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PRESS RELEASE

TeraPlast SA receives approx. 5.5 million lei through PNRR for a new photovoltaic plant

- TeraPlast submitted an Offer to the Ministry of Energy within the first competitive bidding procedure of "PNRR/2022/C6/M ENERGY/I1./Launch of a bidding procedure for energy production projects from renewable sources (wind and solar energy), competitive call", for a project worth approx. 22.6 million lei; The offer was approved and the financing contract was signed.
- The plant will have a power of approx. 4.56 MWp.
- The new facility will allow the reduction of greenhouse gases by 3,238 tons of CO₂e (equivalent) annually at Group level.

TeraPlast SA signed the financing contract for a **financial support of approx. 5.5 million lei through the National Recovery and Resilience Plan** ("PNRR: Funds for modern and reformed Romania") for the development of a new photovoltaic plant in the Industrial Park of Sărățel. The non-refundable financing, approved according to the request, will cover about a quarter of the company's total investment in this project, whose **budget reaches 22,565,775.35 lei**.

The new photovoltaic plant is designed for a power of approx. 4.56 MWp, respectively a power produced (from inverters) of approx. 3.81 MW and is part of TeraPlast's sustainable development strategy, which also includes increasing energy independence from renewable sources.

The first step in starting the project, following the signing of the financing contract, is the publication of a competitive procedure for assigning a single supply contract to achieve the project's objective. The unique general objective of the project is the "installation of a new energy production capacity from renewable solar energy sources for self-consumption, with an integrated storage facility, in the North-West Development Region of Romania, Bistrița-Năsăud County, in the village of Sărățel, Șieu-Măgheruș commune"; and the specific objective of the project is the installation of a new capacity of approx. 3.81 MW (the total installed power of the panels will be 4,561.90 kWp, and the total installed power of the inverters will be 3,806.00 kW) for the production of energy from renewable solar energy sources for self-consumption, with an integrated storage facility of 920 kW capacity (ensuring a storage capacity of the electricity produced at the nominal power of the plant (3806 kW) of about 14.5 minutes), in the North-West Development Region of Romania, Bistrița-Năsăud county, in Sărățel village, Șieu-Măgheruș commune.

In this regard, TeraPlast will publish an announcement accompanied by the relevant Terms of Reference (Bidding Document), on the website <https://proiecte.pnrr.gov.ro>, Transparency section, where the following information will be presented: general information regarding TRP, type of procedure, award criterion, type of contract, estimated value, date and method of submission of offers, Terms of Reference (Bidding Document).

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"The project for building the photovoltaic capacity is the guarantor of the sustainable development of TeraPlast's business. The future plant will contribute to the reduction of greenhouse gases, respectively to the estimated annual decrease of greenhouse gases by 3,238 tons of CO₂e (CO₂ equivalent). Due to the specifics of our activity, we have a considerable consumption of electricity, and the provision of a substantial part from internally developed renewable sources helps us in our sustained effort of decarbonization and the enforcement of environmentally friendly solutions. At the same time, such capacities also contribute to the reduction of production costs, with a beneficial effect on the competitiveness of the Group as a whole" said Nicolae Roșu, operational director of TeraPlast.

Reducing the carbon footprint, with the EU's perspective of achieving climate neutrality in the 2050 horizon, is also a strategic concern for TeraPlast Group, which over time has implemented various environmentally friendly solutions, such as recycling and the use of recycled material in existing products, digitization of processes or renewable energy sources.

The present project, "Establishment of new capacity for the production of electricity from solar sources, with integrated storage facilities, for the self-consumption of TeraPlast SA" (no. 24 from 18.08.2023) has a total value of 22,565,775.35 lei, of which the value of PNRR financing will be 5,452,801.20 lei. It involves the installation of monocrystalline photovoltaic panels on an on-grid structure, without injection into the network, and the integration of an electricity storage facility. The estimated deadline for the completion of the project is June 30, 2024.

The new photovoltaic plant will consist of over 8,000 panels. At the same time, the Group will prioritize external purchases of energy from renewable sources.

In the last 5 years, TeraPlast Group has invested almost 400 million lei in projects that ensure the expansion of production capacities, business diversification and sustainable development. In the future, the Group will also prioritize financing projects that accelerate the sustainability component, that increase competitiveness and provide added socio-economic value.

About TeraPlast Group

TeraPlast Group is the largest polymer processor in Central and South-Eastern Europe. The group is comprised of the following companies: TeraPlast, TeraGlass, TeraPlast Recycling, TeraBio Pack and Somplast. Starting July 2nd, 2008, TeraPlast SA is listed on the Bucharest Stock Exchange under the TRP symbol. The company's shares are included in the BET reference index of the Bucharest Stock Exchange, in the Small Cap and Global All Cap indices of FTSE Russell, in the MSCI Frontier IMI (Investable Market Index) and in the CECE MidCap and ROTX EUR indices of the Vienna Stock Exchange. In ARIR's evaluation of Vektor based on 12 criteria regarding corporate governance and communication with investors, TeraPlast achieved the maximum score, 10, for the fourth consecutive year.

PNRR supports the green transition of the Romanian industry by contributing to the intake of significant long-term benefits in the development of the TeraPlast business with a close to zero carbon footprint until 2030. A unique opportunity for Romania to focus on sustainable development, quality jobs and convergence with economies developed by the EU, by absorbing the 29.2 billion euros from the PNRR.

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Contact details

Alexandra Sica

Phone: +4 0741 270 439

E-mail: investor.relations@teraplast.ro

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