

## PRESS RELEASE

# Termination, by mutual consent, of the agreement between TeraPlast and Alfa Construct Partners

**Bistrița, 15 September 2022**

TeraPlast and Alfa Construct Partners are announcing the termination by mutual consent of the agreement for the completion of the real estate project of Zefirului Street in Bistrița.

The decision has been made as an effect of the complex construction market climate having generated spiking prices in construction materials, along with the accelerated evolution of energy and fuel costs, which are significantly impacting the costs with suppliers and materials required for the real estate project.

*"We do not drop the objective of capitalizing on this asset for the benefit of our shareholders and the local community. We remain open to selling the land of about 2 hectares for the purpose of developing a real estate project with the zonal urban plan obtained. We are familiar with the evolution of the construction market from the standpoint of the segments we are active on and we are seeing contractors, even among our customers, who are having difficulties due to the significant price increase during the past two and a half years. We are developing and are harnessing market opportunities, but at the same time we adapt to them in order to ensure a balanced evolution of our business in the medium and long term."* Mr. Alexandru Stânean, TeraPlast CEO, stated.

*"Suspending the real estate project on Zefirului Street does not mean giving up our goal of contributing to the development of Bistrița's real estate market. The evolution of material prices and services is forcing us rethink the project coordinates, as our objective remains primarily that of developing projects that keep the promises made to the people of Bistrița. This, on the other hand, also depends on the evolution of the economic and market climates, which we are following closely by expert studies. We thank our partners, customers and collaborators for their efforts, their interest and their trust. In our vision, home is a feeling, but the journey home should be offering both perspective over the future and a high level of safety."* Mr. Doru Ciocan, Director at Alfa Construct Partners, added.

The partnership between TeraPlast and Alfa Construct Partners started during the third quarter of 2020. It aimed at developing a residential complex on the former location of TeraPlast's factory, close to Bistrița town center. From the time of the agreement until now, the zonal urban plan has been obtained, but no construction works have been commissioned.



## About TeraPlast Group

*The Group is comprised of the companies TeraPlast, TeraGlass, TeraPlast Recycling, TeraBio Pack and Somplast. Starting July 2nd, 2008, TeraPlast SA – the parent-company of TeraPlast Group – is listed on the Bucharest Stock Exchange under the TRP symbol. The company's shares are included in the BSE reference index, BET, and in FTSE Russell's Small Cap and Global All Cap indices. Within the Vektor evaluation based on 15 criteria for investor relations communication, conducted by ARIR, TeraPlast obtained the maximum score, 10, for the third time in a row.*