

CURRENT REPORT

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

Date of the report: **04.11.2020**

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 Group announces the second investment project, worth EUR 12 million

TeraPlast Group, the largest Romanian construction materials manufacturer, through its subsidiary, TeraPlast Folii Biodegradabile SRL, submitted an investment project within the state aid scheme aiming to stimulate the investments with a high impact in the economy. The project is worth EUR 11,8 million and is named „*The establishment of a new production unit for TeraPlast Folii Biodegradabile SRL*”. The state aid value is circa EUR 5,8 million and represents 49% of the total investment.

"The packaging market we will address to reached EUR 293 million in value in 2019. The biodegradable bags segment which is the subject of this investment represents 22% of the total market and has the fastest growth rate. The local production can not properly address the demand, thus 46% of the total consumption in Romania at this moment is entirely imported from Germany and Italy. By this project we enter a new market, in its early stages, we are contributing to reducing the trade deficit that reached EUR 17,28 billion in 2019 and to Romania's compliance with the obligations it has in the European context. The demand in the market will continue to rise because by 2030 all plastic packaging in the EU has to be reusable and easily recyclable" stated Alexandru Stănean, TeraPlast CEO.

The investment project implies both the acquisition of state-of-the-art equipment as well as new constructions.

The biodegradable bags that the company of the TeraPlast Group will manufacture will have a biodegradation degree of 90% and will be "OK Compost" certified as of SR EN 13432.

The technical workflow will also include recycling equipment for the waste resulted in the production process and the re-entry of it into production flows.

The implementation of the project starts in November 2020 and the estimated time of completion is 25 months. Following the project, 93 new jobs will be created.

At the beginning of October, TeraPlast submitted the first investment project within the state aid scheme for expanding the production capacity of the Installation business line. The total value of the project is EUR 7,9 million.

In the first nine months of 2020, TeraPlast Group registered a 14% increase in turnover, up to EUR 167,4 million and a 46% increase in EBITDA, up to EUR 20,3 million, compared to the first nine months of 2019.

About TeraPlast Group

With a tradition of 125 years, the TeraPlast Group is presently the largest Romanian construction materials manufacturer. The Group is comprised of the following companies: TeraPlast, TeraSteel Romania & Serbia, Wetterbest, TeraGlass, TeraPlast Recycling and TeraPlast Hungary.

Starting July 2nd, 2008, the largest company of the Group – TeraPlast SA – is listed on the Bucharest Stock Exchange under the TRP symbol. TeraPlast's shares are included in the BSE reference index, BET, and since the third quarter of 2020 in FTSE Russell's Total Cap and MicroCap indices.

Within the Vektor evaluation based on 15 criteria for investor relations communication, conducted by ARIR, TeraPlast received the highest mark: 10.

ALEXANDRU STANEAN

CEO TeraPlast S.A.

For further information you can contact us by

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