

COMMUNIQUE

TeraPlast Group is preparing investments of over EUR 20 million

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TeraPlast Group, the largest Romanian construction materials manufacturer continues the development and diversification of its businesses. In this regard, the Group prepares extensive investments of over EUR 20 million. In order to implement them, TeraPlast intends to submit state aid projects within the State Aid Scheme to stimulate the projects with a major impact in the economy.

Of the total value of the investments, about 52% represents TeraPlast's own contribution. *"Romania needs tools to reduce its dependence on imports. It is a pity to continue to import products that we can manufacture in Romania. The companies that want to invest in key areas deserve to be encouraged and supported. By the investments made last year with state aid we have already shown that we are able to reduce the imports and contribute to equilibrate the trade balance. We are waiting for the launch of the program so we can submit the projects. We rely on the support and trust of the government in domestic companies"* stated Mr. Alexandru Stânean, CEO of TeraPlast.

The projects TeraPlast prepared aim at expanding the production capacities of the Installation and Compounds business lines. Thus, the company will introduce on the Romanian market a new range of compounds for biodegradable films as well as an extension of the pipes and fittings portfolio. For these product range, over 90% of the Romanian market is represented by imports. Also within these projects, the company will expand its production capacity for fittings and multistratum PVC pipes for exterior sewerage and intends to access new markets. In 2018, TeraPlast Group received the financing agreements through the state aid scheme for three investment projects at Wetterbest, TeraPlast and TeraGloss. The total value of the investments was over EUR 13 million in expanding their production capacity. For the three projects, the companies received, in total, around EUR 6,2 million in state aid.

In the first half of 2020, the TeraPlast Group registered a turnover of EUR 100,8 million, representing a 17% growth compared to the first half of 2019. In the same period, the Group's profitability rose by 49%, EBITDA reaching EUR 11 million.

About TeraPlast Group

With more than 120 years of history, the TeraPlast Group is today the largest Romanian manufacturer of construction materials. The Group is comprised of: TeraPlast, TeraSteel Romania and Serbia, Wetterbest, TeraGlass, TeraPlast Recycling and TeraPlast Hungary.

Since July 2nd, 2008, the largest company in the Group – TeraPlast SA – has been listed on the Bucharest Stock Exchange, under the TRP symbol. TeraPlast passed ARIR's Vektor evaluation, based on 15 different criteria regarding investor communications, with the highest mark, 10.

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