MASTERPLAST PLC.
INTERIM MANAGEMENT REPORT

11 May 2023

MASTERPLAST PLC.
Interim management report
1st Quarter 2023

Consolidated, non-audited

According to International Financial and Reporting Standards (IFRS)

11 May 2023

The main activity areas of Masterplast (later: “Group”, “Masterplast”, “Company”), founded in 1997, are production and sales of building insulation materials and systems in construction industry, complemented by the production and sale of healthcare textile and hygiene products. The international Group, which headquarter is based in Hungary, has its own active subsidiary companies in 10 European countries, where 8 different production plant units are operated. The Group represents itself with its construction industry products on thermal insulation system, heat, sound and water insulation, roofing and on dry construction market, furthermore the Company participates with hygiene products on healthcare market. The international and domestic manufacturing bases ensure competitiveness to deliver the products of the Group to the European markets and markets outside Europe, via its subsidiaries and partners. The aspects of sustainability, energy efficiency and environment protection are considered by Masterplast as high importance in the internal processes, as in production and innovation.

1. SUMMARY

As a result of the significant decline in the construction market and lower demand, the Company's revenue decreased by 27% compared to base in the first quarter. In the sharply competitive market, the Company was only able sell its finished-products with reduced margins, produced from previously purchased raw materials at higher prices. Besides, the lower utilization of production capacities also had a negative impact on profitability. As a result, the Company's EBITDA for the first quarter represents a loss of EUR 2 032 thousand (EBITDA margin of -5,4%). Unfavorable exchange rate movements for the Group further increased the loss, so the Company closed the first quarter with a loss after-tax of EUR 5 837 thousand. In response to the changed market conditions, the Company focused on reducing operating costs, optimizing production and inventory levels, and more efficient energy management. The Company has restructured its management, reviewed its processes and launched significant staff optimization in the manufacturing and the operations. The Company expects a significant improvement from the second half of the year, where – probably strengthened by the start of the European-level energy efficiency building renovation wave – the industrial environment may intensify and the efficiency measures taken by the Company would have a positive impact. In line with the listed impacts, the Company revised its EBITDA earnings forecast for financial year 2023 to EUR 8 million.

With the EU measures in line with the EU's energy policy objectives (REPowerEU plan; "Fit for 55%" measure package), the Company's medium-term business prospects in the thermal insulation market have strengthened. According to the Company's updated medium-term profit forecast, Masterplast could return to its original growth path from 2024, and by 2026 the annual profit after tax can exceed EUR 30 million. Based on these, the Company continues to implement the intensive investment strategy that lays the foundation for the growth path.

Data in 1000 EUR	Q1 2023	Q1 2022
Sales revenues	37 602	51 510
EBITDA	-2 032	5 235
EBITDA ratio	-5,4%	10,2%
Profit/loss after taxation	-5 837	3 218
Net income ratio	-15,5%	6,2%

Source: consolidated non-audited report of the Group on 31st of March 2023 and non-audited report on 31st of March 2022 based on IFRS accounting rules, as well as the non-audited data from the Group’s management information system

- The global energy crisis, rising inflation and the deterioration of the interest rate environment had a strong impact on the construction industry in the Company's markets. Since the last quarter of last year, the market for new constructions had been declining spectacularly at European level, and nowadays there has been a significant decline in the renovation segment as well, with the market characterised by a wait-and-see situation due to the end of building renovation programmes and the delay in launching new ones. As a result, a sharp competition has developed in the construction industry, prices have fallen significantly.
- In response to the changed circumstances, the company's management has developed an action plan in three areas. The management and operational structure of decision-making has been restructured. According to its

headcount optimization program, the Company reduces the number of employees by about 200 people. Thirdly, the Company will save EUR 2 million per year as part of its further cost-cutting plans.

- The Group's sales revenue was EUR 37 602 thousand in Q1 2023, 27% lower than the very strong base period.
- Mostly due to the wait-and-see attitude of the renovation market, the sales revenue of the thermal insulation systems product group - representing the largest share (54%) and which mainly includes self-manufactured products - decreased by 21%. Sales also decreased in the Company's other product groups: roofing foils and accessories decreased by 20%, dry construction system product group by 37%, heat, sound and waterinsulation materials by 27%, building industry accessories by 23% and industrial applications product group by 49% compared to last year's first quarter base.
- The Company's turnover increased in Poland (12%), Ukraine (4%) and Croatia (38%). In the largest Hungarian market sales were 35% below base level and it also decreased in the export (-10%), Romanian (-24%), German (-41%), Italian (-53%), Serbian (-29%), Slovak (-22%) and North Macedonian (-32%) markets.
- As a result of lower sales, the impact of higher priced inventories and increased production (typically energy) the gross margin amount was also significantly below the value of the base period.
- In line with demand trends, emissions at Serbia's EPS fiberglass mesh production plants decreased significantly compared to a year earlier. Due to lower capacity utilization, the Company is on reducing the number of employees at Serbian manufacturing plants by about 110 people in the first half of this year. The output of the fleece production unit in Aschersleben also decreased compared to last year's base, where production has been suspended for shorter period due to reduced demand. Here, the German state (Kurzarbeit) provides partial wage compensation to the Company to compensate for lost revenue. At the same time, the output of diffusion roofing foil production in Sárszentmihaly increased, but it still operated with loss as a result of low capacity-utilization level. Due to low demand, only small series of production took place in of health-care finished products in the central site. In Kal, the Company sold its foam film production equipment last September and is in the process of establishing a new EPS plant. The XPS investment in Subotica has also been completed, where trial production started already in May.
- The cost of materials and services – including the change in the self-manufactured inventories as well – were 16% below the base level in the first quarter.
- Despite the wage increases, the Company's personnel expenses decreased by around 4% in the first quarter of 2023 compared to the base period. At the end of March 2023, the Group employed 1 428 people, compared to its 1 476 employees at the end of the base period. In both production and other operational areas, the Company reviewed its processes and started employee optimization, the impacts of which are expected to be visible in the second quarter.
- The amount of depreciation increased by 4% compared to base period amount. The subsidies related to CAPEX investments on Hungarian and Serbian sites was accounted proportionally in the financial figures based on depreciation figures.
- The other operating income and expense resulted in a loss of EUR 186 thousand compared to the loss of EUR 376 thousand in the base period.
- The Group's EBITDA in Q1 2023 was a loss of EUR 2 032 thousand (2,7% EBITDA ratio) compared to EUR 5 235 thousand (10,2% EBITDA ratio) in the base period. Taking depreciation into account, the EBIT in the first quarter was a loss of EUR 3 417 thousand, compared to a profit of EUR 3 907 thousand in the base.
- The Company's interest expenses increased moderately, and as a result of unfavorable exchange rate effects for the Group - strengthening HUF foreign exchange rate - the unrealized exchange rate loss resulting from the revaluation of foreign currency-based receivables and liabilities was also accounted for in the first quarter of 2023. The Company has mostly HUF-based bonds with favorable fixed interest rates (~2,15%) and euro-based loans with variable interest rates (~2,85%), so the deteriorating interest rate environment has a moderate impact.
- As a result of all these effects, the Company's net profit in Q1 2023 was a loss of EUR 5 837 thousand, compared to a profit of EUR 3 218 thousand a year earlier.
- Due to the ongoing new CAPEX projects, the value of fixed assets at the end of March 2023 was EUR 127 674 thousand, EUR 37 168 thousand higher than at the end of the base period.

- The value of the high inventory built up to ensure a stable supply chain was EUR 51 802 thousand at the end of March 2023, which - due to the initial effect of the actions introduced to optimize the inventory level - is 14% lower than the closing value of December 31, 2022, still EUR 1 066 thousand, 2% higher than the base at the end of the first quarter. The inventory reduction program is expected to continue in the following quarters and to have a continuous effect.
- The Company's accounts receivables (EUR 22 037) at the end of March 2023 was lower by 35% (EUR 12 116 thousand) than the base year, in-line with the lower sales performance.
- At the end of March 2022, the Group's cash and equivalents were equal to EUR 12 962 thousand, which is lower by EUR 2 427 thousand compared to the base period closing balance.
- As a result of the capital increase in October 2022, the value of the Company's equity on March 31, 2023 was EUR 76 513 thousand, which is EUR 25 156 thousand higher than the value of a year earlier. Together with Market Építő Private Co., the Group plans to start a rock wool factory with an annual capacity of 35 000 tons in Halmajugra in the first half of 2025, while the Company purchased PIMCO Ltd. in Szerencs, in order to also start production of glass wool products with the involvement of a co-investor.

2. Business Prospects

The construction industry recession that started in the last quarter of last year results in a period of more subdued performance for the Company in the short term. The significant decline of not only the Hungarian but international markets, the lower demand awaiting building energy subsidies and the effects of previously purchased stocks at a higher price can predictably result in unprofitable operations by the end of the first half of the current year. In response to the changed market conditions, the Company focused on optimizing operations, production and inventory levels, as well as conscious energy management. The Company transformed and made the operation of its management more efficient, reviewed its processes and launched a significant staff optimization and cost reduction program in both the production and operational areas.

The Company expects a substantial improvement from the second half of the year, where - probably strengthened by the start of support programs at the European level - the industry environment can already become more favorable and the measures taken will already have a positive effect. In accordance with these, the Company modified its EBITDA re forecast for financial year 2023 to EUR 8 million.

In addition, the Company's medium-term business prospects in the thermal insulation industry market have strengthened. The European Council and Parliament agreed on a significant reduction of the energy efficiency targets for 2030, to achieve which all member states must also renew their building at a specified rate (REPowerEU plan; "Fit for 55%" measure package). All these entail changes in the regulations of the member countries and the start of renovation programs, which predict a significant increase in the thermal insulation industrial demand.

Based on these, the Company continues to implement the intensive investment strategy that lays the foundation for the growth path.

In recent years, the Group has made significant production development investments. The Group has largely increased its capacities in the production of fiberglass mesh and diffusion roofing foil, with these investments the Company can also serve the market of premium category products with the highest quality requirements. Including the three more plants starting the operation in 2023 - one XPS and two EPS units - the production capacities of thermal insulation material will also be expanded by orders of magnitude, thereby opening up the opportunity to further options in the Western European markets as well. At the end of 2022, Masterplast also launched its stone and glass wool production development investments following a successful stock market capitalization of HUF 9.22 billion. Together with Market Építő Private Co., the Group plans to start a rock wool factory with an annual capacity of 35,000 tons in Halmajugra in the first half of 2025, while the Company purchased PIMCO Ltd. in Szerencs, in order to also start production of glass wool products with the involvement of a co-investor. According to the company's vision, by the second half of the decade, Masterplast may be the only thermal insulation material manufacturer in the East-Central European region that has significant manufacturing and market positions in both plastic and mineral insulation materials.

Adapted to the changed environment, with a strong thermal insulation industrial focus, the Company has updated its medium-term profit forecast, according to which the Company may return to its original growth path from 2024, and by 2026 the annual profit after tax may exceed EUR 30 million.

3. Presentation of the external economic and industrial environment

The external economic and industrial environment has a significant effect on the production and sale of the insulation and other construction materials, which are the main activities of the Masterplast. While the sale of the constructional and accessories products is mainly in relation with the new buildings market, the insulation related materials (primarily the heat insulation) depend on both the new building and home renovation markets.

The events of recent periods - the Russia-Ukraine war, epidemiological measures, the energy crisis - have resulted in high inflation and rising interest rates worldwide. All this had a strong impact on the construction industry in the Company's markets. Since the last quarter of last year, the market for new constructions had been declining spectacularly at European level, and nowadays there has been a significant decline in the renovation segment as well, with the market characterised by a wait-and-see situation due to the end of building renovation programmes and the delay in launching new ones. As a result, a sharp competitive situation has developed in the construction industry, prices have fallen significantly, and under these circumstances market participants can only sell stocks purchased at previously higher prices with a significant profit sacrifice.

In Hungary, which the most significant market for the Company, the rate of inflation and central bank base rate are by far the highest in EU countries, just as the forint exchange rate is also significantly higher than a year earlier. The closing of subsidies for building renovations at the end of last year and the delay of new ones are weighing on demand in the market spectacularly. According to the available statistical data, construction production decreased by 8% in the first two months of the year, and at the end of February, the number of contracts for the construction of buildings was 14% lower level in the business sector than a year earlier.

In Romania, experts forecast GDP growth of 2,8% and a decrease in the inflation rate to 6,5% in 2023, but expect a more modest contribution to the construction sector compared to last year. In addition to declining demand, significant labour shortages are also complicating the situation in the industry. Competition is intensified by the fact that competitors who have played a significant part in serving Western European markets have started to concentrate on the domestic market again due to the decrease in demand also felt in Western markets.

According to World Bank forecasts, Serbia will achieve GDP growth of 2,3% this year, the same as last year, while inflation is still projected to be high at 12 %. According to statistics from January and February, the number of building permits issued was 8-10% lower than a year earlier.

In Ukarian, despite the war the World Bank forecasts GDP growth of 0,5% in 2023, thanks to the resumption of grain trade from of ports in the Black Sea and significant foreign subsidies. However, the construction industry remains in a difficult situation, only 30% of buliding construction started before the war continuing. Development in the Ukrainian construction industry can be seen mainly in Kiev and the west of the country. In 2023, only 65 permits were issued for the construction of new properties.

The German economy possibly avoided recession in the first quarter, and according to the estimate of the German government's consulting firms, the German economy grew by 0.1%. In particular, lower than expected energy prices had a positive impact on the economic situation. They also expect a growth of 0.3% for the full year. Currently, the main risk is seen in financial conditions. According to the statistics office, 2,1% fewer housing building permits were issued in February this year than a year earlier. So, since May 2022, the number of building permits has decreased every month. According to a survey by the Ifo Institute, the number of cancellations of housing construction has also continued to increase.

In Poland, GDP fell by an estimated 0,5% in the first quarter and annual growth is forecasted to be below 1%. Construction statistics also reflect the decline of the industry in Poland: the number of building permits issued in the first quarter is 34% lower than in the first quarter of last year.

In Slovakia, the construction industry performed relatively well in the first two months of the year, but by March the industry had slowed down strongly. Price competition has intensified. At the same time, industry players are seeing significantly fewer requests for quotes and are still waiting for the launch of the incentive program promised by the government to support the renovation of 30 000 energy-inefficient old houses. The uncertainty surrounding the introduction of the program is increased by the fact that the parliament has withdrawn confidence in the current government, so only the new government formed after elections scheduled for September will be able to take meaningful steps.

In Croatia, although according to January statistics the number of constuction permits issued has increased, no increase is expected in the construction sector here either. The sector uniformly considers the market for new buliding construction to be the driver of the construction industry, with less regard for public infrastructure and renovation projects.

3. Sales by main product groups

Sales by main product groups:

Data in 1000 EUR	Q1 2023	Q1 2022	Index
	(A)	(B)	(A/B-1)
Thermal insulation system	20 350	25 878	-21%
Roofing foils and accessories	5 982	7 494	-20%
Dry construction system	3 604	5 711	-37%
Heat, sound and water insulation materials	3 136	4 273	-27%
Building industry accessories	1 121	1 454	-23%
Industrial applications	3 409	6 700	-49%
Total sales revenue	**37 602**	**51 510**	**-27%**
Contribution of product groups in percentage to the total sales revenue			
Thermal insulation system	54%	50%	-
Roofing foils and accessories	16%	15%	-
Dry construction system	10%	11%	-
Heat, sound and water insulation materials	8%	8%	-
Building industry accessories	3%	3%	-
Industrial applications	9%	13%	-
Total sales revenue	**100%**	**100%**	**-**

Source: consolidated non-audited report of the Group on 31st of March 2023 and non-audited report on 31st of March 2022 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

The Group's sales revenue In Q1 2023 was EUR 37 602 thousand, which is 27% lower than in the base period. As a result of the industry recession starting last quarter, sales decreased both in the thermal insulation systerm product group linked to the renovation market and in the product groups related to the new construction market.

Mainly due to the wait-and-see attitude of the renovation market, sales revenue of the thermal insulation system product group - representing the largest share (54%) and mainly includes self-manufactured products, decreased by 21%. Within the product group, sales of adhesives were strong, while sales revenue of other products was lower than a year earlier. Looking at regional data, sales of the thermal insulation product group increased in the Croatian, Polish, Slovak and Ukrainian markets, while sales decreased in the other target countries in the first quarter compared to base.

Sales of roofing foils and accessories in Q1 2023 closed 20% lower than in the same period in 2022. In terms of markets, the turnover increased significantly in Serbia and in the Export market, but decreased in other markets to a greater or lesser extent compared to the base.

Sales of the dry construction systems product group decreased by 37% compared in Q1 2023 to the base in 2022. Sales of drywall sheets and dry construction profiles were both lower than a year earlier. Sales stagnated in export areas and decreased in all other markets.

In the heat, sound and water insulation materials product group, which is also linked to the renovation market, turnover in the first quarter was 27% lower than in the first quarter a year earlier. Within the product group, sales of mineral wool decreased to a lesser extent, while that of water insulation materials and foam foil decreased significantly compared to the base. In terms of markets, sales on the Polish market stagnated, while sales in the first quarter decreased compared to base in other countries

Sales of building industry accessories product group was 23% below base level in Q1 2023. Sales increased in the North -Macedonian, Polish and Slovak markets, while sales in other markets declined in the product group.

Sales in the industrial applications product group closed 49% below base level in Q1 2023. The turnover of healthcare products closed at base level, while the turnover of packaging products and non-strategic raw material trade both decreased significantly.

4. Sales by countries

The breakdown of the sales by countries shows the revenue realized in countries where Masterplast has its own subsidiary, regardless of which subsidiary has sold in the country. For countries where there is no subsidiary of the Group, sales are reported on the Export line.

In the second quarter of 2022, the Company revised and changed the breakdown of its sales by country. With foundation of Masterplast Italia Srl., the Group reclassified the Italian market from the Export category to a separate category, as from Q2 2022 Masterplast has own subsidiary in the country.

The following table describes the reclassifications for the base period:

Data in 1000 EUR	Q1 2022		
	Sales revenue by previous classification	Reclassification	Sales revenue according to the new classification
Hungary	21 963		21 963
Export	9 305	-4 715	4 590
Germany	4 047		4 047
Poland	3 888		3 888
Romania	4 327		4 327
Serbia	3 414		3 414
Italy	0	4 715	4 715
Ukraine	1 127		1 127
Slovakia	1 819		1 819
Croatia	1 126		1 126
North Macedonia	494		494
Total sales revenue	**51 510**	**0**	**51 510**

Source: non-audited data from the Group's management information system

Sales by countries:

Data in 1000 EUR	Q1 2023	Q1 2022	Index
	(A)	(B)	(A/B-1)
Hungary	14 296	21 963	-35%
Poland	4 356	3 888	12%
Export	4 136	4 590	-10%
Romania	3 275	4 327	-24%
Serbia	2 414	3 414	-29%
Germany	2 400	4 047	-41%
Italy	2 235	4 715	-53%
Croatia	1 556	1 126	38%
Slovakia	1 423	1 819	-22%
Ukraine	1 176	1 127	4%
North-Macedonia	335	494	-32%
Total sales revenue	**37 602**	**51 510**	**-27%**
Contribution of countries in percentage to the total sales revenue			
Hungary	38%	42%	-
Poland	12%	8%	-
Export	11%	9%	-
Romania	9%	8%	-
Serbia	6%	7%	-
Germany	6%	8%	-
Italy	6%	9%	-
Croatia	4%	2%	-
Slovakia	4%	4%	-
Ukraine	3%	2%	-
North-Macedonia	1%	1%	-
Total sales revenue	**100%**	**100%**	-

Source: consolidated non-audited report of the Group on 31st of March 2023 and non-audited report on 31st of March 2022 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

Sales in the Group's most significant Hungarian market decreased by 35% overall in Q1 2023 compared to baseline. Sales declined in all product groups. In the Hungarian market, high interest rates are not favourable for renovation and construction works, and instead of the home renovation subsidy, ended at the end of last year, no new ones have been launched yet. The decline in turnover therefore reflects the wait-and-see behaviour of market demand, and the lag was further reinforced by the fall in prices.

Sales in export markets decreased by 10% in Q1 2023 compared to the same period last year. The sales revenue of self-produced fiberglass mesh belonging to the thermal insulation system product group was below the base level, and the turnover of heat, sound and water insulation materials and building industry accessories also decreased. At the same time, sales of self-produced diffusion roofing foils increased, and turnover of industrial applications also was above the baseline, thanks to mainly the healthcare product range. In most export countries, quarterly turnover decreased compared to the base quarter, but in some markets the Company achieved growth, especially in France, the performance developed well.

In the Romanian market, sales closed 24% lower in Q1 2023 compared to the base period. In terms of product groups, sales decreased in all of them in the quarter under review compared to a year earlier.

Sales on the German market decreased by 41% in the first quarter compared to the corresponding period last year. The turnover decreased in all relevant product groups, sales of self-produced roofing foils and health-care raw materials both showed a significant decrease.

In Italy, sales fell by 53% compared to the very strong first quarter of last year, where the Italian state's tax refund action for thermal insulation renovation works strongly stimulated demand. In Italy, the majority of buildings are uninsulated, therefore new renovation programs is likely to be launched in the near future to meet the energy targets. The thermal insulation system product group accounts for the majority of sales on the Italian market.

Sales in the Polish market increased by 12% in Q1 2023. Revenues of the thermal insulation product group increased significantly, especially fiberglass mesh sales developed well compared to the base. The building industry accessories product group also performed well. The dry construction product group, roofing foils and industrial applications showed a decline, while the turnover of heat, sound and water insulation materials stagnated.

Serbia's turnover of Q1 2023 was down 29% compared to base. Sales of roofing foils and accessories increased significantly. At the same time, sales in the other product groups on the Serbian market decreased in the first quarter.

On the Slovak market 2023sales fell by 22% compared to base in Q1 2023. Sales of thermal insulation product groups and building industry accessories increased compared to a year earlier, while sales revenue decreased significantly in other product groups.

In Ukraine, despite the war situation, first-quarter sales increased by 4% compared to the base in 2022. (The war situation developed by the last month of the base quarter.) As a result of business activity in war-torn regions is very limited, sales result was mainly due to the performance in western areas. Sales decreased in the roofing foils and the heat, sound and water insulation materials product groups compared to a year earlier, while turnover of the thermal insulation system and dry building materials product groups increased.

Sales in the Croatian market increased by 38% in Q1 2023 compared to the same period last year. Through the sale of thermal insulation materials and healthcare products in the industrial applications product groups, the Company achieved strong growth in the Croatian market in the quarter under review. The turnover of the other product groups was below the base level.

In North-Macedonia, which has the smallest share of sales, turnover decreased by 32% compared to baseline. Sales increased in the case of building industry accessories, but sales decreased compared to the base in the other product groups.

In summary, the Company’s turnover declined by 27% in the first quarter compared to a strong base. As a result of the industrial recession starting in the previous quarter, sales decreased both in the thermal insulation materials product group related to the renovation market and in the product groups related to the new construction market. Sales revenue in the industrial applications product group was also below the base level. In terms of markets, sales increased in the Polish, Croatian and Ukrainian markets, while revenues decreased in other countries, including export markets in the quarter under review.

5. Profit and loss account

The exhibit below shows the consolidated profit and loss statement of the Masterplast PLC. in total cost form, in thousand EUR.

Data in 1000 EUR	Q1 2023	Q1 2022	Change	Index
	(A)	(B)	A-B	(A/B-1)
Sales revenues	37 602	51 510	-13 908	-27%
Cost of materials and services	-30 855	-41 392	10 537	-25%
Payroll costs and contributions	-6 532	-6 793	261	-4%
Depreciation	-1 385	-1 328	-57	4%
Change in self-manufactured inventories	-2 061	2 286	-4 347	-190%
Other operating revenues and expenses	-186	-376	190	-51%
EBITDA	**-2 032**	**5 235**	**-7 267**	**-139%**
EBIDTA ratio	*-5,4%*	*10,2%*		
PROFIT / LOSS OF BUSINESS ACTIVITY (EBIT)	**-3 417**	**3 907**	**-7 324**	**-187%**
Interest revenues	228	124	104	84%
Interest expenses	-752	-487	-265	54%
Other financial revenues and expenses	-2 203	176	-2 379	-1352%
FINANCIAL PROFIT/LOSS	**-2 727**	**-187**	**-2 540**	**1358%**
Profit/loss from associations	15	0	15	0%
Profit/loss before income tax	**-6 129**	**3 720**	**-9 849**	**-265%**
Taxes	292	-502	794	-158%
Profit/loss after taxation	**-5 837**	**3 218**	**-9 055**	**-281%**
Profit attributable to the owners of the parent	-5 850	3 310	-9 160	-277%
Profit attributable to the minority	13	-92	105	-114%
Earnings per share (EPS) (EUR)	*-0,35*	*0,23*		

Source: consolidated non-audited report of the Group on 31st of March 2023 and non- audited report on 31st of March 2022 based on IFRS accounting rules.

The Group's sales revenue was EUR 37 602 thousand in Q1 2023, 27% lower than the very strong base period.

As a result of lower sales, the impact of higher priced inventories and increased production (typically energy) the gross margin amount was also significantly below the value of the base period. Margin rate on sales also decreased.

In line with demand trends, emissions at Serbia's EPS fiberglass mesh production plants decreased significantly compared to a year earlier. Due to lower capacity utilization, the Company is on reducing the number of employees at Serbian manufacturing plants by about 110 people in the first half of this year. The output of the fleece production unit in Aschersleben also decreased compared to last year's base, where production has been suspended for shorter period due to reduced demand. Here, the German state (Kurzarbeit) provides partial wage compensation to the

Company to compensate for lost revenue. At the same time, the output of diffusion roofing foil production in Sárszentmihaly increased, but it still operated with loss as a result of low capacity-utilization level. Due to low demand, only small series of production took place in of health-care finished products in the central site. In Kal, the Company sold its foam film production equipment last September and is in the process of establishing a new EPS plant. The XPS investment in Subotica has also been completed, where trial production started already in May.

The cost of materials and services – including the change in the self-manufactured inventories as well – were 16% below the base level in the first quarter. The Group's costs of raw and other materials, energy and fuel and value of services also increased in Q1 2023 compared to the base period.

Despite the wage increases, the Company's personnel expenses decreased by around 4% in the first quarter of 2023 compared to the base period. At the end of March 2023, the Group employed 1 428 people, compared to its 1 476 employees at the end of the base period. In both production and other operational areas, the Company reviewed its processes and started employee optimization, the impacts of which are expected to be visible in the second quarter.

The amount of depreciation increased by 4% compared to base period amount. The subsidies related to CAPEX investments on Hungarian and Serbian sites was accounted proportionally in the financial figures based on depreciation figures.

The other operating income and expense resulted in a loss of EUR 186 thousand compared to the loss of EUR 376 thousand in the base period.

The Group's EBITDA in Q1 2023 was a loss of EUR 2 032 thousand (2,7% EBITDA ratio) compared to EUR 5 235 thousand (10,2% EBITDA ratio) in the base period. Taking depreciation into account, the EBIT in the first quarter was a loss of EUR 3 417 thousand, compared to a profit of EUR 3 907 thousand in the base

The Company's interest expenses increased as a result of bond issues and borrowing. At the same time, interest income also increased during the quarter, resulting in an interest profit of EUR 362 thousand compared to the base. The Company has mostly HUF-based bonds with favorable fixed interest rates (~2.15%) and euro-based loans with variable interest rates (~2.85%), so the deteriorating interest rate environment has a moderate impact.

The other financial related incomes and expenditures mainly represent the exchange rate related profits/losses. As the Company mainly realizes its purchases in EUR and USD and the sales are being generated in local currencies therefor the fluctuation of these currencies can have a remarkable effect on the Group’s results. Since most of the local currencies are linked to the EUR, the EUR/USD rate moves also influence – in case USD purchases – the exchange rate results. At the end of the period, the company had EUR/HUF futures transactions.

The following table shows the exchanges of major currencies for the Group in 2023, 2022 and 2021:

Closing exchange rates	2021.12.31	2022.03.31	2022.12.31	2023.03.31	Index	Index	Index	Index
	A	B	C	D	C/A	C/B	D/B	D/C
EUR/USD	1,13	1,11	1,07	1,09	94,04%	95,72%	97,84%	102,22%
EUR/HUF	369,00	369,62	400,25	380,99	108,47%	108,29%	103,08%	95,19%
EUR/RON	4,95	4,95	4,95	4,95	99,99%	100,02%	100,05%	100,03%
EUR/RSD	117,58	117,75	117,32	117,29	99,78%	99,64%	99,61%	99,98%
EUR/UAH	30,92	32,59	38,95	39,78	125,96%	119,53%	122,08%	102,13%
USD/HUF	325,71	332,09	375,68	349,85	115,34%	113,13%	105,35%	93,12%
USD/RON	4,37	4,45	4,63	4,55	106,04%	104,13%	102,15%	98,09%
USD/RSD	103,93	105,50	110,15	107,56	105,99%	104,41%	101,95%	97,65%
USD/UAH	27,28	29,25	36,57	36,57	134,06%	125,00%	125,00%	100,00%

Source: Hungarian National Bank rates

As a result of unfavourable exchange rate movements for the Company - strengthening HUF foreign exchange rate -, the unrealized exchange rate loss resulting from the revaluation of foreign currency-based receivables and liabilities amounted to EUR 2 203 thousand, compared to a profit of EUR 176 thousand in the base period.

As a result of all these effects, the Company's net profit in Q1 2023 was a loss of EUR 5 837 thousand, compared to a profit of EUR 3 218 thousand a year earlier.

In summary, in a recessionary environment, the company's revenue decreased by 27% compared to base in the first quarter. In addition to the effect of the stock of raw materials purchased at previously higher prices, increased production costs also had a negative impact on the Company's quarterly profitability. Group EBITDA in Q1 2023 was a loss of EUR 2 032 thousand (-5,4% EBITDA margin) against a profit of EUR 5 235 thousand (EBITDA margin of 10,2%) in the base period. For the Group, adverse exchange rate movements further worsened quarterly earnings. Thus, the Company closed the first quarter with a loss-after-tax of EUR 5 837 thousand.

6. Other comprehensive income

Data in 1000 EUR	Q1 2023	Q1 2022
Profit for the year	**-5 837**	**3 218**
Foreign exchange result on translation*	1 123	-266
Comprehensive income related to a CCIRS transaction*	486	-55
Parent company's share of the change in the value of associates*	-331	0
Other comprehensive income	**1 278**	**-321**
Comprehensive income	**-4 559**	**2 897**

Source: consolidated non-audited report of the Group on 31st of March 2023 and non-audited report on 31st of March 2022 based on IFRS accounting rules

* Will not be recognised in profit or loss in future periods

7. Balance sheet

Due to the strong seasonal impact of the Group's business during the year, the Company presents and analyses its balance sheet as at 31th March 2023 comparing to the balance sheet data of the same date of the previous year. A separate table shows the comparison with year-end volumes.

Data in 1000 EUR	31-03-2023	31-03-2022	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	122 818	89 125	33 693	38%
Intangible assets	720	148	572	386%
Shares in related companies	3 614	552	3 062	555%
Deferred tax assets	397	681	-284	-42%
Other long-term financial assets	125	0	125	0%
Total fixed assets	**127 674**	**90 506**	**37 168**	**41%**
CURRENT ASSETS				
Inventories	51 802	50 736	1 066	2%
Trade accounts receivable	22 037	34 153	-12 116	-35%
Tax receivables	2 508	2 508	0	0%
Other financial receivables	442	83	359	433%
Other current assets	10 035	4 268	5 767	135%
Liquid assets	12 962	15 389	-2 427	-16%
Total current assets	**99 786**	**107 137**	**-7 351**	**-7%**
TOTAL ASSETS	**227 460**	**197 643**	**29 817**	**15%**
CAPITAL AND RESERVES				
Subscribed capital	6 049	5 504	545	10%
Reserves	77 103	44 161	32 942	75%
Repurchased shares	-1 481	-2 157	676	-31%
Parent share of interests	-5 848	3 310	-9 158	-277%
Equity attributable to the owners of the parent	**75 823**	**50 818**	**25 005**	**49%**
Minority interests	690	539	151	28%
Total capital and reserves	**76 513**	**51 357**	**25 156**	**49%**
LONG-TERM LIABILITIES				
Long- term loans	15 116	4 150	10 966	264%
Liabilities from issued bonds	51 126	56 743	-5 617	-10%
Deferred tax liabilities	757	502	255	51%
Deferred income	29 761	32 950	-3 189	-10%
Other long-term liabilities	405	672	-267	-40%
Total long-term liabilities	**97 165**	**95 017**	**2 148**	**2%**
SHORT-TERM LIABILITIES				
Short-term loans	17 541	15 614	1 927	12%
Liabilities from issued bonds (short-term)	3 934	0	3 934	0%
Trade accounts payable	18 584	17 015	1 569	9%
Short-term leasing liabilities	188	236	-48	-20%
Other financial liabilities	4 446	4 330	116	3%
Tax liabilities	1 549	6 158	-4 609	-75%
Short-term deferred income	2 785	2 785	0	0%
Provisions	575	508	67	13%
Other short-term liabilities	4 180	4 623	-443	-10%
Total short-term liabilities	**53 782**	**51 269**	**2 513**	**5%**
TOTAL LIABILITIES	**150 947**	**146 286**	**4 661**	**3%**
TOTAL CAPITAL AND LIABILITIES	**227 460**	**197 643**	**29 817**	**15%**

Source: consolidated non-audited report of the Group on 31st of March 2023 and non-audited report on 31st of March 2022 based on IFRS accounting rules

On 31st Marh 2023, the Group's assets amounted to EUR 227 460 thousand, EUR 29 817 thousand higher than at the end of the base period.

Due to the ongoing new CAPEX projects, the value of fixed assets at the end of March 2023 was EUR 127 674 thousand, EUR 37 168 thousand higher than at the end of the base period.

The value of the high inventory built up to ensure a stable supply chain was EUR 51 802 thousand at the end of March 2023, which - due to the initial effect of the actions introduced to optimize the inventory level - is 14% lower than the closing value of December 31, 2022, still EUR 1 066 thousand, 2% higher than the base at the end of the first quarter. The inventory reduction program is expected to continue in the following quarters and to have a continuous effect.

The Company's accounts receivables (EUR 22 037) at the end of March 2023 was lower by 35% (EUR 12 116 thousand) than the base year, in-line with the lower sales performance.

At the end of March 2023, the Group's cash and equivalents were equal to EUR 12 962 thousand, which is lower by EUR 2 427 thousand compared to the base period closing balance.

As a result of the capital increase in October 2022, the value of the Company's equity on March 31, 2023 was EUR 76 513 thousand, which is EUR 25 156 thousand higher than the value of a year earlier.

Group's bond liabilities in the balance sheet remained unchanged in nominal terms. The total amount of loans increased by a total of EUR 12 893 thousand due to the low interest rate bank loans drawn to finance higher working capital requirements of increased own production and investments.

The Group's accounts payable closed at EUR 18 854 thousand, compared to EUR 17 015 thousand at the end of the first quarter of last year. Amount of deferred income– includes grants related to investments not yet recognised in profit or loss – and the balance of other current liabilities did not change significantly.

8. Cash-flow, bank information

Data in 1000 EUR	31-03-2023	31-03-2022	Change	Index
	(A)	(B)	A-B	(A/B-1)
Operating Activities				
PBT	-6 129	3 720	-9 849	-265%
Depreciation and Amortisation	1 385	1 328	57	4%
Bed debt provision	563	261	302	116%
Shortage and scrap of stocks	68	74	-6	-8%
Provisions	-8	-59	51	-86%
Profit on fixed asset sale	-27	-22	-5	23%
Interest expense	752	487	265	54%
Interest revenue	-228	-124	-104	84%
Profit/loss from associations	-15	0	-15	0%
Unrealized foreign exchange gain (loss)	**3 471**	**-162**	**3 633**	**-2243%**
Changes in Working Capital				
Change in Accounts Receivable	-4 648	-13 404	8 756	-65%
Change in Inventory	7 582	-3 721	11 303	-304%
Change in Other Assets	-30	-2 168	2 138	-99%
Change in Accounts Payable	2 051	225	1 826	812%
Change in Short-term liabilities	-3 460	6 313	-9 773	-155%
Taxation	-425	-178	-247	139%
Net Cash from Operations	**902**	**-7 430**	**8 332**	**-112%**
Investing Activities				
CAPEX	-8 295	-1 988	-6 307	317%
Sale of fixed assets	32	24	8	33%
Subsidiaries share purchase	-1 815	0	-1 815	0%
Interest received	228	124	104	84%
Net Cash from Investing activities	**-9 850**	**-1 840**	**-8 010**	**435%**
Financing Activities				
Borrowing	323	10 002	-9 679	-97%
Loan repayments	-50	-546	496	-91%
Interest paid	-752	-487	-265	54%
Net Cash from Financing activities	**-479**	**8 969**	**-9 448**	**-105%**
Net Cash flow of the period	-9 427	-301	-9 126	3032%
Cash at beginning of period	25 882	15 382	10 500	68%
Effect of exchange rate changes	-3 493	308	-3 801	-1234%
Cash at end of period	**12 962**	**15 389**	**-2 427**	**-16%**

Source: consolidated non-audited report of the Group on 31st of March 2023 and non-audited report on 31st of March 2022 based on IFRS accounting rules

The net cash flow from operation was EUR 902 thousand at the end of March 2023, compared to the EUR -7 429 thousand value of end of the base period.

The cash flow from investing activities was EUR -9 850 thousand at end of March 2023 compared to EUR -1 840 thousand in same period 2022.

The net cash flow from financial related activities amounted to EUR -479 thousand versus the EUR 8 969 thousand of the base year.

All in all, the cash and equivalents of the Company was EUR 12 962 thousand at the end of March 2023 which was lower by EUR 2 427 thousand than the EUR 15 389 thousand level of the previous period end.

Investigations against Masterplast:

In connection with the tax audits of the Romanian subsidiary explained below, there have been no changes after the financial years 2019 and 2020. The Group expects that the above proceedings will not have a major impact on the Group's financial position and profits.

An investigation has been extended to the MASTERPLAST Romania Srl. which was launched by the Romanian tax authority to an assumed tax claim in relation with anti-dumping laws on imported products concerning the operations of some of the suppliers of the Romanian subsidiary of the Company, and the investigative authority suspected MASTERPLAST Romania S.R.L. and two executive officials of it. For the upcoming periods of the procedure, as a security for possible future enforcement up to the amount of EUR 2 010 738 (RON 9 951 341), ordered the seizure and banned the alienation of Romanian properties owned by MASTERPLAST Romania S.R.L.
This procedure has no influence on the operation and business activities of the MASTERPLAST Romania Srl.
The Company has initiated a legal redress against the decision. The legal redress is under procedure.
As the result of the completed tax investigation, the Romanian tax authority determined a VAT liability in the amount of EUR 251 774 (RON 1 246 053) and additionally EUR 80 171 (RON 396 638) as default interest for the inspected period from 01-01-2014 to 31-08-2016. The Company represented a bank guarantee for the tax liabilities.

As part of the transfer price investigation launched at the Romanian subsidiary of the Company, the Romanian Tax Authorities identified a tax deficit of EUR 468 390 (RON 2 318 107) for the financial years 2014-2018. The Company has appealed because of the finding with the assistance of experts thus the proceedings are still ongoing. In order to avoid possible future tax fines, the Company has paid the full amount to the tax authorities in year 2020, which was presented in the profit and loss account as "Other operating income (expenses)".

9. Change in equity

Data in 1000 EUR	Subscribed capital	Shares	Capital reserves	Accumulated profit reserves	Conversation reserves	Total reserves	Parent company's share of profit	Equity per shareholders in parent company	Share of external owners	Shareholders' equity
01-01-2022	**5 504**	**-2 252**	**8 063**	**34 351**	**-13 809**	**28 606**	**15 861**	**47 718**	**646**	**48 364**
Profit for the year	0	0	0	0	0	0	3 310	3 310	-92	3 219
Comprehensive income related to a CCIRS transaction	0	0	0	0	-55	-55	0	-55	0	-55
MRP share based payments	0	93	0	0	0	0	0	93	0	93
Other comprehensive income	0	0	0	0	-250	-250	0	-250	-16	-266
Prior year's profit or loss reclassified	0	0	0	15 861	0	15 861	-15 861	0	0	0
Redeemed treasury shares	0	2	0	0	0	0	0	2	0	2
Other	0	93	0	0	0	0	0	93	0	93
31-03-2022	**5 504**	**-2 157**	**8 063**	**50 212**	**-14 114**	**44 161**	**3 310**	**50 818**	**539**	**51 357**
01-01-2023	**6 049**	**-1 951**	**29 368**	**47 040**	**-16 285**	**60 123**	**15 691**	**79 912**	**689**	**80 601**
Profit for the year	0	0	0	0	0	0	-5 848	-5 848	11	-5 837
Comprehensive income related to a CCIRS transaction	0	0	0	0	486	486	0	486	0	486
MRP share based payments	0	-49	0	0	0	0	0	-49	0	-49
Other comprehensive income	0	0	0	0	803	803	0	803	-10	793
Prior year's profit or loss reclassified	0	0	0	15 691	0	15 691	-15 691	0	0	0
Redeemed treasury shares	0	519	0	0	0	0	0	519	0	519
31-03-2023	**6 049**	**-1 481**	**29 368**	**62 731**	**-14 996**	**77 103**	**-5 848**	**75 823**	**690**	**76 513**

Source: consolidated non-audited report of the Group on 31st of March 2023 and non- audited report on 31st of March 2022 based on IFRS accounting rules.

10. Contingent liabilities

Company	Type of guarantee	Covert amount by guarantee	Currency	Amount in EUR	Currency
Masterplast Romania	Bank guarantee	1 246 053	RON	251 774	EUR
Masterplast Romania	Bank guarantee	396 638	RON	80 143	EUR
Masterfoam Kft.	Tender guarantee	251 003 670	HUF	658 820	EUR
Masterplast Proizvodnja DOO Subotica	Bill of exchange	2 524 795 725	HUF	6 626 934	EUR
Masterplast YU D.o.o.	Bank guarantee	10 000 000	RSD	85 256	EUR
Masterplast YU D.o.o.	Bank guarantee	2 000 000	EUR	2 000 000	EUR
Total:				**9 702 927**	**EUR**

Source: consolidated non-audited report of the Group on 31st of March 2023 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

Off balance sheet items: relevant items in financial terms but items are not being presented in the balance sheet (such as guarantees, mortgage related liabilities etc.).

The Company has presented a bank guarantee covering the liabilities which were determined by the Romanian tax authority in the amount of 1 246 053 RON and 396 638 RON as default interest. Taking into account the legal outcome of the case, in consultation with the Company's legal counsel, the obligation is presented by the Company as a contingent liability.

11. Presentation of the manufacturing capacity

At the Group's EPS plant factory in Subotica, the output of finished products decreased by 25% in the first quarter compared to a year earlier, and in line with demand trends, the production volume of the fiberglass mesh factory was significantly below the baseline. Due to the low utilisation of capacity, the Company will reduce the number of employees by around 110 in the first half of the year in the production facilities in Serbia, and the site will also focus on optimizing the inventory level.

At the same time, the output of diffusion roofing foil production in Sárszentmihaly increased, but it still operated with loss as a result of low capacity-utilization level. Due to low demand, only small series of production took place in of health-care finished products in the central site.

The output of the fleece production unit in Aschersleben also decreased compared to last year's base, where production has been suspended for shorter period due to reduced demand. Here, the German state (Kurzarbeit) provides partial wage compensation to the Company to compensate for lost revenue.

The XPS investment in Subotica has been completed, where trial production started already in May. In Kal, the Company sold its foam foil production equipment last September, the construction of a new EPS plant is underway, and the EPS production plant in Calerno, Italy, has also entered the technological assembly phase. The two new plants will add 600 000 cubic metres to the company's EPS production capacity in the second half of 2023.

The Company has also started to implement its mineral wool production investments. Together with Market Építő Private Co. , the Company plans to launch a rock wool factory with a capacity of 35 000 tons in Halmajugra in the first half of 2025, while for glass wool production the Company has purchased PIMCO Kft in Szerencs, where production will also start with the involvement of a co-investor, in the first half of 2025.

12. Changes of the full time employees (headcount)

	31-03-2023	31-12-2022	31-03-2022
Company employees	80	79	69
Group level employees	1 428	1 499	1 476

Source: non-audited data from the Group's management information system

13. Significant events between the quarter-end and the publication of this report

The Board of Director meeting of 27 April 2023, elected Dávid Tibor, President of the Board of Directors, as Chief Executive Officer (CEO) of the Company for an indefinite term. CEO Dávid Tibor has decided on the appointment of Deputy CEOs for an indefinite period from 27 April 2023, Deputy CEOs of the Company: Balázs Ács, Vice-President of the Board of Directors and Róbert Nádasi.

14. Balance sheet compared with 31 December 2022 status

Data in 1000 EUR	31-03-2023	31-03-2022	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	122 818	109 530	13 288	12%
Intangible assets	720	197	523	265%
Shares in related companies	3 614	2 084	1 530	73%
Deferred tax assets	397	396	1	0%
Other long-term financial assets	125	125	0	0%
Total fixed assets	**127 674**	**112 332**	**15 342**	**14%**
CURRENT ASSETS				
Inventories	51 802	59 939	-8 137	-14%
Trade accounts receivable	22 037	17 465	4 572	26%
Tax receivables	2 508	2 325	183	8%
Other financial receivables	442	275	167	61%
Other current assets	10 035	10 356	-321	-3%
Liquid assets	12 962	25 882	-12 920	-50%
Total current assets	**99 786**	**116 242**	**-16 456**	**-14%**
TOTAL ASSETS	**227 460**	**228 574**	**-1 114**	**0%**
CAPITAL AND RESERVES				
Subscribed capital	6 049	6 049	0	0%
Reserves	77 103	60 123	16 980	28%
Repurchased shares	-1 481	-1 951	470	-24%
Parent share of interests	-5 848	15 691	-21 539	-137%
Equity attributable to the owners of the parent	**75 823**	**79 912**	**-4 089**	**-5%**
Minority interests	690	689	1	0%
Total capital and reserves	**76 513**	**80 601**	**-4 088**	**-5%**
LONG-TERM LIABILITIES				
Long- term loans	15 116	14 680	436	3%
Liabilities from issued bonds	51 126	48 664	2 462	5%
Deferred tax liabilities	757	752	5	1%
Deferred income	29 761	30 159	-398	-1%
Other long-term liabilities	405	387	18	5%
Total long-term liabilities	**97 165**	**94 642**	**2 523**	**3%**
SHORT-TERM LIABILITIES				
Short-term loans	17 541	17 218	323	2%
Liabilities from issued bonds (short-term)	3 934	3 744	190	5%
Trade accounts payable	18 584	16 533	2 051	12%
Short-term leasing liabilities	188	250	-62	-25%
Other financial liabilities	4 446	5 566	-1 120	-20%
Tax liabilities	1 549	1 613	-64	-4%
Short-term deferred income	2 785	2 785	0	0%
Provisions	575	583	-8	-1%
Other short-term liabilities	4 180	5 040	-860	-17%
Total short-term liabilities	**53 782**	**53 332**	**450**	**1%**
TOTAL LIABILITIES	**150 947**	**147 974**	**2 973**	**2%**
TOTAL CAPITAL AND LIABILITIES	**227 460**	**228 574**	**-1 114**	**0%**

Source: consolidated non-audited report of the Group on 31st of March 2023 and audited report on 31st of December 2022 based on IFRS accounting rules

15. Consolidated companies

Company	Place of business registration	Equity capital	Foreign currency	Ownership	Voting rate	Activity
Masterplast Romania S.R.L.	Romania	36 000	RON	100%	100%	Wholesale of building materials
Masterplast YU D.o.o.	Serbia	192 557 060	RSD	100%	100%	Wholesale of building materials, EPS and fiberglass production
Master Plast s.r.o.	Slovakia	26 555	EUR	100%	100%	Wholesale of building materials
Masterplast d.o.o.	Croatia	20 000	HRK	100%	100%	Wholesale of building materials
MasterPlast TOV	Ukraine	27 000	UAH	80%	80%	Wholesale of building materials
Masterplast Sp zoo	Poland	200 000	PLN	80,04%	80,04%	Wholesale of building materials
MasterFoam Kft.	Hungary	3 000 000	HUF	100%	100%	Foam sheet production
Masterplast Medical Kft.	Hungary	10 000 000	HUF	100%	100%	Wholesale of building materials Production of medical raw materials and finished products
Masterplast D.O.O. (3)	North Macedonia	973 255	MKD	100%	100%	Wholesale of building materials
Green MP Invest	Ukraine	33 223 500	UAH	100%	100%	Asset management
Masterplast Hungária Kft.	Hungary	230 000 000	HUF	100%	100%	Wholesale of building materials
Masterplast Modulhouse Kft.	Hungary	300 000 000	HUF	100%	100%	Construction of residential and non-residential buildings
Masterplast International Kft.	Hungary	3 000 000	HUF	100%	100%	Wholesale of building materials
Masterplast Nonwoven GmbH	Germany	25 000	EUR	100%	100%	Fleece and multilayer membrane production
Fidelis Bau Kft.	Hungary	3 000 000	HUF	100%	100%	Thermobeton production
Masterplast Italia Srl. (6)	Italy	200 000	EUR	95,5%	95,5%	Wholesale of building materials
MASTERWOOL MW-1 d.o.o.(2)	Serbia	293 900 000	RSD	100%	100%	Rockwool production
PIMCO Kft. (5)	Hungary	153 000 000	HUF	100%	100%	Glasswool production
Indirect relations:						
Masterplast Proizvodnja D.o.o.	Serbia	600 000	RSD	100%	100%	XPS production
Affiliated company of the Group (4):						
Masterprofil Kft.	Hungary	3 000 000	HUF	20%	20%	Profile production
T-CELL Plasztik Kft.(1)	Hungary	104 000 000	HUF	24%	24%	EPS production

Source: non-audited data from the Group's management information system

(1) On 14 September 2022, Masterplast Plc got a call option for the remaining share, which will enable it to become 100% owner of T-CELL Ltd. The call option is valid for a period of 3 years from the publication of the annual audited accounts of T-CELL Kft. for 2022, but no later than 31 May 2023

(2) In order to launch rock wool production activities, MASTERWOOL MW-1 d.o.o. was established in Serbia in 2022 with 51% ownership of the Company and 50% voting rights. Investment activities and operations have not yet taken place within the framework of this economic organization. On March 21 2023, MASTERPLAST Plc. signed a share transfer agreement for the purchase of 49% of the registered capital of MASTERWOOL MW-1 d.o.o. As a result of the share transfer, MASTERPLAST Plc. became the sole member of MASTERWOOL MW-1 d.o.o. with a 100% share.

(3) *With the acquisition of the 10% stake in Masterplast D.O.O. previously held by an external shareholder, the Company's consolidated ownership changed from 90% to 100% from 22nd December 2022*.

(4) As a result of the transfer of shares, MASTERPLAST Plc. no longer has a share in Master Modul Kft., the planned activity in Master Modul Kft. will be implemented by MASTERPLAST Modulhouse Kft.

(5) On 18 January 2023, the Company entered into a purchase agreement for the purchase of a 100% share in PIMCO Kft., which has a glass wool manufacturing investment project.

(6) On March 16, 2023, the Company entered into a share transfer agreement for the purchase of shares in MASTERPLAST Italia S.r.l., representing 44.5% of the registered capital of MASTERPLAST Italia S.r.l. with a nominal value of EUR 89 thousand. As a result of the share transfer, MASTERPLAST Plc. becomes a 95.5% shareholder of MASTERPLAST Italia S.r.l.

The consolidation of the affiliate companies is based on equity valuation (equity method) and recognized in profit and loss account. The fair value of the interest at the date of preparation of the interim management report is the same as the purchase value, so the profit and loss account has not been adjusted by the difference resulting from the valuation of the share.

16. Leaders and strategic employees influencing the operation of the Issuer

The members of the Board:

Name	Post	Commencement of mandate (beginning of membership in the Board)	Completion of mandate	Time spent in Board /as Board members	Stockholding (pcs)
Tibor Dávid	Chairman of the Board	03-04-2008	30-04-2024	approximately 15 years	4 548 057
Ács Balázs	Vice Chairman of the Board	03-04-2008	30-04-2024	approximately 15 years	3 877 259
Dirk Theuns	Board member	01-05-2014	30-04-2024	approximately 9 years	-
Dezse Margaret	Board member	01-05-2020	30-04-2024	approximately 3 years	1 300
Fazekas Bálint	Board member	01-05-2022	30-04-2024	approximately 1 year	1 145

The data of the Company's top management are shown in the table below on 31st March 2023:

Name	Post	Beginning of the current top management position	Completion of current top management position	Stockholding (pcs)
Tibor Dávid	Chairman (1)	03-04-2008	indefinite duration	4 548 057
Ács Balázs	Vice Chairman (2)	03-04-2008	indefinite duration	3 877 259
Nádasi Róbert	CEO (3)	01-08-2018	indefinite duration	105 620

(1) CEO from 27-04-2023

(2) Deputy CEO from 27-04-2023

(3) Deputy CEO from 27-04-2023

17. The shareholders of the Company with a holding above 5%

The Company's shareholders with a holding of more than 5% at the time of the closure of the report based on the announcements:

Name	Deposit handler	Quantity (pcs)	Share (%)
Tibor Dávid (1)	no	4 548 057	26,99%
Ács Balázs (1)	no	3 877 259	23,01%
Total		**8 425 316**	**50,00%**

(1) The founding owners own 50% + 1pcs (8 425 316) of the shares issued by Masterplast Nyrt., maintaining majority ownership and voting rights for founding owners.

18. Presentation of the amount of own shares (pcs)

	31-03-2023
Issuing ownership	70 537
MRP organisation	204 917
Affiliated companies ownership	0
Total	**275 454**

19. Publications issued by Masterplast PLC. in the reference period:

Publication date	Object
02.01.2023.	Voting rights, registered capital
06.01.2023.	Updated forecast of 2022 results
18.01.2023.	Information on the purchase of a project company for the development of glass wool production
31.01.2023.	Information on the strategic cooperation agreement between MASTERPLAST Nyrt. and KÉSZ Holding Zrt.
01.02.2023.	Voting rights, registered capital
15.02.2023.	Information on the transfer of shares
23.02.2023.	Interim management report
01.03.2023.	Voting rights, registered capital
16.03.2023.	Information on the acquisition of a stake in the Italian subsidiary
21.03.2023.	Information on the acquisition of a stake in the Serbian subsidiary
27.03.2023.	GM – Invitation
27.03.2023.	Information about investor forum
27.03.2023.	Changing of corporate action timetable
27.03.2023.	Corporate Action Timetable
03.04.2023.	Voting rights, registered capital
06.04.2023.	GM – Proposals
27.04.2023.	GM - Resolutions
27.04.2023.	Presentation of the 27 April 2023 investor forum
27.04.2023.	Annual Report
27.04.2023.	CG Declaration
27.04.2023.	Remuneration Report
27.04.2023.	Remuneration Policy
27.04.2023.	ESG Report
27.04.2023.	Information on changes to the management structure
02.05.2023.	Voting rights, registered capital

DECLARATION

MASTERPLAST Nyrt. (H-8143 Sárszentmihály, Árpád u. 1/A.) declares that the Publication of Q1 2023 results provides a true and fair view of the financial position of MASTERPLAST Nyrt., comprises the subsidiaries included in the consolidation

Sárszentmihály, 11 May 2023

Tibor Dávid
Chairman of the Board

MASTERPLAST