDA) for the quarter. However, at the time of this report's preparation, it is estimated that the Group's EBITDA for the first half of 2025 will be at levels comparable to or slightly lower than those of the first half of the previous year. This suggests that the deviation observed in Q1 was temporary and is expected

to be largely offset in Q2, highlighting the Group's resilience, increasing market share, and continued strong operating profitability.

Regarding full-year profitability for 2025, despite significant uncertainty surrounding the global economic outlook—particularly in Europe—and the potential global impact of U.S. tariff policies, as well as the impact of the recent crisis between Israel and Iran, the Group Management estimates that EBITDA for 2025 will exceed the previous year's levels and may reach or surpass the operating profitability recorded in 2023 (EBITDA 2023: ~€44 million). Management continues to monitor market developments closely to ensure alignment with strategic objectives.

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.

ANALYSIS OF FINANCIAL RESULTS OF FIRST QUARTER 2025

STATEMENT OF COMPREHENSIVE INCOME (in € thousand)	31/3/2025	31/3/2024	Change (%)
Turnover	96,444	88,347	9.2%
Gross Profit	18,901	20,506	-7.8%
Gross Profit Margin	19.6%	23.2%	
Other Income	813	705	15.3%
Sales & Distribution Expenses	11,482	9,890	16.1%
As % of Turnover	11.9%	11.2%	
Administrative Expenses	4,514	4,166	8.4%
As % of Turnover	4.7%	4.7%	
Research & Development Expenses	530	662	-19.9%
As % of Turnover	0.5%	0.7%	
Other Expenses	620	458	35.4%
Other Income / (Losses)	-154	42	
EBIT	2,414	6,077	-60.3%
EBIT Margin	2.5%	6.9%	
EBITDA	9,154	12,279	-25.4%
EBITDA Margin	9.5%	13.9%	
Financial Cost (Net)	-734	-833	-11.9%
Earnings / (Losses) from Companies consolidated with the Equity Method	-477	-281	69.8%
EBT	1,203	4,963	-75.8%
EBT Margin	1.2%	5.6%	
Income Tax	-670	-1,583	-57.7%
Earnings after Taxes	533	3,380	-84.2%
EAT Margin	0.6%	3.8%	
EAT without Non-Controlling Interest	450	3,183	-85.9%
EAT without Non-Controlling Interest Margin	0.5%	3.6%	
Earnings per Share (in Euro)	0.0105	0.0741	-85.8%

STATEMENT OF FINANCIAL POSITION (in € thousand)	31/03/2025	31/12/2024	Change (%)
Property, Plant & Equipment	194,589	193,529	0.5%
Right-of-use Assets	2,755	3,065	-10.1%
Investment Property	113	113	0.0%
Intangible Assets	10,625	10,226	3.9%
Investments in Joint Ventures	18,483	20,430	-9.5%
Net benefit from funded defined benefit plans	6,777	5,980	13.3%
Other Long-term Receivables	161	158	1.9%
Deferred Tax Assets	842	815	3.3%
Total Non-Current Assets	234,345	234,316	0.0%
Inventories	84,035	85,105	-1.3%
Income Tax Prepaid	1,010	954	5.9%
Trade Receivables	82,653	73,151	13.0%
Other Receivables	10,109	7,166	41.1%
Financial derivative products	122	-	-
Fixed Assets held for sale	1,685	1,698	-0.8%
Cash & Cash Equivalents	24,889	33,456	-25.6%
Total Current Assets	204,503	201,530	1.5%
TOTAL ASSETS	438,848	435,846	0.7%
TOTAL EQUITY	275,691	275,169	0.2%
Long-term Debt	35,248	33,248	6.0%
Liabilities from Leases	1,612	1,619	-0.4%
Provisions for Employee Benefits	1,986	1,907	4.1%
Deferred Tax Liabilities	5,651	5,507	2.6%
Other Long-term Liabilities	389	403	-3.5%
Total Long-term Liabilities	44,886	42,684	5.2%
Short term borrowings	35,169	31,731	10.8%
Liabilities from Leases	968	1,282	-24.5%
Income Tax	2,107	2,414	-12.7%
Trade payables	52,517	55,500	-5.4%
Other Short-term Liabilities	27,510	26,940	2.1%
Financial derivative products	-	126	-
Total Short-term Liabilities	118,271	117,993	0.2%
TOTAL EQUITY & LIABILITIES	438,848	435,846	0.7%

STATEMENT OF CASH FLOWS (in € thousand)	01/01/2025- 31/03/2025	01/01/2024- 31/03/2024
Cash flows from operating activities	(2,648)	8,790
Cash flows from investing activities	(7,797)	(10,340)
Cash flows from financing activities	2,093	2,573
Net increase / (decrease) in cash and cash equivalents	(8,352)	1,023
Cash and cash equivalents at beginning of period	33,456	27,801
Effect from changes in foreign exchange rates on cash reserves	(215)	157
Cash and Cash Equivalents at end of period	24,889	28,981

FINANCIAL RESULTS PER BUSINESS SEGMENT												
Sector	Technical Fabrics			Packaging			Other		Intra-Segment Eliminations		Group	
(Amounts in €thous,)	Q1 2025	Q1 2024	% Change	Q1 2025	Q1 2024	% Change	Q1 2025	Q1 2024	Q1 2025	Q1 2024	Q1 2025	Q1 2024
Turnover	65,154	57,525	13.3%	33,962	33,304	2.0%	1,566	1,424	-4,238	-3,906	96,444	88,347
Gross Profit	11,541	11,243	2.7%	7,156	9,210	-22.3%	142	3	62	50	18,901	20,506
Gross Profit Margin	17.7%	19.5%		21.1%	27.7%		9.1%	0.2%	-	-	19.6%	23.2%
Total EBITDA	4,492	5,695	-21.1%	4,679	6,791	-31.1%	-65	-135	48	-72	9,154	12,279
EBITDA Margin	6.9%	9.9%		13.8%	20.4%		-4.2%	-9.5%	-	-	9.5%	13.9%

*** Note**

Alternative Performance Measures (APM): During the description 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 minus Cost of Sales 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 minus Cost of Sales plus other operating income minus the total operating expenses before the depreciation of fixed assets, the amortization of grants and impairments, as well as before the financial and investment activities, and before 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 Expenses/Income and any expenses in relation restructuring, mergers and acquisitions.