



**Thrace Plastics Co S.A.**

**27-11-2019**

### **Internal Restructuring of the Group's Holdings**

The Management of the Societe Anonyme under the name "THRACE PLASTICS HOLDING COMPANY SOCIETE COMMERCIAL ANONYME" and with distinctive title "THRACE PLASTICS CO S.A." (called as "Company" hereafter), in application of the clauses of article 17 with number 596/2014 of the Regulation of the European Parliament and the Council as of 16<sup>th</sup> April 2014, as well as in accordance with the article 4.1.3.1 of the Regulation of the Athens Exchange, informs the investors' community that in the context of the internal restructuring of the Group's holdings, which was initiated in the second half of 2018, with the aim of optimizing the production and distribution network of its products and focusing on markets and products that maximize returns, the Management decided the following:

(a) The permanent cessation of the labor intensive manufacturing process of woven big bags (FIBC) in Sofia, Bulgaria, an operation which is under the supervision and control of the subsidiary company Thrace Ipoma AD, and the replacement of the volume produced by existing and new sub-contractors.

(b) Strategically focusing on Europe's activities and reducing the presence in the geotextile market of America. For this reason, it was decided to transfer the needle-punch production line from the wholly owned by 100% subsidiary Thrace Linq Inc which is headquartered in South Carolina, USA, to the wholly owned by 100% subsidiary Don & Low Ltd, based in Forfar, Scotland, with the aim of strengthening and further consolidating the Group's products in the markets of UK and Northwestern Europe. The transfer of the line will begin at the end of 2019 and will be completed within the first half of 2020.

(c) The share capital increase of the subsidiary Don & Low Ltd, by GBP 3 million, which is to be fully subscribed by the Parent Company in order to cover the costs of transporting and installing the non-woven production line (needle-punch), as well as securing the working capital needed to operate the line.

It is underlined that the above mentioned internal restructuring of the Group's holdings aims at improving the Group's financial results.