

## PRESS RELEASE

### TeraPlast Group returns to profit following strong EBITDA and revenue growth in Q1/2025

- A 41% increase in consolidated revenue and a 71% rise in EBITDA in Q1/2025 compared to Q1/2024; net profit of RON 1.2 million.
- Sales outside Romania tripled in absolute value and accounted for 38% of the consolidated turnover in Q1/2025, up from 17% in Q1/2024.
- The Packaging segment's EBITDA turned positive.

**Bistrița, May 13, 2025**

TeraPlast Group, the largest polymer processor in Southeastern Europe, announces its consolidated financial results for the first quarter of 2025, marking solid double-digit growth in both revenue and profitability. This increase is driven by a mix of strategic factors: the integration of recent acquisitions, operational efficiency measures, the strengthening of the Group's presence in external markets, and also a base effect.

**"The beginning of 2025 shows a stronger, larger, and more resilient TeraPlast Group, with an expanded footprint across European markets. The double-digit growth in sales and profitability is a tangible result of our strategic internationalization decisions. We are beginning to show to our shareholders the effects of our recent operational efficiency measures and the major investments made over the past few years. The current uncertainties validate our regional expansion strategy, and we will continue to focus our efforts on growing the business and seizing opportunities. As we've shown before, we are bold, relying on our accumulated experience, financial discipline, and a carefully calibrated development plan."** said Mr. Bogdan Crăciunaș, Chief Financial Officer of TeraPlast Group.

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#### Q1 2025 consolidated results:

TeraPlast Group recorded a **turnover of RON 249.2 million** in the first quarter of 2025, a **41%** increase compared to RON 176.8 million in the same period of 2024. **EBITDA rose by 76%**, reaching **RON 21 million**, up from RON 11.9 million in Q1/2024. The consolidated **EBITDA margin** improved by 1.7 percentage points, from 6.7% to **8.4%**. **The net profit at the consolidated level was RON 1.2 million** in Q1/2025, compared to a loss of RON 2.5 million in Q1/2024.

**Quantitatively**, TeraPlast Group had a **25%** increase, from over 23,000 tons in Q1/2024 to nearly **30,000 tons** in the current year's first quarter. The **gross margin rose 41% in value**, from RON 64.3 million in Q1/2024 to RON 90.8 million in Q1/2025, and stood at 36%, the same level as in Q1/2024.

**Sales outside Romania** accounted for **38% of the Group's consolidated revenue** in Q1/2025, up from 17% in Q1/2024. In value, the sales outside Romania have tripled, increasing from RON 31 million in Q1/2024 to RON 95 million in Q1/2025. This performance reflects the Group's geographical expansion and aligns with its strategy of internationalizing sales and reducing dependence on a single market.

<i>amounts in lei, thousands</i>	<b>Q1/2025</b>	<b>Q1/2024</b>	<b>Variation Q1/'25 vs Q1/'24</b>
<b>Turnover,</b>	<b>249,223</b>	<b>176,841</b>	<b>41%</b>
<b>of which</b>			
Installations*	178,563	121,930	46%
Granules*	24,906	20,501	21%
Packaging*	34,795	24,014	45%
Windows*	10,959	10,396	5%
<b>Gross margin</b>	<b>90,819</b>	<b>64,274</b>	<b>41%</b>
<b>EBITDA,</b>	<b>21,026</b>	<b>11,931</b>	<b>76%</b>
<b>of which</b>			
<b>Group EBITDA Margin</b>	<b>8.4%</b>	<b>6.7%</b>	
Installations	18,148	11,997	51%
EBITDA Margin	10.2%	9.8%	
Granules	2,687	2,279	18%
EBITDA Margin	10.8%	11.1%	
Packaging	197	-2,822	107%
EBITDA Margin	0.6%	-11.8%	
Windows	-7	478	-101%
EBITDA Margin	-0.1%	4.6%	
<b>Net result</b>	<b>1,196</b>	<b>-2,526</b>	<b>147%</b>

\* The Installations segment includes complete installation systems from TeraPlast, the Wolfgang Freiler Group, Palplast Moldova, and the micronized recycled PVC from TeraPlast Recycling.

The Granules segment comprises TeraPlast's PVC granules and the recycled granules from TeraPlast Recycling.

The Packaging segment consists of flexible packaging from TeraBio Pack, the Opal stretch film, and Optiplast Croatia.

The Windows segment includes TeraGlass windows and doors.

## Segments' evolution:

### Installations: 72% of Group revenue

- **Turnover** increased by 46%, reaching **RON 178.6 million** in Q1/2025, compared to RON 122 million in Q1/2024.
- **EBITDA reached RON 18.1 million** in the first three months of 2025, up 51% from RON 12 million in the same period of 2024.

- **EBITDA Margin** of 10.2%, up by 0.4pp compared to Q1/2024 (9.8%).

The accelerated growth of the Installations segment was primarily driven by demand from external markets, where the consolidation of the Wolfgang Freiler Group and the start of production at the Zsámbék plant were the main contributors to increased volumes. These also led to an improvement in margins.

In Romania, the market shows solid demand, slightly higher than last year, supported by water and sewage infrastructure projects financed through EU funds (PNRR and PDD), as well as government funds (Anghel Saligny Program). A significant source of increased demand in the domestic market compared to last year has come from gas network projects, also financed by EU funds. However, a challenge in the domestic market remains the delayed payment of client works financed under the Anghel Saligny program. According to publicly available information, payments are expected to be up to date by mid-May.

#### **Granules: 10% of Group revenue**

- **Turnover increased** by 21%, reaching **RON 24.9 million** in Q1/2025, compared to RON 20.5 million in Q1/2024.
- **EBITDA** rose by 18%, to **RON 2.7 million** in Q1/2025, up from RON 2.3 million in Q1/2024.
- **EBITDA margin was 10.8%** in the first three months of 2025, compared to 11.1% in the same period of 2024.

Exports in the Compounds segment maintained their positive trend, gaining market share, while market conditions in Romania remained similar to those in 2024.

#### **Windows: 4% of Group revenue**

- **Turnover** reached nearly **RON 11 million**, up 5% from RON 10.4 million in Q1/2024.
- **EBITDA** was negative, at RON -7 thousand, compared to RON +477 thousand in Q1/2024.

The segment showed moderate performance, influenced by seasonality, rising raw material costs, and pricing pressure. Unlike Q1/2024, the DIY customer segment held a larger share of the client mix in Q1/2025, applying price pressure and adopting a stockpiling strategy. At the same time, raw material costs, especially glass, increased, negatively impacting margins. Demand for rehabilitation projects is on the rise, which is expected to rebalance the customer mix, though due to the seasonal nature of these projects, the positive impact will likely become visible starting in Q2.

#### **Packaging: 14% of Group revenue**

- **Turnover** increased by 45% in Q1/2025, rising from RON 24 million to RON 34.8 million.

- **EBITDA** turned positive, reaching RON 197 thousand in Q1/2025, compared to a negative EBITDA of RON -2.8 million in Q1/2024.

The growth of the Packaging segment was primarily driven by the consolidation of Optiplast. The market continues to operate in an uncertain environment, with uneven developments due to raw material price volatility. However, the operational efficiency measures implemented are beginning to show results. Amid improved profitability at Opal and TeraBio Pack, as well as the consolidation of Optiplast, the Group's new subsidiary in Croatia, the segment's EBITDA turned positive in Q1. Nonetheless, challenges remain, as the packaging business is still undergoing restructuring at both management and operational levels, aiming to further improve profitability.

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### About TeraPlast Group

*TeraPlast Group is the largest polymer processor in Southeastern Europe. The Group includes the companies TeraPlast, TeraGlass, TeraPlast Recycling, TeraBio Pack, Palplast Moldova, the Wolfgang Freiler Group companies (Austria and Hungary), Optiplast Croatia, as well as the Aquatica Experience Group and Somplast.*

*Since July 2, 2008, TeraPlast SA has been listed on the Bucharest Stock Exchange under the symbol TRP. The company's shares are included in the BET reference index of the Bucharest Stock Exchange, as well as in the FTSE Russell Small Cap and Global All Cap indices, and the MSCI Frontier IMI indices.*

