

PRESS RELEASE

Wednesday, 12 May 2021

FINANCIAL RESULTS OF FIRST QUARTER 2021

ATHEX: PLAT
Reuters: THRR.AT
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The purpose of the current press release is to present the Group's financial results for the first quarter of 2021.

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 negatively affected.

During the first quarter of the year and 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:

- Continuation of increased demand for products related to personal protection and health and in particular for technical fabrics, used in personal protection applications.
- Increased demand for products aimed at the food packaging sector.
- Lower demand for packaging products related to catering, as a result of the limited activity in this sector, especially in Greece.
- Significant increase of raw materials' prices on global level.
- Maintenance and further strengthening of Group's customer base.

More specifically, the following table presents the main financial figures of the Group during the first quarter of the current financial year in relation to the corresponding period of the year 2020. 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.)	31/03/2021	31/03/2020	Change (%)
Turnover (Continuing Operations)	111,367	73,991	50.5%
Gross Profit (Continuing Operations)	44,420	17,202	158.2%
EBIT* (Continuing Operations)	30,124	5,365	461.5%
EBITDA* (Continuing Operations)	35,958	9,521	277.7%
Adjusted EBITDA*	36,691	9,521	285.4%
EBT (Continuing Operations)	29,394	4,736	520.7%
Earnings after Taxes (Continuing Operations)	24,533	3,516	597.8%
Earnings/(Losses) after Taxes (Discontinued Operations)	8	-626	
EAT (Total Operations)	24,541	2,890	749.2%
Earnings after Taxes and Non Controlling Interests (Continuing Operations)	24,398	3,415	614.4%
Earnings/(Losses) after Taxes and Non Controlling Interests (Discontinued Operations)	8	-626	
EATAM (Total Operations)	24,406	2,789	775.1%
Basic Earnings per Share (Continuing Operations)	0.5619	0.0781	619.7%
Basic Earnings / (Losses) per Share (Discontinued Operations)	0.0002	-0.0143	
Basic Earnings per Share (Total Operations)	0.5621	0.0638	781.5%

Adjusted EBITDA does not include expenses of € 733 thousand, which 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. The relevant costs relate to the impairment of the company's fixed machinery equipment.

With regard to the first quarter of 2021, the Group continued to respond to the significantly increased demand of the existing product portfolio in the area of products for personal protection and health applications, thus achieving the sale of higher profitability products. The total Earnings before Taxes at Group level for the first quarter of 2021 amounted to € 29.4 million, out of which, € 20.6 million, according to Management estimates, was a consequence of the above conditions and especially due to the change of product mix; specifically, € 20.5 mil. were allocated to the "Technical Fabrics" segment and € 0.1 mil. were allocated to the "Packaging" segment.

Finally, during the period under consideration, the reduction of Net Debt by € 29,032 thousand was significant (on 31.03.2021 it amounted to € 9,178 thousand compared to € 38,210 thousand on 31.12.2020, i.e. a percentage reduction of 76.0%), with the Net Debt / Equity ratio settling at 0.04x compared to 0.22x on 31.12.2020.

The total Equity on 31.03.2021 amounted to € 208,660 thousand compared to € 174,583 thousand on 31.12.2020.

Assessment of the pandemic's future impact & Group's prospects

Regarding the prospects for the current year, despite the conditions of intense uncertainty that make any prediction precarious, the Management estimates that the financial performance of the Group will continue to demonstrate a satisfactory trajectory, both in terms of profitability and liquidity in the second quarter of the year 2021 as well. The maintenance of satisfactory demand for a large part of the product portfolio, despite any limited fluctuations, the expanded customer base, the enhanced liquidity and the continuation in application of strict protection measures are the key factors to minimize the negative consequences of the current situation. At the same time, the first months of the year were characterized by the significantly higher prices of basic raw materials worldwide (compared to the year 2020) and the shortages in certain categories of raw materials, without however this fact affecting the operation of the Group. For the following months of the year, it is expected a normalization of the supplied quantities of raw materials and a gradual de-escalation of prices, without however approaching the levels of the previous year.

The Management remains optimistic about the satisfactory course of the Group's financial results for the entire year 2021, although it maintains reservations about the financial implications that the pandemic will have on the economies of the countries in the near future (especially after the completion of the various aid related programs for those affected) and the manner and intensity with which they may affect the Group's activities, especially in the second half of the year.

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 FIRST QUARTER 2021 (in € thousand)

Turnover	€111,367 (+50.5%)
The increase of the Consolidated Turnover was due to the performance of both operating segments: Technical Fabrics +64.6% and Packaging +19.4% in the first quarter of 2021 compared to the same period of 2020.	
Gross Profit	€44,420 (+158.2%)
The Gross Profit margin stood at 39.9%, compared to 23.2% in the first quarter of 2020.	
Other Operating Income	€226 (+79.4%)
The increase was mainly due to the higher revenue from electricity management programs.	
Distribution Expenses	€8,175 (+4.7%)
As percentage of Turnover, they settled at 7.3%, compared to 10.6% in the first quarter of 2020.	
Administrative Expenses	€4,198 (+15.7%)
As percentage of Turnover, they settled at 3.8%, compared to 4.9% in the first quarter of 2020.	
Research & Development Expenses	€385 (-9.6%)
As percentage of Turnover, R&D expenses settled at 0.3%, compared to 0.6% in the first quarter of 2020.	
Other Operating Expenses	€1,562 (+392.7%)
This increase is mainly due to the impairment of fixed assets of the subsidiary Don & Low LTD as a result of its operational reorganization.	
Other Gain / (Losses)	€(202) (n/c)
They mainly concern losses from the sale of fixed assets and a positive effect from foreign exchange differences.	
EBITDA (Continuing Operations)	€35,958 (+277.7%)
EBITDA margin stood at 32.3%, compared to 12.9% in the first quarter of 2020.	
Adjusted EBITDA (Continuing Operations)	€36.691 (+285,4%)
The adjusted EBITDA margin stood at 32.9%, compared to 12.9% in the first quarter of 2020.	
Financial Cost (Net)	€(884) (+31.9%)
The increase is mainly due to the negative effect of foreign exchange differences, despite the significant reduction in interest expense.	
Earnings before Taxes (Continuing Oper.)	€29,394 (+520.7%)
EBT Margin settled at 26.4% compared to 6.4% in the first quarter of 2020.	
Earnings after Taxes (Total Operations) *	€24,541 (+749.2%)
EAT Margin settled at 22.0% compared to 3.7% in the first quarter of 2020 (Continuing and Discontinued Operations).	
EATAM (Total Operations)*	€24,406 (+775.1%)
EATAM Margin settled at 21.9% compared to 3.6% in the first quarter of 2020.	
Earnings per Share (Continuing Operations)	€0.5619 (+619.7%)
Earnings per Share (Total Operations)	€0.5621 (+781.5%)
Inventory	€57,672 (+4.2%)
Increase due to the purchase of raw materials took place during the period.	
Trade Receivables	€74,226 (+30.5%)
Increase due to seasonality and due to significant Turnover growth.	
Suppliers	€47,515(+60.0%)
Increase due to seasonality and purchases of raw materials.	
Other Short-term Liabilities	€48,910 (+20.8%)
It includes the collection of part of the price consideration from the transfer of Thrace Linq INC property, taxes payable and customer advances.	
Net Debt	€9,178 (-76.0%)
The Net Debt / Equity ratio stood at 0.04x compared to 0.22x on 31.12.2020.	

Statement of Income of First Quarter 2021

(Amounts in thousand euro)	Q1 2021	Q1 2020	% Change
Turnover	111.367	73.991	50,5%
Gross Profit	44.420	17.202	158,2%
Gross Profit Margin	39,9%	23,2%	
Other Operating Income	226	126	79,4%
Distribution Expenses	8.175	7.811	4,7%
As % of Turnover	7,3%	10,6%	
Administrative Expenses	4.198	3.629	15,7%
As % of Turnover	3,8%	4,9%	
Research & Development Expenses	385	426	-9,6%
As % of Turnover	0,3%	0,6%	
Other Operating Expenses	1.562	317	392,7%
Other Gain / (Losses)	-202	220	
EBIT*	30.124	5.365	461,5%
EBIT Margin	27,0%	7,3%	
EBITDA*	35.958	9.521	277,7%
EBITDA Margin	32,3%	12,9%	
Adjusted EBITDA*	36.691	9.521	285,4%
Adjusted EBITDA Margin	32,9%	12,9%	
Financial Cost (Net)	-884	-670	31,9%
Earnings / (Losses) from Companies consolidated with the Equity Method	154	41	275,6%
EBT	29.394	4.736	520,7%
EBT Margin	26,4%	6,4%	
Income Tax	4.861	1.220	298,4%
EAT (Continuing Operations)	24.533	3.516	597,8%
Earnings / (Losses) after Taxes (Discontinued Operations)	8	-626	
EAT (Total Operations)	24.541	2.890	749,2%
EAT Margin*	22,0%	3,7%	
EATAM (Continuing Operations)	24.398	3.415	614,4%
Earnings / (Losses) after taxes and minorities (Discontinued Operations)	8	-626	
EATAM (Total Operations)	24.406	2.789	775,1%
EATAM Margin*	21,9%	3,6%	
Earnings per Share (from Continuing Operations)	0,5619	0,0781	619,7%
Earnings / (Losses) per Share (from Discontinued Operations)	0,0002	-0,0143	
Earnings per Share from Total Operations (in Euro)	0,5621	0,0638	781,5%

*Note: EAT margin and EATAM margin have been calculated as percentage of the Total Turnover (from continuing and discontinued operations). Specifically for the first quarter of 2021, the Total Turnover amounted to €111,367 thousand whereas for the first quarter of 2020 the Total Turnover had settled at €78,401 thousand.

Results per Business Segment for the First Quarter 2021 (Continuing Operations)

Sector	Technical Fabrics			Packaging			Other		Eliminations	
	Q1 2021	Q1 2020	% Ch.	Q1 2021	Q1 2020	% Ch.	Q1 2021	Q1 2020	Q1 2021	Q1 2020
Turnover	85.194	51.745	64,6%	28.360	23.757	19,4%	1.329	1.220	-3.516	-2.731
Gross Profit	37.111	11.094	234,5%	7.314	6.013	21,6%	32	143	-37	-48
Gross Profit Margin	43,6%	21,4%		25,8%	25,3%		2,4%	11,7%	-	-
EBITDA	30.888	5.419	470,0%	5.339	4.170	28,0%	-183	-32	-87	-36
EBITDA Margin	36,3%	10,5%		18,8%	17,6%		-13,8%	-2,6%	-	-

Basic Balance Sheet Accounts on 31.03.2021

(amounts in thousand euro)	31/3/2021	31/12/2020	% Change
Total Fixed Assets	179.050	176.167	1,64%
Inventories	57.672	55.338	4,2%
Income Tax Prepaid	336	278	20,9%
Trade Receivables	74.226	56.863	30,5%
Other Receivables	9.807	7.211	36,0%
Fixed Assets Available for Sale	5.733	5.478	4,7%
Cash & Cash Equivalents	61.816	40.824	51,4%
Total Current Assets	209.590	165.992	26,27%
TOTAL ASSETS	388.640	342.159	13,6%
TOTAL EQUITY	208.660	174.583	19,5%
Long-term Bank Debt	42.625	46.691	-8,7%
Liabilities from Leases	2.490	3.210	-22,4%
Provisions for Employee Benefits	8.296	16.012	-48,2%
Other Long-term Liabilities	4.265	2.358	80,9%
Total Long-term Liabilities	57.676	68.271	-15,5%
Short-term Bank Debt	24.827	26.311	-5,6%
Liabilities from Leases	1.052	2.822	-62,7%
Suppliers	47.515	29.697	60,0%
Other Short-term Liabilities	48.910	40.475	20,8%
Total Short-term Liabilities	122.304	99.305	23,2%
TOTAL EQUITY & LIABILITIES	388.640	342.159	13,6%