

FINANCIAL RESULTS OF YEAR 2023

Demonstrating Resilience: Strong profitability of 44mil. with recurring EBITDA increase of 2.4%.

Proposed annual gross dividend of €0.23 / share

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

Full Year Highlights (Continuing Operations):

- **Turnover of €345.4 mil.**
- **EBITDA amounted to €44.0 mil.**
- **Earnings before Taxes (EBT) amounted to € 21.3 mil.**
- **Net Debt amounted to €16.3 mil. including time deposits (amounting to €13.3 mil.)**
- **Proposed annual dividend of ~€0.23 per share, which, excluding the interim dividend that was already distributed, will result in a remaining dividend to be distributed of ~€0.17 per share (gross amount)**

THRACE GROUP presents the financial results for the fiscal year 2023.

Annual Financial Results

In 2023, **Turnover** amounted to €345.4 mil. compared to €394.4 mil. in 2022, due to the historically high average sales prices of raw materials in the first months of 2022. The Group achieved in 2023 stable volumes sold compared to 2022 (109.8 thous. tons in 2023 vs. 109.2 thous. tons in 2022), despite the unfavorable market conditions, such as the weak demand in key sectors of the economy (construction, agricultural sector) and the lower demand in critical markets for the Group (European Union, United Kingdom and USA).

EBITDA amounted to €44.0 mil., increased by 2.4%, compared to FY2022 recurring EBITDA of €43.0 mil. (from the traditional product portfolio). It is noted that FY2022 EBITDA had settled at €48.3 mil., including one-off profits of €5.3 mil. from the COVID-19 products. The improvement in the level of recurring profitability in 2023 clearly demonstrates the ability of the Group to **achieve stable and recurring profitability, while maintaining the volumes sold at similar level compared to prior year, that being a strong indication of Group's potential to further improve its financial performance in the future.**

Regarding the **liquidity level** of the Group, Net Debt amounted to €16.3 mil., including time deposits of €13.3 mil. **The low level of Net Debt demonstrates the Group's strong financial position as well as the quality of its customer portfolio, its ability to invest while keeping its Net Debt relatively low, distributing at the same time significantly higher dividends compared to pre-pandemic levels. In parallel, from a financial standpoint, the Group has the ability to take advantage of any business opportunities that may arise, for further development and growth.**

The **investment plan** of €30 mil. on a cash basis has been successfully completed with the implementation of pivotal projects in the two main business segments, in its facilities in Greece and abroad. At the same time the **THRACE PLASTICS Co. S.A.**

first stage of the new investment project in Thrace Greenhouses was completed, by expanding the greenhouses by 65 acres.

More specifically, the following table depicts the key financial figures from continuing operations of the Group during the fiscal year 2023, compared to fiscal year 2022:

CONSOLIDATED FINANCIAL RESULTS (in € thous.)	31/12/2023	31/12/2022*	Change (%)
Continuing Operations			
Volumes Sold	109,757	109,169	+0.5%
Turnover	345,373	394,382	-12.4%
Gross Profit	77,069	84,263	-8.5%
EBIT*	20,663	27,407	-24.6%
EBITDA*	44,017	48,259	-8.8%
EBITDA traditional portfolio	44,017	42,982	+2.4%
EBT *	21,336	32,068	-33.5%
Earnings after Taxes	18,326	26,270	-30.2%
Earnings after Taxes and Non-Controlling Interests	17,767	25,777	-31.1%
Basic Earnings per Share (in €)	0.4134	0.5985	-30.9%

*Note: EBITDA, EBIT and Earnings before Taxes (EBT) of 2022 include also profits from sales of COVID-19 related products amounted to €5.3 mil. The comparable FY2022 EBITDA from traditional portfolio of the Group amounted to €43.0 mil., therefore FY2023 EBITDA demonstrates an increase of +2.4%.

Prospects of the Group

Regarding the annual profitability for the year 2024, the Management estimates that, despite the high uncertainty about the course of the global economy and of Europe in particular, the Group's EBITDA profitability for the year 2024 is expected to fluctuate at higher levels than the ones of 2023. However, even if the Company does not revise its initial annual target, the recent crisis in the Middle East creates new conditions of uncertainty, the effects of which are impossible to determine at the given time, therefore any estimate of annual profitability is highly uncertain, while the Management of the Group monitors the market developments so to be able to implement the necessary actions, in order not to deviate from its plan.

For the first quarter of 2024, the Management estimates that Group's operating profitability (EBITDA), in absolute terms, will edge 5%-10% higher than in the first quarter of the previous year. This is due to specific actions taken on the Group level and specifically by the sales teams as well as the subsidiaries' management teams but is also due to profits generated from new product categories and partnerships. Furthermore, there is stable demand in the sectors of infrastructure and packaging, an increase in demand in the agricultural sector, whereas there is still weak demand in the construction sector.

Regarding the annual financial results, **Mr. Dimitris Malamos, Thrace Group CEO**, stated the following: *"For another year, Thrace Group demonstrated resilience under unstable conditions, with further enhancement of its operating profitability, maintaining stable volumes sold, low net debt level while implementing a large investment plan, thus ensuring its long-term leadership position in its operating segments. With sustainability and innovation organically integrated into all of our practices and while investments' implementation continues dynamically, the Group's strategy continues to generate consistent results. Our ongoing target is the value increase within our entire ecosystem: the employees of the Group, its customers and suppliers-partners, the consumers and investors community and generally the society"*.

The Management of THRACE GROUP will host a **Conference Call** for the annual presentation to the Analysts, to present the financial year 2023 Financial Results. The Conference Call will take place on **Friday, April 26, 2024**. The details for the conference call will be announced in due time via a new press release by the Company on its website.

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 YEAR 2023 (in € thousand)

STATEMENT OF COMPREHENSIVE INCOME	FY 2023	FY 2022	Change (%)
Turnover (Continuing Operations)	345,373	394,382	-12.4%
Gross Profit (Continuing Operations)	77,069	84,263	-8.5%
Gross Profit Margin	22.3%	21.4%	
Other Operating Income	4,065	2,766	47.0%
Sales & Distribution Expenses	38,835	39,693	-2.2%
As % of Turnover	11.2%	10.1%	
Administrative Expenses	17,263	16,966	1.8%
As % of Turnover	5.0%	4.3%	
Research & Development Expenses	2,506	2,295	9.2%
As % of Turnover	0.7%	0.6%	
Other Operating Expenses	1,860	1,577	17.9%
Other Income / (Losses)	-7	909	
EBIT* (Continuing Operations)	20,663	27,407	-24.6%
EBIT Margin	6.0%	6.9%	
EBITDA* (Continuing Operations)	44,017	48,259	-8.8%
EBITDA Margin	12.7%	12.2%	
Financial Income/Expenses (Net)	-1,658	2,136	
Earnings / (Losses) from Companies consolidated with the Equity Method	2,331	2,525	-7.7%
EBT (Continuing Operations)	21,336	32,068	-33.5%
EBT Margin	6.2%	8.1%	
Income Tax	3,010	5,798	-48.1%
Earnings / (Losses) after Taxes (Continuing Operations)	18,326	26,270	-30.2%
Earnings / (Losses) after Taxes (Discontinued Operations)	0	-35	
Earnings / (Losses) after Taxes (Total Operations)	18,326	26,235	-30.1%
EAT Margin	5.3%	6.7%	
EATAM (Continuing Operations)	17,767	25,777	-31.1%
Earnings / (Losses) after taxes & Non Contr, Interests (Discont, Operations)	0	-35	
EATAM (Total Operations)	17,767	25,742	-31.0%
EATAM Margin	5.1%	6.5%	
Earnings per Share (from Continuing Operations)	0.4134	0.5985	-30.9%
Earnings / (Losses) per Share (from Discontinued Operations)	0.0000	-0.0008	
Earnings per Share from Total Operations (in Euro)	0.4134	0.5977	-30.8%

FINANCIAL RESULTS OF YEAR 2023

STATEMENT OF FINANCIAL POSITION	31/12/2023	31/12/2022	Change (%)
Property, Plant & Equipment	177,670	169,218	5.0%
Right-of-use Assets	3,154	2,521	25.1%
Investment Property	113	113	0.0%
Intangible Assets	10,316	10,357	-0.4%
Investments in Joint Ventures	20,475	19,921	2.8%
Net benefit from funded defined benefit plans	9,533	7,169	33.0%
Other Long-term Receivables	138	132	4.5%
Deferred Tax Assets	326	357	-8.7%
Total Fixed Assets	221,725	209,788	5.7%
Inventories	72,003	76,415	-5.8%
Income Tax Prepaid	956	1,984	-51.8%
Trade Receivables	62,179	64,769	-4.0%
Other Receivables	21,523	11,945	80.2%
Financial derivative products	77	284	-72.9%
Cash & Cash Equivalents	27,801	39,610	-29.8%
Total Current Assets	184,539	195,007	-5.4%
TOTAL ASSETS	406,264	404,795	0.4%
TOTAL EQUITY	277,054	267,861	3.4%
Long-term Debt	27,790	31,641	-12.2%
Liabilities from Leases	1,885	1,470	28.2%
Provisions for Employee Benefits	1,658	1,385	19.7%
Deferred Tax Liabilities	7,910	9,660	-18.1%
Other Long-term Liabilities	518	174	197.7%
Total Long-term Liabilities	39,761	44,330	-10.3%
Short-term Debt	26,555	26,989	-1.6%
Liabilities from Leases	1,140	967	17.9%
Income Tax	1,914	1,048	82.6%
Suppliers	38,462	40,630	-5.3%
Other Short-term Liabilities	21,378	22,970	-6.9%
Total Short-term Liabilities	89,449	92,604	-3.4%
TOTAL EQUITY & LIABILITIES	406,264	404,795	0.4%

STATEMENT OF CASH FLOWS	01/01/2023- 31/12/2023	01/01/2022- 31/12/2022
Cash flows from operating activities	46,598	13,023
Cash flows from investing activities	(26,670)	(36,502)
Cash flows from financing activities	(32,190)	1,003
Net increase / (decrease) in cash and cash equivalents	(12,262)	(22,476)
Cash and cash equivalents at beginning of period	39,610	63,240
Effect from changes in foreign exchange rates on cash reserves	453	(1,154)
Cash and Cash Equivalents at end of period	27,801	39,610

FINANCIAL RESULTS PER BUSINESS SEGMENT (Continuing Operations)													
Sector	Technical Fabrics			Packaging			Other		Intra-Segment Eliminations		Group		
	(Amounts in € thous.)	FY 2023	FY 2022	% Change	FY 2023	FY 2022	% Change	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Turnover	230,755	274,488	-15.9%	125,202	132,672	-5.6%	5,600	5,658	-16,184	-18,436	345,373	394,382	
Gross Profit	47,555	56,478	-15.8%	28,875	27,239	6.0%	266	282	373	264	77,069	84,263	
Gross Profit Margin	20.6%	20.6%		23.1%	20.5%		4.8%	5.0%	-	-	22.3%	21.4%	
Total EBITDA	24,635	29,688	-17.0%	19,655	18,892	4.0%	-263	-339	-10	19	44,017	48,259	
EBITDA Margin	10.7%	10.8%		15.7%	14.2%		-4.7%	-6.0%	-	-	12.7%	12.2%	

*** 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.