

## CURRENT REPORT

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

Date of the report: **26.02.2021**

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 be reported:

#### **TeraPlast cashed RON 373 million from the sale of the Steel division and will award a special dividend**

TeraPlast Group announces the closing of the transaction for the sale of the steel products division to Kingspan Group. On February 26, the shares of TeraPlast in TeraSteel Romania and Serbia, respectively Wetterbest, were transferred to Kingspan, at which point the transaction price of RON 373 million was paid.

Following the sale, TeraPlast Group shall be redimensioned and continues its activity through TeraPlast, TeraGlass, TeraPlast Recycling, TeraPlast Folii Biodegradabile and Somplast, with a strong focus on the plastics products, a field with great growth potential.

*"After 2020, which was another record-breaking year in the history of TeraPlast Group, finalizing this transaction is another good news which we bring to our shareholders. We have the financial resources to finance our growth plans as well as to pay a special dividend to our shareholders. We are working relentlessly to implement the investments co-financed by the state aid scheme. One of the new lines is already producing and all production lines will be running by the end of September. We are investing this year RON 165 million in TeraPlast and Somplast. Practically, we're investing 25% of the budgeted turnover for 2021 and we're generating 200 additional workplaces. If all companies from Romania would follow suite, it would mean investments of RON 445 billion in the Romanian economy. We could reach Poland at that pace, in terms of economic performance. With these investments and a minimum of two acquisitions that we are planning, we will compensate the turnover and EBITDA of the businesses that we sold"* stated Mr. Alexandru Stanean, TeraPlast's CEO.

For 2021, the budgeted turnover of TeraPlast Group is RON 636 million, 60% more than that of 2020. For the same period, the budgeted EBITDA of the Group is RON 89,1 million, plus 58% over 2020 level. The profit from the transaction with Kingspan will be part of the financial statement for the first quarter of 2021.

A proposal to award a special dividend, from the extra-ordinary profit will be submitted to an Extraordinary Shareholders Meeting, after the audit of the financial statements for the first quarter of 2021.

The RON 165 million investments planned for TeraPlast and Somplast this year will lead to a 50% capacity increase for part of the activities. In the shortest time TeraPlast Group aims at a turnover of RON 1 billion and an EBITDA of RON 130 million. On top of the organic growth which will contribute to the increase, the Mergers and Acquisitions Department analyses several potential take-overs.

*"Considering the excellent financial performance of TeraPlast Group, we are certain that we can easily access financing, at low costs, in case the opportunity for an acquisition deal or supplementary investment arises",* added Mr. Alexandru Stanean.

## About TeraPlast Group

*The Group is comprised of the following companies: TeraPlast, TeraGlass, TeraPlast Recycling, TeraPlast Folii Biodegradabile and Somplast.*

*Starting July 2<sup>nd</sup>, 2008, TeraPlast SA – the parent-company of the TeraPlast Group – 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, for the second year.*

**ALEXANDRU STANEAN**

**TERAPLAST CEO**

**For additional information you can reach us by e-mail [investor.relations@teraplast.ro](mailto:investor.relations@teraplast.ro) or phone no. +40 741 270 439 – contact person: Alexandra Sica.**