

# FREILER Group



since 1896

**TeraPlast®**





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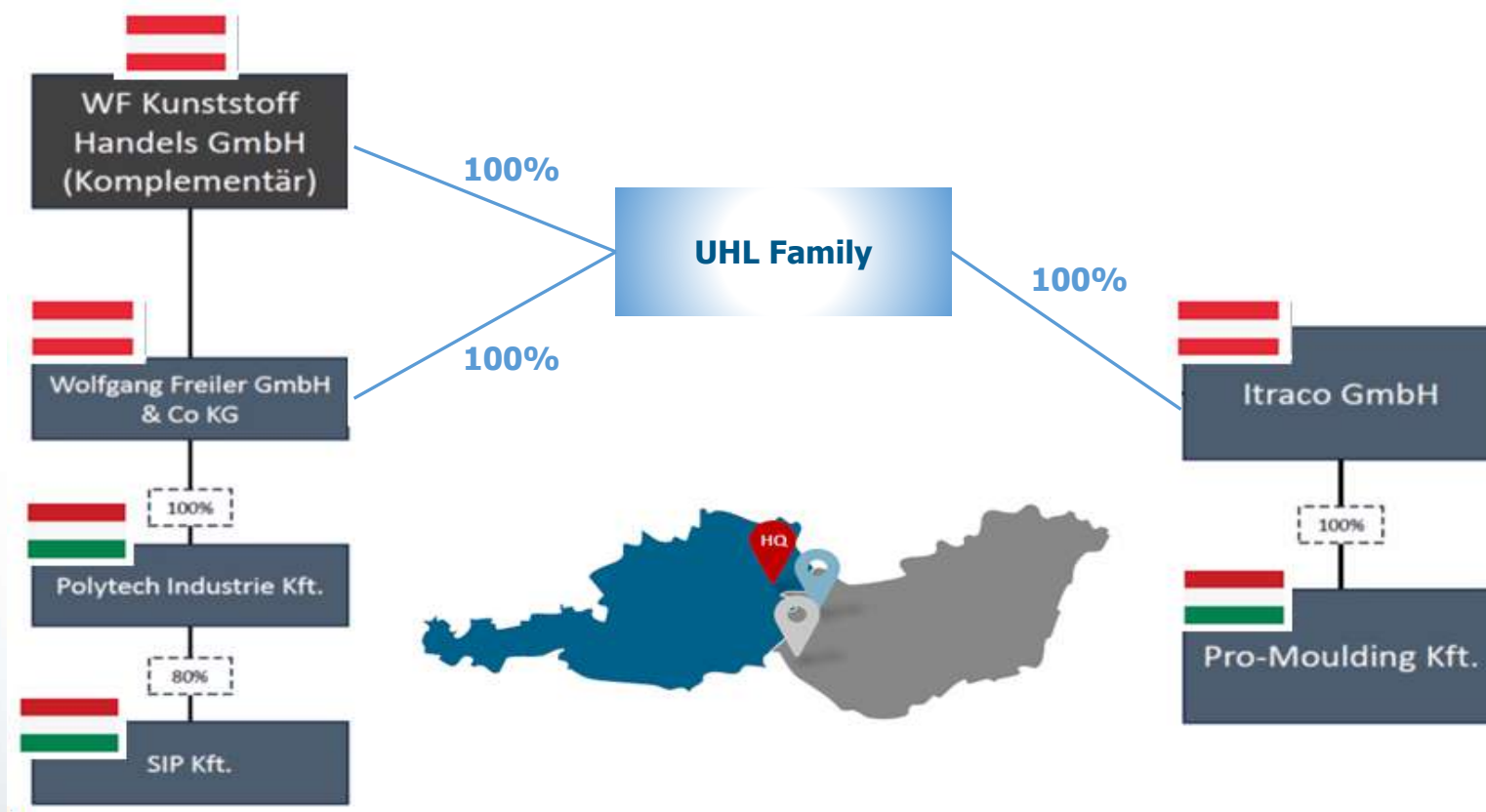
Transaction perimeter

4. Highlights



## FREILER Group

### 1. Transaction perimeter

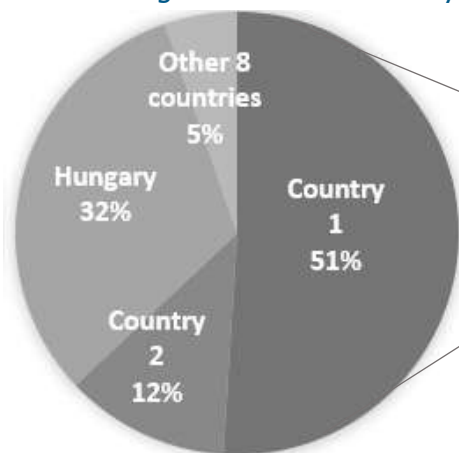


## FREILER Group

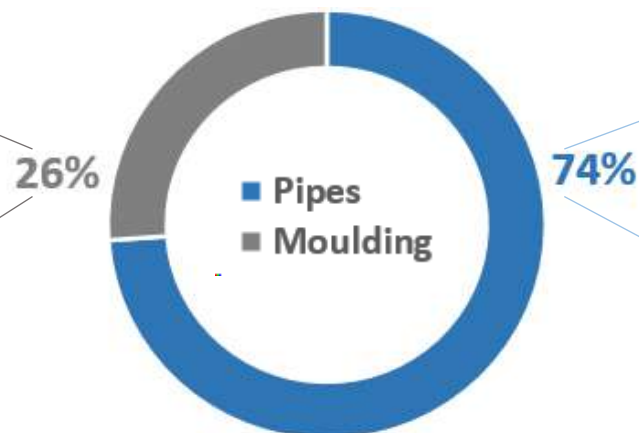
### 2. Sales structure



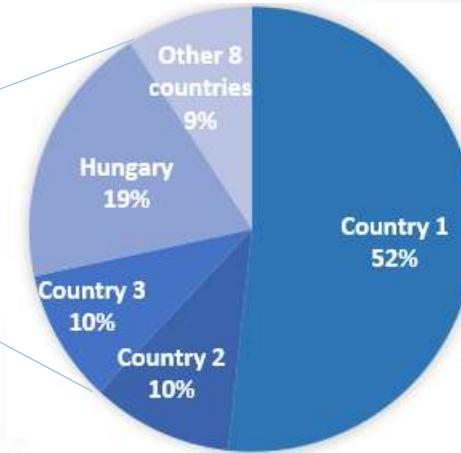
INJECTIONS segment – distribution by country



Sales distribution by segments



PIPES segment– distribution by country



EBITDA distribution by segments



#### Itraco Gmbh

Shareholder: 100% UHL Privatstiftung  
Sedi: Wr. Neustadt | Austria

**Trading** with Pro-Moulding products on the Austrian market

#### Pro-Moulding Kft.

Shareholder: 100% Itraco Gmbh  
Location: Nagykanizsa | Hungary

Injection moulding **production**

#### Wolfgang Freiler Gmbh

Shareholder: 100% UHL Privatstiftung  
Location: Wr. Neustadt | Austria

**Trading** with Polytech products on the Austrian market

#### Polytech Industrie Kft.

Shareholder: 100% Wolfgang Freiler Gmbh  
Location: Fertőszentmiklós | Hungary

PE pipes **production**

#### Sörgyári Ipari Park Kft.

Shareholder: 80% Polytech Industrie Kft; 20% Optimus  
Location: Wr. Neustadt | Austria

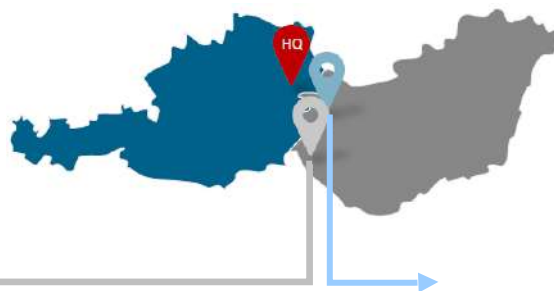
**Industrial Park**, rents space to both third parties and Pro-Moulding





## FREILER Group

### 3. Production units



**INJECTIONS ~23.400 sqm operating space**

#### Pro-Moulding kft

The company was founded in **2006**.

The production facilities are located in **Nagykanizsa, S-W Hungary**, on the border with Croatia and Slovenia, 215 km from Budapest and 140 km from Zagreb.

The company specializes in large volume **injected parts made of plastic materials** for various industries such as: automotive and healthcare industry, toys, household appliances, etc.



**83 employees**



**10 ENGEL machines** controlled by robots, with a clamping force between 88 – 2300 kN and with a production capacity of over **3.800 t/year**

**Installed photovoltaic system** on the roof of the factory, which will ensure up to 25% of the energy necessary for operations in the future.

**83.000 sqm** total surface of the Industrial Parc and has available infrastructure for further development.



## FREILER Group

### 4. Highlights



#### Compact business model with modern production facilities

- ✓Freiler Group is an export-oriented business, built on a lean organizational structure with a seasoned management team, who delivered continuous performance by maintaining a constant production quality, by developing a diversified and loyal customer base, and also by showing a constant determination to expand into new markets.

#### Strategic location

- ✓It responds to the medium and long-term objectives of TeraPlast's Group: to extend its geographical footprint towards Western Europe by loading the production capacities commissioned in recent years. The acquisition of Freiler Group enables TeraPlast to enter rather difficult markets, considering market peculiarities (e.g. technical specifications), as well as logistic efficiencies.

#### Synergies

- ✓TeraPlast's capacity to expand Freiler Group's portfolio, which is specialized in a limited product range, hence offering integrated solutions to the target markets.
- ✓Increased exposure with suppliers will strengthen the Group's position at negotiations.
- ✓Reorganizing the loading of production capacities will enhance logistic flexibility and cost optimization.
- ✓Notable expertise in the production of recycled pipes: over 80% of Polytech's sales are represented by pipes produced from recycled plastic materials, which follows closely TeraPlast Group's vision, being one of the pioneers of European trends of circular economy, which show an incremental growth in the use of products made from recycled materials.

#### Strong financial profile

- ✓Excellent results demonstrated in the past 5 years, with a low level of debt and an efficient resource allocation.
- ✓Result-oriented management team that will continue investing its energy and experience in the further development of the Group.



## FREILER Group

### 5. Key financial results

m EUR	2018	2019	2020	2021	2022
1 Revenue	18,5	21,5	21,9	32,3	31,0
% variance	n.a	16%	2%	48%	-4%
2 EBITDA	3,0	3,9	4,0	5,2	3,8
% EBITDA	16%	18%	18%	16%	12%
3 EBIT	2,4	2,8	2,6	3,9	2,3
% EBIT	13%	13%	12%	12%	7%



m EUR	31 dec 2022
1 Fixed assets	12,7
2 Net working capital	7,5
% din CA	24%
3 Net debt	3,6
x EBITDA	x 0,9
4 Net assets	15,6

- Working capital represents approximately one quarter of the annual sales, which is an optimal level.
- The low level of debt allows us to further develop Freiler Group; planned investments in equipment and production hall amount approx. EUR 3 million (both third party and intra-group acquisitions).
- Investments aim to develop the current product portfolio, and especially the expansion of the Group in the region.



## FREILER Group

### 6. Key aspects of the transaction



#### Continuity assurance

Keeping the management team intact is key to a lean switch of control.



#### Closing Conditions

Fulfillment of all suspensive conditions included in the Sales-Purchase Agreement.



#### Price adjustment mechanism

Deferred consideration – deadline – 30<sup>th</sup> of April 2025.

**a) 500.000 EUR**, if EBITDA FY 2024 is higher or equal to the amount of EUR 3.187.500;

plus

**b) 50% x EBITDA FY 2024** that exceeds the EUR 3.750.000 threshold;

FY 2024 EBITDA, conditions:

- determined in accordance with SPA definitions;
- financial audit performed by Deloitte until 31<sup>st</sup> of March 2025;
- adjusted for the effects of changes in accounting policies, services invoiced by TeraPlast Group, reorganization costs, costs or savings resulting from TeraPlast's decisions, costs generated by implementing legislative changes, such as environmental legislation, and profits recorded by TeraPlast from synergies;

