



 **TeraSteel**

SANDWICH PANELS, GALVANIZED
STEEL PURLINS, TURNKEY HALLS

**TERA
PLAST
GROUP**

 TeraPlast

 TeraSteel

 TeraGlass

 TeraPlast
Recycling

 TeraPlast
Hungary

 TeraSteel
Serbia

 wetterbest

TeraSteel is the leader of the **thermal insulation panels with polyurethane foam and galvanized steel purlins** market in Romania. Part of the TeraPlast Group, the company has constantly invested in technological development, and is now offering its customers complete solutions: **turnkey halls.**



SHORT HISTORY



2007

company reorganisation for the manufacture of thermal insulation panels (TeraPlast equity increases to 70.4%)

2013

the production of galvanized structural profiles is started, based on an EUR 2.5 million investment

2017

TeraSteel DOO Serbia is created after TeraPlast Group buys the sandwich panel factory from Interlemind, in Leskovac, Serbia

1994

Plastsistem is set up for trading TeraPlast products (TeraPlast shareholder equity ratio of 17.9%)

2009

TeraPlast invests 1 million Euros into developing its production capacities

2017

Plastsistem becomes TeraSteel

2018

Following an over EUR 1 million investment, TeraSteel Serbia started the production of self-supporting trapezoidal sheets and mineral wool sandwich panels.



PUR, PIR & MINERAL WOOL
SANDWICH PANELS



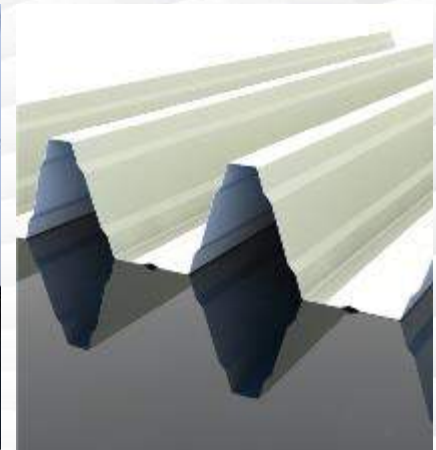
GALVANIZED STEEL PURLINS



TURNKEY HALLS



SELF-SUPPORTING
TRAPEZOIDAL SHEET



TERASTEEL IN FIGURES



2018

Turnover

63
mil. EUR

Exports

44%
to 25 European
countries

Production facilities

6.200 SQM TeraSteel Romania

8.200 SQM TeraSteel Serbia

Production volumes

1.732.000 SQM Panels Romania

5.722 TONNES Galvanized steel
purlins Romania

1.114.000 SQM Panels Serbia

98.000 SQM Self supporting
trapezoidal sheet Serbia

Employees

178

Investments in
the last 10 years

10,31
mil. EUR

STRONG POINTS



Market leader in sandwich panels and galvanized structural profiles



Wide client **portfolio**



Strategic investments



Major exporter in the CEE area



Young team of **professionals**



TeraSteel DOO Serbia



State of the art **production capacities**



Robust financial results

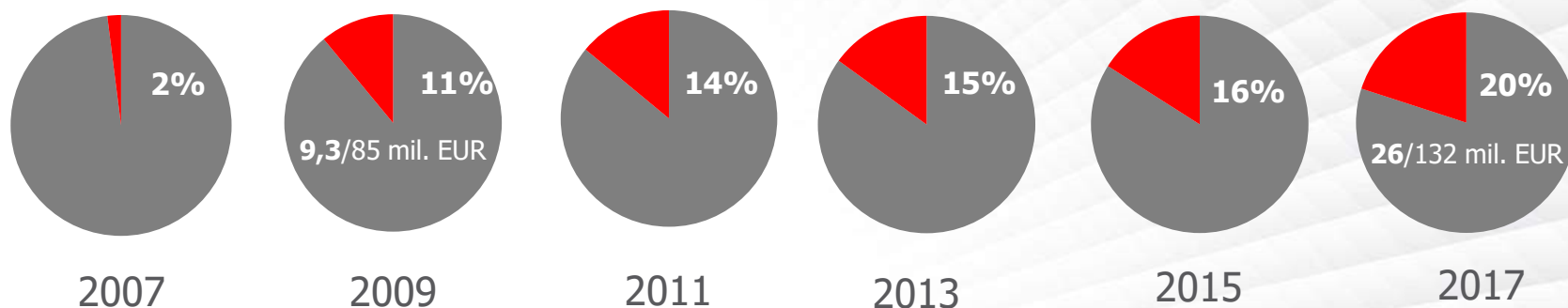


Active community involvement

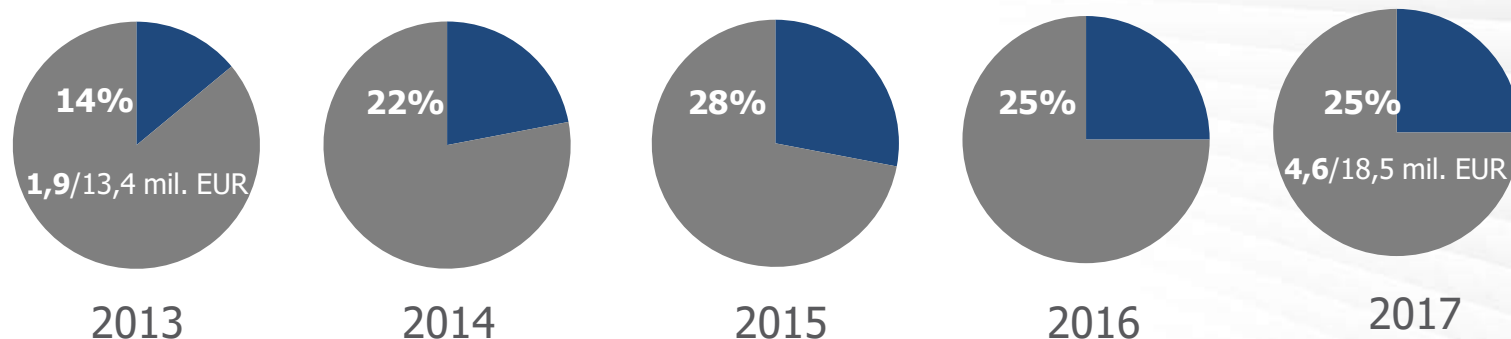
MARKET LEADER IN SANDWICH PANELS AND GALVANIZED STEEL PURLINS



From 9th position up to 1st position during 10 years of business on the Romanian market of **polyurethane foam sandwich panels**

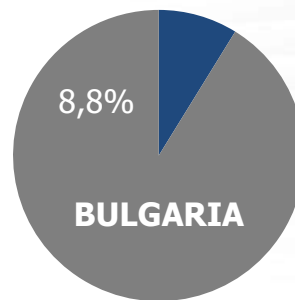
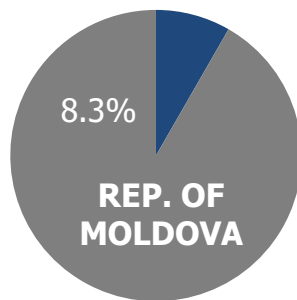
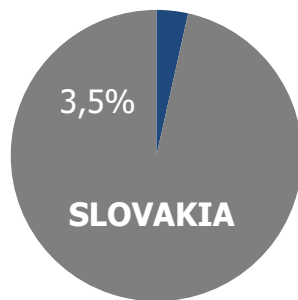
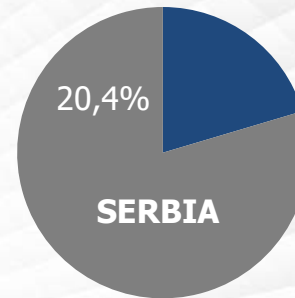
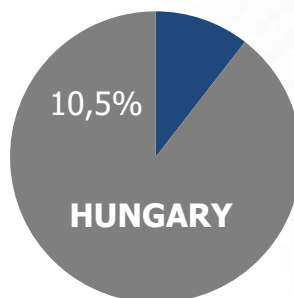
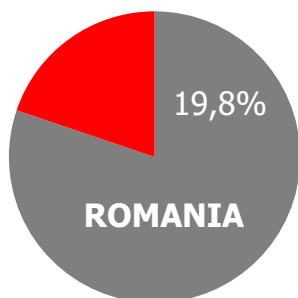


Also leaders on the **Romanian market of galvanized steel purlins**



MAJOR EXPORTER IN THE CEE AREA

Sandwich panels (PUR & PIR) market share* in 2018:

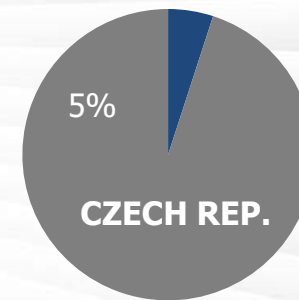
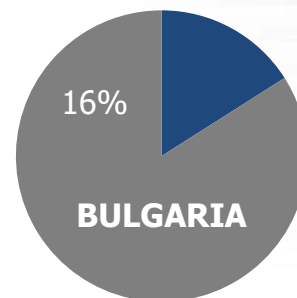
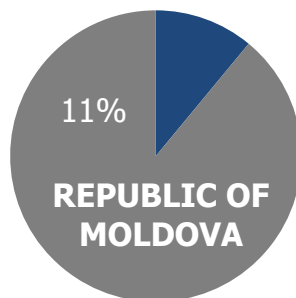
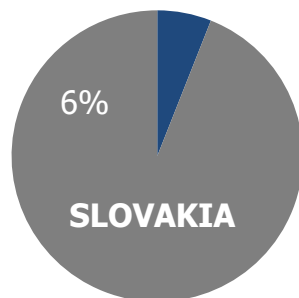
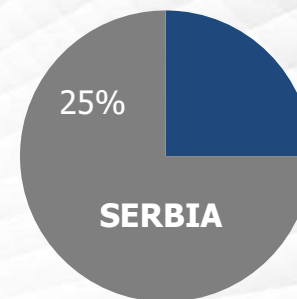
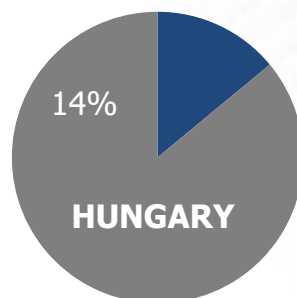
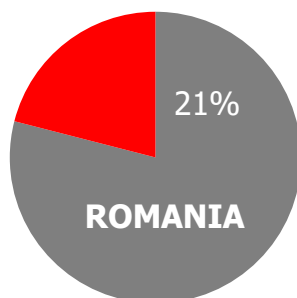


*market shares in value

STRATEGIC OBJECTIVE: 2019 EXPORT

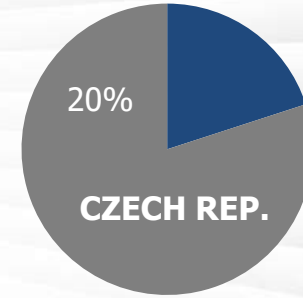
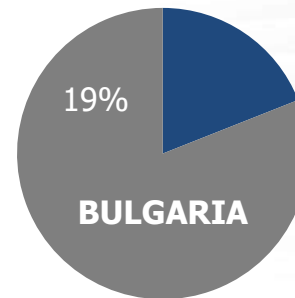
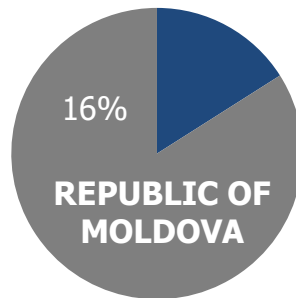
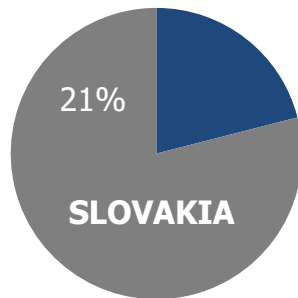
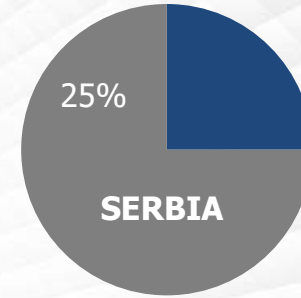
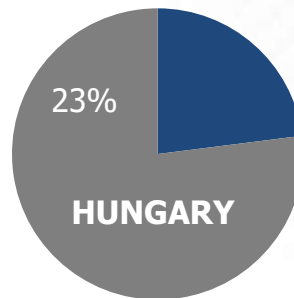
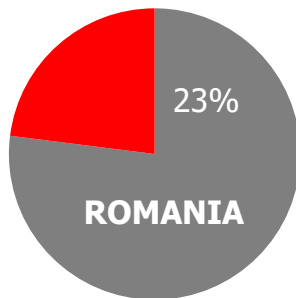
Increasing the presence in the CEE area

2019 market shares:



STRATEGIC OBJECTIVE IN THE FOLLOWING 3 YEARS

We aim to reach the following market shares by 2021:



Thermal insulation panels manufacturing plant

at the TeraPlast Industrial Park in Sărățel, Bistrița-Năsăud (RO)

- sandwich panels Pu.Ma production line for PUR, PIR, special PIR
- Lead panels
- Capacity: 2.2 million sqm.
- Press length: 32m
- 4 unwinders
- roof and wall sheet profile maker



Galvanized structural profiles manufacturing plant at Bistrița, Bistrița-Năsăud (RO)

- Slicing line from STAM Italy
- C, Z, U and Sigma profile production line (supplier: STAM Italia)
- Sheet thickness processing: 1-4 mm
- The only production line of galvanized structural profiles in Romania that manufactures 4mm metal sheets
- Automatic punching and drilling
- 8,000 tons production capacity
- 2 metal reinforcement lines for PVC joinery, supplier: STAM Italia/Alatnica Barovik
- Production capacity of 4,000 tons/line



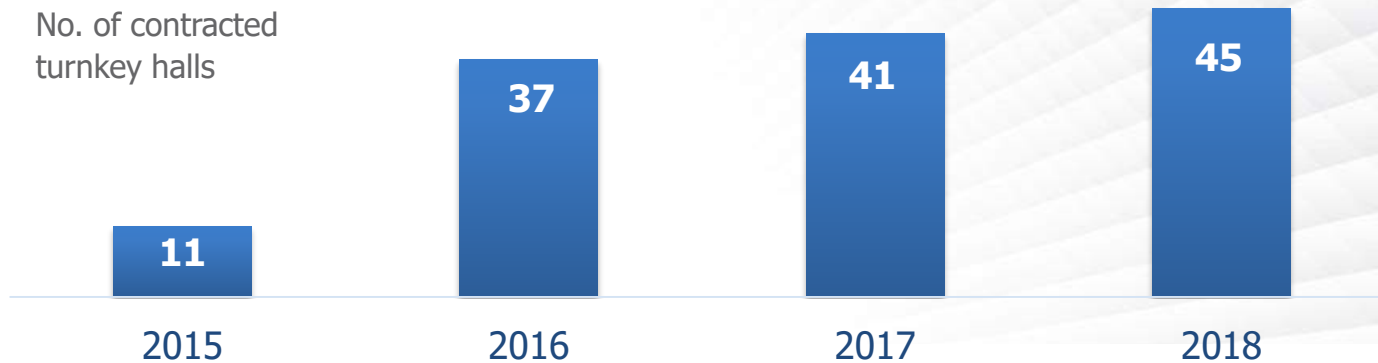
The main TeraSteel customers:

- The large distribution networks in Romania: Dedeman, Arabesque
- Large general contractors: ACI Cluj, Construcții Erbașu, PAB Arad, Bog'Art, Con A, Derom Ploiești, SSAB Bacău, KESZ
- By our network of partners in the refrigeration sector, we have provided over 50% of the panels used for cooling rooms by **the largest supermarket retail chains** in Romania: Kaufland, Profi, Lidl, Selgros, Carrefour, Billa
- Our customers are not directly impacted by **state funding**



Since 2015 we have been offering the **turnkey hall concept**, we have served 134 customers and their number is still growing.

No. of contracted
turnkey halls



WIDE CLIENTS PORTFOLIO

DEDEMAN

DIY store

Cluj-Napoca, Baia Mare, Bistrita, Ramnicu
Valcea, Sibiu - 5.000sqm.

2009-2015



MEGA MALL BUCUREȘTI

Facade manufacturing

Bucharest

Cca. 17.000sqm.

2015-2016



ATP AUTOMOTIVE

Auto parts + office

Baia Mare

3.200sqm.

2015



DAF

Truck logistics centre

Feldioara, Brasov

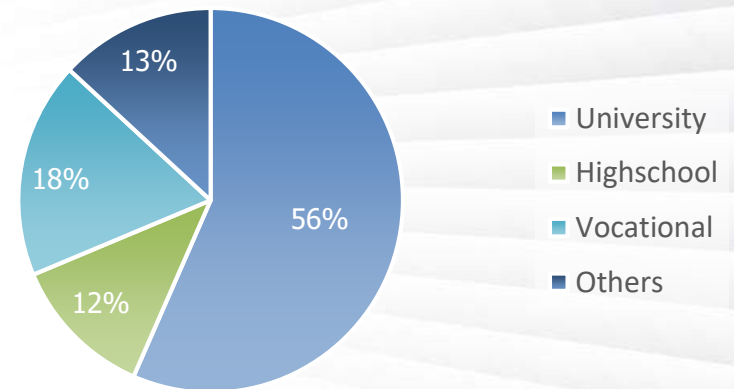
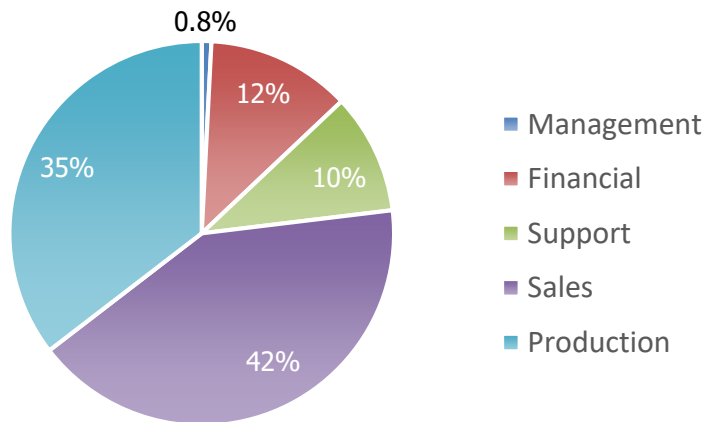
3.000sqm.

2013-2014



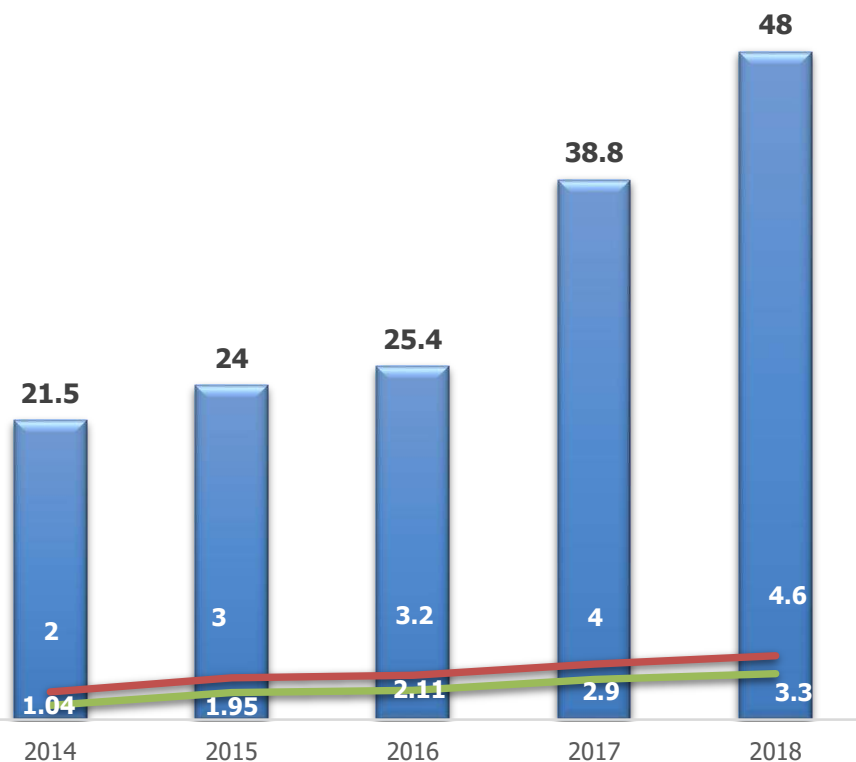
YOUNG TEAM OF PROFESSIONALS

- The average age in the company is 40 years
- Pay rate in line with the national average
- Low employee turnover rate



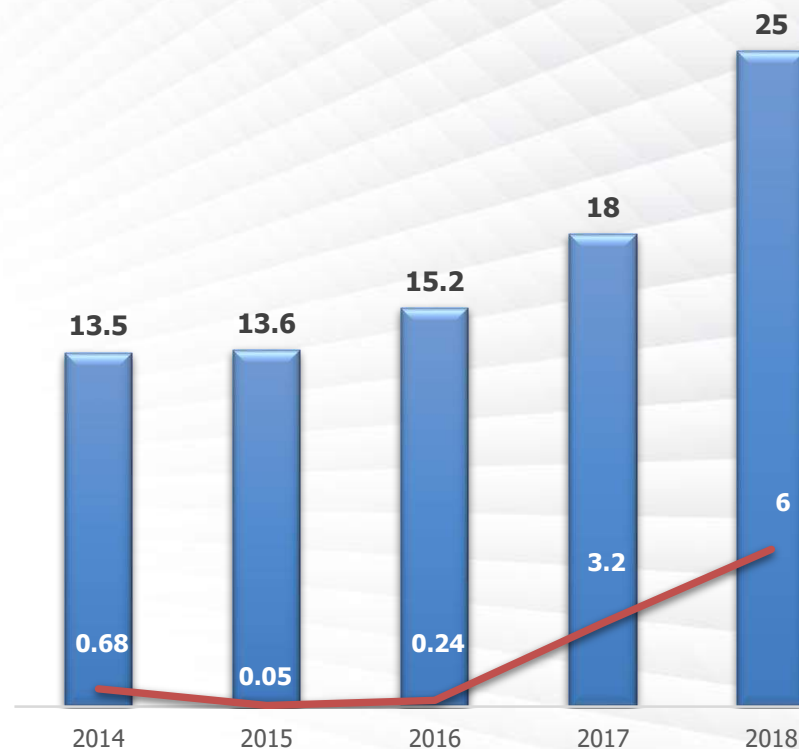
Sales & profitability

Revenue EBITDA Net profit



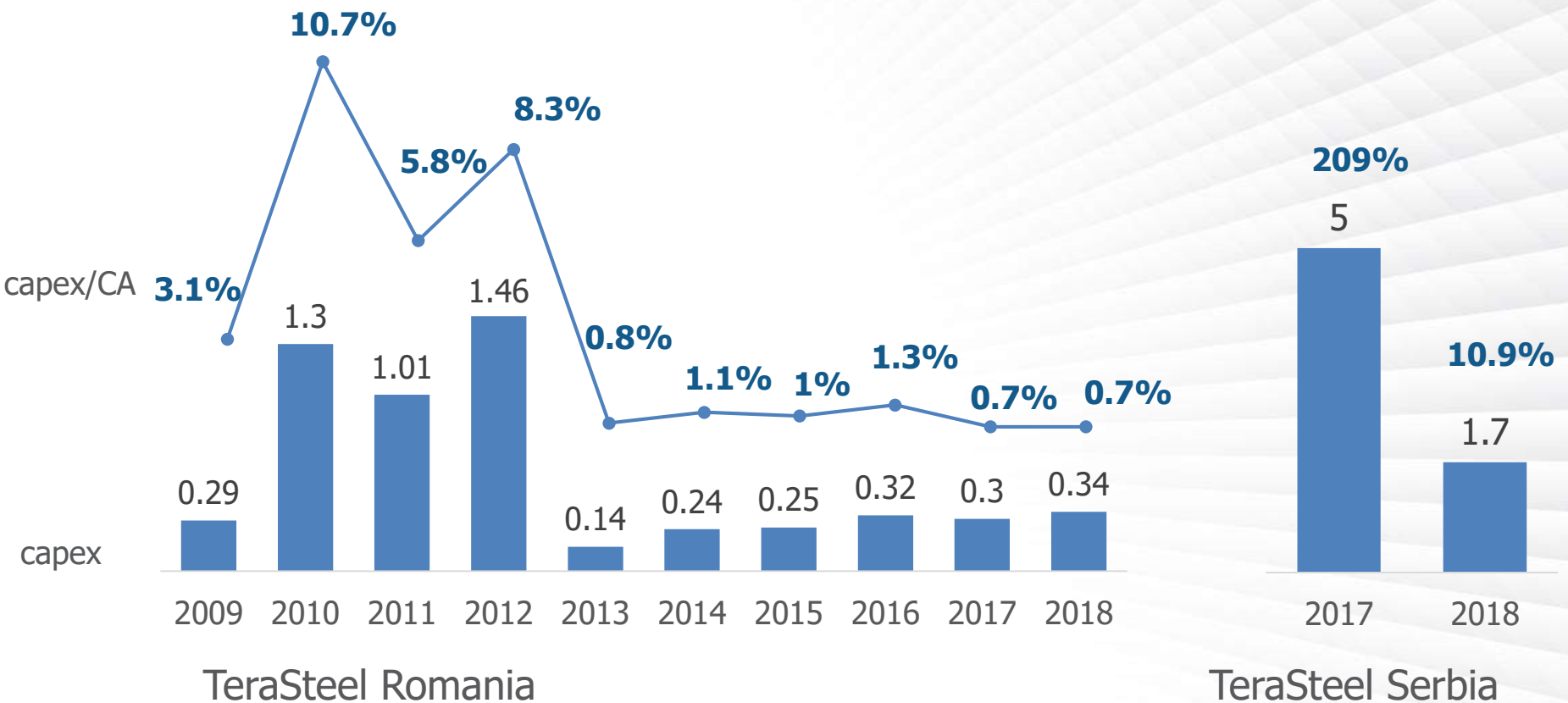
Interest bearing debt vs. assets

Total assets Interest bearing debt



*mil. EUR

We have invested **5.5 mil. EUR in Romania** and **over 6.5 mil. EUR in Serbia**



2018

TURNOVER

15

MIL. EUR

EXPORTS

7

MIL. EUR

ASSETS

15

MIL. EUR

EBITDA

1.3

MIL. EUR

NET PROFIT

0.6

MIL. EUR

June 2017

- TeraPlast Group buys a Serbian factory of sandwich panels from **Interlemind** → EUR 4.8 million investment
- TeraSteel **doubles its production capacity** of thermal insulation panels with a line similar to the one at Bistrița (production capacity 2.2 mil. sqm.)

October 2017

- TeraSteel starts producing in Serbia through the new company **TeraSteel DOO**, located in Leskovac
- TeraSteel DOO becomes **the first factory inaugurated abroad** after 1990, which is fully owned by a Romanian company

2018

After a **EUR 1 million investment**, TeraSteel Serbia started the production of self-supporting trapezoidal sheet and thermal insulating panels with mineral wool. After just one year of activity, TeraSteel Serbia is one of the main suppliers of sandwich panels on the CEE market.

Thermal insulation panels manufacturing plant in Serbia

TeraSteel DOO Serbia (RS)

- Pu.Ma Sandwich panel production line for PUR, PIR and special PIR Lead panels
- Capacity: 2.2 mil sqm.
- Press length: 32m
- 4 unwinders
- Roof and wall sheet profile maker
- self-supporting trapezoidal sheet 153mm and 85mm line
- Mineral wool module integrated in the panel line

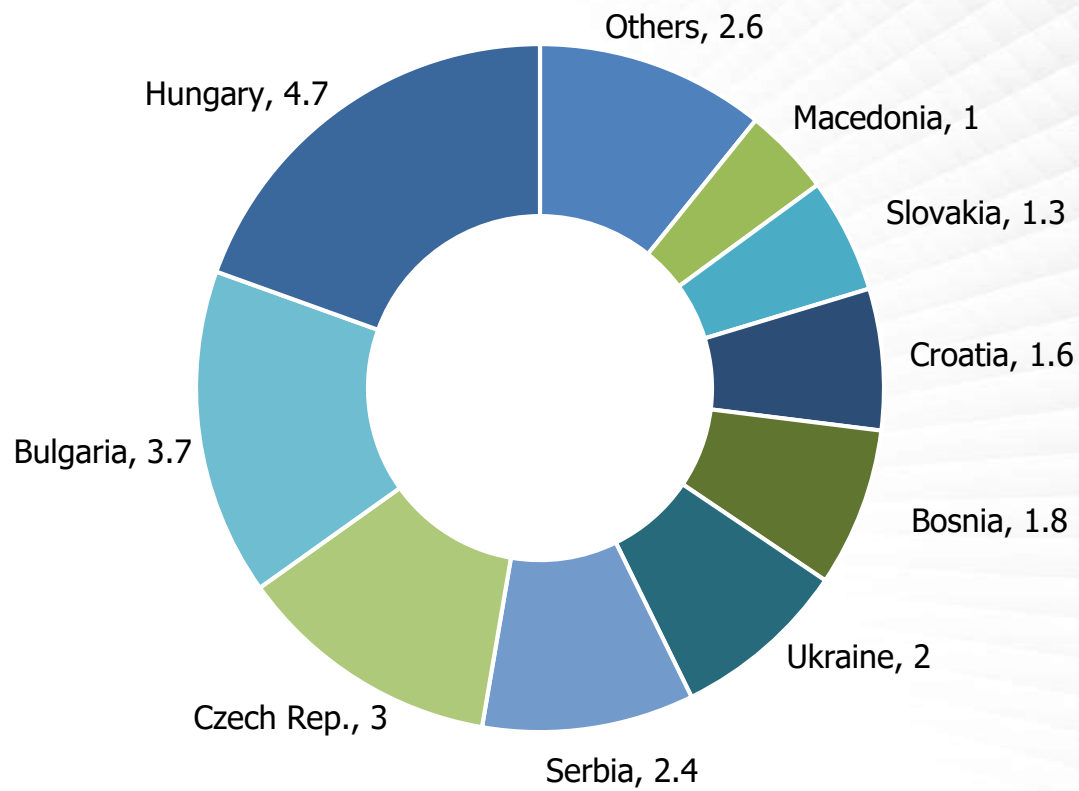


Strategic move to obtain a competitive advantage on the CEE market

Our presence in Serbia allows us to reduce the costs of transportation without affecting the profitability margin, by accessing an over EUR 595 million or 31.3 million sqm panels market in the CEE

- In terms of logistics, the sandwich panels are large-sized products, **hard to transport** and profitable for a successful trading on an area of maximum 400 km from a transportation costs perspective
- Our factory is located near the highway connecting Albania to the West of Europe, thus facilitating **the access to the EU**
- In case of **Bulgaria** – the most disadvantaged market so far in terms of transportation costs – the ratio goes down from 10% to 3.5%, offering us the chance to be much more competitive on the market

With TeraSteel DOO we aim at a regional market of over **EUR 595 million** or **31.3 million sqm**



*mil. square meters

**Others: Rep. of Moldova (0.7), Austria (0.5), Albania (0.5) Kosovo (0.5), Montenegro (0.4)

Advantages of investing in TeraSteel DOO

TeraSteel consolidates its position of a major player in the area

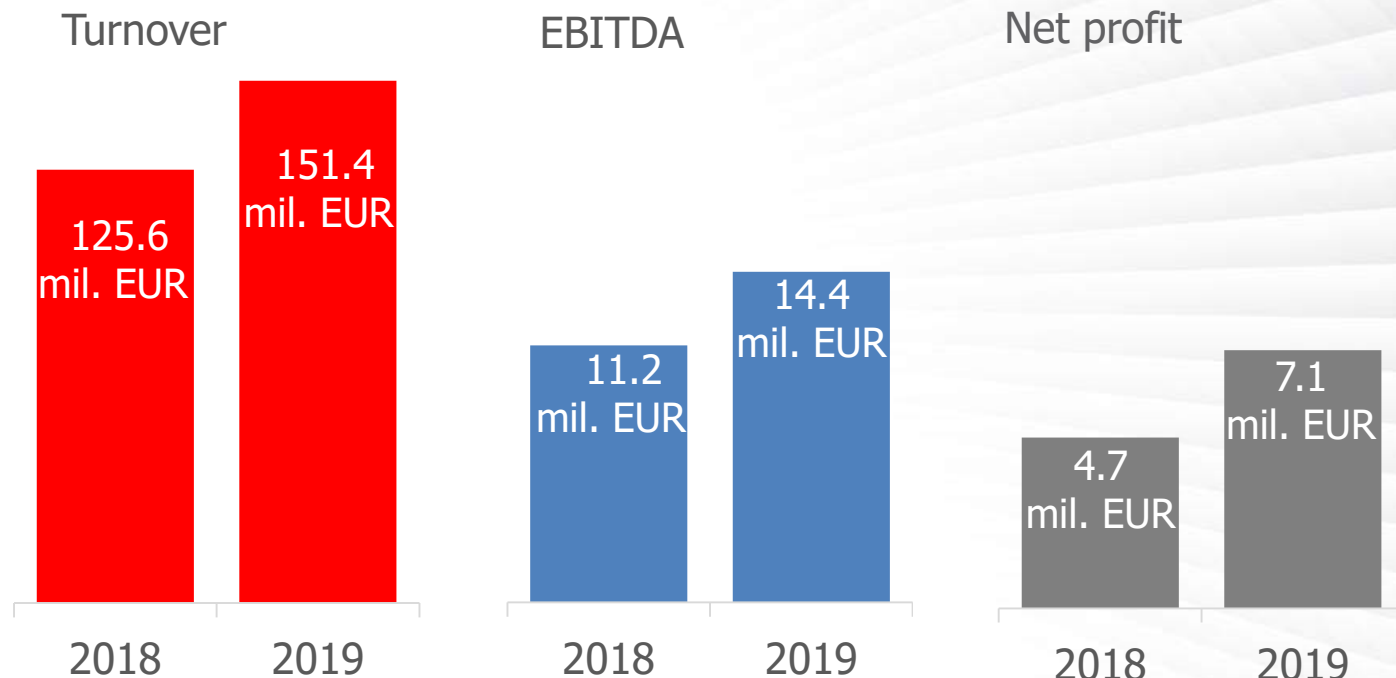
- **Facilities offered by the Serbian government**, among which:
buying lands within the city area at fixed prices, subsidies for creating new jobs
- Possibility of accessing **European funds** in the next 10 years
- More accessible **workforce** as compared to Romania (TRS-SRB average gross wage is 30% lower than in the case of TRS-RO)

TeraSteel **encourages performance** in sports and education, and therefore is constantly involved into actions in these fields. Moreover, the company sustains the initiatives of the local community where it develops its activity, by long term partnerships.



TERAPLAST GROUP IN Q3 2019

TeraPlast Group registered a **22% increase in turnover** in the first nine months of 2019, up to 151.4 mil EUR. At the same time, the Group **EBITDA rose by 29%** compared to the first nine months of 2018, up to over 14 mil EUR. The results reached the top in the Group's history in terms of both profitability and sales, thanks to the construction market dynamics, the operational efficiency measures and strengthening the market shares.





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