

## **Promateris posts an increase of 66%, reaching a turnover of 27.5 million euros in the first nine months of 2021**

**Bucharest, 15 November 2021** – Promateris (BVB: PPL), a Romanian industrial group and leader in the CEE region in producing biodegradable and compostable packaging, posts a consolidated turnover of 27.5 million euros in the first nine months of the year, up 66% from the same period last year. The group, including the distribution company Biodeck, recorded a consolidated EBITDA of over 4 million euros, 112% more compared to the first nine months of 2020.

*"The first nine months of 2021 were undoubtedly still marked by the health crisis we are facing worldwide. During this period, we continued to develop innovative products that have a low impact on the environment. Due to the high-performance bioplastic recycling line, we did not register technological waste in the first nine months of 2021. We managed to recycle and reintroduce all waste into the production flow. Moreover, we have managed to record the financial results we set out to do through operational efficiency, even in a context marked by market instability, fluctuating raw materials and energy prices. We are confident that once they stabilize, we will be able to accelerate our growth even further. In terms of financial results, we expect 2021 to be by far the best year in the company's history by reaching a turnover of 40 million euros. We want to continue to grow at the same pace and have ambitious development plans for compostable packaging. Still, at the same time, we are looking at other types of green projects,"* stated Tudor Georgescu, CEO of Promateris.

Promateris continued to produce biodegradable and compostable packaging at an accelerated pace, leading to positive financial results in the first nine months of the year. The company is currently in the top five compostable material producers and aims to double its current production capacity to become the largest player in Europe. Currently, 70% of Promateris production is concentrated locally and 30% for export. Promateris aims to reach a 50-50% share next year, and exports to exceed the Romanian market in the near future.

### **Key events in the first nine months of 2021**

In the first nine months of 2021, Promateris continued the development investments, one of the projects being the decarbonization of the local economy by making bio-based products, developed through grants from Iceland, Liechtenstein, and Norway through the EEA and Norwegian financial mechanisms 2014-2021, within the project SMEs Growth Programme in Romania. Through this project, the company targets producing the raw biodegradable and compostable raw material based on corn starch in the Buftea factory. Thus, Promateris became the first company in Eastern Europe to produce raw material based on corn starch. The value of the project is over 1,6 million euros, of which the grant represents approximately 0,7 million euros. The deadline is October 2022.

On November 10, 2021, Promateris obtained financing amounting to 100.000 euros within the Electric Up program. The capital will be used to install a photovoltaic panel system at the Buftea factory to produce electricity with an installed power of 100kWp for its consumption.

The company also applied to the Energy Program in Romania, developed by Iceland, Liechtenstein, and Norway, 2014-2021 for a cooperation project between Promateris and Norsk Energi. The aim of the project is the cooperation between the two companies, which



will be reflected both in the financial performance and in the contribution to the transition to the green energy of Promateris to replace the traditional energy with the solar one.

Regarding future plans, Promateris is considering setting up a new line of business in paper packaging. Making such an investment will lead to business diversification and thus to the accelerated growth of the group's performance.

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#### **About Promateris**

*Promateris (BVB: PPL) is a company listed on the Main Market of the Bucharest Stock Exchange. Promateris specializes in state-of-the-art packaging made from renewable, biodegradable and compostable materials. In the Buftea factory, the company produces sustainable alternatives to single-use plastic, such as a wide range of bags for retail (T-shirt bags, fruit and vegetable bags, bio-waste bin liners). Promateris operates three business lines: Bio-based and compostable packaging, which produce packaging made from renewable resources, bioplastic recycling, through which it recycles residual waste to be reintroduced into the production process; Electrical cable compounds, through which granules for the production of electrical cables are developed and manufactured.*

