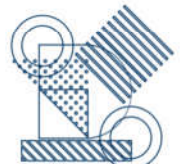
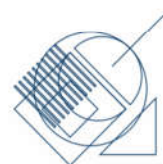
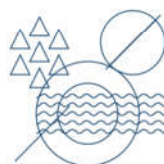
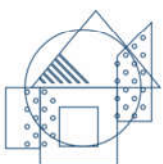




MASTERPLAST PLC. HALF-YEARLY REPORT

25 AUGUST 2020



MASTERPLAST PLC.

Half-yearly Report

Consolidated, not audited

According to International Financial and Reporting Standards (IFRS)

25 August 2020

Founded in 1997, the main areas of activity of Masterplast (later: "Group", "Masterplast", "Company") are production and sales of building industry insulation materials. With its headquarters in Hungary, the Central and Eastern European international company group has nine active subsidiary companies all over the world, where it operates three own-property production units. The Group has a presence with its main products, thermal insulation system, heat, sound and water insulation, roofing and dry construction on the market. Its international production bases (own and production under license) ensure that group products reaches the European markets and the markets outside Europe through its subsidiary companies and partners. Masterplast considers the aspects of sustainability, energy efficiency and environment protection of high importance in its internal processes as well as in production and innovation.

1. SUMMARY

The construction industry was featured by an uncertain, but by the end of the quarter an optimistic industry environment in Q2 2020. The economic actors, including Masterplast, typically had to cope with the global crisis caused by the coronavirus. The decline in sales in April was followed by the same May as the base period and by a stronger June, as a result of which the Group's second-quarter sales were only 4% lower than in the base period. In addition to the outstanding turnover of the Hungarian market, the regional subsidiaries also performed well. The decline in the export market was typically influenced by the COVID situation in the Greek and Italian regions. Despite the decrease in turnover, trade margin increased. The traditional fiberglass factory in Serbia was operating at maximum capacity, while the foam production upturn in Kal still lagged behind compared to the plans and the base quarter. The EBITDA was 2 757 thousand EUR (10,0% EBITDA ratio) compared to 2 409 thousand EUR (8,4% EBITDA ratio) in Q2 2019 which meant 14% growth. Due to the negative exchange rate effects the Group's financial result slightly went wrong, the PAT closed with a profit of 1 838 thousand EUR in the second quarter, compared to a profit of 1 824 thousand EUR in the base period.

Adapting to the uncertain economic and market environment caused by the coronavirus, the Company has rationalized its operations, implemented a number of cost-cutting measures and resorted government labor-retention and investment grants at several subsidiaries.

Data in 1000 EUR	Q2 2020	Q2 2019	H1 2020	H1 2019
Sales revenues	27 499	28 507	52 451	50 575
EBITDA	2 757	2 409	3 883	3 342
EBITDA ratio	10,0%	8,4%	7,4%	6,6%
Profit/loss after taxation	1 838	1 824	2 110	2 061
Net income ratio	6,7%	6,4%	4,0%	4,1%

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

- In Q2 2020, the global situation caused by the coronavirus was dominant on both new building and for Masterplast relevant home renovation markets. The impact of the global health emergency and the resulting restrictions have also left a mark on the construction industry. On the most significant Hungarian market, the building industry was mixed in the quarter, the number of contracts concluded also decreased, heavy building material producers raised prices, and in terms of demand, raw material cornering was typical. In Romania, the construction industry was characterized by a mixed picture too, the volume of construction work increased even more in April, but has already decreased in May, and at the end of Q2 the market started to liven again. In view of the viral situation in Serbia, the government has introduced economic protection measures to reduce its negative effects, the industrial production declined, as did exports in foreign trade and the number of building permits issued. In Ukraine, the building industry fell in the second quarter, the value of construction work performed decreased compared to the same period last year, the demand for building materials and for buildings decreased. In Poland, there was a decline too in the construction sector, in the first two months of the quarter the demand dropped, the number of flats handed over, and the number of new construction projects

and building operations also declined. In Slovakia, the industrial production decreased, in the building sector the bigger constructions slowed down or stopped, while the number of renovations and residential constructions increased. In Croatia, the industrial production decreased, the unemployment rate increased, the construction activity declined. The industrial production in North Macedonia decreased too and with regard the construction industry, the demand declined, the number of building permits issued was also lower than in the same period last year.

- The total revenue of the Company was 27 499 thousand EUR in Q2 2020, 4% lower than in the base period in 2019.
- Still the Thermal insulation system provided the biggest product share, where the overall sales decreased by 5% in Q2 2020. There was sales increase in the Roofing foils and accessories (1%), while the Dry construction system product group stagnated. There was a revenue drop in the Heat, sound and water insulation materials (-7%) and in the Building industry accessories product group (-2%) too. Regarding the Industrial applications, the revenue landed on the same level in this quarter compared to the base period in 2019.
- On the Group's main Hungarian market, the sales increased by 9% in Q2 2020 compared to the base while on the export markets it decreased by 23%. The sales revenues also grew in Romania (7%) and in Slovakia (5%). In Serbia (-2%), in Ukraine (-19%), in Poland (-15%) and in Croatia (-6%) the revenues were smaller, just as in North Macedonia (-13%) with the smallest share of sales.
- Despite the decrease in turnover, there was increase in the trade margin in Q2 2020. The Group's trade margin was higher on the Ukrainian and Serbian markets, but the realized margin volume grew on the Hungarian and Slovakian markets as well.
- There was a growth in the production output of traditional and German technology fiberglass mesh, just as the profile production, while the EPS production in Serbia and the foam production in Kal dropped compared to the base quarter.
- The cost of materials and services – considering the change in the self-manufactured inventories as well – has moderated by higher rate than the turnover drop in Q2 2020.
- As a result of the expanding headcount of the fiberglass mesh factory in Serbia and due to the payrises the personnel expenses of the Company have increased in the quarter compared to the base. The Group had 1 099 employees at the end of Q2 opposed to the staff level of 1 027 people of the base period.
- Due to the investments, there was an increase in the amount of depreciation and the other operating revenues decreased slightly in Q2 2020 compared to the base period.
- The Group EBITDA was 2 757 thousand EUR in Q2 2020 (10,0% EBITDA ratio) compared to the 2 409 thousand EUR (8,4% EBITDA ratio) in the base period, which was 14% growth.
- The EBIT resulted in 2 140 thousand EUR in Q2 2020 which exceeded by 17% the 1 835 thousand EUR level of the base period.
- The interest revenues improved, while the Company due to the negative exchange rate effects has generated and booked loss in the other financial result in Q2 2020 compared to profit of Q2 2019.
- The Group PAT was 1 838 thousand EUR profit in Q2 2020 compared to the base period's profit of 1 824 thousand EUR.
- The total fixed assets amounted to 36 788 thousand EUR at the end of Q2 2020, by 775 thousand EUR lower than base period's volume.
- The inventory at the end of June 2020 was 22 544 thousand EUR, landed by 1 100 thousand EUR higher than the base period closing stock was.
- The trade accounts receivables were 16 755 thousand EUR at the end of this quarter which meant 1 737 thousand EUR decrease compared to base period.
- Masterplast with the agreement on acquiring a plant in Germany - which was announced on 21 May 2020 – the Company established the Masterplast Nonwoven GmbH on 4 June 2020. The Company acquired a 50% stake and exclusive management rights in the subsidiary. According to the plans of the Company, the subsidiary starts its operation on 1 July 2020, with the acquisition of the Aschersleben plant, which produces special fleeces and multilayer membranes for the healthcare and construction industries.

Business prospects

In an uncertain industry environment, the Company has experienced a difficult-to-start but continuously improving second quarter, which resulted in a slightly lower turnover compared to the base by the end of the quarter. Thanks to government action across Europe and the slowing spread of the coronavirus, regional construction markets have mostly restarted by the end of the quarter. In addition to the cost-saving measures taken earlier, Masterplast continues to manage consciously, which provides a good basis for making the most of market opportunities for the rest of the year, where the Company continues to expect a growing industry environment in both domestic and export markets.

In the uncertain economic and market environment caused by the coronavirus the Company has rationalized its operations and continue to respond quickly to the current situation. With exploiting the possibilities of own production and with stable supply of raw materials the company ensures business continuity and service to its partners by maintaining a high level of services. In view of the changed consumer habits, the Company has set as an important goal the further strong development of its own online presence and the support of the e-commerce and online development of its partners.

By the second half of 2020, the traditional fiberglass production is operating at full capacity and an increase is expected in foam production.

Regarding sales, expectations are also positive and with the rise in production the company hopes growth in all major market for the second half of the year.

With the launch of Masterplast Nonwoven GmbH, the Group has entered the market for healthcare products, which presents new opportunities and improving profitability for the Company.

2. 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.

In the first two months of Q2 2020 the markets were characterized by an economic downturn and by a decline in construction activity, while in June Masterplast already experienced positive trends in the industrial environment of its country portfolio. Overall, the economic actors, including Masterplast, has had to cope with the global crisis caused by the coronavirus

On the most significant Hungarian market, the building industry was mixed in the quarter. The impact of the global health emergency and the resulting restrictions have also left a mark on the construction industry. According to the data of the statistical office, the volume of construction output decreased in both April and May compared to the same period of the previous year. The decline was significant compared to the high base, due not only to downtime because of the coronavirus, but also to the withdrawn VAT-discounts for new houses. The output of both main groups of constructions decreased, not only in the case of buildings, but also in the case of other constructions. The number of contracts concluded also decreased during the period. Heavy building material producers raised prices, and in terms of demand, raw material cornering was typical of the beginning of the quarter. Examining sales channels, the so-called traditional line of building yards, drysalteries and DIY stores achieved sales growth due to smaller retail purchases. However, the measures taken by the government so far and in the current situation (such as 5% VAT on housing construction in so-called rust zones, bringing forward of public building renovations, launching of hotel and restaurant renovation loan program, non-repayable corporate real estate investment loans), have an incentive effect on the construction sector. However, the outcome of H2 also depends on the investments that have stopped due to the epidemic by what extent and when they can resume. The emerging economic crisis is likely to affect the building industry, but the sector is characterized by a slower response and because of the

already mentioned state support measures, the expected negative trend presumably will show up in results by the end of 2020 or beginning of next year.

In Romania, the construction industry was characterized by a mixed picture too. The volume of construction work increased even more in April, but has already decreased in May. From mid-March, a state of emergency status was taken in due to the coronavirus, and construction works stopped as a result did not continue in the second quarter, the deadline for thermal insulation projects was postponed. However, at the end of May and in June, the market started to liven, both traditional and retail demand started to grow. The number of building permits issued for residential buildings was significant, exceeding the value of the base period by 15%.

In view of the viral situation in Serbia, the government has introduced economic protection measures to reduce its negative effects. Interest rates were further reduced in the second quarter in order to provide liquidity to the economy during and after the emergency status caused by the coronavirus. Industrial production declined, as did exports in foreign trade. The number of building permits issued also declined slightly.

In Ukraine, the building industry fell in the second quarter. The value of construction work performed decreased compared to the same period last year, the demand for building materials and for buildings also decreased. The restrictions and tightening launched in the viral situation at the end of the previous quarter significantly affected the construction sector in this period too.

Overall, in the second quarter in Poland, there was a decline in the construction sector. In the first two months of the quarter the demand dropped, the number of flats handed over, and the number of new construction projects and building operations also declined. However, from June, the industry picked up by a lesser extent than last year, but the volume of construction work increased, as did the number of completed and handed over dwellings.

In Slovakia, the industrial production decreased sharply in the second quarter. The situation in the building industry was mixed, the bigger constructions slowed down or stopped due to the corona virus and a shortage of skilled labor, while the number of renovations and residential constructions increased.

In Croatia, industrial production decreased in Q2 2020, the building industry did not expand compared to the same period last year, and the unemployment rate also increased. Due to the epidemiological situation, construction activity declined almost completely, most building operations were stopped, only the priority construction projects continued. According to analyses, the decline in the Croatian economy will be the largest in the group of emerging European countries in 2020.

The industrial production in North Macedonia decreased, just as the foreign trade. With regard the construction industry, the demand declined due to the viral situation, the number of building permits issued was also lower than in the same period last year, while average wages increased in the quarter.

In correspondence with the processes and data cited above, the EUROSTAT quarterly statistic report is recalled here presenting the changes in the volume of the issued building permits divided by countries and compared to the base (preceding) periods.

Quarterly change of building permits from Q1 2019 to Q1 2020:

	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Q1 2020
Croatia	43,2	-7,2	-0,1	-6,9	-13,2
Hungary	13,4	-22,4	12,8	-21,4	-0,4
Poland	0,7	4,7	-1,0	0,3	-1,2
Romania	4,5	-0,3	-4,2	5,9	-3,1
Slovakia	-7,4	3,0	5,5	1,3	7,2
Serbia	20,6	-17,7	27,5	0,9	:

Source: EUROSTAT: Building permits - quarterly data

3. Sales by main product groups

Sales by main product groups:

Data in 1000 EUR	Q2 2020	Q2 2019	Index	H1 2020	H1 2019	Index
	(A)	(B)	(A/B-1)	(A)	(B)	(A/B-1)
Thermal insulation system	13 882	14 622	-5%	25 967	25 209	3%
Roofing foils and accessories	3 717	3 692	1%	6 768	6 576	3%
Dry construction system	2 895	2 885	0%	6 271	5 893	6%
Heat, sound and water insulation materials	3 360	3 631	-7%	6 211	6 409	-3%
Building industry accessories	1 567	1 600	-2%	2 702	2 716	-1%
Industrial applications	2 078	2 078	0%	4 532	3 773	20%
Total sales revenue	27 499	28 507	-4%	52 451	50 575	4%
Contribution of product groups in percentage to the total sales revenue						
Thermal insulation system	49%	51%		49%	50%	
Roofing foils and accessories	14%	13%		13%	13%	
Dry construction system	11%	10%		12%	12%	
Heat, sound and water insulation materials	12%	13%		12%	13%	
Building industry accessories	6%	6%		5%	5%	
Industrial applications	8%	7%		9%	7%	
Total sales revenue	100%	100%		100%	100%	

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

The Masterplast sales in Q2 2020 was 27 499 thousand EUR, 4% smaller comparing to the base period in 2019.

Within the Group's sales revenue, the Thermal insulation systems continued to generate for the highest sales proportion (49%), where in the second quarter the sales decreased by 5%. In terms of item groups, there was a more significant decrease in fiberglass mesh products, while EPS sales increased. Examining the markets, the sales revenue increased the most in the Hungarian market, but also in Romania, Serbia and Slovakia was also higher compared to the same period of the previous year.

Turnover of the Roofing foils and accessories landed on higher level in Q2 2020 versus Q2 2019 by 1%. In the traditional roofing foil item group, the sales reached higher amount, while the revenue decreased in case of diffusion roofing foils. Regarding the markets, the demand was mixed, sales increased in Hungary, Romania, Slovakia and in Northern Macedonia, stagnated in Ukraine, while in the other markets sales were smaller compared to the same period last year.

Sales of the Dry construction system products did not change in Q2 2020 compared to the base. The turnover growth on the Hungarian market was the highest and on the Serbian market it was smaller. On the other markets the sales also increased, except Northern Macedonia and Poland.

In the Heat, sound and water insulation materials product group the sales decreased by 7% in Q2 2020 compared to the same period in 2019. The sales of foam products were smaller, just as the turnover of glass and rock wool products. In terms of markets the result was mixed, the Company's revenue increased in the Slovakian and North-Macedonian markets, while decreased in the other areas.

Turnover of Building industry accessories products decreased by 2% in the second quarter of 2020 compared to the base, where the sales dropped in all areas except the Hungarian, Slovakian and North-Macedonian markets.

In case of Industrial applications product group, the Masterplast achieved the same sales level in Q2 2020 as in the base period was. The revenue of the non-strategic trade of raw materials was higher, while the income from packaging related products decreased compared to Q2 2019.

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.

Sales by countries:

Data in 1000 EUR	Q2 2020	Q2 2019	Index	H1 2020	H1 2019	Index
	(A)	(B)	(A/B-1)	(A)	(B)	(A/B-1)
Hungary	11 218	10 288	9%	22 420	18 956	18%
Export	4 128	5 384	-23%	7 817	9 507	-18%
Romania	3 330	3 126	7%	6 253	5 364	17%
Serbia	2 406	2 445	-2%	4 324	4 180	3%
Ukraine	2 104	2 595	-19%	3 422	3 878	-12%
Poland	1 675	1 979	-15%	3 356	3 680	-9%
Slovakia	1 357	1 298	5%	2 346	2 261	4%
Croatia	883	935	-6%	1 802	1 913	-6%
North Macedonia	399	459	-13%	712	837	-15%
Total sales revenue	27 499	28 507	-4%	52 451	50 575	4%
Contribution of countries in percentage to the total sales revenue						
Hungary	41%	35%		44%	37%	
Export	15%	19%		15%	19%	
Romania	12%	11%		12%	11%	
Serbia	9%	9%		8%	8%	
Ukraine	8%	9%		7%	8%	
Poland	6%	7%		6%	7%	
Slovakia	5%	5%		4%	4%	
Croatia	3%	3%		3%	4%	
North Macedonia	1%	2%		1%	2%	
Total sales revenue	100%	100%		100%	100%	

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 based on IFRS accounting rules, as well as the non-audited data from the Group's management information system

On the most relevant Hungarian market, the turnover has grown by 9% in Q2 2020 compared to the base period. Except for the Heat, sound and water insulation materials in all product group the sales increased, but with the highest rate the EPS and adhesives sales at the Thermal insulation system extended. To the outstanding growth the expansion of the domestic trade in raw materials also contributed.

The European appearance of the COVID-19 has the greatest impact on the export market, where a decrease of 23% was achieved in Q2 2020 compared to the base period. Except for the Dry construction system products, the Group had decreasing sales in each product group. The revenue of fiberglass mesh products from the Thermal insulation system product group dropped the most compared to the previous year same period. Considering its markets, the Masterplast reached growth in the Norway and Portugal areas, while the biggest fell was in Italy, Greece, the Czech Republic and in the United Kingdom.

On the Romanian market the sales increased by 7% in Q2 2020 compared to the base period. The sales of Thermal insulation system and within that the fiberglass mesh products increased the most. Regarding Heat, sound and water insulation materials and Building industry accessories the sales decreased, while the revenue of the rest product groups was growing too compared to the base.

In Serbia, the sales decreased by 2% in Q2 2020 compared to 2019. A growth in turnover was achieved regarding the Thermal insulation system and the Building industry accessories, while the turnover of the other product groups was smaller in the quarter this year than in Q2 2019.

In Ukraine, the drop in sales was 19% in Q2 2020 compared to the base. The Company's revenue decreased in the most relevant Thermal insulation system product group, where the non-own-produced fiberglass mesh sales accounted for most of the turnover. The income from the Roofing foils and accessories was stagnant, the income from the Dry construction system products was growing, while the rest product groups also showed a decrease in Q2 2020.

On the Polish market the sales were down by 15% in Q2 2020 compared to the base. The revenue decreased in all product group, the fiberglass mesh sales in the Thermal insulation system product group reached the biggest turnover fall.

The sales increased by 5% in Q2 2020 on the Slovakian market. Each product group landed on a higher sales level versus Q2 2019. The Thermal insulation system product group within the fiberglass mesh growing was the highest in the quarter compared to the base.

On the Croatian market the sales fell by 6% in Q2 2020 on base term. The revenue increased in the Dry construction system product group, while at the other product groups there was a drop in sales compared to the base period.

In North Macedonia, with the smallest turnover share, 13% decrease in sales was reported in Q2 2020. The sales of Thermal insulation system product group and the Dry construction system product group was smaller, while at the other product groups the revenue grew compared to Q2 2019.

Overall, Masterplast faced with a very unfavourable construction environment in the first two months of the quarter. While from June the sector showed an improving picture in the Company's sales areas. All in all, sales fell by only 4% in Q2 2020 compared to the same period last year. The Group achieved sales growth in the Hungarian, Romanian and Slovakian markets, while sales decreased in the export, Serbian, Ukrainian, Polish, Croatian and Northern Macedonian areas. Regarding the product groups, the turnover changes was variable, only the turnover of the Roof foils and accessories product group increased, the income of the Dry construction system and Industrial applications product groups did not change, while the turnover decreased in the other product groups.

5. Profit and loss account

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

Data in EUR	Q2 2020	Q2 2019	Change	Index	H1 2020	H1 2019	Change	Index
	(A)	(B)	A-B	(A/B-1)	(A)	(B)	A-B	(A/B-1)
Sales revenues	27 499 480	28 507 387	-1 007 907	-4%	52 451 214	50 575 054	1 876 160	4%
Cost of materials and services	-21 218 320	-22 849 479	1 631 159	-7%	-41 396 408	-41 069 640	-326 768	1%
Payroll costs and contributions	-3 646 507	-3 478 700	-167 807	5%	-7 383 950	-6 426 845	-957 105	15%
Depreciation	-616 955	-573 119	-43 836	8%	-1 249 226	-1 111 108	-138 118	12%
Change in self-manufactured inventories	24 876	25 774	-898	-3%	245 267	111 471	133 796	120%
Other operating revenues and expenses	97 036	203 546	-106 510	-52%	-33 488	151 516	-185 004	-122%
EBITDA	2 756 565	2 408 528	348 037	14%	3 882 635	3 341 556	541 079	16%
<i>EBIDTA ratio</i>	<i>10,0%</i>	<i>8,4%</i>			<i>7,4%</i>	<i>6,6%</i>		
PROFIT / LOSS OF BUSINESS ACTIVITY (EBIT)	2 139 610	1 835 409	304 201	17%	2 633 409	2 230 448	402 961	18%
Interest revenues	6 878	16 725	-9 847	-59%	24 739	30 576	-5 837	-19%
Interest expenses	-90 642	-108 451	17 809	-16%	-205 378	-262 172	56 794	-22%
Other financial revenues and expenses	-98 495	179 042	-277 537	-155%	-142 172	238 845	-381 017	-160%
FINANCIAL PROFIT/LOSS	-182 259	87 316	-269 575	-309%	-322 811	7 249	-330 060	-4553%
Profit/loss from associations	0	5 894	-5 894	-100%	0	702	-702	-100%
Profit/loss before income tax	1 957 351	1 928 619	28 732	1%	2 310 598	2 238 399	72 199	3%
Taxes	-119 775	-104 314	-15 461	15%	-201 052	-177 366	-23 686	13%
Profit/loss after taxation	1 837 576	1 824 305	13 271	1%	2 109 546	2 061 033	48 513	2%
<i>Profit attributable to the owners of the parent</i>	<i>1 759 152</i>	<i>1 747 525</i>	<i>11 627</i>	<i>1%</i>	<i>2 099 659</i>	<i>1 984 253</i>	<i>115 406</i>	<i>6%</i>
<i>Profit attributable to the minority</i>	<i>78 424</i>	<i>76 780</i>	<i>1 644</i>	<i>2%</i>	<i>9 887</i>	<i>76 780</i>	<i>-66 893</i>	<i>-87%</i>
<i>Earnings per share (EPS) (EUR)</i>	<i>0,12</i>	<i>0,12</i>			<i>0,14</i>	<i>0,14</i>		
<i>Diluted earnings per share (diluted EPS) (EUR)</i>	<i>0,12</i>	<i>0,12</i>			<i>0,14</i>	<i>0,14</i>		

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 based on IFRS accounting rules

The total revenue of the Group was 27 499 thousand EUR in Q2 2020, with 1 008 thousand EUR (-4%) smaller than in the base period. Despite the decrease in turnover – due to the significantly lower purchase prices – the trade margin and margin value was higher in the period versus the prior year. The Group's trade margin was higher on the Ukrainian and Serbian markets, but the realized margin volume grew in the Hungarian and Slovakian markets as well. There was a growth in the production output of traditional and German technology fiberglass mesh, just as the profile production, while the EPS production in Serbia and the foam production in Kal dropped in Q2 2020 compared to the base quarter. The material and other material costs increased while the fuel and energy costs

decreased. The maintenance costs also landed on a lower level, while the 3rd party related transportation expenditures increased. Rent fees decreased in the period compared to the base. The cost of materials and services – considering the change in the self-manufactured inventories as well – has moderated by higher rate (-7%) than the turnover drop in Q2 2020.

As a result of the expanding headcount of the fiberglass mesh factory in Serbia and due to the payrises the personnel expenses of the Company have increased by 5% in Q2 2020 compared to the base period. The Group had 1 099 employees at the end of June 2020 opposed to the staff level of 1 027 people of the base period. 497 people were employed at the fiberglass mesh production unit in Subotica at the end of this quarter, compared to the level of 422 staff at end of June 2019.

There was an increase in the amount of depreciation in Q2 2020 compared to the base, mainly related to the Serbian manufacturing investments.

The other operating revenues decreased slightly in Q2 2020 compared to the base period.

As the result of the above mentioned the Group EBITDA was 2 757 thousand EUR in Q2 2020 (10,0% EBITDA ratio) compared to the 2 409 thousand EUR (8,4% EBITDA ratio) in the base period, which was 14% growth. Considered the depreciation too the EBIT resulted in 2 140 thousand EUR in this quarter which exceeded by 17% the 1 835 thousand EUR level of the base period.

The Company's interest revenues improved, interest expenses and interest income also decreased in Q2 2020 compared to the base.

The other financial related incomes and expenditures mainly represent the exchange rate related profits/losses. As the Company mainly realises its purchases in euro 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 financial results. Since most of the local currencies are linked to the euro, the EUR/USD rate moves also influences – in case USD purchases – the exchange rate results. The Company had concluded EUR/USD and EUR/HUF based hedging deals in Q2 2020, the results from closure of this deals are also reflected among other financial profit/loss. The Hungarian entities (Masterfoam Kft., and Masterplast International Kft.) carry euro dominated working capital loans while the Serbian subsidiary holds euro base investment loan as well.

The following table shows the exchanges of major currencies for the Group in 2020, 2019 and 2018:

Closing exchange rates	31-12-2018	31-03-2019	30-06-2019	31-12-2019	31-03-2020	30-06-2020	Index	Index	Index	Index	Index
	A	B	C	D	E	F	C/A	F/D	C/B	F/E	F/C
EUR/USD	1,14	1,12	1,14	1,12	1,10	1,12	99,52%	100,04%	101,59%	102,19%	98,51%
EUR/HUF	321,51	320,79	323,54	330,52	359,09	356,57	100,63%	107,88%	100,86%	99,30%	110,21%
EUR/RON	4,66	4,76	4,74	4,78	4,83	4,84	101,53%	101,32%	99,42%	100,35%	102,26%
EUR/RSD	118,19	118,01	117,91	117,59	117,50	117,58	99,76%	99,99%	99,92%	100,06%	99,71%
EUR/UAH	31,71	30,57	29,73	26,42	30,96	29,95	93,74%	113,35%	97,26%	96,73%	100,74%
USD/HUF	280,94	286,14	284,08	294,74	327,07	317,83	101,12%	107,83%	99,28%	97,17%	111,88%
USD/RON	4,07	4,24	4,16	4,26	4,40	4,32	102,09%	101,47%	98,00%	98,29%	103,96%
USD/RSD	103,39	105,00	103,77	104,92	106,68	104,63	100,37%	99,73%	98,82%	98,08%	100,83%
USD/UAH	27,69	27,25	26,17	23,69	28,06	26,69	94,50%	112,69%	96,03%	95,12%	102,01%

Source: Hungarian National Bank rates

Mainly because of unfavourable exchange rate effects the Company has generated and booked 98 thousand EUR loss as other financial result in Q2 2020 compared to the 179 thousand EUR profit of Q2 2019.

The Group PAT was 1 838 thousand EUR profit in Q2 2020 compared to the base period's profit of 1 824 thousand EUR.

All in all, in the context of the global crisis caused by the coronavirus, the Group's sales decreased by only 4% in Q2 2020. Despite the decline in turnover, trade margin increased. There was a growth in the production output of traditional and German technology fiberglass mesh in Serbia, while the foam production growth in Kal lagged behind in Q2 2020 compared to the base quarter. The cost of materials and services – considering the change in the self-manufactured inventories as well – has moderated by higher rate than the turnover drop in Q2 2020. Due to the payrises and the expanding headcount the payroll costs showed an increase, just as the depreciation, while the other operating revenues landed on a lower level. EBITDA was 2 757 thousand EUR (10,0% EBITDA ratio) in Q2 2020 compared to the 2 409 thousand EUR (8,4% EBITDA ratio) in Q2 2019. The Company's operating profit (EBIT) was 2 140 thousand EUR, 17% higher compared to the 1 835 thousand EUR of the base period. Due to the negative exchange rate effects the Group's financial result slightly went wrong, the PAT closed with a profit of 1 838 thousand EUR in the second quarter, compared to a profit of 1 824 thousand EUR in the base period.

6. Other comprehensive income

Data in EUR	30-06-2020	30-06-2019
Profit for the year	2 109 546	52 886
Foreign exchange result on translation*	-1 525 168	-218 527
Parent company's share of the change in the value of associates*	-23 439	-15
Other comprehensive income	-1 548 607	-218 542
Comprehensive income	560 939	-165 656

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 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 of 30th June 2020 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 EUR	30-06-2020	30-06-2019	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	35 994 394	36 851 818	-857 424	-2%
Intangible assets	131 533	64 839	66 694	103%
Shares in related companies	297 398	344 907	-47 509	-14%
Deferred tax assets	365 146	301 441	63 705	21%
Total fixed assets	36 788 471	37 563 005	-774 534	-2%
CURRENT ASSETS				
Inventories	22 544 333	21 443 901	1 100 432	5%
Trade accounts receivable	16 774 677	18 511 942	-1 737 265	-9%
Tax receivables	1 547 124	1 158 972	388 152	33%
Other financial receivables	101 919	75 774	26 145	35%
Other current assets	5 767 746	1 542 828	4 224 918	274%
Liquid assets	5 386 363	2 576 701	2 809 662	109%
Total current assets	52 122 162	45 310 118	6 812 044	15%
TOTAL ASSETS	88 910 633	82 873 123	6 037 510	7%
CAPITAL AND RESERVES				
Subscribed capital	5 503 939	5 503 939	0	0%
Reserves	25 485 008	24 143 901	1 341 107	6%
Repurchased shares	-451 224	-20 713	-430 511	2078%
Parent share of interests	2 099 659	1 984 253	115 406	6%
Equity attributable to the owners of the parent	32 637 382	31 611 380	1 026 002	3%
Minority interests	460 119	368 459	91 660	25%
Total capital and reserves	33 097 501	31 979 839	1 117 662	3%
LONG-TERM LIABILITIES				
Long-term loans	4 122 971	6 324 897	-2 201 926	-35%
Liabilities from issued bonds	16 822 827	0	16 822 827	0%
Deferred tax liabilities	185 580	181 139	4 441	2%
Deferred income	3 373 118	3 615 406	-242 288	-7%
Other long-term liabilities	786 852	760 308	26 544	3%
Total long-term liabilities	25 291 348	10 881 750	14 409 598	132%
SHORT-TERM LIABILITIES				
Short-term loans	11 048 137	21 314 268	-10 266 131	-48%
Trade accounts payable	11 439 490	13 618 522	-2 179 032	-16%
Short-term leasing liabilities	197 472	162 330	35 142	22%
Other financial liabilities	1 974 383	31 630	1 942 753	6142%
Tax liabilities	2 376 195	1 384 295	991 900	72%
Short-term deferred income	625 658	933 723	-308 065	-33%
Provisions	285 167	253 409	31 758	13%
Other short-term liabilities	2 575 282	2 313 357	261 925	11%
Total short-term liabilities	30 521 784	40 011 534	-9 489 750	-24%
TOTAL LIABILITIES	55 813 132	50 893 284	4 919 848	10%
TOTAL CAPITAL AND LIABILITIES	88 910 633	82 873 123	6 037 510	7%

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 based on IFRS accounting rules

The total assets of the Group were 88 911 thousand EUR on the end of June 2020, by 6 038 thousand EUR higher than at the end of the base period.

The total fixed assets amounted to 36 788 thousand EUR at the end of Q2 2020, by 775 thousand EUR lower than base period's volume. The Company has overall spent 1 011 thousand EUR on CAPEX in H1 2020.

The inventory at the end of Q2 2020 was 22 544 thousand EUR, landed by 1 100 thousand EUR higher than the base period closing stock was.

The trade accounts receivables were 16 775 thousand EUR at the end of this quarter which meant 1 737 thousand EUR decrease compared to base period.

The Group's cash and equivalents stood at 5 386 thousand EUR at the end of June 2020, which were higher by 2 810 thousand EUR than the closing volume of Q2 2019.

The Company issued a total of 6 billion HUF (balance sheet value 16 705 thousand EUR) nominal value of bonds under Growth Bond Program announced by the National Bank of Hungary to refinance existing loans, which resulted in a decrease in short-term and long-term loans and in an increase in the liabilities related to bonds in the balance sheet.

The accounts payable landed on 11 439 thousand EUR in the end of Q2 2020 versus 13 619 thousand EUR of end of Q2 2019. The deferred income also dropped (-12%) related to the government grants to investments compared to the base.

8. Cash-flow, bank information

Data in EUR	30-06-2020	30-06-2019	Change	Index
	(A)	(B)	A-B	(A/B-1)
Operating Activities				
PBT	2 310 598	2 238 399	72 199	3%
Depreciation and Amortisation	1 249 226	1 111 108	138 118	12%
Bad debt provision	153 957	62 779	91 178	145%
Shortage and scrap of stocks	12 294	88 646	-76 351	-86%
Provisions	66 343	66 465	-122	0%
Profit on fixed asset sale	11 684	-35 409	47 093	-133%
Interest expense	205 378	262 172	-56 794	-22%
Interest revenue	-24 739	-30 576	5 837	-19%
Profit/loss from associations	0	-702	702	-100%
Unrealized foreign exchange gain (loss)	-346 656	165 141	-511 797	-310%
Changes in Working Capital				
Change in Accounts Receivable	-2 456 736	-6 121 757	3 665 022	-60%
Change in Inventory	-1 300 323	1 527 737	-2 828 060	-185%
Change in Other Assets	-4 862 941	94 287	-4 957 228	-5258%
Change in Accounts Payable	711 714	844 683	-132 969	-16%
Change in Short-term liabilities	262 795	-15 065	277 860	-1844%
Taxation	0	-34 802	34 802	-100%
Net Cash from Operations	-4 007 406	223 104	-4 230 510	-1896%
Investing Activities				
CAPEX	-1 010 841	-2 460 631	1 449 790	-59%
Sale of fixed assets	18 330	101 954	-83 624	-82%
Subsidiaries sold	100	100	0	0%
Government grant	0	0	0	0%
Interest received	24 739	30 576	-5 837	-19%
Net Cash from Investing activities	-967 672	-2 328 001	1 360 329	-58%
Financing Activities				
Borrowing	6 978 989	3 849 868	3 129 121	81%
Loan repayments	-1 524 107	-636 954	-887 152	139%
Government grant	0	0	0	0%
Dividends paid	0	0	0	0%
Interest paid	-205 378	-262 172	56 794	-22%
Net Cash from Financing activities	5 249 505	2 950 742	2 298 763	78%
Net Cash flow of the period	274 426	845 845	-571 418	-68%
Cash at beginning of period	4 530 341	2 089 823	2 440 518	117%
Effect of exchange rate changes	581 595	-358 967	940 562	-262%
Cash at end of period	5 386 363	2 576 701	2 809 662	109%

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 based on IFRS accounting rules

The net cash flow from operation was –4 007 thousand EUR at the end of Q2 2020, while it was 223 thousand EUR the end of the base period.

The cash flow from investing activities was -968 thousand EUR at end of June 2020 compared to -2 328 thousand EUR in same period 2019.

The net cash flow from financial related activities amounted to 5 250 thousand EUR compared to the 2 951 thousand EUR of the base year.

All in all, the cash and equivalents of the Company was 5 386 thousand EUR at the end of Q2 2020 which was higher by 2 810 thousand EUR than the level of the previous year same period.

Loans and bank related information:

By the end of June 2020, the Company had complied with the lately redefined and contracted banking covenant requirements.

Investigations against Masterplast:

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 2 081 871 (9 951 341 RON), 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 260 719 EUR (1 246 053 RON) and additionally 82 991 EUR (396 638 RON) 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.

9. Change in equity

Data in 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
01-01-2019	5 226 391	- 22 031	6 655 559	19 301 619	- 7 664 609	18 292 569	2 610 062	26 106 991	269 862	26 376 853
Net profit							33 995	33 995	18 891	52 886
Other comprehensive income					- 223 517	- 223 517		- 223 517	4 975	- 218 542
Transfer of previous year's net profit				2 610 062		2 610 062	- 2 610 062			
Repurchased shares		170						170		170
Capital increase	277 548							277 548		277 548
Capital increase - agio			1 407 169			1 407 169		1 407 169		1 407 169
Change in the share of external owners										
Paid dividends										
Ownership contribution				- 48 992		- 48 992		- 48 992		- 48 992
30-06-2019	5 503 939	- 21 861	8 062 728	21 862 689	- 7 888 126	22 037 291	33 995	27 553 364	293 728	27 847 092
01-01-2020	5 503 939	- 381 447	8 062 732	23 061 535	- 8 686 325	22 437 942	4 572 942	32 133 376	472 963	32 606 339
Net profit							2 099 659	2 099 659	9 887	2 109 546
Other comprehensive income					- 1 525 876	- 1 525 876		- 1 525 876	- 22 731	- 1 548 607
Transfer of previous year's net profit				4 572 942		4 572 942	- 4 572 942			
Repurchased shares		- 69 777						- 69 777		- 69 777
Capital increase										
Capital increase - agio										
Change in the share of external owners										
Paid dividends										
Ownership contribution										
30-06-2020	5 503 939	- 451 224	8 062 732	27 634 477	- 10 212 201	25 485 008	2 099 659	32 637 382	460 119	33 097 501

Source: consolidated non-audited report of the Group on 30th of June 2020 and non-audited report on 30th of June 2019 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	257 327	EUR
Masterplast Romania	Bank guarantee	396 638	RON	81 911	EUR
Masterfoam Kft.	Custom	10 000 000	HUF	28 045	EUR
Masterfoam Kft.	Tender guarantee	260 000 000	HUF	729 170	EUR
Masterplast YU D.o.o.	Bank guarantee	2 000 000	EUR	2 000 000	EUR
Total:				3 096 452	EUR

Source: consolidated non-audited report of the Group on 30th of June 2020 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 segments at Masterplast

H1 2020 (Data in EUR)	Sales	Production	Unallocated costs	Segment elimination	Consolidated
Sales revenues	52 451 214	0	0	0	52 451 214
Sales between segments	14 865 692	16 920 846	0	-31 786 538	0
Depreciation	-564 370	-557 813	-127 043	0	-1 249 226
Operating expenses	-63 531 580	-15 846 065	-977 472	31 786 538	-48 568 579
EBITDA	3 785 326	1 074 781	-977 472	0	3 882 635
<i>EBIDTA ratio</i>	<i>5,6%</i>	<i>6,4%</i>	<i>0%</i>	-	<i>7,4%</i>
EBIT	3 220 956	516 968	-1 104 515	0	2 633 409
<i>EBIT ratio</i>	<i>4,7%</i>	<i>3,1%</i>	<i>0%</i>	-	<i>5,0%</i>
Fixed Assets	10 867 456	18 938 598	6 188 340	0	35 994 394
Inventories	15 423 021	7 121 312	0	0	22 544 333

H1 2019 (Data in EUR)	Sales	Production	Unallocated costs	Segment elimination	Consolidated
Sales revenues	50 575 054	0	0	0	50 575 054
Sales between segments	11 628 297	12 662 057	0	-24 290 354	0
Depreciation	-498 138	-480 677	-132 294	0	-1 111 108
Operating expenses	-58 782 461	-11 768 650	-872 740	24 290 354	-47 133 498
EBITDA	3 420 890	893 407	-872 740	0	3 441 556
<i>EBIDTA ratio</i>	<i>5,5%</i>	<i>7,3%</i>	<i>0,0%</i>	-	<i>7,6%</i>
EBIT	2 922 752	412 730	-1 005 034	0	2 330 448
<i>EBIT ratio</i>	<i>4,7%</i>	<i>3,4%</i>	<i>0,0%</i>	-	<i>5,1%</i>
Fixed Assets	11 819 444	18 222 940	6 809 434	0	36 851 818
Inventories	18 696 982	2 746 919		0	21 443 901

The turnover of the Sales segment was 52 451 thousand EUR in H1 2020, which passed the base period's result by 1 876 thousand EUR (4%). In addition to the increase in turnover, the trade margin value also grew compared to base period. Notable expansion was achieved in the realized trade margin on the Hungarian and Ukrainian markets, but on the Romanian, Serbian, Slovakian, and Polish markets the margin value also grew. The EBIDTA of this segment was 3 785 thousand EUR in the first six months of this year, the EBITDA ratio was 5,6%.

Regarding of the Production segment, the turnover for H1 2020 was 16 921 thousand EUR, which passed the base period's result by 4 259 thousand EUR (34%). With the further increasing production output of the Company, the own production became more efficient and profitable, but due to the declining demand of packaging industry the revenue landed under the budget. The manufacturing EBITDA was 1 075 thousand EUR (6,4% EBITDA ratio) compared to the 893 thousand EUR (7,3% EBITDA ratio) of H1 2019. The increase in the fixed assets caused a larger

depreciation and the EBIT was 517 thousand EUR in the first half of 2020 compared to the last year's 413 thousand EUR. The production performance of each plant is presented below.

Despite the governmental restrictive measures, there was no supply disruption in the Group's own production activities. High stock of raw materials and work-in-progress products ensured an uninterrupted supply of goods for sales. Work organization was particularly difficult, but with day-to-day coordination and organization, the Company could solve it. Production has adapted to the declining demand by issuing summer holidays and doing planned semi-annual maintenance tasks. Against the virus, Masterplast used strict internal procedures to help the protection locally, and to minimize the risk of infection at work.

In the Group's EPS plant in Subotica in Q2 2020 the production volume was in 7% lagging compared to the base period but was still higher than the planned output. After low volume of deliveries in April and May, June output was already higher than the previous year's performance. Cumulated production in the first half of the year was also 7% lower than last year but was higher than the planned. It should be mentioned that in 2020, not only the plant in Subotica provides the supply of goods for EPS sales (plants of T-Cell Plasztik Kft. in Hajdúszoboszló and Zalaegerszeg), therefore the Company has consciously planned lower output for this year.

In Q2 the mesh edge production output was 10% higher than in the same period of last year. Overall, the H1 started well, the cumulated growth exceeded the previous year's output also by 10%.

In Subotica, the production and output of the fiberglass factory also increased by 25% compared to the base period. All this was achieved despite by the taken-out summer and autumn holidays in May and June. Production efficiency has further improved in both parts of the plant. The cumulated output was 33% higher than last year's half-year performance.

In the Kal based foam factory the quarterly output was in lagging too compared to the level of Q2 2019. Q2 performance was 27% lower in 2020 than in the same period last year. Both domestic, typically packaging, and export sales have stagnated markedly. Sales orders have dropped significantly. However, intercompany sales performed at a similar level to the base. First-half output was 22% lower than the previous year.

A diffusion roofing foil production and laminator line was installed at the central site in Sárszentmihály, which was successfully put into operation. The Company is planning test production in the coming months.

12. Changes of the full time employees (headcount)

	30-06-2020	31-12-2019	30-06-2019
Company employees	46	46	42
Group level employees	1 099	1 099	1027

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

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

Masterplast with the agreement on acquiring a plant in Germany - which was announced on 21 May 2020 – the Company established the Masterplast Nonwoven GmbH on 4 June 2020. The Company acquired a 50% stake and exclusive management rights in the subsidiary. According to the plans of the Company, the subsidiary starts its operation on 1 July 2020, with the acquisition of the Aschersleben plant, which produces special fleeces and multilayer membranes for the healthcare and construction industries.

The Company – by a share purchase agreement signed on 1 July 2020 - acquired the 100% share in the Fidelis BAU Építőipari és Kereskedelmi Korlátolt Felelősségű Társaság. The purchase price of the share consists of a fixed amount of HUF 100 000 000 - i.e. one hundred million forints, and the sum of the net book value of assets and liabilities based on the balance sheet of the company for H1 2020. The total purchase price was HUF 114,9 million. The planned return on the acquisition is 7 years. Fidelis BAU Kft founded in 2002, is a manufacturer of “Thermobeton”, a thermal insulation lightweight concrete made from recycled raw materials, and a former supplier of the Masterplast Group. Fidelis BAU Kft has the necessary official permits for the collection, transport and processing of polystyrene waste, as well as production technology. With the acquisition of Fidelis BAU Kft the production technology required for the recycling of polystyrene waste and all official permits are available within the Masterplast Group, thus the Masterplast Group implements a circular production system called the “Hungarocell Green Program”.

The Masterplast Kft has successfully applied to the subsidy of HIPA National Investment Agency Non-profit Private Limited Company – under identification number VNT2020-1 - for competitiveness-enhancing support. The amount of investments planned within the framework of the project is HUF 564 816 000, for which a nonrefundable subsidy of 50% intensity is provided by the Ministry of Foreign Affairs and Trade. As part of the investment, the Company will implement logistics and infrastructure developments.

14. Balance sheet compared with 31 December 2019 status

Data in EUR	30-06-2020	31-12-2019	Change	Index
	(A)	(B)	A-B	(A/B-1)
FIXED ASSETS				
Land, buildings and equipment	35 994 394	37 193 397	-1 199 003	-3%
Intangible assets	131 533	190 676	-59 143	-31%
Shares in related companies	297 398	320 837	-23 439	-7%
Deferred tax assets	365 146	362 248	2 898	1%
Total fixed assets	36 788 471	38 067 158	-1 278 687	-3%
CURRENT ASSETS				
Inventories	22 544 333	21 256 794	1 287 539	6%
Trade accounts receivable	16 774 677	14 471 408	2 303 269	16%
Tax receivables	1 547 124	784 089	763 035	97%
Other financial receivables	101 919	2 331	99 588	4272%
Other current assets	5 767 746	1 767 428	4 000 318	226%
Liquid assets	5 386 363	4 530 341	856 022	19%
Total current assets	52 122 162	42 812 391	9 309 771	22%
TOTAL ASSETS	88 910 633	80 879 549	8 031 084	10%
CAPITAL AND RESERVES				
Subscribed capital	5 503 939	5 503 939	0	0%
Reserves	25 485 008	22 437 942	3 047 066	14%
Repurchased shares	-451 224	-381 447	-69 777	18%
Parent share of interests	2 099 659	4 572 942	-2 473 283	-54%
Equity attributable to the owners of the parent	32 637 382	32 133 376	504 006	2%
Minority interests	460 119	472 963	-12 844	-3%
Total capital and reserves	33 097 501	32 606 339	491 162	2%
LONG-TERM LIABILITIES				
Long-term loans	4 122 971	3 863 601	259 370	7%
Liabilities from issued bonds	16 822 827	18 136 170	-1 313 343	
Deferred tax liabilities	185 580	265 720	-80 140	-30%
Deferred income	3 373 118	3 748 351	-375 233	-10%
Other long-term liabilities	786 852	694 767	92 085	13%
Total long-term liabilities	25 291 348	26 708 609	-1 417 261	-5%
SHORT-TERM LIABILITIES				
Short-term loans	11 048 137	5 852 621	5 195 516	89%
Trade accounts payable	11 439 490	10 727 776	711 714	7%
Short-term leasing liabilities	197 472	289 975	-92 503	-32%
Other financial liabilities	1 974 383	92 092	1 882 291	2044%
Tax liabilities	2 376 195	1 047 445	1 328 750	127%
Short-term deferred income	625 658	625 658	0	0%
Provisions	285 167	218 824	66 343	30%
Other short-term liabilities	2 575 282	2 710 210	-134 928	-5%
Total short-term liabilities	30 521 784	21 564 601	8 957 183	42%
TOTAL LIABILITIES	55 813 132	48 273 210	7 539 922	16%
TOTAL CAPITAL AND LIABILITIES	88 910 633	80 879 549	8 031 084	10%

Source: consolidated non-audited report of the Group on 30th of June 2020 and audited report on 31st of December 2019 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 Kft.	Hungary	10 000 000	HUF	100%	100%	Wholesale of building materials
Masterplast D.O.O.	North Macedonia	973 255	MKD	10%	10%	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
Mastermesh Production Kft.	Hungary	300 000 000	HUF	100%	100%	Fiberglass production
Masterplast International Kft.	Hungary	3 000 000	HUF	100%	100%	Wholesale of building materials
Masterplast Nonwoven GmbH	Germany	25 000	EUR	50%	50%	Fleece and multilayer membrane production
Indirect relations:						
Masterplast D.O.O.	North Macedonia	973 255	MKD	80%	80%	Wholesale of building materials
Affiliated company of the Group:						
Masterprofil Kft.	Hungary	3 000 000	HUF	20%	20%	Profile production
T-CELL Plasztik Kft.	Hungary	104 000 000	HUF	24%	24%	EPS production

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

The consolidation of the Company 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	30-04-2021	approximately 12 years	4 548 057
Ács Balázs	Vice Chairman of the Board	03-04-2008	30-04-2021	approximately 12 years	3 877 259
Dirk Theuns	Board member	01-05-2014	30-04-2021	approximately 6 years	-
Dezse Margaret	Board member	01-05-2020	30-04-2021	-	-
Sinkó Ottó	Board member	01-05-2020	30-04-2021	-	-

The data of the Company's top management are shown in the table below on 30 June 2020:

Name	Post	Beginning of the current top management position	Completion of current top management position	Stockholding (pcs)
Tibor Dávid	Chairman	03-04-2008	indefinite duration	4 548 057
Ács Balázs	Vice Chairman	03-04-2008	indefinite duration	3 877 259
Nádasi Róbert	CEO	01-08-2018	indefinite duration	33 864

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	no	4 548 057	31,15
Ács Balázs	no	3 877 259	26,55
OTP Alapkezelő Zrt.	no	929 944	6,37
SOH Kft. & LPH Kft. jointly	no	779 676	5,34
Total		10 134 936	69,41

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

	30-06-2020
Issuing ownership	234 504
Affiliated companies ownership	0
Total	234 504

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

Publication date	Object
02.01.2020.	Share capital, voting rights
03.02.2020.	Share capital, voting rights
14.02.2020.	Information document on bond registration
14.02.2020.	Announcement with respect to the registration of bonds
25.02.2020.	Publication of Q1-Q4 2019 results, interim management report
25.02.2020.	Press release regarding to the publication of Q1-Q4 2019 results, interim management report
02.03.2020.	Share capital, voting rights
12.03.2020.	Information on acquisition of German plant
23.03.2020.	General Meeting Invitation
01.04.2020.	Share capital, voting rights
02.04.2020.	General Meeting Proposals
02.04.2020.	Remuneration Statement
17.04.2020.	Announcement of MASTERPLAST Nyrt. regarding the Annual General Meeting based on Government Decree 102/2020. (IV. 10.)
23.04.2020.	Resolutions of the Board of Directors made within the competence of the General Meeting
23.04.2020.	Annual Report
23.04.2020.	CG Declaration
23.04.2020.	Summary Report
04.05.2020.	Share capital, voting rights
14.05.2020.	Publication of Q1 2020 results, interim management report
21.05.2020.	Further information on acquisition of German plant
26.05.2020.	Information on the purchase of treasury shares
27.05.2020.	Information on the purchase of treasury shares
28.05.2020.	Information on the purchase of treasury shares
29.05.2020.	Information on the purchase of treasury shares
02.06.2020.	Share capital, voting rights
02.06.2020.	Information on the purchase of treasury shares
03.06.2020.	Information on the purchase of treasury shares
04.06.2020.	Information on the purchase of treasury shares
05.06.2020.	Information on establishing a company in Germany
05.06.2020.	Information on the registration of changes to the company's register corresponding to the resolutions of the Board of Directors in the scope of the AGM
05.06.2020.	Actual Articles of Associations of MASTERPLAST Nyrt.
05.06.2020.	Information on the purchase of treasury shares
08.06.2020.	Information on the purchase of treasury shares
09.06.2020.	Information on the purchase of treasury shares
10.06.2020.	Information on the purchase of treasury shares
11.06.2020.	Information on the purchase of treasury shares
12.06.2020.	Information on the purchase of treasury shares
15.06.2020.	Information on the purchase of treasury shares
16.06.2020.	Information on the purchase of treasury shares
17.06.2020.	Information about the content of the Option agreement between the MASTERPLAST Nyrt and the Masterplast MRP Organization
17.06.2020.	Information on the purchase of treasury shares
18.06.2020.	Information on the purchase of treasury shares
19.06.2020.	Information on the purchase of treasury shares

Publication date	Object
22.06.2020.	Information on the purchase of treasury shares
23.06.2020.	Information on the purchase of treasury shares
24.06.2020.	Information on the purchase of treasury shares
25.06.2020.	Information on the purchase of treasury shares
26.06.2020.	Information on the purchase of treasury shares
29.06.2020.	Information on the purchase of treasury shares
30.06.2020.	Information on the purchase of treasury shares
01.07.2020.	Share capital, voting rights
01.07.2020.	Information on the acquisition of a Hungarian production company
17.07.2020.	Information on the successful subsidy application of Masterplast Kft
03.08.2020.	Share capital, voting rights

DECLARATION

MASTERPLAST Public Limited Company (8143 Sárszentmihály, Árpád u. 1 / A, hereafter referred to as "the Company") states that the consolidated half-yearly report prepared with the best of its knowledge and based on the applicable accounting standards provides a true and fair view of the issuer and of the assets, liabilities and financial state development profits and losses, and performance of the issuing and consolidating companies, describing the main assets affecting the remaining six months of the financial year and the consolidated financial statements of the consolidating companies, risks and uncertainties.

Sárszentmihály, 25 August 2020



Tibor Dávid
Chairman of the Board

