

The TeraPlast Group receives €16 million in financing from the EBRD

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The European Bank for Reconstruction and Development has awarded the TeraPlast Group, the largest privately held Romanian construction materials manufacturer, 16 million Euros in financing. The financing will go towards the group's Steel division, with the purpose of developing its production units and increasing its regional presence, and will be carried out during this year and the next.

„The €16 million that the TeraPlast Group will receive from the EBRD features three different components. The first, a total of €5 million, will go towards Depaco, for the partial financing of a project regarding the expansion of the company's production capacity. Another €5 million will go towards TeraSteel Serbia, to repay part of a loan received from TeraPlast at its founding. TeraPlast has also decided upon a share capital increase of about €1.7 million for TeraSteel Serbia. The third and final component, worth a total of €6 million, will go towards the development of the Steel division's production capacity and regional position. TeraSteel's products are present in over 25 countries, and, in 2018, the company exported goods worth a total of almost €30 million. We're part of a growing market and TeraSteel already occupies a strong position at a regional level, as a trustworthy partner. The deal with the EBRD is another vote of confidence towards the actions we take in order to improve competitiveness and to increase the TeraPlast Group's potential.” Dorel Goia, Chairman of TeraPlast's Board of Directors, stated.

The Depaco project, cofinanced with state aid, calls for the development of a new production unit: new production and storage spaces, and new production machinery. The new production unit will be built in a new location and will feature an annual cumulative production of over 10 million square meters of metallic roof tiles and profiles.

Launched in 2017, TeraSteel Serbia - the first Romanian owned factory opened abroad after 1990 – quickly became, together with TeraSteel Romania, one of the most important exporters in South-Eastern Europe. The total investment in this production unit, from its founding until the present day, has surpassed €6.5 million. Of these, more than €1 million have gone towards the mineral wool thermal insulation panels module and the self-supporting steel sheet production line, established during 2018. The production capacity of the Serbian factory is comparable to the one in Romania – almost 2.2 million square meters of panels each year.

One of the main strategic components of TeraPlast Group's plan for 2019 is the development of its Steel division and the EBRD financing will contribute greatly towards achieving this goal.

About the TeraPlast Group

With over 120 years of tradition, TeraPlast Group is currently the largest building material manufacturer with Romanian capital. The Group's product portfolio is organised on six business lines: Installations, Joinery profiles, Granules, Thermal insulation panels, Windows & Doors and Metallic Roof Tiles (by the Wetterbest brand). TeraPlast Group has opened in October 2017 TeraSteel Serbia, the first factory fully owned by a Romanian company, inaugurated after 1990.

As of 2 July 2008, the largest company of the Group – TeraPlast SA – has been listed on the Bucharest Stock Exchange under the symbol TRP. TeraPlast shares are covered by BET-BK, BET-XT, BET-XT-TR și BET-Plus index range.

About the EBRD

The EBRD is one of the largest institutional investors in Romania. The bank promotes stability and product diversity in the financial sector, infrastructure development, as well as the restructuring of the energy sector and an increase in sustainability and energy efficiency.

To date, the total EBRD investment in Romania has reached €8.3 billion, with almost 430 projects.