

## CURRENT REPORT

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

Date of the report: **23.12.2020**

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 received the financing agreement for the project „Establishment of a new production unit for TeraPlast Folii Biodegradabile SRL”**

TeraPlast Group received the financing agreement for the state aid project submitted by TeraPlast Folii Biodegradabile SRL. The project is worth almost EUR 12 million in total, out of which approximately EUR 5,8 million represent the state aid.

*"The financing agreement we received is further proof that the state supports the development of the Romanian companies. Besides the 93 new jobs we will create we will offer Romanian products on a market where 46% of the total consumption comes from imports. Thus, we will add value to both the local community and the Romanian economy. We will contribute to equilibrating the trade balance in a rapidly growing sector. We would like to see more Romanian companies making such investments in areas where Romania is a net importer. Through the investments we made so far, we showed that it is possible"* stated Mr. Alexandru Stanean, TeraPlast's CEO.

Within the project, state-of-the-art equipment will be purchased, and a new factory will be built. The project also takes into account a responsible production flow, thus the technological process includes equipment for recycling the waste resulted from the own production for the reintegration in the manufacturing workflow.

The bags and sacks manufactured by TeraPlast Folii Biodegradabile SRL have a biodegradation degree of at least 90% and will be "OK Compost" certified as of SR EN 13432.

This project is the second project for which TeraPlast Group received the financing agreement in 2020. The first submitted project implies the expansion of the existing production capacities of the

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Installation business line by up to 50%. It has a total value of EUR 7,9 million and received the financing agreement in the first half of November.

For the third project that implies the establishment of a new production unit for polyethylene systems, the Group is still waiting for the financing agreement. The project is still being evaluated by the Ministry of Finance.

Currently, TeraPlast Group implements investment projects worth over EUR 32 million, which according to the group's estimates, will generate an EBITDA of EUR 8,5 million at maturity. These aim at developing the Plastics division and diversifying the Group's business portfolio.

For 2020, TeraPlast Group estimates a consolidated turnover of EUR 225 million, 12% more than in 2019.

The Plastics division of the Group will register a net profit 4 times higher than in 2019, reaching EUR 9 million in 2020.

### 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 2<sup>nd</sup>, 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.*

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ALEXANDRU STANEAN  
CEO TeraPlast S.A.

### For additional information you can reach us by

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