

TeraPlast Group's H1 net profit up 71 pct

TeraPlast Group's net profit reached 28.67 million lei in H1 2021, up 71 percent from the 16.8 million lei registered in the year-ago period, shows a report submitted to the Bucharest Stock Exchange.

The Group's turnover hit almost 273 million lei, and the half-year EBITDA (profit before interest, taxes, depreciation and amortization) was 42.7 million lei; this stands for a steep increase by 40 percent in revenues and an EBITDA advance of 47 percent compared to the year-ago results. The operating profit increased by 63 percent.

"The market and the entire context of economic growth stimulation favored an increase in sales volumes. The H1 consolidated result includes the effects of Somplast's integration in the second quarter, which added the flexible packaging business line to the Group. However, the Group management couldn't have yet had a significant influence on the results of Somplast which was effectively taken over in April and integration is still underway," the report said.

The flexible packaging business line will see rapid growth thanks to ongoing investments worth 12 million euro under the TeraBio Pack project. The group's management continues to weigh strategic expansion options, including M&A operations, the cited source points out.

"The evolution of the raw materials market has tested our adaptability and TeraPlast Group's record-high results show that we have successfully passed this test as well. The fact that our reference is H1 2020, then considered a new performance record, confirms the success of our positioning and fast development strategy that is profitable both in the area of plastics processing and in the green economy, through biodegradable packaging and rigid PVC recycling," said TeraPlast Group CFO Ioana Birta.

According to her, with the 42.7 million lei EBITDA and the 15.7 percent margin in the first half of the year, the group is on schedule to reach the figures budgeted for 2021.

TeraPlast Group includes companies TeraPlast, TeraGlass, TeraPlast Recycling, TeraBio Pack and Somplast. Starting with July 2, 2008, TeraPlast SA is listed on the Bucharest Stock Exchange under the ticker symbol TRP. The company's shares are included in the BET reference index of the Bucharest Stock Exchange and, from September 2020, in the TotalCap and MicroCap FTSE Russell indices.