

PRESS RELEASE

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FINANCIAL RESULTS OF YEAR 2020

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The purpose of the current release is to present the Group's financial results for the fiscal year 2020.

Despite the fact that the wide and rapid spread of the coronavirus COVID-19 from the beginning of 2020 until today has caused significant disruptions in global supply and demand, the business and financial activity as well as operation of the Group was not adversely affected during the year. On the contrary, the Group implemented an effective action plan, ensuring the necessary liquidity, expanding its customer and product portfolio and implementing targeted investments, and as a result the Group managed to improve its financial position at all levels.

Regarding the operation of production, all production units within the Group continued to operate smoothly for the entire year 2020, without facing any operational issues from the spread of the pandemic, regarding the health and safety of the Group's employees, as a result of the particularly strict protection measures taken by the Group since the beginning of the pandemic.

From a financial point of view, the Group managed not only to deter any decrease in its revenues, but instead achieved to expand sales and profitability, as the reduced demand in some areas of activity was more than offset by the significant increase in sales in other areas. More specifically, it was observed:

- Increased demand for products related to personal protection and health and in particular for technical fabrics, used in personal protection applications.
- Generation of sales in products and activities related to personal protection, including the installation and operation of surgical mask production lines in Greece, Scotland and Ireland.
- Increased demand for products aimed at the food packaging sector.
- Reduced demand for packaging products related to tourism and catering, as a result of the limited activity in this sector, especially in Greece.
- Fluctuation of raw materials' prices worldwide at relatively lower levels.
- Maintaining and further strengthening the Group's customer base.

More specifically, the following table presents the main financial figures of the Group for 2020 in relation to the corresponding year of 2019. It is also noted that the discontinued operations concern the termination of production activities of the US subsidiary Thrace Linq Inc.

CONSOLIDATED FIGURES OF THE GROUP (in € thous.)	31/12/2020	31/12/2019	Change (%)
Turnover (Continuing Operations)	339,722	298,340	+13.9%
Gross Profit (Continuing Operations)	105,959	61,549	+72.2%
EBIT* (Continuing Operations)	53,857	15,587	+245.5%
EBITDA* (Continuing Operations)	72,484	30,801	+135.3%
Adjusted EBITDA*	76,559	30,983	+147.1%
EBT (Continuing Operations)	52,077	11,839	+339.9%
Earnings after Taxes (Continuing Operations)	41,272	7,514	+449.3
Earnings/(Losses) after Taxes (Discontinued Operations)	(3,316)	(3,497)	
EAT (Total Operations)	37,956	4,017	+844.9%
Earnings after Taxes and Minority Interests (Continuing Operations)	40,663	7,213	+463.7%
Earnings/(Losses) after Taxes and Minority Interests (Discontinued Operations)	(3,316)	(3,497)	

EATAM (Total Operations)	37,347	3,716	+905.0%
Basic Earnings per Share (Continuing Operations)	0.9314	0.1649	+464.8%
Basic Earnings / (Losses) per Share (Discontinued Operations)	(0.0760)	(0.0800)	
Basic Earnings per Share (Total Operations)	0.8555	0.0850	+906.5

The Adjusted EBITDA does not include expenses with total value of € 4,065 thousand, of which € 3,133 thousand relate to the operational reorganization of Don & Low LTD. This subsidiary reduced its presence in woven technical fabrics, while increasing its production capacity in non-woven technical fabrics. Also the figure does not include costs of € 162 thousand of Thrace Nonwovens & Geosynthetics Single Person SA from the transfer of Thrace Linq Inc assets to its facilities, as well as extraordinary allowance to personnel of € 780 thousand.

In terms of Earnings before Taxes, the Group within the year 2020 managed to respond to the significantly increased demand for products comprising the existing portfolio which are used in personal protection and health applications, taking advantage of the technological capabilities of its modern production lines, the available sales networks and by implementing targeted investments (as already mentioned above). Total Earnings before Tax on the Group level for the year 2020 amounted to € 52.1 million, out of which, according to Management estimates, € 22.7 million was a result of the above conditions and especially due to the change of the product mix compared to the previous year.

Finally, during the period under consideration, the reduction of Net Debt by € 45,318 thousand was significant (on 31.12.2020 it amounted to € 38,210 thousand compared to € 83,528 thousand on 31.12.2019, i.e. a percentage reduction of 54.3%), with the Net Debt / Equity ratio settling at 0.22x compared to 0.57x on 31.12.2019 and with the Net Debt / EBITDA ratio settling at 0.55x on 31.12.2020 versus 2.91x on 31.12.2019.

The total Equity on 31.12.2020 amounted to € 174,583 thousand compared to € 146,349 thousand on 31.12.2019.

Prospects and Outlook of the Group for the Financial Year 2021

The duration of the pandemic crisis for a period more than a year has created conditions of uncertainty in the wider macroeconomic and business environment. However the commencement as well as the accelerated evolution of vaccinations allows for optimism when it comes to the effective and definitive response to the pandemic in the future. However at this stage it is not possible to predict the precise time when the above objective will be achieved. All the above define various risk factors, which do not allow reliable estimates both for the course of the economies in the short-term but especially after the termination of the various state aid measures currently in place for those who have been financially affected by the pandemic. The Group constantly evaluates the potential risks and their impact, without being able to clearly assess the total impact that these will have on the Group's financial performance in the future.

Regarding the financial performance of the Group for the current year and according to the developments observed so far, it should be noted that the start of the year appears to be a continuation of the previous financial year, both in terms of product mix and profitability. At the same time, the emergence of shortages of basic raw materials from the beginning of the year until today, creates pressure on world markets and a rapid increase in prices of all basic raw materials.

The main concern of the Group was and remains the smooth continuation of its production activity and the business continuity in all areas of operation, in order to ensure the response to the requirements and needs of customers; a fact that to date has been achieved with absolute success. The Management of all subsidiaries within the Group make every possible effort in order to offset any negative effects caused from the conditions that have prevailed in the global marketplace, having to date achieved -satisfactory results.

As a result of the above, the evolution of the Group's performance in the first quarter of 2021 remains satisfactory, both in terms of sales and profitability, despite the unfavorable macroeconomic conditions in the market. For the entire year of 2021, the uncertainty that exists in the global market place at this stage makes any prediction uncertain.

The maintenance of the sound capital structure of the Group and of the required liquidity levels, the further strengthening of its financial position in combination with the continuous monitoring of individual operating drivers, and the timely implementation of actions, wherever required, are the necessary conditions for limiting the negative impact from the conditions of the global market place and ensuring the Group's smooth business continuity. The Management of the Group continues to take all the necessary decisions and actions and is working systematically towards this direction.

For further clarifications or information regarding the present release you may refer to Ms Ioanna Karathanasi, Head of Investor Relations, tel.: + 30 210-9875081.

* 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 plus other operating income minus the total operating expenses, before the financial and investment activities. 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. 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.

ANALYSIS OF MAIN FINANCIAL RESULTS OF THE YEAR 2020 (in € thousand)

Turnover	€339,722 (+13.9%)
The increase of the Consolidated Turnover was due to the performance of both segments: Technical Fabrics +15.1% and Packaging +11.4% (growth rates in 2020 versus 2019).	
Gross Profit	€105,959 (+72.2%)
Gross profit margin settled at 31.2% in 2020 compared to 20.6% in the year 2019.	
Other Operating Income	€1,169(-15.5%)
Other Operating Income mainly concerned subsidiaries for the recruitment of new graduates, as well as revenue from electricity management programs.	
Distribution Expenses	€30,725 (+5.6%)
As % of Turnover, the Distribution Expenses stood at 9.0% compared to 9.7% in the year 2019.	
Administrative Expenses	€15,195 (+1.5%)
As % of Turnover, the Administrative Expenses stood at 4.5% compared to 5.0% in the year 2019.	
Research & Development Expenses	€1,462 (-3.8%)
Research and Development Expenses as percentage of turnover accounted for 0.4% versus 0.5% in 2019.	
Other Operating Expenses	€5,874 (+140.3%)
The significant increase emerged from the extraordinary expenses due to the operational reorganization of Don & Low.	
Other Gains / (Losses)	€(15) (n/a)
The change resulted from the extraordinary non-recurring gains that had been accounted for in the year 2019 from the sale of Fixed Assets, due to the operational reorganization of Don & Low.	
EBITDA (Continuing Operations)	€72,484 (+135.3%)
The EBITDA margin settled at 21.3% compared to 10.3% in 2019.	
Adjusted EBITDA (Continuing Operations)	€76,559 (+147.1%)
The adjusted EBITDA margin stood at 22.5% compared to 10.4% in 2019.	
Financial Cost (Net)	-€3,556 (-27.6%)
The decrease is due to the repayment and consequently the reduction of bank debt, in combination with the relative drop of interest rates.	
EBT (Total Operations)	€52,077 (+339,9%)
EBT margin settled at 15.3% versus 4.0% in 2019.	
Earnings after Taxes (Total Operations) *	€37,956 (+844.9%)
EAT margin settled at 11.0% compared to 1.2% in 2019, calculated as percentage of Total Turnover (Continuing and Discontinued Operations).	
EATAM (Total Operations)*	€37,347 (+905%)
EATAM margin settled at 10.8% compared to 1.1% in 2019, calculated as percentage of Total Turnover.	
Earnings per Share (Continuing Operations)	€0.9314 (+464.8%)
Earnings per Share (Total Operations)	€0.8555 (+906,5%)
Inventory	€55,338 (-6.5%)
Average Turnover Ratio of Inventory settled at 88 versus 87 in 2019.	
Trade Receivables	€56.863 (-1.0%)
Average Turnover Ratio of Trade Receivables settled at 60 versus 62 in 2019.	
Suppliers	€29,697 (-17.9%)
Average Turnover Ratio of Suppliers settled at 50 compared to 53 in 2019.	
Other Short Term Liabilities	€40.475 (+133.5%)
Other S/T Liabilities include the proceeds received to date from the transfer of Thrace Linq Inc asset, tax payable as well as prepayments from customers	
Net Debt	€38,210 (-54.3%)
The Net Debt / Equity ratio stood at 0.22x compared to 0.57x on 31.12.2019, while the Net Debt / EBITDA ratio settled at 0.55x compared to 2.91x on 31.12.2019.	

Statement of Income of Year 2020

(Amounts in thousand euro)	2020	2019	% Change
Turnover	339.722	298.340	13,9%
Gross Profit	105.959	61.549	72,2%
Gross Profit Margin	31,2%	20,6%	
Other Operating Income	1.169	1.384	-15,5%
Distribution Expenses	30.725	29.082	5,6%
As % of Turnover	9,0%	9,7%	
Administrative Expenses	15.195	14.969	1,5%
As % of Turnover	4,5%	5,0%	
Research & Development Expenses	1.462	1.520	-3,8%
As % of Turnover	0,4%	0,5%	
Other Operating Expenses	5.874	2.444	140,3%
Other Earnings / (Losses)	-15	669	
EBIT*	53.857	15.587	245,5%
EBIT Margin	15,9%	5,2%	
EBITDA*	72.484	30.801	135,3%
EBITDA Margin	21,3%	10,3%	
Adjusted EBITDA*	76.559	30.983	147,1%
Adjusted EBITDA Margin	22,5%	10,4%	
Financial Cost (Net)	-3.556	-4.914	-27,6%
Earnings / (Losses) from Companies consolidated with the Equity Method	1.776	1.166	52,3%
EBT	52.077	11.839	339,9%
EBT Margin	15,3%	4,0%	
Income Tax	10.805	4.325	149,8%
EAT (Continuing Operations)	41.272	7.514	449,3%
Earnings / (Losses) after Taxes (Discontinued Operations)	-3.316	-3.497	
EAT (Total Operations)	37.956	4.017	844,9%
EAT Margin*	11,0%	1,2%	
EATAM (Continuing Operations)	40.663	7.213	463,7%
Earnings / (Losses) after taxes and minorities (Discontinued Operations)	-3.316	-3.497	
EATAM (Total Operations)	37.347	3.716	905,0%
EATAM Margin*	10,8%	1,1%	
Earnings per Share (from Continuing Operations)	0.9314	0.1649	464,8%
Earnings / (Losses) per Share (from Discontinued Operations)	-0.0760	-0.0800	
Earnings per Share from Total Operations (in Euro)	0.8555	0.0850	906,5%

*Note: EAT margin and EATAM margin have been calculated as percentage of the Total Turnover (from continuing and discontinued operations). Specifically for the year 2020, the Total Turnover amounted to € 344,806 thousand whereas for the year 2019 the Total Turnover had settled at € 327,795 thousand.

Results per Business Segment for the Year 2020

Sector	Technical Fabrics			Packaging			Other		Eliminations	
	12M 2020	12M 2019	% Ch.	12M 2020	12M 2019	% Ch.	12M 2020	12M 2019	12M 2020	12M 2019
Turnover	243.103	211.150	15,1%	105.718	94.895	11,4%	4.853	4.993	-13.952	-12.698
Gross Profit	74.927	40.736	83,9%	30.733	20.437	50,4%	308	404	-9	-30
Gross Profit Margin	30,8%	19,3%		29,1%	21,5%		6,3%	8,1%	-	-
Total EBITDA	50.494	17.800	183,7%	22.482	13.279	69,3%	-412	-264	-80	-15
EBITDA Margin	20,8%	8,4%		21,3%	14,0%		-8,5%	-5,3%	-	-

Basic Balance Sheet Accounts on 31.12.2020

(amounts in thousand euro)	31/12/2020	31/12/2019	% Ch.
Tangible Fixed Assets	131.512	123.210	6,7%
Right-of-use Assets	13.197	14.972	-11,9%
Investment Property	113	113	0,0%
Intangible Assets	10.655	11.350	-6,1%
Interests in Joint Ventures	15.068	14.547	3,6%
Other Long-term Receivables	5.034	5.091	-1,1%
Deferred Tax Assets	588	833	-29,4%
Total Fixed Assets	176.167	170.116	3,56%
Inventories	55.338	59.158	-6,5%
Income Tax Prepaid	278	588	-52,7%
Trade Receivables	56.863	57.428	-1,0%
Other Receivables	7.211	7.844	-8,1%
Fixed Assets Available for Sale	5.478	6.155	-11,0%
Cash & Cash Equivalents	40.824	22.051	85,1%
Total Current Assets	165.992	153.224	8,33%
TOTAL ASSETS	342.159	323.340	5,8%
TOTAL EQUITY	174.583	146.349	19,3%
Long-term Loans	46.691	52.871	-11,7%
Liabilities from Leases	3.210	4.439	-27,7%
Provisions for Employee Benefits	16.012	15.252	5,0%
Other Long-term Liabilities	2.358	2.636	-10,5%
Total Long-term Liabilities	68.271	75.198	-9,2%
Short-term Bank Debt	26.311	43.496	-39,5%
Liabilities from Leases	2.822	4.773	-40,9%
Suppliers	29.697	36.187	-17,9%
Other Short-term Liabilities	40.475	17.337	133,5%
Total Short-term Liabilities	99.305	101.793	-2,4%
TOTAL EQUITY & LIABILITIES	342.159	323.340	5,8%