

CURRENT REPORT

According to Law no. 24/2017 and FSA Regulation no.5/2018

Date of the report: **01.10.2020**

Name of the issuer: **TERAPLAST S.A.**

Registered office: **Saratel village, Sieu-Magherus commune, DN 15A, KM 45+500, Bistrita-Nasaud county**

Telephone/Fax: **0263/238.202; 0263/231.221**

Trade Register Office Number: **J06/735/1992**

VAT Number: **3094980**

Subscribed and paid-up capital: **RON 174.320.047,80**

Regulated market for shares admitted to trading: **Bucharest Stock Exchange, standard category**

Market symbol: **TRP**

Important events to report:

TeraPlast requests state aid for EUR 7,9 million investment

TeraPlast, the leader of the PVC pipes market and one of the most important players on the Installation market in Romania, submitted in 30.09.2020 the first investment project within the state aid scheme for stimulating the investments with high economic impact, under the title „*Increasing TeraPlast SA's competitiveness by the acquisition of high-performance equipment and new constructions*”. This is the first project in the over EUR 20 million of investment announced by the company at the beginning of September.

The total value of the submitted project is EUR 7,9 million, out of which 50% represent the requested state aid.

"We are a Group that develops constantly, with an entrepreneurial spirit, whose development history brought added-value each time. We continue our development and this project is the first of the investment projects that help us contribute to reducing Romania's dependency on imports. We will use the same technology and the same raw materials as our competitors in Western Europe do. Thus, we will offer products that meet the same quality standards. The state aid is the best instrument by which the state can show its support for the Romanian producers" stated Mr. Alexandru Stănean, TeraPlast CEO.

The project TeraPlast has submitted aims at expanding the Installation business line production capacity, namely the pipes and fittings portfolio. The implementation of the project will be completed in April 2022, and it will create 45 new jobs.

In 2018, the TeraPlast Group received the financing agreements within the state aid scheme for three investment projects at Wetterbest, TeraPlast and TeraGlass. The projects' total value exceeded EUR 13 million for the expansion of the production capacities. Out of the over EUR 13 million, EUR 6,3 million represented state aid.

Through self-financing and state aid funds, the Wetterbest project reached EUR 9,4 million in total value. Thus, in March 2020, the company inaugurated its new factory with a production capacity of 10 million square meters of metallic roof tiles annually.

TeraPlast expanded its production capacity for interior sewerage PP pipes. Within the same project it brought an innovation on the Romanian compounds market: halogen free, fire retardant compounds. TeraGlass expanded its production capacity and following the investment, the factory is equipped with state-of-the-art technology.

In the first half of 2020, the TeraPlast Group registered an EUR 108 million turnover, 17% higher than 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.

ALEXANDRU STANEAN

CEO TeraPlast S.A.

For further information you can contact us by

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