



TeraPlast[®]

Romania Days
March 3-4, 2021

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2020 Highlights

1/ BET inclusion
TeraPlast's shares were included in the reference index BET at the Bucharest Stock Exchange

2/ Free shares
1 share per 3,3 shares owned were granted to the shareholders

3/ Steel division
TeraPlast signed an agreement to sell its Steel division (TeraSteel RO & RS, Wetterbest) to Kingspan Group

4/ Real estate project
We have announced a partnership for the implementation of a real estate project on TeraPlast factory's old location

5/ Investments
We have announced investments of EUR 34 mln, partially co-financed through state aid

6/ FTSE Inclusion
TeraPlast's shares were included in FTSE Russell's indices Total Cap & MicroCap

7/ State aid
We received the co-financing agreement (EUR 14 mln.) for the 3 investment projects

8/ Window profiles
We sold the window profiles business line to another Romanian producer

9/ Dividends
We distributed dividends worth EUR 9 mln.
The dividend yield was 6,2%

10/ Acquisition
We acquired 70% of the Romanian flexible packaging producer Somplast.

+103,5%
TeraPlast's share yield in 2020

~9 MLN EUR
Worth of dividends distributed

2021 TeraPlast Group Structure



BBG Ticker TRP RO
BSE symbol: TRP



- Parent company of the Group → holds majority stakes in the Group's subsidiaries
- Listed on the Bucharest Stock Exchange since 2008
- Leading producer of PVC compounds and PVC, PE & PP installation systems



- PVC and aluminum windows & doors producer
- >15 years of experience on the market
- Largest exporter of the Group (>70% of turnover in 2020)



- Rigid PVC recycler
- Largest in Romania and among top 10 rigid PVC recyclers in Europe



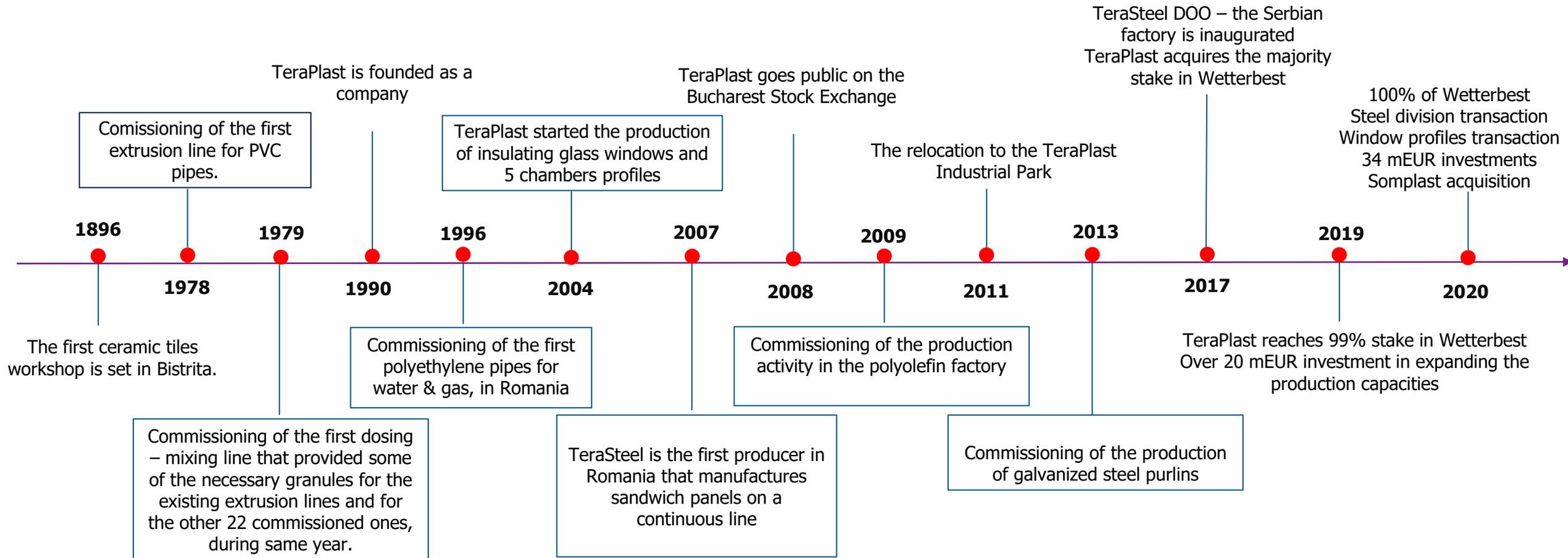
- Biodegradable packaging producer
- Investment of EUR 12mln, currently in implementation



- Recently acquired company
- Adds to the flexible packaging portfolio and expands the production capacity for PE installation systems

Short history

Long history marked by pioneering, significant research & investment projects.



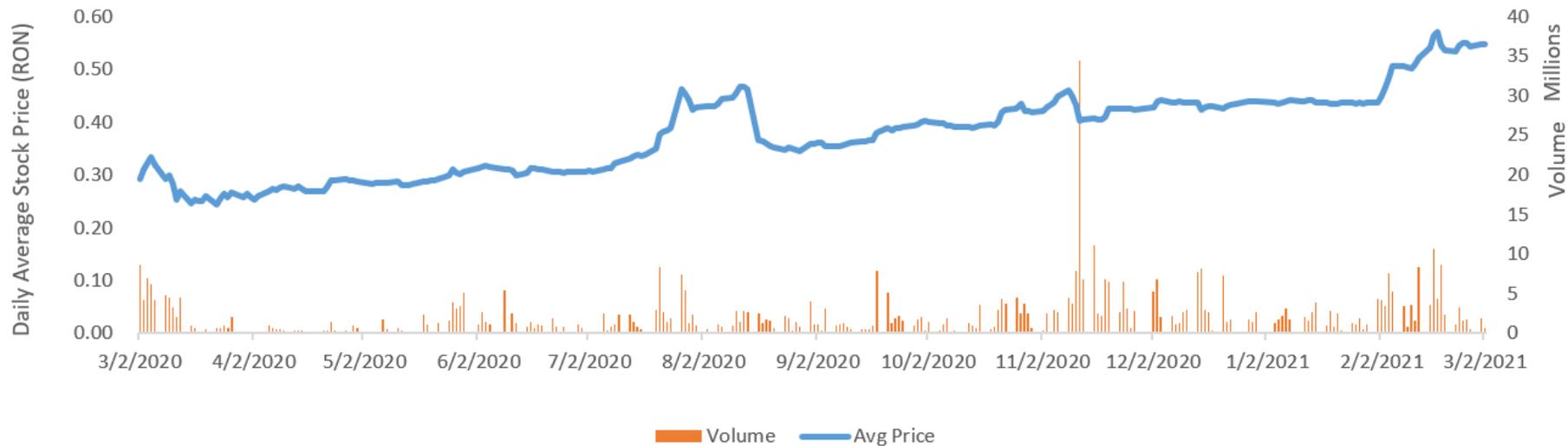
TRP on the Bucharest Stock Exchange

Key Business performance for Plastics Division, 2019 12M vs 2020 12M

Segment	Plastics (*) Turnover (mRON)				Plastics (*) EBITDA (mRON)				Plastic EBITDA Margin (%)		
	12M'19	12M'20	vs 12M'19 (abs)	vs 12M'19 (%)	12M'19	12M'20	vs 12M'19 (abs)	vs 12M'19 (%)	12M'19	12M'20	vs 12M'19 (%)
Installation & Recycling	249,7	291,6	41,8	17%	26,0	43,0	17,0	66%	10,4%	14,7%	42%
Compounds	64,2	70,5	6,3	10%	7,6	12,1	4,5	59%	11,8%	17,1%	45%
Windows & Doors	28,9	34,9	6,0	21%	2,7	1,4	(1,3)	-49%	9,3%	4,0%	-57%
Plastic Division Total	342,8	397,0	54,1	16%	36,2	56,5	20,2	56%	10,6%	14,2%	35%

(*) information for the businesses that continue their activity within TeraPlast Group

Stock Price Performance (last 12 months as at Mar 2, 2021)



Shareholder Structure

Shareholders as at Dec 31, 2020

D. Goia	46.83%
Other shareholders	41.00%
NN Pension Fund	12.17%
TOTAL	100.00%

TeraPlast SA | TRP RO

BBG Ticker	TRP RO
Market Cap (EUR mn 31 Dec)	156.8
Market Cap (EUR mn 02 Mar)	194.5
ADTV (EUR '000 Feb'21)	429.2
Price to Earnings (*)	10.7x
Price to Book (*)	2.8x
EV/EBITDA (Dec'20)	6.8x
Div Yield (@RON45m Mar 2, 21)	4.7%
https://investors.teraplast.ro/	

ADTV (EUR '000 | as of Mar 2, 2021)

1W	143.3
1M	403.4
3M	286.8
6M	267.7
12M	186.6

(*) Most recent closing price (Mar 2, 21) & most recent public data is used (Dec 31, 20)

Plastics Product Portfolio



Installation



TeraPlast Industrial Park,
Saratel, BN, Romania

Complete systems for:

- Exterior sewage
- Water & gas
- Interior sewage
- Electric cable protection
- Rainwater & wastewater management

Leader on the exterior PVC
sewage market



Residential
Non-residential
Infrastructure



PVC Compounds



TeraPlast Industrial Park,
Saratel, BN, Romania

- Rigid PVC compounds
- Plasticized PVC compounds

Market leader in Romania
34% market share



Manufacturing



Windows & Doors



Bistrita, BN, Romania

- PVC Windows
- PVC Doors
- Facades & Terraces
- Aluminum accessories

Over 80% exports annually



Residential
Non-residential



Rigid PVC recycling



TeraPlast Industrial Park,
Saratel, BN, Romania

- Regranulated PVC compounds
- Micronized PVC

The largest Romanian
rigid PVC recycler & in
top 10 in Europe



Manufacturing

Plastics Product Portfolio



Biodegradable packaging



TeraPlast Industrial Park,
Saratel, BN, Romania

Sacks and bags with a minimum 90% biodegradability degree. "OK Home Compost" certified.

12 mEUR investment to be completed at the end of 2021



Retail bags
Waste management



Flexible packaging



Năsăud, BN, Romania

Flexible foils and packaging with applications in agriculture, construction materials, food, home use, FMCG.

Contributes to the flexible packaging portfolio of TeraPlast Folii Biodegradabile



Industrial packaging
Retail bags
Waste management



Polyethylene systems



Năsăud, BN, Romania

- PE systems for water and gas networks
- PE tubes for telecommunication cables
- PE fittings

Increases the production capacity of TeraPlast's Installation portfolio



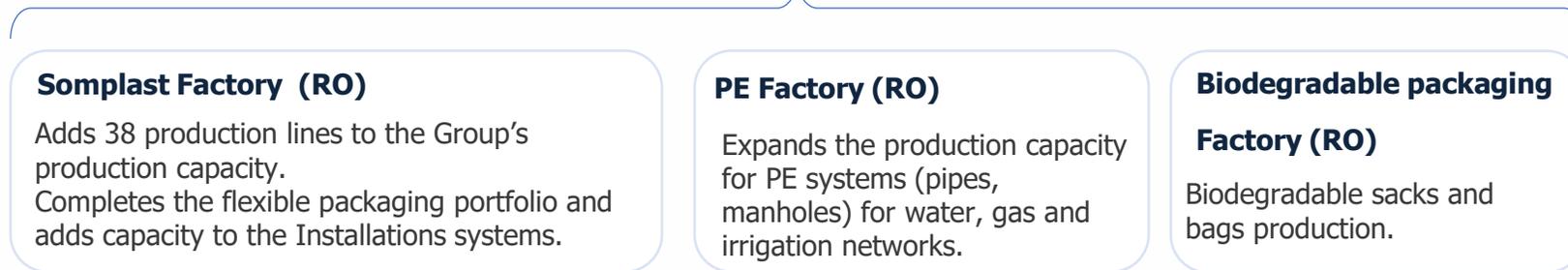
Residential
Non-residential
Infrastructure

Production units

Current Group's production units (Plastics)



New businesses & investments



 No. of production lines
  Production capacity

Production sites

TeraPlast Group's production sites sum up 306.518 square meters in surface out of which 83.513 sqm of buildings.

To the Industrial Park in Saratel an additional 13.794 sqm will be added in 2021, as follows:

- 4.410 sqm for the new PE factory
- 4.440 sqm for the biodegradable packaging factory
- 4.944 sqm of storage space



BISTRIȚA

- 2008
- 28.598 sqm
- 8.785 sqm
- 1 factory

SĂRĂȚEL*

- 2007
- 232.015 sqm
- 48.240 sqm
- 7 factories

*including the new factories

NĂSĂUD

- 1978
- 45.905 sqm
- 26.488 sqm
- 1 factory

- 📅 First operational year
- 📍 Total site surface
- 🏠 Construction surface
- 🔧 No. of factories on site

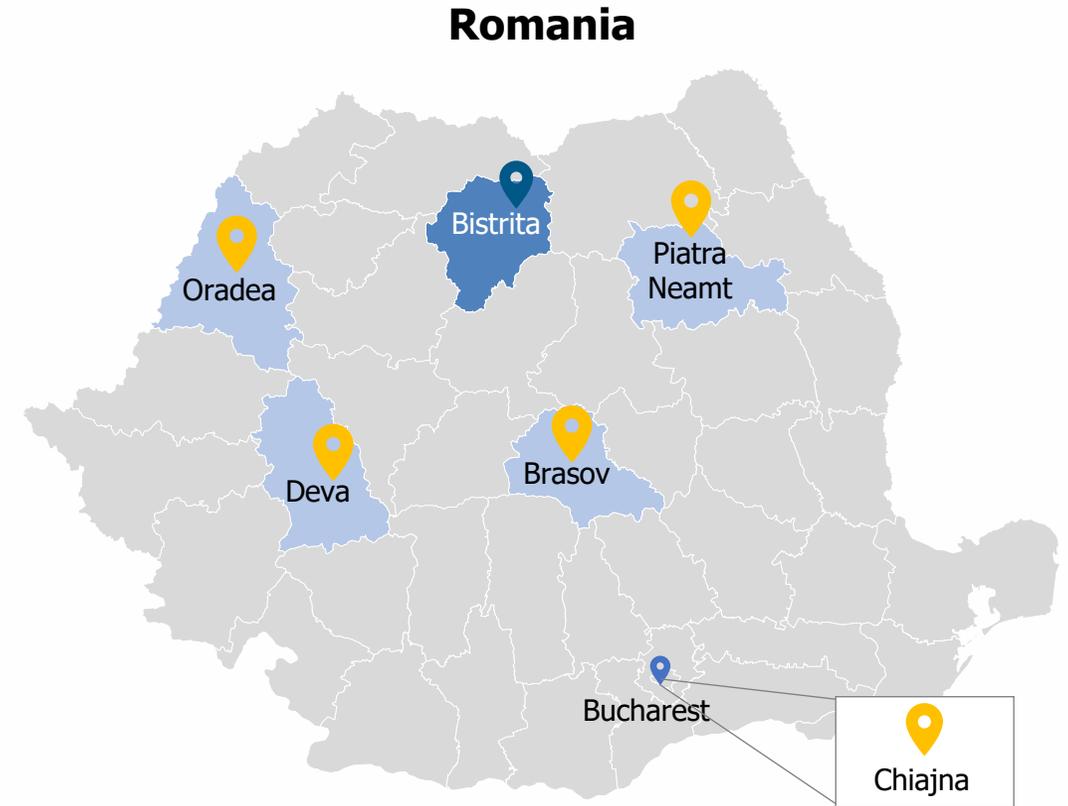
Distribution centers

Our activity is assisted by the 6 distribution centers in Romania that sum up over 35.000sqm in surface.

All our distribution centers' locations are rented. During 2020, our strategy included capitalizing on the warehousing and terrain assets.

Advantages:

- Productive assets.
- Flexibility depending on the market evolution.

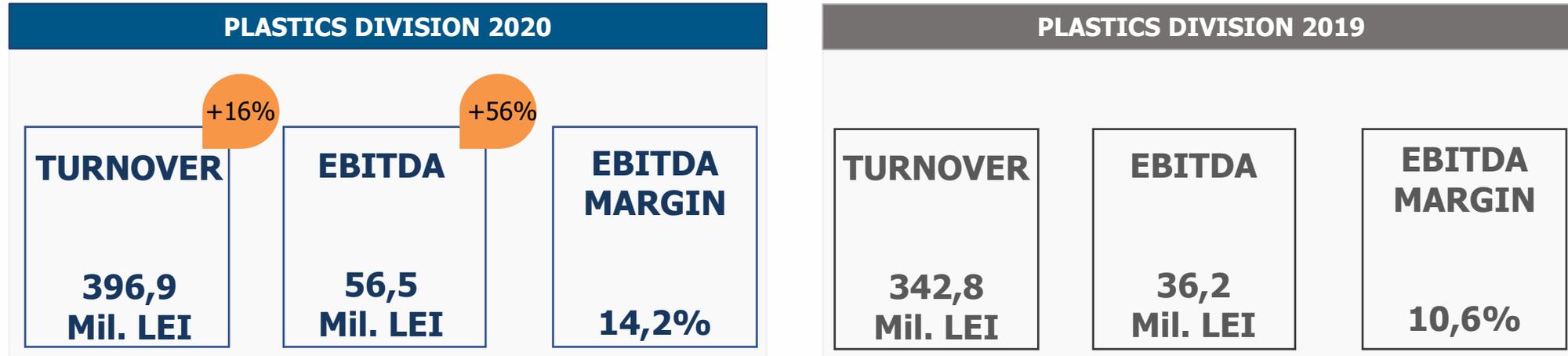


 State capital

 Group headquarters

 Distribution centers

2020 Key results



- Results for the Plastics division that represents the continued operations of the Group
- EBITDA margin of 14,2% superior to the Group's average of 12%
- Best performer in 2020, Installations & Recycling, increases its production capacities by 50% in 2021

2020 Key results

Evolution by production volumes of the continued operations of TeraPlast Group

		2020	vs. 2019
Pipes (PVC; PP; PE)	MLN	>19,3mln	+19%
Compounds	TO	>17,4k	+15%
Rigid PVC recycling	TO	>9k	+19%
Fittings & Roto formed products	PCS.	>11mln	+37%
Windows & Doors	PCS.	>125k	+7%

- The Installation business line was limited by the production capacities; we were forced to decline client orders in 2020 and therefore we invest in increasing the capacities.
- We are the largest PVC processor in the Eastern European Union.
- We are the largest Compounds producer in an area of 10 countries in the region and the only producer of halogen free, fire retardant (HFFR) compounds in Romania.
- **We increase by 50% the production capacity of the Installation business** through the investments we implement.
- TeraPlast Recycling's production was mostly directed to the PVC production of TeraPlast SA in 2020.
- TeraPlast is the only producer that has a patent to produce multilayered PVC pipes for exterior sewerage.
- TeraGlass (Windows & Doors segment) has the capacities to increase both in volumes and margin to become one of the top 10 producers of windows and doors in Romania, in a market comprised of 1.000 producers in total.

Steel Division Transaction

- Buyer: Kingspan Group
 - Leader on the high-performance insulation market
 - Listed on the London Stock Exchange
- The transaction date was February 26 when **RON 373 million** were cashed by TeraPlast
- The money will be used for:
 - **Future investments**
 - **Reducing the gearing**
 - **Dividends distribution**
- In 2020, at Group level, the Steel division had a turnover of RON 644,2 million, an EBITDA of RON 68,5 million and a profitability margin of 10,6%.



Window profiles transaction & Somplast acquisition



The sale of the window profiles business line

- Buyer: Dynamic Selling Group
- Estimated value of the transaction: EUR 4,5 million
 - The value shall be adjusted on March 15, depending on the working capital level
- Reasons to sell:
 - Group strategy is to be among the first 2 players on the markets we address
 - The development strategy of the Group focuses on other business areas



Somplast acquisition

- Acquired: 70% stake in the company
- Financed from the sale of the Brasov warehouse terrain, previously sold for cca. 1,3 million euros
- We are waiting for the Competition Council's notice
- Reasons to acquire:
 - The company is already present on the flexible packaging market that we will address through TeraPlast Folii Biodegradable
 - Strengthens the portfolio for both flexible packaging and PE piping systems

Management team

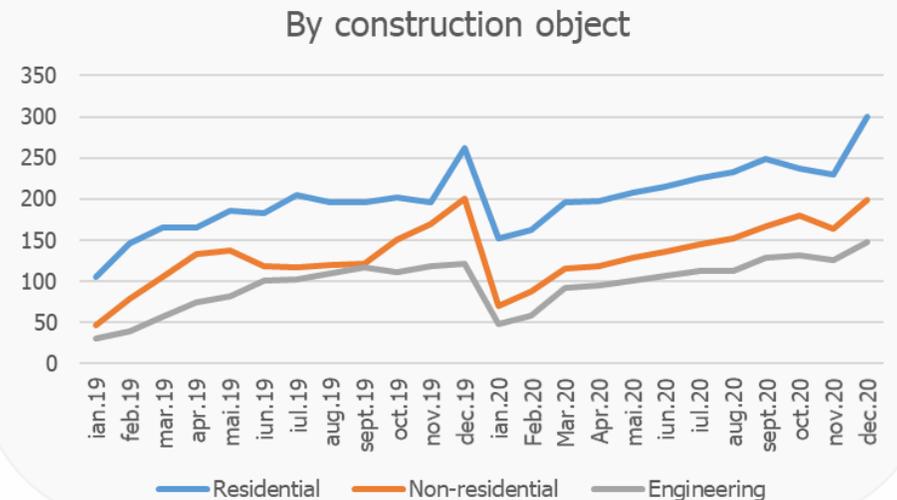
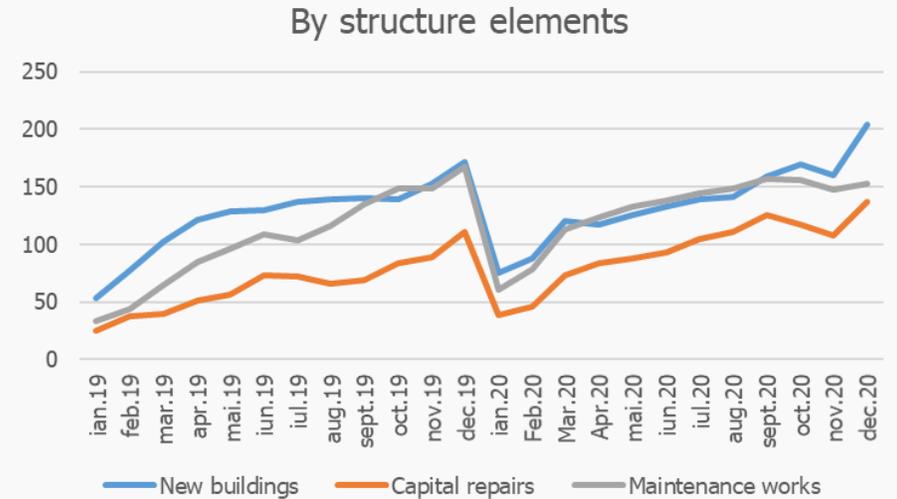
- Our corporate culture promotes the professional development within the company.
- Many of our managers were promoted from positions within the Group's companies.
- We have highly specialized colleagues that have been working with us for over 20 or even 30 years.



Construction sector in Romania

The construction sector in Romania kept its positive trend in 2020 compared to 2019.

- The total volume of the construction works registered a 15,9% increase compared to 2019.
- The positive evolution of the infrastructure works reflects in the increases registered by the capital repairs works (+46%), by the maintenance works (+24,4%).
- By construction objects, the engineering works registered the highest increase (+18,5%) closely followed by the residential buildings (+17,8%).
- The non-residential buildings also maintained a positive evolution, and despite the difficult context in 2020 it increased by 10,9% in 2020 compared to 2019.
- The worksites remained active during 2020 and adapted to the restrictions in place.
- The Government settled the infrastructure works promptly.
- The number of worksites increased in 2020, this generating an increase in market demand for TeraPlast's Installation products.



Source: The most recent [report](#) of the National Institute of Statistics, from February 15, 2021.

Opportunities - Infrastructure

52.9%



Of the resident population in Romania is connected to a sewerage network that has a treatment station*

35%



Of the resident population in Romania is connected to the national natural gas network**

25%



Of the total EUR 1,5 bln funds available for irrigation projects were spent

54.2%



Of the resident population in Romania is connected to the sewerage network*

70.9%



Of the resident population in Romania is connected to the public water supply system* (Bulgaria over 95%)

11,5%



Represents the contracted surface for irrigation projects out of the total irrigable surface

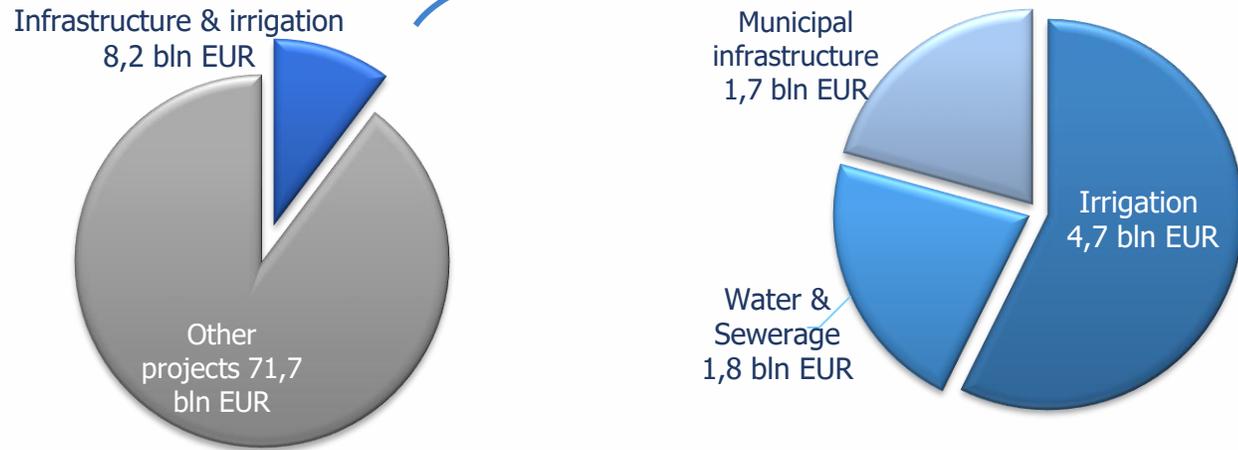
LARGE INFRASTRUCTURE (POIM)****

Total available funds: 10,8 bln EUR



RECOVERY & RESILIENCE NATIONAL PROGRAM (PNRR)***

Total available funds: 79,9 bln EUR



*Latest INS reports available for [sewerage](#) & [water](#)

**According to state representatives' statements

***[Government decision](#)

****[Official website](#)

Opportunities – Flexible Packaging

The European Commission issued in 2015 a directive regarding the usage of plastic bags with the objective of reducing the plastic bags consumption from over 400 bags/person to 40 bags/person by 2025.

This directive must be implemented in the national law system of all European states. To achieve this objective, each country can apply various measures such as additional taxes for the plastic bags and/or the obligation of using biodegradable products. If the bags are made from sustainable, biodegradable materials, no supplementary taxes apply.

This directive was transposed in Romania since 2018. Since January 1st, 2019, all plastic bags thinner than 50 microns are forbidden to be sold in the market.

Opportunities:

- Accelerated consumption growth due to national regulations: +106% increase in total internal consumption in 2019 compared to 2018
- Underdeveloped local market:
 - Cca. 15 Romanian producers of biodegradable flexible packaging
 - 54% of the local consumption was covered by imports in 2019
- **Market estimates show an average of 20% increase of the biodegradable bags and foils market annually, for the next 4 years.**

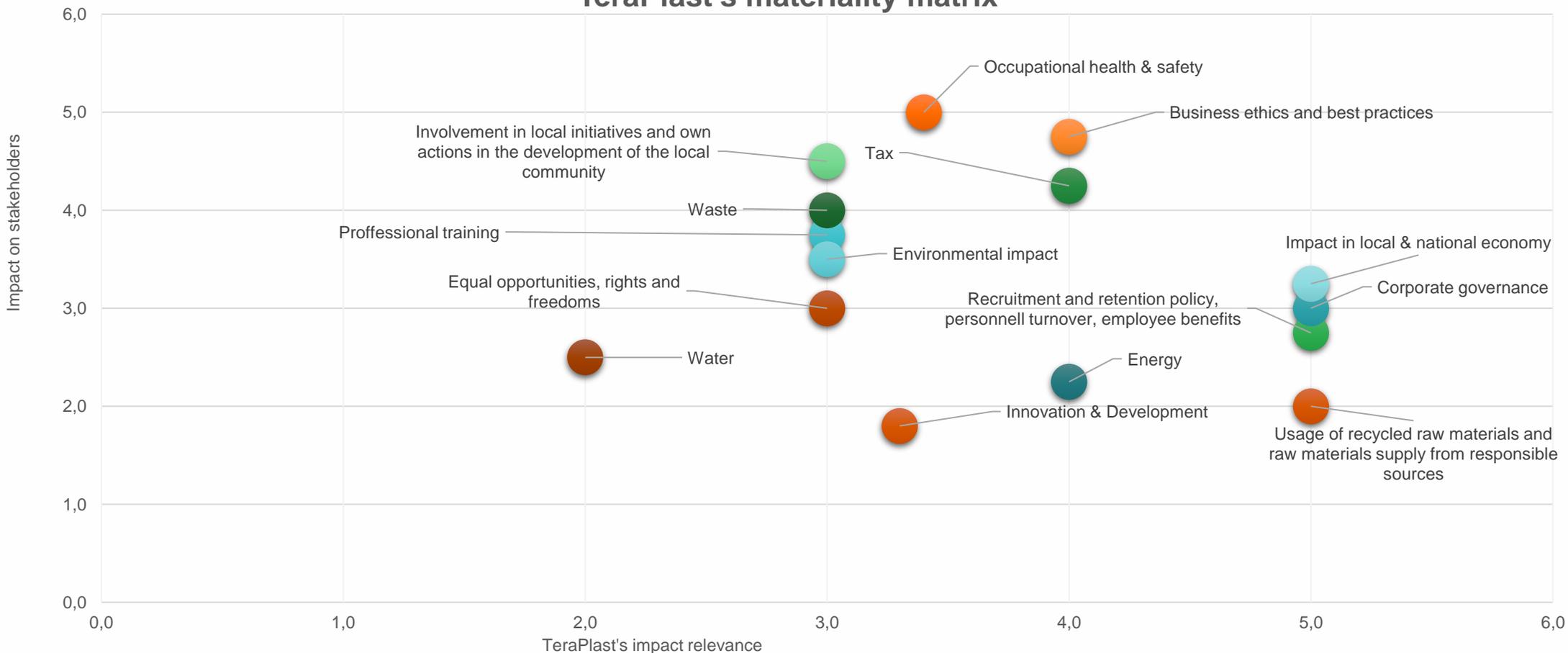


*according to Neomar Consulting study from December 2020

Sustainability Reporting

We constantly analyze our impacts and set our sustainability strategy based on the inclusiveness principle to ensure that the opinion of our stakeholders is included.
Our sustainability reports are made in accordance with the GRI Standards, Core option.

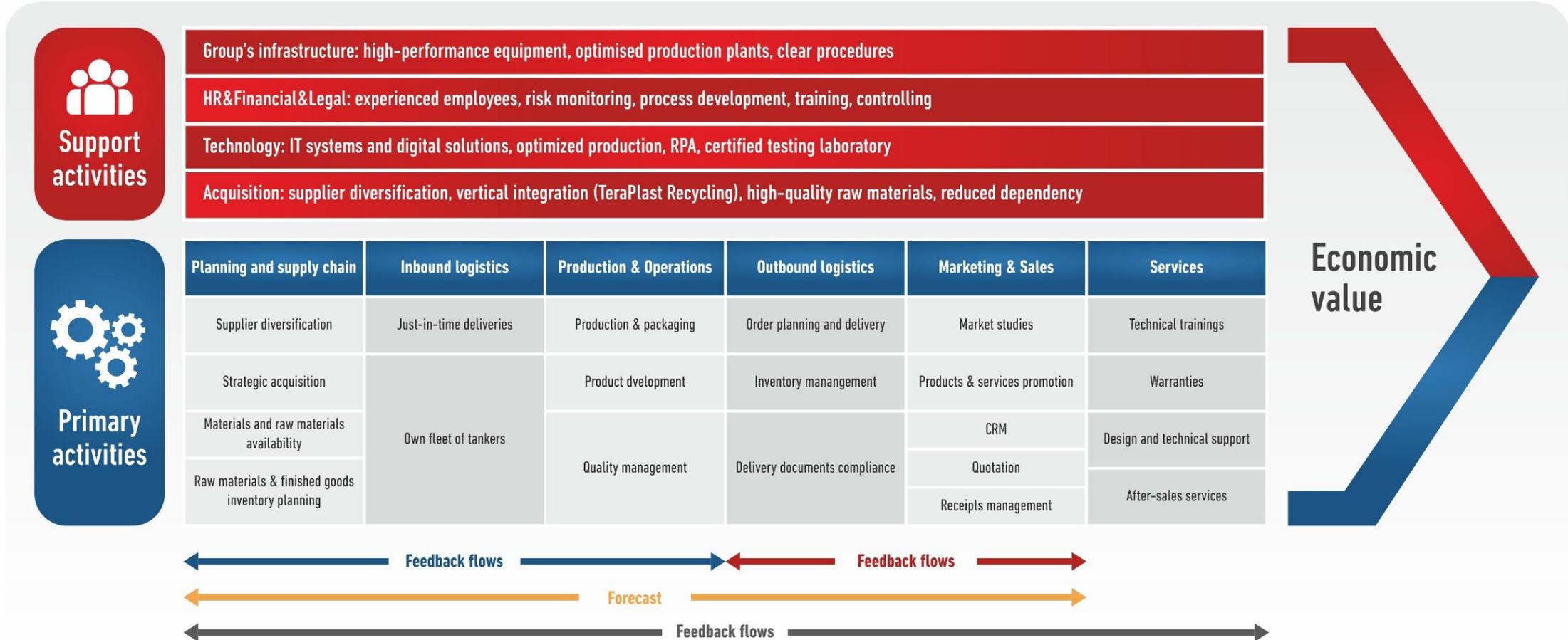
TeraPlast's materiality matrix



Value Chain

While carrying out our daily activity we consider the responsibility we have towards our entire value chain as well as to the environment and the communities. In our view, a healthy business goes beyond the financial performance. We pay attention to collaborate with partners who share our values and business principles and include non-financial topics in their strategy.

We consider that success is the results of collaboration and optimal operation of all processes. TeraPlast Group is growth-oriented and in order to achieve our objectives we rely on the input our colleagues and partners have in continuous improvement.



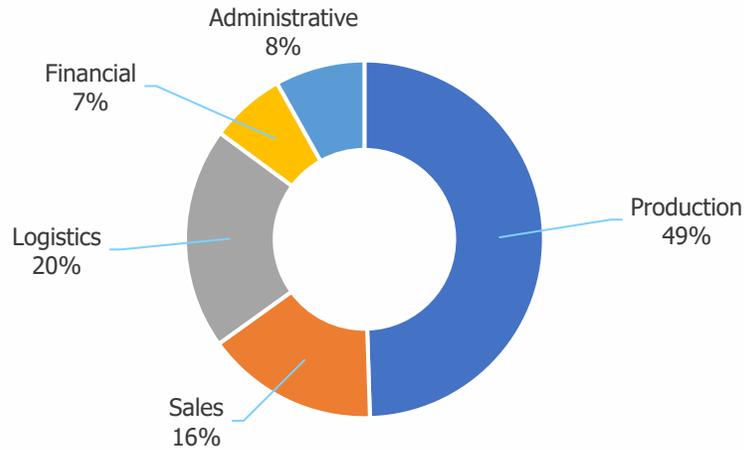
Employees

Our HR policy also aims at ensuring an objective remuneration in line with a series of criteria like medium wage, level of expertise, comparison to similar positions. At the same time, it ensures that any discriminatory criteria (social, ethnic, religious, gender, political, racial) is eliminated.

Thus, at Group level there is an equilibrium between the men and women gross wage level and, overall, the Group medium gross wage is 31% higher than the national Romanian medium gross wage in 2019.

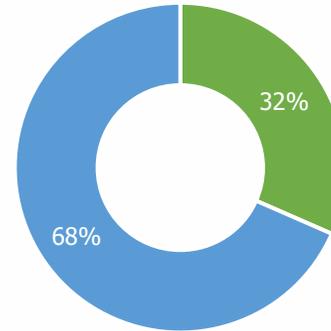
Personal and professional development of our colleagues is another important element in ensuring a pleasant and productive workplace. Besides the trainings and courses, we carry out for workplace specialization, our colleagues can subscribe to trainings on their own and the company will bear the costs.

Employee distribution by department - Group level



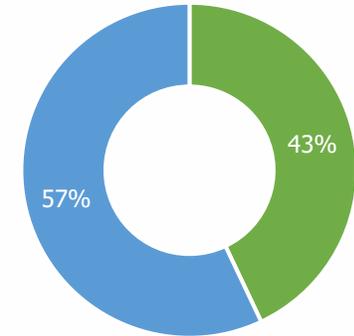
Gender distribution Group level

■ Women ■ Men



Gender distribution in management

■ Women ■ Men



In 2019, at TeraPlast Group level, 20 trainings for qualification/specialization were carried out. Out of the total number of participants, 12% are managers and, by gender, 25% are women. By the total training hours at Group level, we have 1,55 hours of training per employee in 2019, double compared to 2018.

By the area of activity, 66% of the participants are directly-productive while 34% are indirectly-productive, which shows that the professional development strategy of the Group aims at ensuring a unitary development of the Group's activities in order to increase the quality and productivity, as well as the employees' satisfaction.

Products, Community and Corporate Governance

- Active multi-level community involvement through the *Building Romania Together* CSR platform by three main areas: Education, Social, Health & Environment
- Implementing corporate governance best practices in order to raise the company competitiveness on the capital market and add value to our shareholders
- Rigid PVC recycling factory has an annual processing capacity of 12.000 tons.
- Photo-voltaic plant that will ensure cca 11.5% of the necessary energy for the Saratel Industrial Park and will reduce, on long term, the CO2 emissions
- Permanent monitoring of the product portfolio performance and recipe development; launching new enhanced and sustainable solutions (biodegradable packaging, PE 100-RC pipes & usage of recycled PVC in sewerage multi-layered pipes production)

We save

22.000tons
of CO2 annually

through the activity
of TeraPlast
Recycling

We save

660tons
of CO2 annually

by generating 11%
of the necessary
energy though the
PV plant

We are

75%
digitally transformed

through our objective
of implementing a
paperless culture



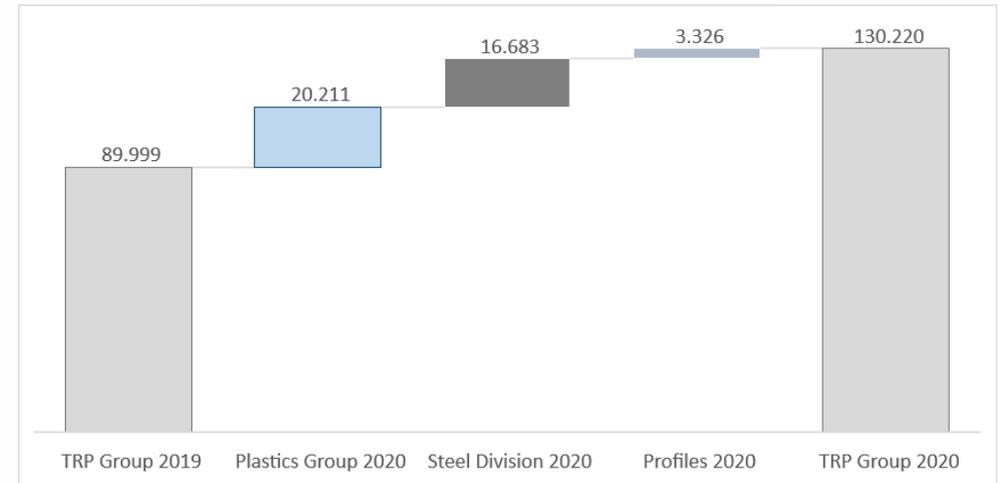
Overview | P&L Summary 2020 | TeraPlast Group

KEY POINTS

Plastics Division

- Largest contribution to the increase in EBITDA;
- EBITDA margin of 14,2% of the Plastics Division is superior to the Group average of 12%.
- Turnover of RON 396,9 million (+16%) and EBITDA of RON 56,5 million (+56%) in 2020.
- The increase in turnover would have been larger if we hadn't been limited by the production capacities. Thus, in 2021 we invest RON 165 million to be faster in deliveries and not decline our clients' demands because we lack capacities.
- We are and will remain the largest PVC processor in the Eastern EU. By the investments we implement we shall become, by 2022, the leaders of both PE pipes and flexible packaging production markets.

EBITDA Bridge 2019 – 2020 TeraPlast Group Total



RON '000	Continued operations		Discontinued operations #1		Discontinued operations #2		TeraPlast Group Total	
	Total Plastic		Steel Division		PVC Profiles segment		Total Group Results	
	2019	2020	2019	2020	2019	2020	2019	2020
Net Sales	342.816	396.950	578.655	644.232	60.973	60.344	982.444	1.101.526
Other operating income	472	2.677	1.699	4.952	3	0	2.174	7.630
Total Operating Income	343.288	399.627	580.354	649.185	60.977	60.344	984.619	1.109.156
Raw materials, consumables & m x	(228.221)	(241.424)	(439.684)	(480.849)	(42.823)	(39.709)	(710.727)	(761.981)
Salaries and employee benefits	(40.432)	(49.937)	(38.396)	(45.599)	(7.324)	(7.317)	(86.153)	(102.853)
Amortization, impairments, provis x	(16.837)	(20.278)	(13.591)	(13.720)	(4.507)	(4.110)	(34.935)	(38.108)
Other operating expenses	(38.844)	(47.739)	(48.959)	(52.221)	(9.119)	(8.078)	(96.922)	(108.038)
Total Operating Costs	(324.334)	(359.377)	(540.630)	(592.389)	(63.773)	(59.214)	(928.737)	(1.010.980)
EBIT	18.954	40.250	39.724	56.796	(2.797)	1.130	55.882	98.176
EBITDA	36.242	56.453	51.843	68.526	1.914	5.240	89.999	130.220
EBITDA %	10,6%	14,2%	9,0%	10,6%	3,1%	8,7%	9,2%	11,8%
Financial result, net	(5.923)	(4.013)	(5.009)	(4.290)	(197)	(248)	(11.129)	(8.552)
Profit before tax	13.032	36.237	34.715	52.506	(2.993)	882	44.753	89.624
Income tax expense	(1.121)	(4.331)	(4.714)	(6.955)	(10)	(88)	(5.845)	(11.375)
Net Profit	11.910	31.905	30.001	45.551	(3.003)	793	38.908	78.249
Net Profit %	3,5%	8,0%	5,2%	7,1%	-4,9%	1,3%	4,0%	7,1%
Turnover increase		15,8%		11,3%		-1,0%		12,1%
EBITDA increase		55,8%		32,2%		173,8%		44,7%

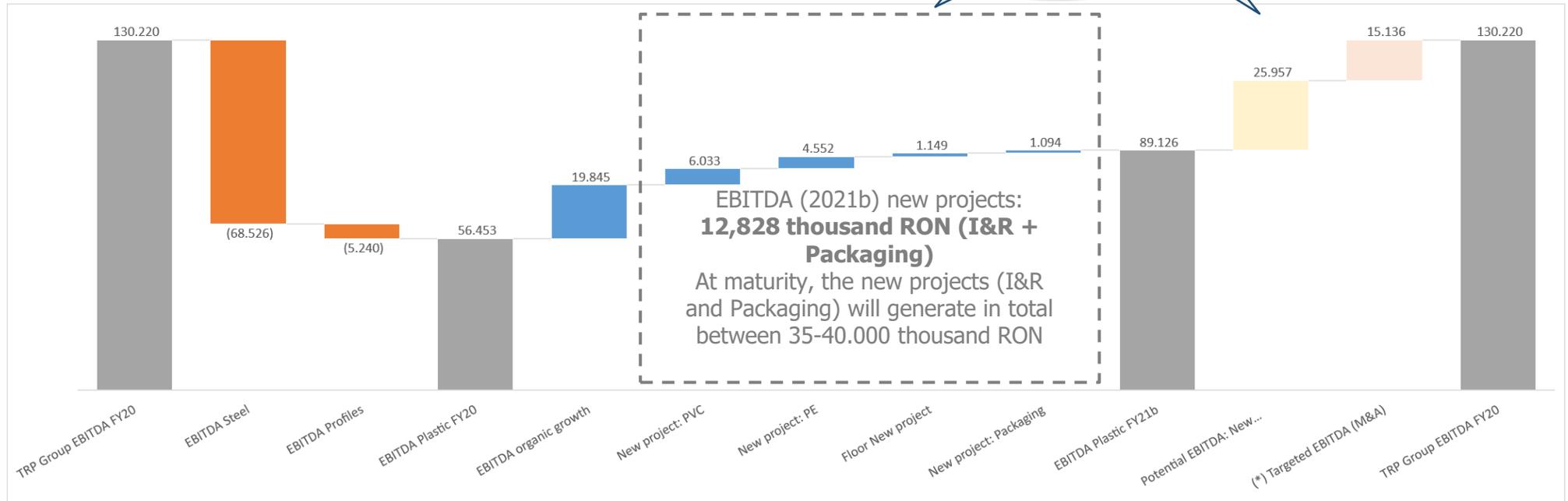
Plans to reconstruct the 2020 EBITDA after the transactions

Amounts in RON thousand

The businesses that exit the Group contributed by more than half to the 2020 EBITDA and in the following period we will focus on Plastics operations to reach an EBITDA equal to the one in 2020 in a 2 years time.

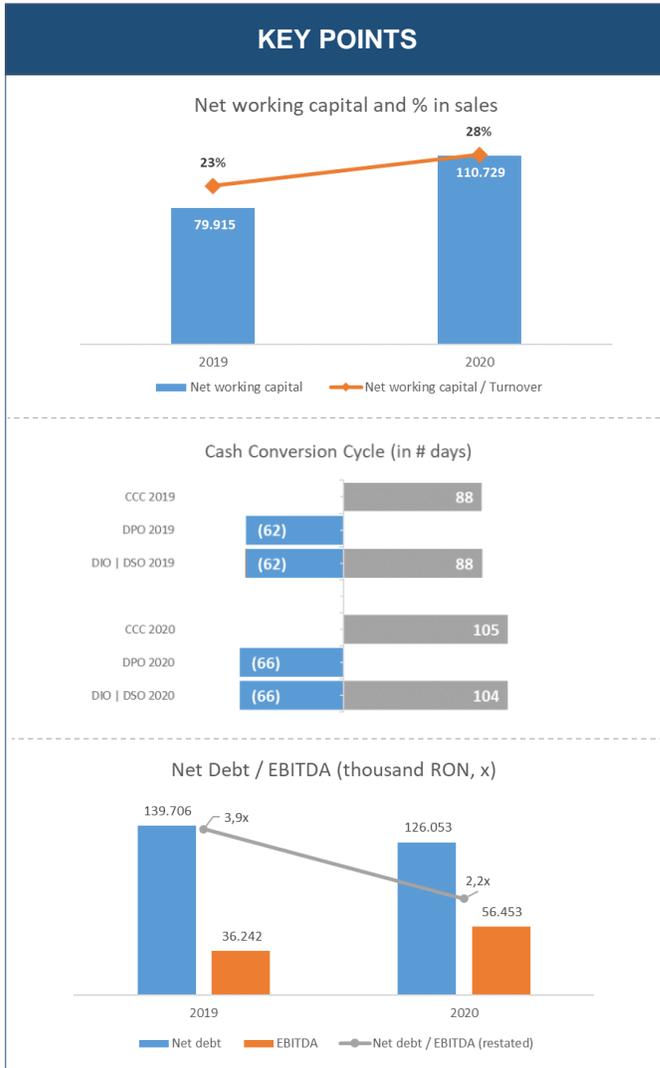
The potential of the projects to generate EBITDA is in line with the Group's strategy; we expect an EBITDA margin between 12% and 16% from the new projects

The M&A activity that follows aims at identifying the best opportunities to carry out the set strategy



(*) excluding Somplast's contribution, the information about the company will be presented after all customary conditions of the transaction shall be met.

Overview | 2020 Balance Sheet | TeraPlast Group



(*) Detailed financial statement for the continued operations. The elements of the discontinued operations are reported as total assets and total liabilities and on a net base in the "Discontinued operations, net" line. For benchmarking we added the detailed net assets included in the December 31, 2020, balance for the discontinued operations.

RON '000	TRP Group Restated (*)		Steel	Profiles
	2019	2020	2020	2020
Intangibles & Goodwill	1.341	1.066	42.406	46
Tangible assets	154.914	169.819	109.188	10.118
Investment Property	6.913	3.687	-	-
Other non-current assets	131	319	97	4
Non-current assets	163.300	174.890	151.691	10.169
Inventories	55.067	65.057	101.857	12.240
Trade receivables	82.901	113.144	40.290	3.576
Trade payables	(55.288)	(64.881)	(73.727)	(7.544)
Trade working capital	82.680	113.320	68.419	8.272
Other payables	(3.347)	(3.165)	(7.566)	(356)
Other receivables	582	574	450	86
Other working capital	(2.765)	(2.591)	(7.117)	(271)
Net working capital	79.915	110.729	61.303	8.002
AFH Discontinued Operations Profiles	-	26.682	-	-
AFH Discontinued Operations Steel	377.179	331.770	-	-
Total Liability of Discontinued Operations	(192.641)	(162.218)	-	-
Total Discontinued Operations, net	184.538	196.234	-	-
Cash and cash equivalents	14.352	16.642	37.483	611
Bank loans and leases	(138.115)	(132.574)	(53.298)	(9.582)
Other non current liabilities	(15.236)	(9.377)	-	-
Provisions	(708)	(744)	(273)	(87)
Net (debt) / cash	(139.706)	(126.053)	(16.088)	(9.058)
Subsidies	(11.898)	(19.888)	(9.784)	-
Net assets	276.148	335.913	187.121	9.113
Share capital & premiums	161.165	174.320		
Reserves	33.531	30.830		
Retained earnings	79.198	130.110		
Non-controlling interest	2.254	653		
Equity	276.148	335.913		

**Total Net Assets
Discontinued Operations
= RON 196,234 thousand**

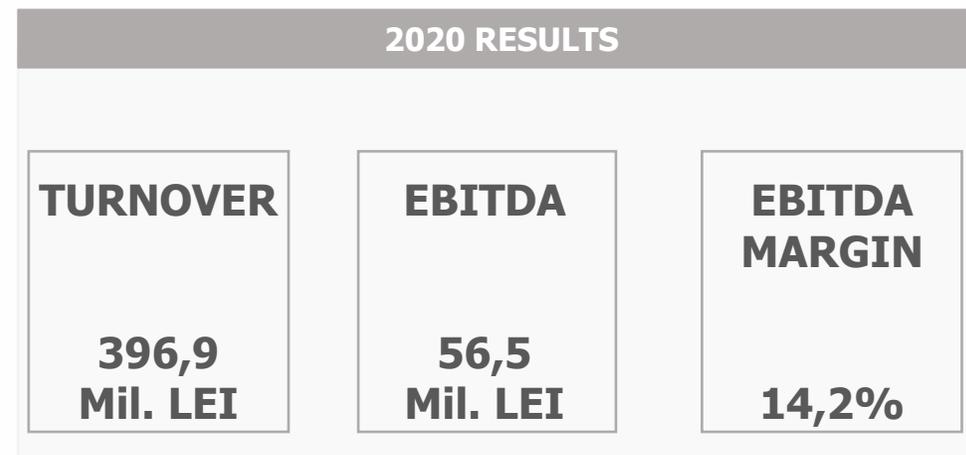
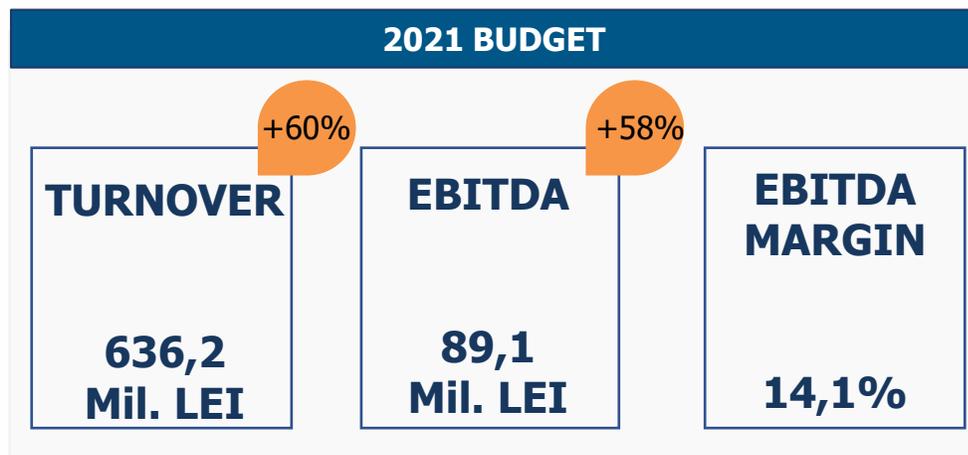
Challenges

We celebrate 125 years since the Saxon craftsman Walter Schuster opened the ceramic tiles workshop in Bistrita.

- We enter the **EUR 300 million market of biodegradable foils and bags** where we aim to become market leaders by 2022.
- We face the most abrupt increase of the raw materials prices in the last 5 years, but by the investments we make and the high demand in the market, we shall keep a high level of profitability margin.
- We are **implementing investment projects worth EUR 34 million** to continue the accelerated sales growth for the plastics products and entering the biodegradable sacks and foils market.
- We will create **200 new jobs**.
- By 2022 we also aim to become **market leaders of the polyethylene pipes market**.
- Through POIM (Large Infrastructure Operational Program) Romania still has **about RON 6 bln to invest in the following 2 years**. This is European money and represents Romania's chance to grow without stressing the state budget.
- We are waiting for the PNRR (National Recovery and Resilience Program) to start; it will add **EUR 8,2 bln for water, sewerage and irrigation works**.
- TeraGlass didn't reach the expected performance in 2020 but we have high expectations in 2021 in terms of profitability. TeraGlass' objective is to be among top 10 windows and doors producers in Romania.

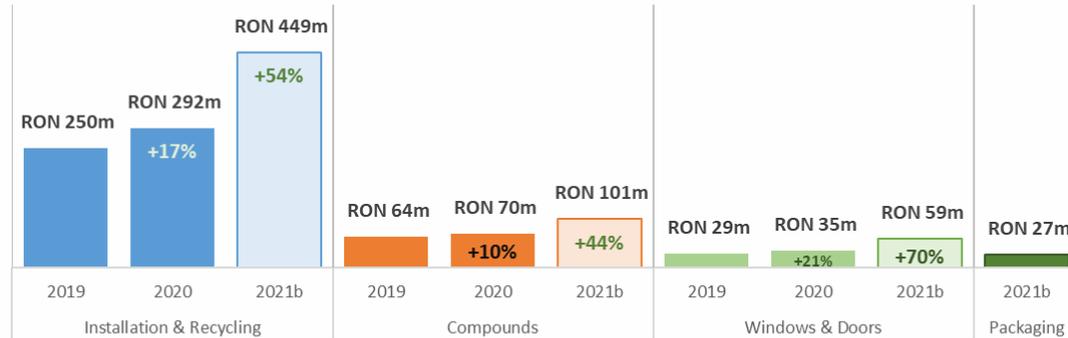
We aim to be leaders in all businesses we operate in

- The 2021 budgeted growth is based on:
 - The increase of the production capacities for TeraPlast following the implementation of the state aid co-financed projects
 - Spin-off of TeraPlast Folii Biodegradabile
 - Somplast integration after the receipt of the Competition Council's approval notice
- We estimate and average of 9% increase of the sale prices generated by the increase of the raw materials prices
- Supplementary increase in turnover and EBITDA may arise from future acquisitions
- Plastics Division's EBITDA margin decreases compared to 2020 due to the implementation of the new investments

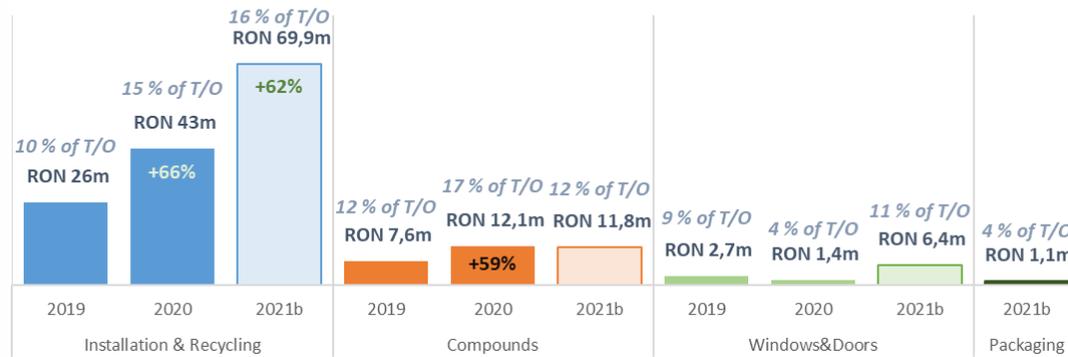


Plastics division | Continued operations | 2021 Budget

Turnover & increase rate



EBITDA and % in Turnover



KEY POINTS

Installation & Recycling

- The improvement of EBITDA margin in 2020 is mainly due to the increase in volumes, the operational efficiency measures, the high demand in the market that allowed us to implement the price policies and the favorable variation of raw materials price;
- The new projects in implementation during 2021/2022 add approximately RON 12 mln to the 2021 EBITDA increase;

Compounds

- After a year when we focused on margin improvement, in the following period we will focus on winning market share;

Windows&Doors

- After a series of improvements in operations, we expect an increase of the turnover and a significantly improved profitability margin;

Packaging

- The new project is being implemented in 2021 and will significantly contribute, when reaching maturity, at the EBITDA (between RON 12 & 15 mln per year).

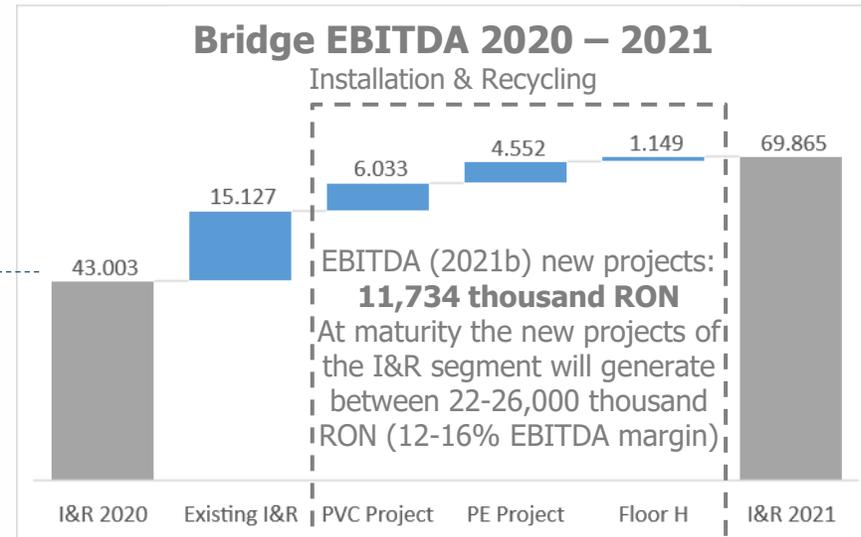
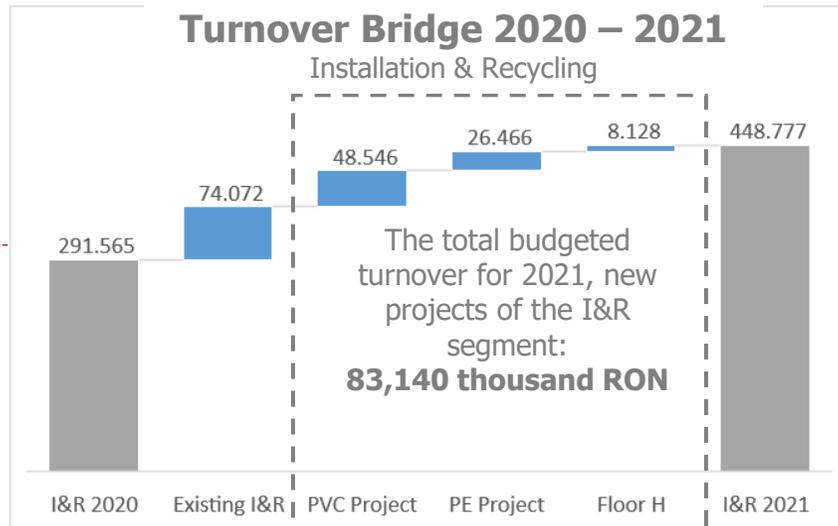
RON '000	Installation & Recycling			Compounds			Windows & Doors			Packaging	Total Plastic	
	2019	2020	2021b	2019	2020	2021b	2019	2020	2021b	2021b	2019	2020
Net Sales	249.740	291.565	448.777	64.201	70.497	101.200	28.875	34.888	59.389	26.858	342.816	396.950
Other operating income	436	1.858	2.086	-	-	278	36	819	807	146	472	2.677
Total Operating Income	250.176	293.423	450.863	64.201	70.497	101.478	28.911	35.707	60.195	27.004	343.288	399.627
Raw materials, consumables & m	(164.873)	(174.261)	(281.965)	(47.501)	(48.240)	(78.207)	(15.846)	(18.923)	(31.350)	(17.918)	(228.221)	(241.424)
Salaries and employee benefits	(29.328)	(35.976)	(44.855)	(4.560)	(5.750)	(6.844)	(6.544)	(8.211)	(11.558)	(3.254)	(40.432)	(49.937)
Amortization, impairments, provis	(14.449)	(16.680)	(16.653)	(1.541)	(1.745)	(1.986)	(847)	(1.852)	(2.364)	(805)	(16.837)	(20.278)
Other operating expenses	(30.560)	(36.855)	(52.092)	(4.558)	(4.506)	(4.354)	(3.726)	(6.379)	(10.107)	(4.593)	(38.844)	(47.739)
Total Operating Costs	(239.211)	(263.772)	(395.565)	(58.161)	(60.240)	(91.390)	(26.962)	(35.365)	(55.380)	(26.570)	(324.334)	(359.377)
EBIT	10.966	29.650	55.298	6.040	10.258	10.087	1.949	342	4.815	434	18.954	40.250
EBITDA	25.972	43.003	69.865	7.581	12.069	11.795	2.689	1.381	6.373	1.094	36.242	56.453
EBITDA %	10,4%	14,7%	15,6%	11,8%	17,1%	11,7%	9,3%	4,0%	10,7%	4,1%	10,6%	14,2%

Installations & Recycling | Details | 2019-2021B

Installation & Recycling

I&R 2021 > detailed

RON '000	2019	2020	2021b	I&R 2020	I&R 2021	I&R Existent	PVC Project	PE Project	Floor H
Net Sales	249.740	291.565	448.777	291.565	448.777	365.637	48.546	26.466	8.128
Other operating income	436	1.858	2.086	1.858	2.086	967	584	231	304
Total Operating Income	250.176	293.423	450.863	293.423	450.863	366.604	49.130	26.697	8.433
Raw materials, consumables & m	(164.873)	(174.261)	(281.965)	(174.261)	(281.965)	(223.889)	(35.587)	(18.052)	(4.437)
Salaries and employee benefits	(29.328)	(35.976)	(44.855)	(35.976)	(44.855)	(38.264)	(3.413)	(1.788)	(1.391)
Amortization, impairments, provis	(14.449)	(16.680)	(16.653)	(16.680)	(16.653)	(13.927)	(1.424)	(641)	(660)
Other operating expenses	(30.560)	(36.855)	(52.092)	(36.855)	(52.092)	(45.354)	(3.513)	(2.074)	(1.151)
Total Operating Costs	(239.211)	(263.772)	(395.565)	(263.772)	(395.565)	(321.434)	(43.937)	(22.555)	(7.639)
EBIT	10.966	29.650	55.298	29.650	55.298	45.170	5.193	4.142	793
EBITDA	25.972	43.003	69.865	43.003	69.865	58.131	6.033	4.552	1.149
EBITDA %	10,4%	14,7%	15,6%	14,7%	15,6%	15,9%	12,4%	17,2%	14,1%



New investment projects

	Installation & Recycling			Packaging (foils)		Total
	PVC&Fitting	Floor H (PE pipes)	PE Pipes	TRP Folii		New projects
Investment (in EUR mln)	17% €5,09	10% €3,13	33% €9,87	40% €11,84		€29,93
Annual turnover at maturity (mil EUR)	€11,48	€4,74	€20,03	€15,62		€51,88
Annual EBITDA at maturity (mil EUR)	23% €1,85	8% €0,66	31% €2,49	37% €3,00		€8,00
% EBITDA at maturity (2023)	16,1%	14,0%	12,4%	19,2%		15,4%
Objective	The increase of the production capacities for the plastic fittings (PP & PVC), PVC pipes and PE pipes segments.		New production unit for PE pipes (smoothbore & corrugated) and rotomoulded products (PE)	New production unit for the production of finished goods made of biodegradable foils, bags and biodegradable sacks.		
Production Capacity	PVC Pipes: +37% increase Fittings: +67% increase PE Pipes: +18% increase		PE Pipes: +8,629 to/year Rotomoulding: +1,469 to/year	Biodegr. bags: +2,800 to/year Biodegr. sacks: +2,000 to/year		
Evolution of production capacity usage FOR THE PROJECT	PVC Pipes: 80% (year 1) >> 91% at maturity Fittings: 23% in (year 1) >> 91% at maturity PE Pipes: 31% in (year 1) >> 90% at maturity		PE Pipes: >95% from the 1st year Rotomoulding: 82% (year 1) >> 98% at maturity	Biodegr. bags: 64% (year 1) >> 87% at maturity Biodegr. sacks: 66% (year 1) >> 90% at maturity		
Project implementation timeframe	Oct 2020 - Apr 2022		Jan 2021 - Feb 2022	Nov 2020 - Nov 2022		Oct 2020 - Nov 2022
New jobs	45		80	93		218



Development plan

We will further develop by both investments and M&A

- We actively analyze such opportunities in Romania and abroad
- We will develop to become the **leaders of the flexible packaging market**
 - We invest EUR 14 mln: EUR 12 mln in TeraPlast Folii Biodegradabile & EUR 2 mln in Somplast
 - Somplast is an average player on the packaging market in Romania, but half of its annual production is exported, reaching France, and representing a growth base
- We aim **multiple acquisition for 2021**
- We aim that in the shortest time to **exceed the RON 130mln EBITDA** based on the accelerated growth of the Group's businesses, assisted by investments and acquisitions, that will consolidate our leading position on the markets we activate on
- The money cashed from the Kingspan transaction will be used for:
 - **Further development**
 - **Reducing the gearing**
 - **Dividends distribution**



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