



125
ani



TeraPlast[®]

**Frontier Investor Days
September 15-16, 2022**

- About TeraPlast Group
- TRP stock at Bucharest Stock Exchange
- Business model and recent evolution
- Forecast 2022 and market perspectives
- Integrating sustainable development into business
- Key figures and financial performance
- Conclusions



IR Contact



Alexandra Şica

+40 741 270 439

investor.relations@teraplast.ro

There is a huge potential for national and regional infrastructure and budgets of over 8 billion euros for public investments from which we will benefit.

We hold leading positions in the segments we operate (eg installation & compounds) and aim to achieve leading positions in the other segments.

We have the production capacities ready to serve the market demand.

We are expanding and diversifying by investing in increasing production capacities and in new business lines.

Thanks to the efficient equipment, we have cost leadership.

We focus on international development and increase exports.

The diversified product portfolio and synergies at the level of raw materials reduce the impact of crises on the performances at Group level.

In the coming years we will reap the fruits of recent investments.

TeraPlast Group is one of the largest Romanian entrepreneurial groups with more than 125 years of tradition, extensive expertise in polymer processing and an annual turnover of over EUR 100 million. The Group has a strong history of growth and innovation.

Currently, TeraPlast Group is the largest polymer processor in CEE.

1896 - 1948

Our tradition began with the processing of ceramic tiles, which over time have become internationally recognized for their quality and aesthetics.

1949 - 1990

Period of development and reinvention. The processing of plastics begins in 1978 in IMC Bistrita.

1991 - 2007

The foundations of a successful entrepreneurial story are laid. TeraPlast Group is taking shape and investments are gaining momentum: international partnerships, the establishment of new companies, the launch of products for the first time on the Romanian market.

2008 - 2020

TeraPlast goes public on the BSE, the Group grows and expands, becoming the largest producer of construction materials with Romanian capital: the first Romanian factory abroad, M&A.

2021 - present

The structure of the Group is changing and investments are being made in line with the development strategy towards the largest polymer processor in CEE: increasing production capacities, entering the packaging market, focus on recycling.



Installation Compounds **501**

Parent-company of the Group, Listed on the BSE since July 2008.

TERAPLAST SA

Systems for interior sewage
Systems for exterior sewage
Systems for transport and distribution of water and natural gas
Rainwater management systems
Cable protection systems
Underfloor heating

Plasticized and rigid PVC compounds
HFFR compounds



Rigid PVC recycling

TERAPLAST RECYCLING SA

101

100%



Micronized recycled PVC
Recgranulated recycled PVC



Flexible packaging

TERABIO PACK SRL

156

100%



Biodegradable and compostable packaging
Polyethylene packaging



PVC and Aluminum windows & doors

TERAGLASS BISTRITA SRL

211

100%



PVC windows and doors
Aluminum windows & doors
Garage doors
Curtain walls



Real estate management in Nasaud

SOMPLAST SA

11

70%

Business lines

Employees at 30.06.2022

TeraPlast share

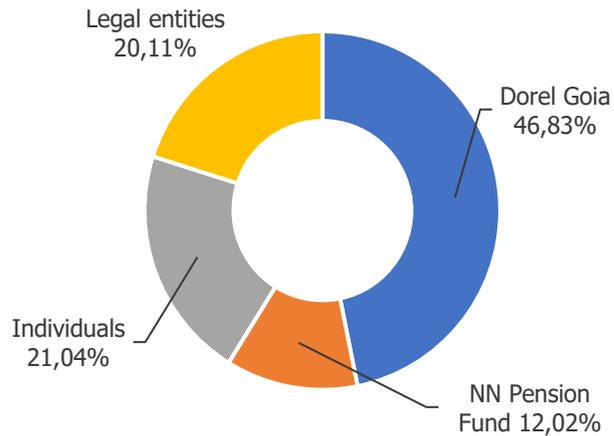
Company name

Product categories

- > We have industry-specialized colleagues that carry out the **internalized R&D activity**.
- > We also have an **internal testing laboratory**, accredited by RENAR – the national Accreditation Body.
- > Through the R&D activity, TeraPlast marked a series of **premieres in terms of uniqueness and innovation**:
 - First producer of certified polyethylene piping in Romania and the first producer of multilayered PVC pipes for exterior sewerage
 - First Romanian producer of sandwich panels manufactured on a continuous line by a Romanian company (TeraSteel)
 - The only producer in Romania with a patent to produce multilayered PVC pipes for exterior sewerage (with recycled PVC core)
 - The only European producer of multilayered pipes made of 100% recycled material.



Shareholding structure



BVB:TRP
Bloomberg: TRP RO

H1/2021

H1/2022

Turnover
(mln. LEI)

272,9

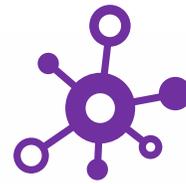
373,7

EBITDA
(mln. LEI)

42,7

35,8

	2020	2021*
Dividends (mil. LEI)	>45	>32
Gross dividend/ share (LEI)	0,026	0,015



Constantly within

Top 10

most traded stocks in the reference index BET in the last 12 months.



485 mln

Shares traded in the last 12 months.



497 mln

RON,
Total traded value in the last 12 months.



105 k

Transactions in the last 12 months.

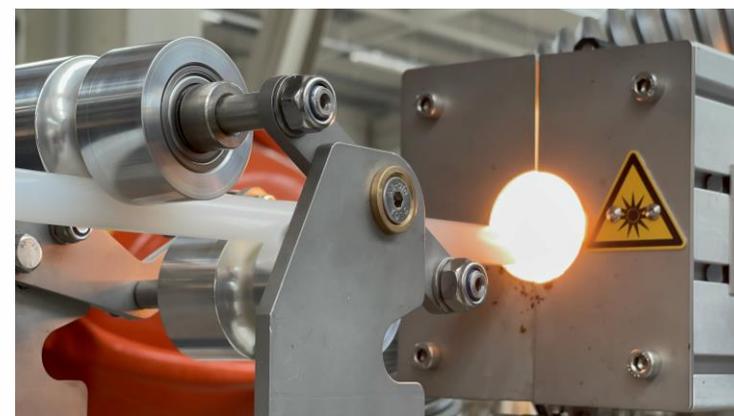
Published on TradingView.com, September 12, 2022 10:55:52 EEST
BVB:TRP, D O:0,5990 H:0,6050 L:0,5990 C:0,6040



TradingView

*Represents the annual dividend distributed from the result from Q2-Q4; does not include the exceptional dividend of 0,13 lei/share from Q1 registered from the sale of the steel products division.

- In 2022, we granted **dividends** worth 32 million lei, from the net profit from the production activity of TeraPlast SA. In addition, in 2021 a special dividend was granted from the extraordinary from the sale of the steel division (total dividend value 226.6 million lei) and the **share capital** was **increased** by 43.6 million lei.
- We submitted a project through PNRR for the construction of a new **photovoltaic plant** (total project value approx. 5 million euros), which will contribute approx. 9.5% to the electricity requirement.
- We received the financing agreement for the **stretch film factory** (10.8 million euros) – we are currently in the design phase of the hall.
- **2021 investments have been commissioned:** the polyethylene systems factory produces pipes with diameters up to 1200mm, the telecommunications microtube line is operational, the underfloor heating pipe line is in tests, the biodegradable packaging factory started production in Q4/ 2021, the production capacity of the recycling plant has been expanded.
- We have strengthened the management team with two experienced managers, Mr. Laszlo Vajda as **development director** and Mrs. Carmen Iacob as **TeraGlass' general director**.
- We are in the process of **establishing a company in Hungary**, which will increase the regional footprint of the Group and represent a logistical base for effective coverage of the local market, as a result of the increase in the share of the Hungarian market in the Group's exports.
- **Exports** increased in line with our goals, from 7 million lei in the first eight months of 2021, to 18 million lei in the same period of 2022.
- **TRP stock's visibility** increased thanks to:
 - Upgrading within FTSE Russell indices from MicroCap to Small Cap;
 - Inclusion in the CECE MidCap index of Vienna Stock Exchange.



Double-digit annual growth through organic growth and M&A.

Continuous investment to integrate innovation and sustainable solutions into our businesses.



Performance above the market average with the objective of being a leader in all the segments we operate.

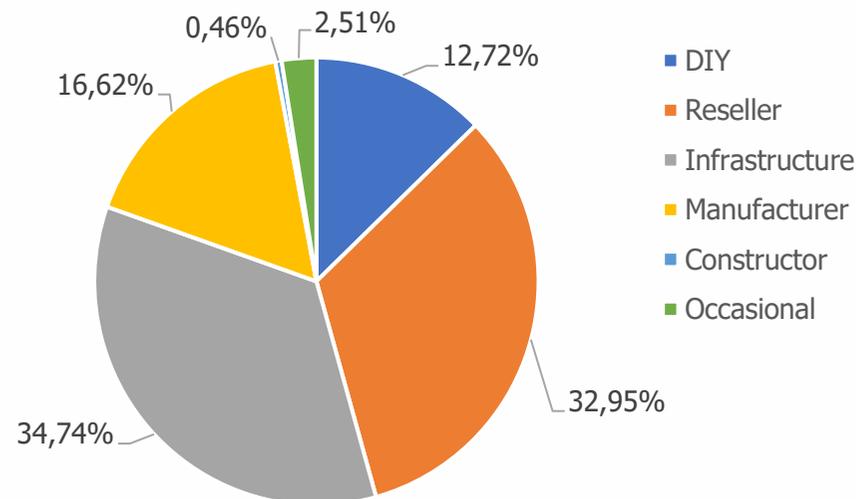
Disciplined allocation of capital and investments.

Strong focus on international development.

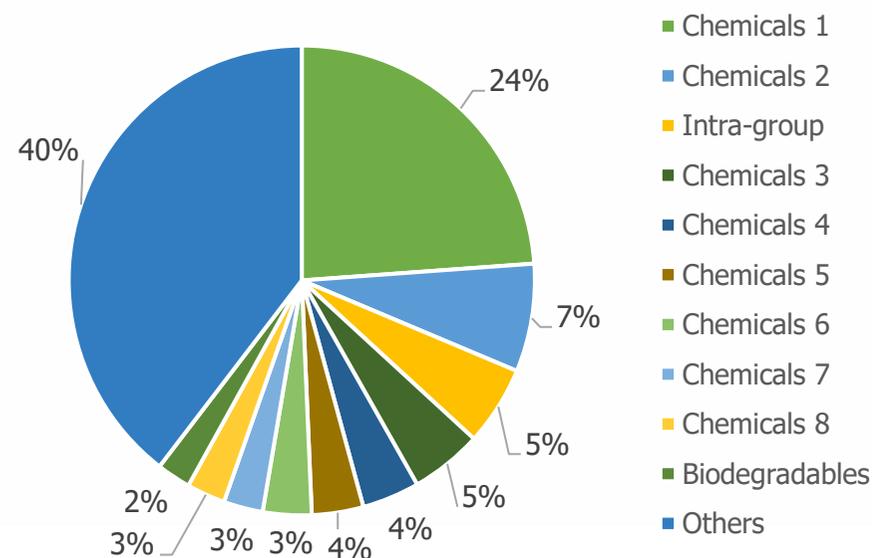
The Group has good reputation among its clients and suppliers being recognized as a trustworthy, strategic business partner.

- Tight credit risk monitoring internal & external (insurance)
- Effective purchasing policy: broad supplier base
- Low dependence through client
- Cost-effective production processes
- Good cash management
- Experienced management team
- Diversified portfolio of products & market segments
- Good margins thanks to Group size and innovation
- Customized strategies for each company and market segment
- Flexibility and strategic management à niche strategies and costs leadership
- Not exposed to the public sector but linked to some extent
- Annual maintenance CapEx around EUR 1 million

Clients' structure – 6M 2022

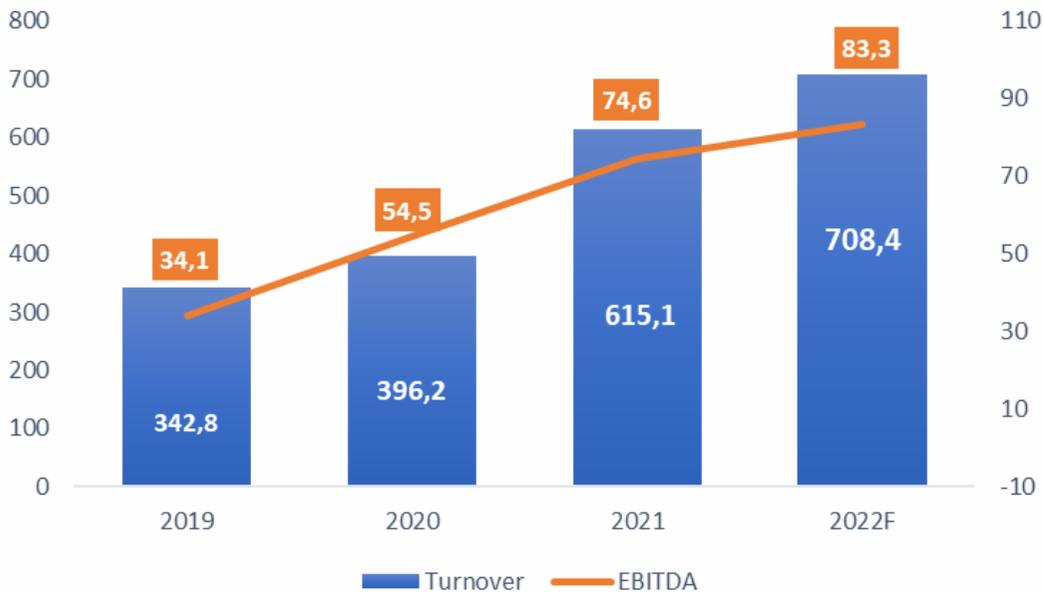


Suppliers' structure – 6M 2022



- Strong growth generated by investments co-financed through the state aid scheme for expanding the production capacities.
- Diversified product portfolio and raw material synergies reduce the impact of crises on Group-wide performance.
- Development oriented towards emerging sectors: products incorporating recycled material or made entirely from recycled material, biodegradable packaging, energy efficiency through the photovoltaic plant.
- Delivering added-value for our shareholders is the main pillar of our strategy; we sell mature businesses (eg the steel products division) and lay the foundations for growth in new markets.
- We have overcome capacity limitations starting 2020-2021, which puts us in an ideal position to capitalize on future market growth.
- We have expertise and track record in creating, growing and consolidating businesses, in most segments occupying one of the first positions in the market.

LEI, million



We have prepared for the future through massive investments of 211 million lei in capacity expansions, new factories and new business lines.

TeraPlast Group's turnover increased in the first half of 2022, but at a lower pace than previous intervals. Export sales evolved excellently in H1/2022, reaching RON 63.8 million, a 79% increase compared to H1/2021.

+37%

TURNOVER

**373,7
MLN. LEI**

(H1/2021: 272,9 MLN. LEI)

-16%

EBITDA

**35,8
MLN. LEI**

(H1/2021: 42,74 MLN. LEI)

-42%

NET PROFIT

**16,4
MLN. LEI**

(H1/2021: 28,7 MLN. LEI)

EBITDA MARGIN

9,6%

(H1/2021: 15,7%)

- The consolidated result of the Group was affected by below-estimated developments in the Windows & Doors and Flexible Packaging divisions.
- The group has timed the increase in production capacities according to the factors that determine the market. At the same time, planned investments such as the new stretch film plant are progressing, and started projects such as the water and gas pipe unit became operational in Q2.
- Difficulties in new segments caused by longer than expected maturing periods of new investments or some delays in renegotiating contracts will be overcome.

<i>amounts '000 lei</i>		Group total	Installations & Recycling	Compounds & Recycling	Windows & Doors	Flexible Packaging
Net sales	Results S1	373.691	249.703	76.749	27.889	19.349
	Forecast S2	334.670	206.283	71.261	34.335	22.791
	Total 2022	708.361	455.987	148.010	62.224	42.140
	% vs 2021	▲ 15%	▲ 12%	▲ 0%	▲ 43%	▲ 150%
EBITDA	Results S1	35.762	30.912	10.818	(530)	(5.438)
	Forecast S2	47.519	35.782	9.525	1.997	215
	Total 2022	83.281	66.694	20.343	1.467	(5.223)
	% vs 2021	▲ 12%	▲ 33%	▼ -24%	▲ 47%	▼ 40%
EBITDA margin	Results S1	9,6%	12,4%	14,1%	-1,9%	-28,1%
	Forecast S2	14,2%	17,3%	13,4%	5,8%	0,9%
	Total 2022	11,8%	14,6%	13,7%	2,4%	-12,4%
Net profit	Results S1	16.402				
	Forecast S2	27.143				
	Total 2022	43.545				
	% vs 2021	▼ -2%				

We remain as determined to increase the Group's profitability through various measures and levers, despite some adverse phenomena, such as those we encountered: expensive raw materials or blockages in the field of construction. We are still aiming for double-digit growth but adapted to the new economic reality.

The budget considered a much more favourable macroeconomic scenario, on a different trajectory than the one that materialized (none of the announced infrastructure programs have started: PNRR, Anghel Saligny and there are also delays in the POIM projects). For these reasons we have revised the forecast for 2022. The new projections consider:

- 15% increase in turnover compared to 2021
- 12% increase in EBITDA compared to 2021 and maintaining a double-digit Group EBITDA margin of 11.8%
- The main sources of growth remain Installations and Recycling, and a positive effect is expected from a potential revitalization of infrastructure works in the second part of Q3
- For the Compounds line, the Group aims an EBITDA of over RON 20 million and a margin of 13.7%
- The net profit will be similar to last year, when the Group recorded a net profit from the operational activity of RON 42.3 million.

- The construction works increased in volume as an adjusted series according to the number of working days and seasonality by 1.9% in January-June 2022 compared to 6 months/2021.
- On construction objects, increases occurred in non-residential buildings (+14.5%) and in residential buildings (+7.7%). **Engineering works decreased by 9.1%.**
- The main causes remain long delays, both when launching new tenders and when indexing old contracts according to the new costs. Blockages appeared, and activity on the construction sites stagnated.

COMPOUNDS

18 bln EUR

Budgeted for other projects where the Group's products (i.e. compounds) can be used (energy, waste management, transport, social & institutional buildings, healthcare, education etc.)

FLEXIBLE PACKAGING

274 mln EUR

is worth the flexible packaging market in Romania, of which 169 mln EUR are imports

WINDOWS & DOORS

2,2 bln EUR

Budgeted for renovations – apartment blocks & public buildings renovated/rehabilitated

INSTALLATION



Of the resident population in Romania is connected to a sewerage network that has a treatment station in 2021*



Of the resident population in Romania is connected to the sewerage network in 2021*



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



Of the resident population in Romania is connected to the public water supply system in 2021* (Bulgaria over 95%)

1,88 bln EUR

Budgeted for infrastructure through National Recovery & Resilience Plan (water & sewerage networks)

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

- Our business model aims at the optimal integration of the entire value chain, compliance with business ethics, the development of a sustainable economic and social environment and the reduction of the potential negative impact we can have on everything that surrounds us.
- We carry out the annual management analysis within the Integrated Management System and communicate the approach and progress in the area of sustainability through the annual sustainability report, carried out in accordance with GRI standards.
- We are part of major international associations and initiatives to keep up with market trends and innovations (e.g. TEPPFA, Recovinyl) and are a Signatory of the UN Global Compact.
- Our community involvement focuses on three major areas: Education, Social and Health & Sport.
- We run a dual education program through which we professionally train potential future employees.

Category	Material topics
Governance	Corporate governance
	Risk management and compliance
	Integrity, ethics and business best practices
	Cybersecurity
	Supply chain and purchase of raw materials from responsible sources
	Use of recycled raw materials
	Product portfolio quality and safety
	Sustainable products within our portfolio
Environment	Resource management
	GHG emissions and climate protection
	Waste management and circular economy
Social	Employee recruitment and retention
	Occupational health and safety
	Equal rights, rights and freedom
	Employee wellbeing
	Professional development and promotion
	Community involvement

- We openly participate to ESG evaluation initiatives – [ESG rating available on BSE Research Hub](https://bvbresearch.ro/ReportDashboard/ESGScores)



Source: <https://bvbresearch.ro/ReportDashboard/ESGScores>



Photovoltaic plant

We have a functional photovoltaic plant made together with E.ON Energie (EUR 1.9 million total value of the project). We are in the process of building a new photovoltaic power plant - EUR 5 million project, submitted within the PNRR. Thus, through both power plants we achieve a reduction in emissions of approximately 4,500 tons of CO₂eq / year**.



Integrating recycled raw material

We have in our portfolio products that integrate recycled PVC (multilayer pipes for external sewers); made entirely from recycled PVC - Gri(n) Pipe - and we produce films from recycled polyethylene.



Flexible packaging

TeraBio Pack's plant technology has a carbon footprint lower by more than 95% compared to the conventional technology analyzed***. This proves that products made from biodegradable materials are the solution to achieving CO₂ neutrality.



Governance instruments

System for integrity warnings (whistleblowing), dual education, solid code of conduct and Quality-Environment-Health and Operational Security Integrated Management System.



Digitalization and automation

Multi-module ERP systems (SAP4HANA, WMS), RPA services for customer credit analysis, payment recording and allocation, business intelligence tools, electronic signature to reduce the amount of paper used.



Within top 5 rigid PVC recyclers in Europe

TeraPlast Recycling's factory is the largest producer of micronized recycled PVC in Europe and in top 5 European recyclers of rigid PVC. For every 1 ton of recycled PVC, we save 2 tons of CO₂, and the energy required to process recycled PVC is 45%-90% less than virgin PVC*. At a capacity of 31,000 t/year, we save 62,000 t CO₂/year.

***According to the study from Tractebel regarding the compliance with the environment criteria in EU taxonomy.

**According to own measurements and evaluation within the projects.

*Source: Plastic Recycling Factsheet,

EuRIC, https://circulareconomy.europa.eu/platform/sites/default/files/eu-ric_-_plastic_recycling_fact_sheet.pdf

We quantified direct emissions (Scope 1) and indirect emissions related to electricity consumption (Scope 2) in tCO₂ eq. (tons of carbon dioxide equivalent), in accordance with the requirements of the GHG Protocol - A Corporate Accounting and Reporting Standard.

For the calculation of emissions related to Scope 1, the following consumptions were taken into account:

- The amount of diesel fuel used by company cars as well as electricity generators;
- The amount of gasoline used by the company cars;
- The amount of natural gas used for space heating as well as that used in production;
- The amount of refrigerant (R407C and R410A) loaded into air conditioning or chiller systems in 2021.

For the calculation of emissions related to Scope 2, the amount of electricity used by the company, that procured by the TeraPlast Group, as well as that produced by the photovoltaic panels located on the factory buildings were taken into account.

The carbon footprint
of TeraPlast Group
in 2021



22.494
Tons of CO₂ eq.

The main source of emissions is the electricity procured and used within the operational activity. This represents more than 80% of the carbon footprint of the entire TeraPlast Group.

*market based method



The main and traditional divisions in the Group had good developments even though the economic environment became incomparably more challenging compared to last year.

H1 2022 Results

Lei, thousand

	Group total	Installation & Micronized recycled	Compounds, including recycled	Windows & doors	Flexible packaging
Turnover	373.691	249.703	76.749	27.889	19.349
% vs H1 2021	37%	37%	19%	40%	n/a
EBITDA	35.762	30.912	10.818	-530	-5.438
% vs H1 2021	-16%	4%	-8%	n/a	n/a
EBITDA Margin	9,6%	12,4%	14,1%	-1,9%	-28,1%

- The EBITDA margin remained at the targeted levels for the Installation and Compounds business lines, but the Group margin was affected by the TeraGlass and TeraBio Pack results.
- The net profit experienced a contraction, reaching RON 16.4 million (H1/2021: RON 28.7 million), on a strong base effect and as a result of the commissioning of new investments, which are still in the ramp up phase.

INSTALLATION & RECYCLING

- The largest of the Group. An essential factor that determined the good development was the intensive use of recycled material. This represents a competitive advantage in the current market conditions and contributes significantly to optimal cost management.

WINDOWS & DOORS

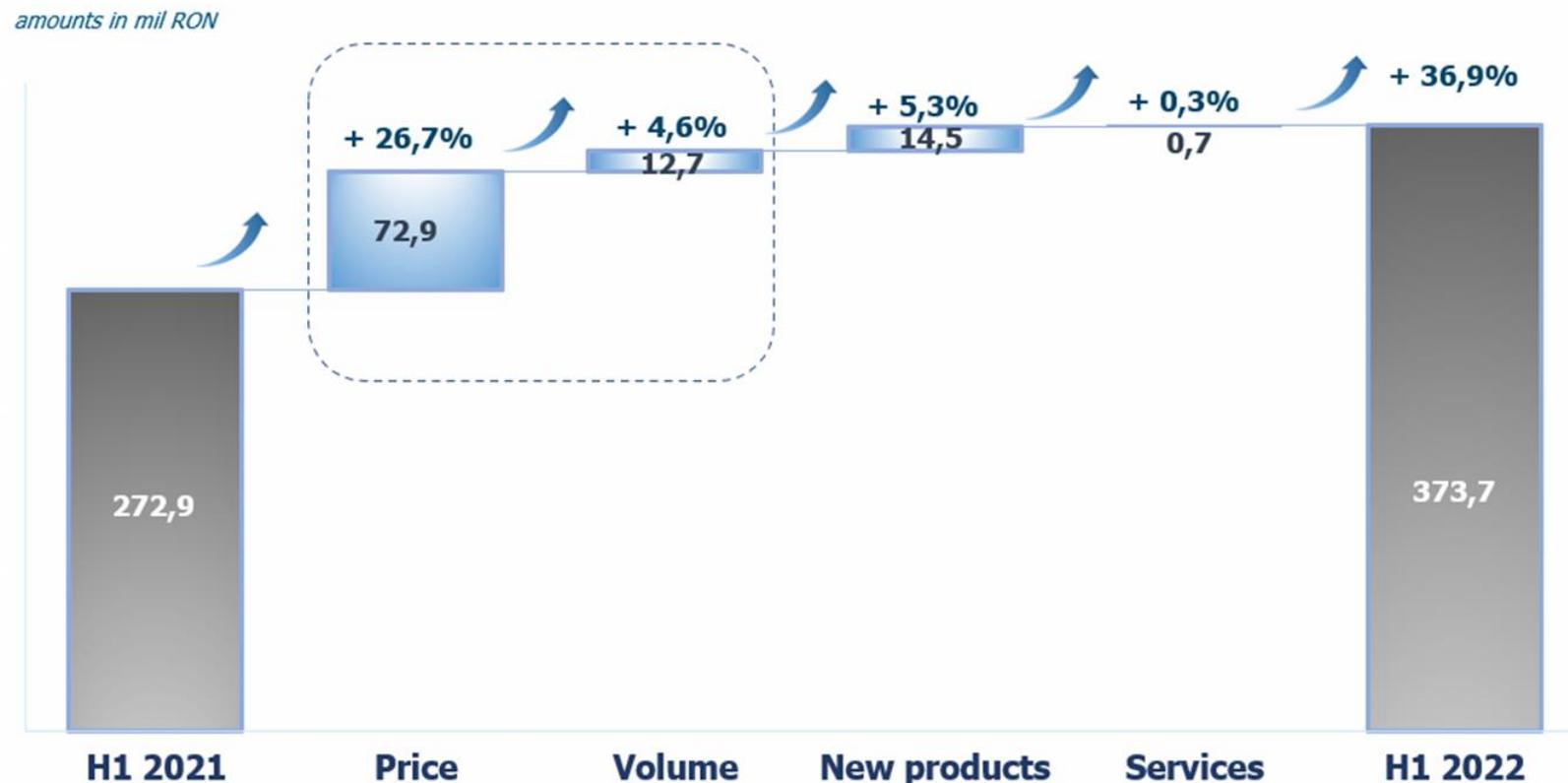
- TeraGlass' negative EBITDA came from slow price updates based on new costs. The situation improved significantly in June when, based on renegotiated contracts reflecting current costs, the division had a positive EBITDA margin of 5.5%, which improved the evolution of the previous months and at the same time gives an upward direction to profitability in the second half of 2022.

FLEXIBLE PACKAGING

- Has not reached its break-even point yet due to the standard market penetration process: customers ask for samples for testing, and between testing and the actual order there is a considerable time interval, extended by the general market context.
- A boost for the production of biodegradable packaging is expected following the winning of tenders with large retail chains, which will become effective in the latter part of this year.

+37% growth in turnover H1 2022 vs H1 2021

- A significant proportion of the increase in turnover is due to price increases, as a result of higher production costs.
- The largest volume increases were in PVC pipes and recycled PVC micronized (TRP Recycling).
- The turnover of new products relates mostly to biodegradable packaging, plus the new products launched in 2022 TeraDuct (telecommunications infrastructure and fibre optic tubing) and NeoTer (floor heating systems) which were commissioned at the end of H1 2022.



H1/2022 Summary P&L

RON '000

	FY'2021	FY2022B	Var % vs PY	6M'21	6M'22	Var % vs PY
Net Sales	615.111	708.361	15%	272.903	373.691	37%
Other operating income	3.486	4.322	24%	1.391	243	-83%
Total operating income	618.597	712.683	15%	274.294	373.934	36%
Raw materials, consumables & merchandise	(406.509)	(466.051)	15%	(173.633)	(255.723)	47%
Salaries and employee benefits	(69.275)	(79.854)	15%	(30.083)	(41.328)	37%
Depreciation and adjustments for asset depreciati	(23.204)	(24.908)	7%	(8.942)	(13.712)	53%
Other operating expenses	(66.291)	(83.648)	26%	(27.876)	(40.177)	44%
Total operating costs	(565.279)	(654.461)	16%	(240.534)	(350.941)	46%
EBIT	53.319	58.222	9%	33.760	22.993	-32%
EBITDA	74.640	83.281	12%	42.782	35.762	-16%
EBITDA %	12,1%	11,8%		15,7%	9,6%	
Financial Result, net	(2.344)	(5.909)	152%	(1.791)	(3.036)	70%
Profit before tax	50.975	52.313	3%	31.970	19.957	-38%
Income tax expense	(8.684)	(8.495)	-2%	(3.295)	(3.555)	8%
Net Profit %	42.291	43.818	4%	28.674	16.402	-43%
Net Profit %	6,9%	6,2%		10,5%	4,4%	

Net sales

- Increase in sales prices, volume increases and new products
- Exports were 17% of net sales in S1/2022 (13% in S1/2021)

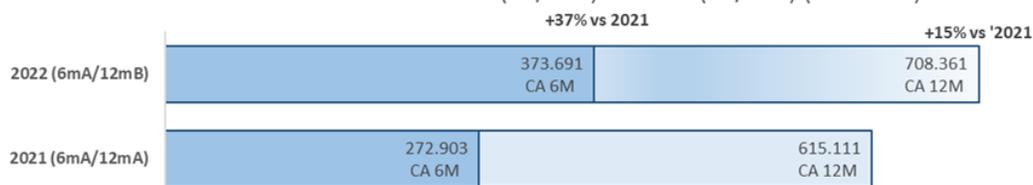
EBITDA

- The EBITDA margin remained at the targeted levels for the Installations and Compounds business lines.
- PVC recycling was an essential factor that determined EBITDA growth at Installations. The use of recycled PVC represents a competitive advantage in the current market conditions and contributes significantly to optimal cost management.

- The increase in the prices of raw materials could not be fully transferred to the final customers.

- The flexible packaging division, new within the group, had negative EBITDA in 2022 as it requires additional production costs and a longer optimization period due to the standard market penetration process and the general unfavorable context.

Net sales evolution 2022 (6a/12b) vs 2021 (6a/12a) (RON'000)



EBITDA 2022 (6a/12b) vs 2021 (6a/12a) (RON'000)



all amounts in thousands of RON unless otherwise specified

H1/2022 Summary P&L- Segments RON '000	Teraplast Group			Installations and recycling			Compounds			Windows&Doors			Flexible Packaging	
	6M'21	6M'22	Var % vs PY	6M'21	6M'22	Var %	6M'21	6M'22	Var %	6M'21	6M'22	Var %	6M'21	6M'22
Net Sales	272.903	373.691	37%	182.242	249.703	37%	64.592	76.749	19%	19.915	27.889	40%	6.154	19.349
Other operating income	1.391	243	-83%	950	157	-84%	4	53	1352%	410	14	-97%	27	20
Total operating income	274.294	373.934	36%	183.193	249.860	36%	64.596	76.802	19%	20.324	27.903	37%	6.181	19.369
Raw materials, consumables & merchandise	(173.633)	(255.723)	47%	(115.018)	(164.988)	43%	(42.949)	(57.366)	34%	(11.398)	(18.023)	58%	(4.268)	(15.346)
Salaries and employee benefits	(30.083)	(41.328)	37%	(19.537)	(25.376)	30%	(5.188)	(4.350)	-16%	(4.137)	(5.754)	39%	(1.221)	(5.848)
Depreciation and adjustments for asset depreciati	(8.942)	(13.712)	53%	(6.191)	(9.411)	52%	(1.680)	(1.512)	-10%	(893)	(969)	8%	(177)	(1.821)
Other operating expenses	(27.876)	(40.177)	44%	(19.226)	(27.502)	43%	(4.686)	(4.268)	-9%	(3.284)	(4.450)	36%	(681)	(3.957)
Total operating costs	(240.534)	(350.941)	46%	(159.971)	(227.277)	42%	(54.503)	(67.496)	24%	(19.712)	(29.196)	48%	(6.347)	(26.971)
EBIT	33.760	22.993	-32%	23.221	22.582	-3%	10.093	9.306	-8%	612	(1.293)	-311%	(166)	(7.603)
EBITDA	42.782	35.762	-16%	29.601	30.912	4%	11.773	10.818	-8%	1.369	(530)	-139%	39	(5.438)
EBITDA %	15,7%	9,6%		16,2%	12,4%		18,2%	14,1%		6,9%	-1,9%		0,6%	-28,1%

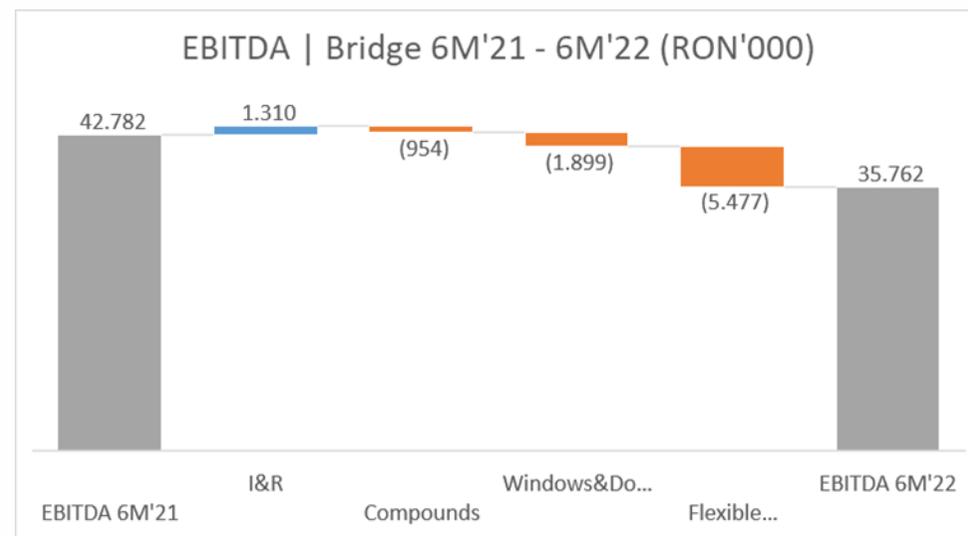
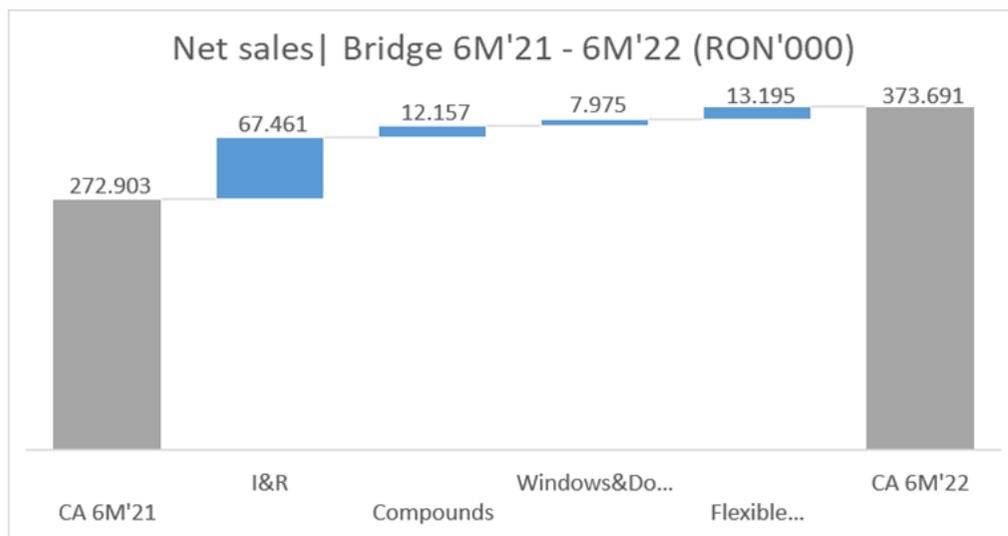
The consolidated result at Group level was affected by below-estimated developments in the Windows & Doors and Flexible Packaging divisions. The latter did not break even due to the standard market penetration process.

The recycling business had double margins compared to last year, which raised the performance of the division.

The highest EBITDA margin in the Group. In terms of value, the indicator is slightly below the record level of H1'21.

It is estimated that the positive trend started in June will continue, when it recorded 5.5% EBITDA.

The objective for H2 is to reach the break-even point.



H1/2022 | Balance sheet summary

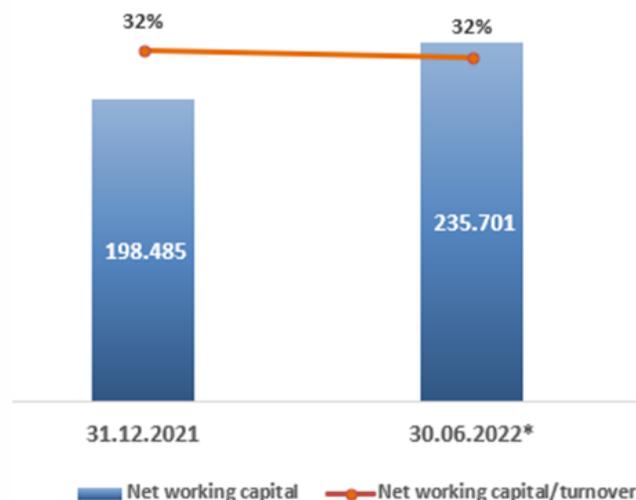
	TRP Group	
RON '000	31.12.2021	30.06.2022
Intangible assets	2.362	2.986
Tangible assets	287.932	326.037
Real estate investment	4.356	4.356
Other fixed assets	1.609	1.536
Total fixed assets	296.259	334.915
Inventories	118.076	166.887
Receivables	171.569	210.552
Trade debts	(103.855)	(148.816)
Trade working capital	185.790	228.623
Other debts	(3.186)	(4.596)
Other receivables	15.881	11.674
Working capital - other	12.695	7.078
Net working capital	198.485	235.701
Receivables represents dividends paid and share capital increase from the profit of the year	270.196	-
Dividends to be paid	-	(32.731)
Cash	7.712	2.923
Finance lease loans and debts	(135.535)	(188.878)
Other long-term debts	(9.013)	(8.425)
Provisions	(2.189)	(1.125)
(Net debt)/Net Cash	(139.025)	(195.506)
Investments grants	(34.384)	(32.793)
Net assets	591.531	309.587
Share capital	212.965	217.900
Reserves	49.174	49.174
Retained earnings	325.740	39.008
Non-controlling interests	3.651	3.505
Equity	591.531	309.587

Key points

Net debts/ EBITDA ('000 RON, x)



Net working capital and % in sales '000 RON



* Turnover and EBITDA from the last 12 months

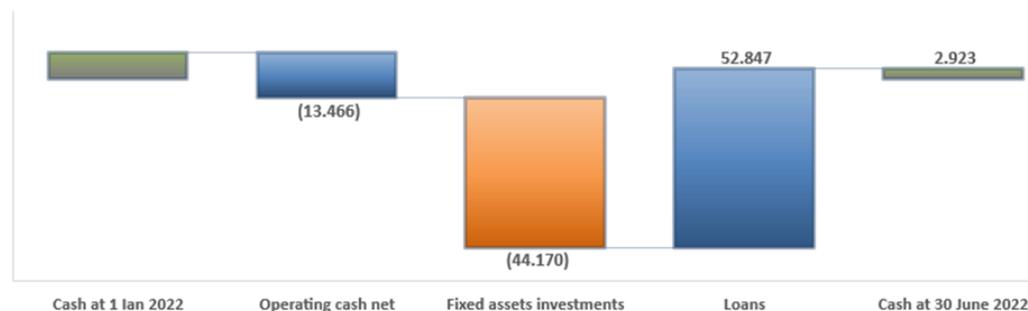
- Investment payments were 44.3 million lei in H1 2022.
- In 2022, the Group will invest in:
 - 10 million lei to improve production capacities
 - 22.6 million lei in renewable energy production
 - We will start the 56 million lei investment in the stretch film factory, co-financed by state aid
- Of the remaining state aid of 55 million lei to be received, 31 million lei in reimbursement claims were submitted in March, of which we received 12 million lei in state aid for BioPack, and TRP will receive it during Q3 2022.
- Net working capital increased in value in Q2'22 vs Q1'22 in line with sales growth
- In the second half of the year, the Group will generate Cash from operations, including as a result of seasonality

RON '000

Cash flow summary	6 M 2021	6 M 2022
Net profit before tax	217.559	19.957
Net profit adjustments	(178.634)	18.157
(+) Operating profit before changes in working capital	38.925	38.114
Net impact working capital	(84.938)	(46.411)
Income tax paid	(1.550)	(735)
Interest paid	(1.556)	(2.844)
Income from subsidies	(811)	(1.591)
(-) Subtotal changes in working capital and other	(88.855)	(51.580)
=> Cash from operating activities	(49.930)	(13.466)
Payments for fixed assets acquisitions	(31.281)	(44.314)
Receipts from sales of fixed assets	95	145
Receipts from sales of Steel business and Profile division	375.483	-
=> Net cash used for investments	344.298	(44.170)
Net repayments of loans and leasing	(49.571)	52.847
=> Net cash from finance activities	(49.571)	52.847
Net variance	244.797	(4.789)
Cash & Equiv at Jan 1, 2021/2022	16.621	7.712
Cash & Equiv at June 30, 2021/2022	261.418	2.923

Bridge June, 30 2022

Bridge cash-flow H1 2022 ('000 RON)



- The investments paid in H1 2022 are mostly co-financed by state aid, therefore the increase in net debts is temporary.
- In H2, the focus is on reducing working capital as response to the market context.

- The markets on which we operate will benefit in the coming years from significant investments that will lead to their doubling.
- We have the production capabilities ready to serve this demand.
- Although 2022 turns out to be more challenging than we estimated, we remain optimistic that in the coming quarters the market will restart.
- Current production capacities have allowed us to turn our attention to export markets where we are building a solid position as a regional player.
- Exports doubled last year and increased by 70% compared to last year.
- The company's financial position is good, with a reasonable debt level.
- We are working on the efficiency of the working capital.
- The installation business has a solid evolution despite the unfavorable economic context.
- The compounds business continues to be the most profitable at the group level.
- We managed to reverse the trend at TeraGlass.
- The packaging business still presents challenges to reach the critical mass needed to be profitable.



This presentation does not, and is not intended to, constitute or form part of, and should not be construed as, constituting or forming part of, any actual offer to sell or issue, or any solicitation of any offer to purchase or subscribe for, any shares issued by the TeraPlast SA or any of its subsidiaries in any jurisdiction or any inducement to enter into investment activity; nor shall this document or any part of it, or the fact of it being made available, form the basis of, or be relied on in any way whatsoever. No part of this presentation, nor the fact of its distribution, shall form part of or be relied on in connection with any contract or investment decision relating thereto; nor does it constitute a recommendation regarding the securities issued by TeraPlast. The information and opinions contained in this presentation and any other information discussed in this presentation are provided as at the date of this presentation and are therefore of a preliminary nature, have not been independently verified and may be subject to updating, revision, amendment or change without notice. Where this presentation quotes any information or statistics from any external source, it should not be interpreted that TeraPlast has adopted or endorsed such information or statistics as being accurate.

No reliance may be placed for any purpose whatsoever on the information contained in this presentation, or any other material discussed verbally. No representation or warranty, express or implied, is given as to the accuracy, fairness or currentness of the information or the opinions contained in this document or on its completeness and no liability is accepted for any such information, for any loss howsoever arising, directly or indirectly, from any use of this presentation or any of its content or otherwise arising in connection therewith.

This presentation may contain forward-looking statements. These statements reflect TeraPlast's current knowledge and its expectations and projections about future events and may be identified by the context of such statements or words such as "anticipate," "believe", "estimate", "expect", "intend", "plan", "project", "target", "may", "will", "would", "could" or "should" or similar terminology. By their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond TeraPlast's control that could cause the TeraPlast actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements.

None of the future projections, expectations, estimates or prospects in this presentation should in particular be taken as forecasts or promises nor should they be taken as implying any indication, assurance or guarantee that the assumptions on which such future projections, expectations, estimates or prospects have been prepared or the information and statements contained herein are accurate or complete. As a result of these risks, uncertainties and assumptions, you should in particular not place reliance on these forward looking statements as a prediction of actual results or otherwise. This presentation does not purport to contain all information that may be necessary in respect of TeraPlast or its shares and in any event each person receiving this presentation needs to make an independent assessment.

TeraPlast undertakes no obligation publicly to release the results of any revisions to any forward-looking statements in this presentation that may occur due to any change in its expectations or to reflect events or circumstances after the date of this presentation.

This presentation and its contents are proprietary to TeraPlast and its subsidiaries and neither this document nor any part of it may be reproduced or redistributed to any other person.