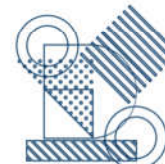
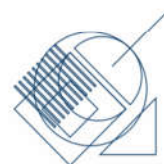
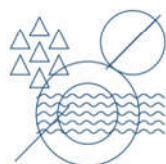
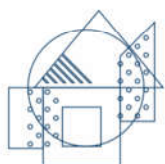




# MASTERPLAST PLC. INTERIM MANAGEMENT REPORT

12 NOVEMBER 2020



**MASTERPLAST PLC.**  
**Interim management report**  
**2020**

**Third quarter**

Consolidated, not audited

According to International Financial and Reporting Standards (IFRS)

12 November 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 four 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 reach 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

**In Q3 2020 despite the effects of the coronavirus, the Group's sales increased by a record 20%. The turnover of the German manufacturing subsidiary, which started in July and largely sells to the healthcare segment, was also significantly contributed to the expanding construction turnover. In addition to the increase in turnover, the trade margin in the construction segment also increased, which was largely supported by the high capacity utilization of the company's production units. With the production of industrial textiles in Germany, the Company has successfully entered the healthcare market, which has supported the Group's performance by generating higher profits next to sales. As a result, the Group's EBITDA (+ 59%) reached a record 4,2 million EUR in the third quarter, where both the construction and the healthcare segments achieved outstanding results. Due to the negative exchange rate effects the Group's financial result slightly went wrong, the PAT closed with a record profit of 2 621 thousand EUR in the quarter, compared to a profit of 2 097 thousand EUR in the base period.**

**In light of the successful third quarter, the Company sees assurance in achieving the published turnover of 120 million EUR, EBITDA of 10,2 million EUR and profit after tax of 6.2 million EUR for the year 2020.**

Data in 1000 EUR	Q3 2020	Q3 2019	2020 YTD	2019 YTD
Sales revenues	37 550	31 408	90 001	81 983
EBITDA	4 210	2 652	8 093	5 993
EBITDA ratio	11,2%	8,4%	9,0%	7,3%
Profit/loss after taxation	2 621	2 097	4 732	4 159
Net income ratio	7,0%	6,7%	5,3%	5,1%

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

- The coronavirus determined the living environment but did not fundamentally affect the operation of the construction industry. Ongoing projects have progressed and the renovation sector has been lively, but the impact of investments that have not started due to changes in the business environment may be felt later. On the most significant Hungarian market, the building industry was mixed in the quarter, the sector's performance started to improve, but still lagged behind the high base. In Romania, Serbia and Germany, construction industry was characterized by growth, while in Ukraine and Poland, there was a contraction. The situation was also mixed in Slovakia, while in Croatia the Q3 2020 was characterized by a decline in construction activity.
- The total revenue of the Company was 37 550 thousand EUR in Q3 2020, 20% higher than in the base period in 2019. The operation of the new German manufacturing subsidiary contributed greatly to the growth, but it is important to mention that the Company also achieved an increase in turnover in its core business.
- Still the Thermal insulation system provided the biggest product share, where the overall sales increased by 5% in Q3 2020. There was sales increase also in the Roofing foils and accessories (74%), in the Dry construction system product group (8%) and in the Heat, sound and water insulation materials (10%). In the Building industry accessories product group, there was a drop (-2%). Regarding the Industrial applications, the revenue landed on significantly higher level in this quarter (42%) due to the appearance of new products for the healthcare market compared the same period in 2019.

- On the Group's main Hungarian market, due to the decline in non-strategic product trade the sales decreased by 7% in Q3 2020 compared to the base while on the export markets there was an increase by 18%. The sales revenues also grew in Romania (14%) and in Serbia (12%). In Ukraine the revenue was the same versus the base period, while in Germany which has already been presented as a separate item, it increased significantly, just as in Poland (31%). In Slovakia the sales decreased by 6%, while in Croatia it landed on a higher level (8%), just as in North Macedonia (21%) with the smallest share of sales.
- In addition, the increase in turnover, the trade margin and margin rate also increased in Q3 2020 compared to the base period. Masterplast Nonwoven, which also produces healthcare products with outstanding results, has made a significant contribution to this, but the margin from sales of traditional products has also improved.
- The production strengthened further. The output of the fiberglass mesh factory in Serbia was higher, just as at the mesh edge production, while EPS production decreased compared to the very strong base. The German fleece unit started the quarter with high capacity utilization.
- The cost of materials and services – considering the change in the self-manufactured inventories as well – has increased by smaller rate than the turnover growth in Q3 2020.
- As a result of the start-up of the Aschersleben plant and due to the payraises the personnel expenses of the Company increased in the quarter compared to the base. The Group had 1 134 employees at the end of Q3 opposed to the staff level of 1 114 people of the base period.
- Mainly related to the operation of the new Germany subsidiary there was an increase in the amount of depreciation. The other operating expenses also landed on a higher level in Q3 2020 compared to the base period.
- The EBITDA was 4 210 thousand EUR (11,2% EBITDA ratio) compared to 2 652 thousand EUR (8,4% EBITDA ratio) of base period, which meant 59% increase. Only by examining the core business, Masterplast had a successful quarter due to efficient operations and production expansion, but the already strong EBITDA result was further enhanced by the launch of the German plant, where the sales of products with higher margin improved the earnings.
- The EBIT resulted in 3 471 thousand EUR in Q3 2020 which exceeded by 70% the 2 042 thousand EUR level of the base period.
- The interest revenues improved due to the bond issued last year, while the Company because of the negative exchange rate effects booked loss in the other financial result in Q3 2020 compared to profit of Q3 2019.
- The Group PAT was 2 621 thousand EUR profit in Q3 2020 compared to the base period's profit of 2 097 thousand EUR.
- The total fixed assets amounted to 49 074 thousand EUR at the end of Q3 2020, by 11 649 thousand EUR higher than base period's volume. The increase was due to the consolidation of the German subsidiary, the value of its significant fixed assets has appeared in the books.
- The inventory at the end of September 2020 was 22 432 thousand EUR, which despite the new German manufacturing company, was only 694 thousand EUR higher than the base period closing stock.
- The trade accounts receivables were 20 552 thousand EUR at the end of this quarter which despite the much higher turnover, was 1 132 thousand EUR lower compared to base period.

## Business prospects

In a still uncertain economic and market environment caused by the coronavirus, the regional construction markets have mostly restarted and grown steadily compared to the previous period. The Company also has an improving third quarter, which resulted in an overall 20% higher turnover compared to the base.

The Company has revised its strategic earnings forecast for 2020 and modified that as announced 17 September. The expectations for the 2020 strategic result were improved by the favourable development of the core business and the impact of the results of the plant in Germany, which started operation in July and which produces special fleeces and multilayer membranes for the healthcare and construction industries. The expected revenue for 2020 is 120 million EUR, the EBITDA is 10,2 million EUR and the profit after tax is 6,2 million EUR.

## 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.

The coronavirus determined the living environment but did not fundamentally affect the operation of the construction industry. Ongoing projects have progressed and the renovation sector has been lively, but the impact of investments that have not started due to changes in the business environment may be felt later.

On the most significant Hungarian market, the building industry was mixed in the quarter. After the low point in April-May, the performance of the construction industry started to improve, and production increased from the middle of the quarter, but still lagged behind the high base. The output of the sector was negatively affected by factors other than the viral situation, such as the decrease in EU subsidies due to the end of the budget cycle; and the dropped number of building permits have significantly affected the housing segment due to the revoked VAT discount. Although the number of contracts increased, its volume was lower than last year. The current construction expectation for 2021 is again strongly positive thanks to the new elements of the family support home creation program, the return of VAT discount for new houses, and the housing renovation support to be introduced from next year. It should be noted, these measures can bring back the already weak demand for the rest of this year.

In Romania, the construction industry was characterized by slight growth. The government measures introduced due to the viral situation were partially released, so not only demand but also supply could increase. It was possible to do shopping again in various DIY stores, and the goal was to finish the construction work as soon as possible. In September, work on thermal insulation projects in the capital and larger cities could continue.

In Serbia, GDP decreased not only compared to the same period of the previous year, but versus Q2 2020 too. Industrial production reached lower level, as did foreign trade. The government's economic protection measures remained in place, trying to ensure the liquidity of the economy by maintaining the interest rate. In the construction industry, there was still a decline at the beginning of the quarter, but the value of work performed already increased in September compared to last year. The number of building permits issued has fallen slightly.

In Ukraine, the construction industry continued to decline in the third quarter. Due to the October municipal elections, the construction industry slowed down and the demand decreased. The value of the construction work performed was lower than measured in the same period last year. Not only the volume of housing construction decreased, but the number of constructions of non-residential buildings was also lower during the period, while the value of construction of engineering structures and renovation works increased.

In Germany, after a significant decline in GDP of previous quarter, when the coronavirus epidemic largely disabled the economy, the Q3 well developed. The government continued to maintain several stabilization and growth incentive programs to offset the effects of the epidemic. The economic downturn stopped in the quarter, the economy growth was on a record rate, and the GDP also improved compared to the previous period. The construction industry also performed well, although public investment fell behind, but the number of housing constructions jumped significantly.

In Poland overall in Q3 there was a decline in the construction industry. In the first two months of the quarter, demand decreased, the output from building material manufacturers fell, and the number of construction sites also declined. However, the construction industry picked up from September, and the economy reached a record number in construction projects started. Overall, the number of constructions in the quarter exceeded the base, while the number of building permits issued decreased slightly.

In Slovakia, the industrial production decreased in the third quarter. The situation in the building industry was mixed, the bigger constructions slowed down due to the corona virus and a shortage of skilled labor. The number of construction projects and the number of building permits declined, while the number of renovations increased.

In Croatia in Q3 2020 neither the economy nor the construction industry was not able to expand compared to the same period last year. Due to the epidemiological situation, the significant decline in tourism weakened the construction activity, the willingness to invest declined, and the number of building permits issued also decreased.

In North Macedonia, industrial production decreased, just as the foreign trade. In the construction sector, 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 Q2 2019 to Q2 2020:

	<b>Q2 2019</b>	<b>Q3 2019</b>	<b>Q4 2019</b>	<b>Q1 2020</b>	<b>Q2 2020</b>
Croatia	-8,8	1,1	-6,6	-12,8	16,5
Hungary	-17,8	11,5	-23,5	-3,6	-27,9
Poland	6,3	-2,5	-0,8	-1,5	-3,1
Romania	-4,8	-1,4	10,2	-2,5	-26,2
Slovakia	6,8	0,7	0,5	6,2	-11,3
Serbia	-16,3	27,1	1,1	26,5	-17,8

Source: EUROSTAT: Building permits - quarterly data

### 3. Sales by main product groups

Sales by main product groups:

Data in 1000 EUR	Q3 2020	Q3 2019	Index	2020 YTD	2019 YTD	Index
	(A)	(B)	(A/B-1)	(A)	(B)	(A/B-1)
Thermal insulation system	15 950	15 179	5%	41 917	40 388	4%
Roofing foils and accessories	7 857	4 517	74%	14 625	11 092	32%
Dry construction system	3 151	2 931	8%	9 423	8 824	7%
Heat, sound and water insulation materials	3 923	3 582	10%	10 134	9 991	1%
Building industry accessories	1 602	1 628	-2%	4 304	4 344	-1%
Industrial applications	5 067	3 571	42%	9 599	7 345	31%
<b>Total sales revenue</b>	<b>37 550</b>	<b>31 408</b>	<b>20%</b>	<b>90 001</b>	<b>81 983</b>	<b>10%</b>
<b>Contribution of product groups in percentage to the total sales revenue</b>						
Thermal insulation system	42%	48%		47%	49%	
Roofing foils and accessories	21%	14%		16%	14%	
Dry construction system	8%	9%		10%	11%	
Heat, sound and water insulation materials	10%	11%		11%	12%	
Building industry accessories	4%	5%		5%	5%	
Industrial applications	13%	11%		11%	9%	
<b>Total sales revenue</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	<b>100%</b>	

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

The Masterplast sales in Q3 2020 was 37 550 thousand EUR, 20% higher 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 (42%), where in the quarter the sales increased by 5%. In terms of item groups, there was a slightly decrease in EPS products, while fiberglass mesh sales significantly increased. Examining the markets, the sales revenue was smaller in Hungary and in Germany, while in the other countries it was higher compared to the same period of the previous year.

Turnover of the Roofing foils and accessories landed on higher level in Q3 2020 versus Q3 2019 by 74%. The turnover of diffusion roofing foils doubled to which the turnover of the production unit of Masterplast Nonwoven GmbH also contributed greatly. Looking at the markets, sales increased in all countries, only in North Macedonia and in Croatia the revenue were smaller.

Sales of the Dry construction system products also improved in Q3 2020 by 8% compared to the base. Sales of drywalls stagnated, while sales of profiles and accessories were bigger compared to the same period last year. Examining countries, revenue increased in Croatia, Poland, Romania, Hungary and Germany, while on the other markets it declined.

In the Heat, sound and water insulation materials product group the sales increased by 10% in Q3 2020 compared to the same period in 2019. The sales of foam products were smaller, while the turnover of glass and rock wool products and XPS broadened. In terms of markets the result was mixed, the Company's revenue increased in the Slovakian, Serbian and Hungarian markets, while decreased in the other areas.

Turnover of Building industry accessories products decreased by 2% in the third quarter of 2020 compared to the base, where the sales dropped in all areas except the Croatian, export, Slovakian and Ukrainian markets.

In case of Industrial applications product group, the Masterplast achieved higher sales level in Q3 2020 by 42% than in the base period was. The revenue of the non-strategic trade of raw materials was smaller, while the income from

packaging related products increased compared to Q3 2019. Revenue from the German plant's healthcare products is reported here, which also contributed significantly to the product group's quarterly sales growth.

#### 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 first half of 2020, the Company revised and changed the breakdown of its sales by country. With acquisition of Masterplast Nonwoven GmbH, the Group reclassified the German market from the Export category to a separate category, as from H2 2020 Masterplast has own subsidiary in the country.

The following table describes the reclassifications for the base period

Data in 1000 EUR	Q3 2019			2019 YTD		
	Sales revenue by previous classification	Reclassification	Sales revenue according to the new classification	Sales revenue by previous classification	Reclassification	Sales revenue according to the new classification
Hungary	12 487		12 487	31 443		31 443
Export	4 023	-446	4 023	12 702	-1 274	12 702
Romania	3 943		3 943	9 307		9 307
Serbia	2 583		2 583	6 763		6 763
Ukraine	3 060		3 060	6 938		6 938
Germany		446	446		1 274	1 274
Poland	1 946		1 946	5 626		5 626
Slovakia	1 527		1 527	3 788		3 788
Croatia	989		989	2 902		2 902
North Macedonia	404		404	1 241		1 241
<b>Total sales revenue</b>	<b>31 408</b>	<b>0</b>	<b>31 408</b>	<b>81 983</b>	<b>0</b>	<b>81 983</b>

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



Sales by countries:

Data in 1000 EUR	Q3 2020	Q3 2019	Index	2020 YTD	2019 YTD	Index
	(A)	(B)	(A/B-1)	(A)	(B)	(A/B-1)
Hungary	11 632	12 487	-7%	34 052	31 443	8%
Export	4 767	4 023	18%	11 657	12 702	-8%
Romania	4 498	3 943	14%	10 751	9 307	16%
Serbia	2 893	2 583	12%	7 217	6 763	7%
Ukraine	3 071	3 060	0%	6 492	6 938	-6%
Germany	5 134	446	1051%	6 060	1 274	376%
Poland	2 556	1 946	31%	5 912	5 626	5%
Slovakia	1 440	1 527	-6%	3 786	3 788	0%
Croatia	1 071	989	8%	2 873	2 902	-1%
North Macedonia	489	404	21%	1 201	1 241	-3%
<b>Total sales revenue</b>	<b>37 550</b>	<b>31 408</b>	<b>20%</b>	<b>90 001</b>	<b>81 983</b>	<b>10%</b>
<b>Contribution of countries in percentage to the total sales revenue</b>						
Hungary	30%	40%		38%	38%	
Export	13%	13%		13%	15%	
Romania	12%	13%		12%	11%	
Serbia	8%	8%		8%	8%	
Ukraine	8%	10%		7%	8%	
Germany	14%	1%		7%	2%	
Poland	7%	6%		7%	7%	
Slovakia	4%	5%		4%	5%	
Croatia	3%	3%		3%	4%	
North Macedonia	1%	1%		1%	2%	
<b>Total sales revenue</b>	<b>100%</b>	<b>100%</b>		<b>100%</b>	<b>100%</b>	

Source: consolidated non-audited report of the Group on 30th of September 2020 and non-audited report on 30th of September 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 decreased by 7% in Q3 2020 compared to the base period. The decline in market turnover was due to the drop in the domestic raw materials trade, so except for the industrial applications product group quarterly revenue increased in all other product groups compared to the base period. EPS sales in the Thermal insulation system product group declined slightly, which was offset by the bigger sales of fiberglass mesh, XPS, glass and rock wool products.

In the export market in Q3 2020, the turnover increased by 18% compared to the same period of the previous year. The revenue of fiberglass mesh products from the Thermal insulation system product group and the sales of diffusion roofing foils from the Roofing foils and accessories product group increased the most, but sales of medical foils among Industrial applications also increased. Turnover fell in the other product groups. In terms of markets, Masterplast achieved growth in the English and Portuguese areas, while sales decreased the most in Estonia and in Norway.

On the Romanian market the sales increased by 14% in Q3 2020 compared to the base period. The sales of Thermal insulation system and within that the fiberglass mesh products increased the most. Except for the Industrial applications, the sales revenue was growing in all product groups compared to the base.

In Serbia, the sales increased by 12% in Q3 2020 compared to 2019. A growth in turnover was achieved regarding the Thermal insulation system, the Roofing foils and accessories, the Heat, sound and water insulation materials and the Building industry accessories, while the turnover of the rest product groups was smaller in the quarter this year than in Q3 2019.

In Ukraine, in Q3 2020 the sales landed on the same level as the 2019 base period was. The Company's revenue slightly increased 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 also higher, while the rest product groups showed a decrease in Q3 2020.

The German market is reported separately compared to previous periods, because Masterplast has been present in the country with direct sales since H2 2020. Thanks to the new manufacturing company, turnover in the country has increased significantly. Masterplast Nonwoven's products are categorized in the product group of Roofing foils and accessories and in the Industrial applications. However, the Group is still present in the German market with its other product groups, where sales of Dry construction system products increased, but the sales of Thermal insulation system and Heat, sound and water insulation materials decreased compared to the base period.

On the Polish market the sales improved by 31% in Q3 2020 compared to the base. Except for Heat, sound and water insulation materials, the turnover of each product group increased compared to the same period last year. The sales of diffusion roofing foils from Roofing foils and accessories product group showed the largest growth compared to the base.

The sales decreased by 6% in Q3 2020 on the Slovakian market. The sales of Thermal insulation system, Roofing foils and accessories and Heat, sound and water insulation materials increased compared to the base period, while turnover of the other groups landed on a lower level.

On the Croatian market the sales landed on a higher level by 8% in Q3 2020 on base term. The revenue decreased in the Roofing foils and accessories, in the Heat, sound and water insulation materials and in the Building industry accessories product groups, while the Company's turnover increased in the other groups.

In North Macedonia, with the smallest turnover share, 21% increase in sales was reported in Q3 2020. The sales of Thermal insulation system product group and the Building industry accessories product group was higher, while at the other product groups the revenue landed on a lower level versus Q3 2019.

Overall, Masterplast faced with an unfavourable construction environment in the beginning of the quarter, but later the sector showed an improving picture in the Company's sales areas. All in all, sales improved by 20% in Q3 2020 compared to the same period last year to which the new German manufacturing company also contributed greatly. In the Hungarian market the non-strategic product trading decreased, but the turnover in the Slovakian areas also dropped slightly, Ukraine closed at the same level as last year, while the Company's other markets showed an increase in turnover. In terms of product groups, the turnover landed on a higher level in almost all product groups, only the turnover of Building industry accessories decreased.

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 1000 EUR	Q3 2020	Q3 2019	Change	Index	2020 YTD	2019 YTD	Change	Index
	(A)	(B)	A-B	(A/B-1)	(A)	(B)	A-B	(A/B-1)
Sales revenues	37 550	31 408	6 142	20%	90 001	81 983	8 018	10%
Cost of materials and services	-28 369	-25 358	-3 011	12%	-69 765	-66 428	-3 337	5%
Payroll costs and contributions	-4 510	-3 691	-819	22%	-11 894	-10 118	-1 776	18%
Depreciation	-739	-610	-129	21%	-1 988	-1 721	-267	16%
Change in self-manufactured inventories	-325	313	-638	-204%	-80	424	-504	-119%
Other operating revenues and expenses	-136	-20	-116	580%	-169	132	-301	-228%
<b>EBITDA</b>	<b>4 210</b>	<b>2 652</b>	<b>1 558</b>	<b>59%</b>	<b>8 093</b>	<b>5 993</b>	<b>2 100</b>	<b>35%</b>
<i>EBIDTA ratio</i>	<i>11,2%</i>	<i>8,4%</i>			<i>9,0%</i>	<i>7,3%</i>		
<b>PROFIT / LOSS OF BUSINESS ACTIVITY (EBIT)</b>	<b>3 471</b>	<b>2 042</b>	<b>1 429</b>	<b>70%</b>	<b>6 105</b>	<b>4 272</b>	<b>1 833</b>	<b>43%</b>
Interest revenues	7	20	-13	-65%	32	51	-19	-37%
Interest expenses	-107	-135	28	-21%	-312	-397	85	-21%
Other financial revenues and expenses	-145	397	-542	-137%	-287	636	-923	-145%
<b>FINANCIAL PROFIT/LOSS</b>	<b>-245</b>	<b>282</b>	<b>-527</b>	<b>-187%</b>	<b>-567</b>	<b>290</b>	<b>-857</b>	<b>-296%</b>
Profit/loss from associations	1	0	1	0%	1	1	0	0%
<b>Profit/loss before income tax</b>	<b>3 227</b>	<b>2 324</b>	<b>903</b>	<b>39%</b>	<b>5 539</b>	<b>4 563</b>	<b>976</b>	<b>21%</b>
Taxes	-606	-227	-379	167%	-807	-404	-403	100%
<b>Profit/loss after taxation</b>	<b>2 621</b>	<b>2 097</b>	<b>524</b>	<b>25%</b>	<b>4 732</b>	<b>4 159</b>	<b>573</b>	<b>14%</b>
<i>Profit attributable to the owners of the parent</i>	<i>2 107</i>	<i>2 097</i>	<i>10</i>	<i>0%</i>	<i>4 208</i>	<i>4 082</i>	<i>126</i>	<i>3%</i>
<i>Profit attributable to the minority</i>	<i>514</i>	<i>0</i>	<i>514</i>	<i>0%</i>	<i>524</i>	<i>77</i>	<i>447</i>	<i>581%</i>
<i>Earnings per share (EPS) (EUR)</i>	<i>0,15</i>	<i>0,15</i>			<i>0,32</i>	<i>0,28</i>		
<i>Diluted earnings per share (diluted EPS) (EUR)</i>	<i>0,15</i>	<i>0,15</i>			<i>0,32</i>	<i>0,28</i>		

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

The total revenue of the Company was 37 550 thousand EUR in Q3 2020, 20% higher than in the base period in 2019. The operation of the new German manufacturing subsidiary contributed greatly to the growth, but it is important to mention that the Company also achieved an increase in turnover in its core business.

In addition, the increase in turnover, the trade margin and margin rate also increased in Q3 2020 compared to the base period. Masterplast Nonwoven, which also produces healthcare products with outstanding results, has made a significant contribution to this, but the margin from sales of traditional products has also improved. The Group's

trade margin increased the most in the Serbian, export and Hungarian markets during the quarter, but the realized margin weight also increased in the Romanian market.

The production strengthened further, not only in output but also in efficiency. The output of the fiberglass mesh factory in Serbia was higher in Q3 compared to the base, just as at the mesh edge production, while EPS production dropped compared to the very strong base and the output of the foam plant in Kál which is in an already improving trend also decreased. The German fleece unit started the quarter with high capacity utilization and the demand for healthcare products continued to strengthen. The material and other material costs increased just as energy costs while the fuel costs decreased. The maintenance costs and 3rd party related transportation expenditures also landed on a higher level, while 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 increased by smaller rate than the turnover growth in Q3 2020.

As a result of the start-up of the Aschersleben plant and due to the payrises the personnel expenses of the Company increased in the quarter compared to the base. The Group had 1 134 employees at the end of Q3 opposed to the staff level of 1 114 people of the base period. 474 people were employed at the fiberglass mesh production unit in Subotica at the end of this quarter, compared to the level of 501 staff at end of September 2019. The Masterplast Nonwoven plant employed 42 people at the end of the quarter.

Mainly related to the operation of the new Germany subsidiary there was an increase in the amount of depreciation.

The other operating expenses also landed on a higher level in Q3 2020 compared to the base period, which was due to the higher scrap costs and the impairment loss accrued on customers.

As the result of the above mentioned the Group EBITDA was 4 210 thousand EUR (11,2% EBITDA ratio) compared to 2 652 thousand EUR (8,4% EBITDA ratio) of base period, which meant 59% increase. Only by examining the core business, Masterplast had a successful quarter due to efficient operations and production expansion, but the already strong EBITDA result was further enhanced by the launch of the German plant, where the sales of products with higher margin improved the earnings.

Considering the depreciation too the EBIT resulted in 3 471 thousand EUR in Q3 2020 which exceeded by 70% the 2 042 thousand EUR level of the base period.

The Company's interest revenues improved, interest expenses and interest income also decreased in Q3 2020 compared to the base, which was due to the positive effect of bonds issued last year.

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 Q3 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	31-06-2019	30-09-2019	31-12-2019	31-06-2020	30-09-2020	Index	Index	Index	Index	Index
	A	B	C	D	E	F	C/A	C/B	F/C	F/D	F/E
EUR/USD	1,14	1,14	1,09	1,12	1,12	1,17	95,54%	96,01%	107,10%	104,42%	104,38%
EUR/HUF	321,51	323,54	334,65	330,52	356,57	364,65	104,09%	103,43%	108,96%	110,33%	102,27%
EUR/RON	4,66	4,74	4,75	4,78	4,84	4,87	101,87%	100,34%	102,50%	101,89%	100,57%
EUR/RSD	118,19	117,91	117,53	117,59	117,58	117,58	99,44%	99,67%	100,04%	99,99%	100,00%
EUR/UAH	31,71	29,73	26,33	26,42	29,95	33,13	83,04%	88,58%	125,81%	125,39%	110,62%
USD/HUF	280,94	284,08	306,06	294,74	317,83	311,40	108,94%	107,74%	101,74%	105,65%	97,98%
USD/RON	4,07	4,16	4,35	4,26	4,32	4,16	106,76%	104,57%	95,70%	97,67%	96,26%
USD/RSD	103,39	103,77	107,43	104,92	104,63	100,17	103,91%	103,53%	93,24%	95,47%	95,74%
USD/UAH	27,69	26,17	24,08	23,69	26,69	28,30	86,98%	92,04%	117,51%	119,47%	106,02%

Source: Hungarian National Bank rates

Mainly because of unfavourable exchange rate effects the Company has generated and booked 145 thousand EUR loss as other financial result in Q3 2020 compared to the 397 thousand EUR profit of Q3 2019.

The Group PAT was 2 621 thousand EUR profit in Q3 2020 compared to the base period's profit of 2 097 thousand EUR.

All in all, despite the coronavirus, the Group's sales were able to grow by 20% in Q3 2020. In addition, the increase in turnover, the trade margin also increased. The output of the fiberglass mesh factory in Serbia was higher, just as at the mesh edge production, while EPS production dropped compared to the very strong base and the output of the foam plant in Kál which is in an already improving trend also decreased. The German fleece unit started the quarter with high capacity utilization. The EBITDA was 4 210 thousand EUR (11,2% EBITDA ratio) compared to 2 652 thousand EUR (8,4% EBITDA ratio) of base period, which meant 59% increase. Thanks to the efficient operation, the expansion of production and the start-up of the German factory, the Company achieved such a strong EBITDA result. Due to the negative exchange rate effects the Group's financial result slightly went wrong, the PAT closed with a profit of 2 621 thousand EUR in the quarter, compared to a profit of 2 097 thousand EUR in the base period.

## 6. Other comprehensive income

Data in 1000 EUR	2020 YTD	2019 YTD
<b>Profit for the year</b>	<b>4 732</b>	<b>4 160</b>
Foreign exchange result on translation*	-1 274	-877
Comprehensive income related to a CCIRS transaction*	-1 003	0
Parent company's share of the change in the value of associates*	-23	300
<b>Other comprehensive income</b>	<b>-2 299</b>	<b>-577</b>
<b>Comprehensive income</b>	<b>2 433</b>	<b>3 582</b>

Source: consolidated non-audited report of the Group on 30th of September 2020 and non-audited report on 30th of September 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 September 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 1000 EUR	30-09-2020	30-09-2019	Change	Index
	(A)	(B)	A-B	(A/B-1)
<b>FIXED ASSETS</b>				
Land, buildings and equipment	48 201	36 707	11 494	31%
Intangible assets	179	108	71	66%
Shares in related companies	298	335	-37	-11%
Deferred tax assets	396	275	121	44%
<b>Total fixed assets</b>	<b>49 074</b>	<b>37 425</b>	<b>11 649</b>	<b>31%</b>
<b>CURRENT ASSETS</b>				
Inventories	22 432	21 738	694	3%
Trade accounts receivable	20 552	21 684	-1 132	-5%
Tax receivables	2 548	1 432	1 116	78%
Other financial receivables	124	52	72	138%
Other current assets	1 526	1 542	-16	-1%
Liquid assets	7 006	2 264	4 742	209%
<b>Total current assets</b>	<b>54 188</b>	<b>48 712</b>	<b>5 476</b>	<b>11%</b>
<b>TOTAL ASSETS</b>	<b>103 263</b>	<b>86 137</b>	<b>17 126</b>	<b>20%</b>
<b>CAPITAL AND RESERVES</b>				
Subscribed capital	5 504	5 504	0	0%
Reserves	23 835	23 640	195	1%
Repurchased shares	-441	-377	-64	17%
Parent share of interests	4 208	3 970	238	6%
<b>Equity attributable to the owners of the parent</b>	<b>33 106</b>	<b>32 737</b>	<b>369</b>	<b>1%</b>
Minority interests	1 873	472	1 401	297%
<b>Total capital and reserves</b>	<b>34 979</b>	<b>33 209</b>	<b>1 770</b>	<b>5%</b>
<b>LONG-TERM LIABILITIES</b>				
Long-term loans	5 481	6 045	-564	-9%
Liabilities from issued bonds	16 450	0	16 450	0%
Deferred tax liabilities	194	181	13	7%
Deferred income	3 195	3 359	-164	-5%
Other long-term liabilities	4 132	762	3 370	442%
<b>Total long-term liabilities</b>	<b>29 452</b>	<b>10 347</b>	<b>19 105</b>	<b>185%</b>
<b>SHORT-TERM LIABILITIES</b>				
Short-term loans	14 550	22 169	-7 619	-34%
Trade accounts payable	12 019	13 989	-1 970	-14%
Short-term leasing liabilities	176	93	83	89%
Other financial liabilities	2 800	98	2 702	2757%
Tax liabilities	4 382	2 315	2 067	89%
Short-term deferred income	626	934	-308	-33%
Provisions	397	272	125	46%
Other short-term liabilities	3 883	2 712	1 171	43%
<b>Total short-term liabilities</b>	<b>38 833</b>	<b>42 582</b>	<b>-3 749</b>	<b>-9%</b>
<b>TOTAL LIABILITIES</b>	<b>68 285</b>	<b>52 928</b>	<b>15 356</b>	<b>29%</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>103 263</b>	<b>86 137</b>	<b>17 126</b>	<b>20%</b>

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

The total assets of the Group were 103 263 thousand EUR on the end of September 2020, by 17 126 thousand EUR higher than at the end of the base period.

The total fixed assets amounted to 49 074 thousand EUR at the end of Q3 2020, by 11 649 thousand EUR higher than base period's volume. The increase was due to the consolidation of the German subsidiary, the value of its significant fixed assets has appeared in the books. The Company has overall spent 10 783 thousand EUR on CAPEX 2020 YTD.

The inventory at the end of September 2020 was 22 432 thousand EUR, which despite the new German manufacturing company, was only 694 thousand EUR higher than the base period closing stock.

The trade accounts receivables were 20 552 thousand EUR at the end of this quarter which despite the much higher turnover, was 1 132 thousand EUR lower compared to base period.

The Group's cash and equivalents stood at 7 006 thousand EUR at the end of September 2020, which were higher by 4 742 thousand EUR than the closing volume of Q3 2019.

The accounts payable landed on 12 019 thousand EUR in the end of Q3 2020 versus 13 989 thousand EUR of end of Q3 2019. The deferred income also dropped (-11%) related to the government grants to investments compared to the base.

8. Cash-flow, bank information

Data in 1000 EUR	30-09-2020	30-09-2019	Change	Index
	(A)	(B)	A-B	(A/B-1)
<b>Operating Activities</b>				
PBT	5 539	4 563	976	21%
Depreciation and Amortisation	1 988	1 721	267	16%
Bad debt provision	136	142	-6	-4%
Shortage and scrap of stocks	26	116	-90	-78%
Provisions	178	85	93	109%
Profit on fixed asset sale	7	-70	77	-110%
Interest expense	312	397	-85	-21%
Interest revenue	-32	-51	19	-37%
Profit/loss from associations	-1	-1	0	0%
Unrealized foreign exchange gain (loss)	-313	165	-478	-290%
<b>Changes in Working Capital</b>				
Change in Accounts Receivable	-6 206	-9 370	3 164	-34%
Change in Inventory	-1 212	1 204	-2 416	-201%
Change in Other Assets	-1 644	-153	-1 491	975%
Change in Accounts Payable	1 291	1 215	76	6%
Change in Short-term liabilities	2 316	399	1 917	480%
Taxation	0	-34	34	-100%
<b>Net Cash from Operations</b>	<b>2 386</b>	<b>328</b>	<b>2 058</b>	<b>627%</b>
<b>Investing Activities</b>				
CAPEX	-10 783	-3 114	-7 669	246%
Sale of fixed assets	79	140	-61	-44%
Subsidiaries sold	0	0	0	0%
Government grant	-327	0	-327	0%
Interest received	32	51	-19	-37%
<b>Net Cash from Investing activities</b>	<b>-11 000</b>	<b>-2 923</b>	<b>-8 077</b>	<b>276%</b>
<b>Financing Activities</b>				
Borrowing	12 116	4 596	7 520	164%
Loan repayments	-1 802	-809	-993	123%
Government grant	775	0	775	0%
Dividends paid	0	0	0	0%
Interest paid	-312	-397	85	-21%
<b>Net Cash from Financing activities</b>	<b>10 777</b>	<b>3 390</b>	<b>7 387</b>	<b>218%</b>
Net Cash flow of the period	2 163	796	1 367	172%
Cash at beginning of period	4 530	2 090	2 440	117%
Effect of exchange rate changes	313	-621	934	-150%
<b>Cash at end of period</b>	<b>7 006</b>	<b>2 264</b>	<b>4 742</b>	<b>209%</b>

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



The net cash flow from operation was 2 386 thousand EUR at the end of Q3 2020, while it was 328 thousand EUR the end of the base period.

The cash flow from investing activities was -11 000 thousand EUR at end of September 2020 compared to -2 923 thousand EUR in same period 2019.

The net cash flow from financial related activities amounted to 10 777 thousand EUR compared to the 3 390 thousand EUR of the base year.

All in all, the cash and equivalents of the Company was 7 006 thousand EUR at the end of Q3 2020 which was higher by 4 742 thousand EUR than the level of the previous year same period.

**Loans and bank related information:**

By the end of September 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 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
<b>01-01-2019</b>	<b>5 504</b>	<b>-21</b>	<b>8 063</b>	<b>21 346</b>	<b>-8 481</b>	<b>20 929</b>	<b>3 283</b>	<b>29 695</b>	<b>288</b>	<b>29 983</b>
Net profit							3 970	3 970	190	4 160
Other comprehensive income					-571	-571		-571	-6	-577
Transfer of previous year's net profit				3 283		3 283	-3 283			
Repurchased shares		-356						1		1
Capital increase										
Capital increase - agio										
Change in the share of external owners										
Paid dividends										
Ownership contribution										
<b>30-09-2019</b>	<b>5 504</b>	<b>-377</b>	<b>8 063</b>	<b>24 630</b>	<b>-9 052</b>	<b>23 640</b>	<b>3 970</b>	<b>32 738</b>	<b>472</b>	<b>33 209</b>
<b>01-01-2020</b>	<b>5 504</b>	<b>-381</b>	<b>8 063</b>	<b>23 062</b>	<b>-8 686</b>	<b>22 438</b>	<b>4 573</b>	<b>32 133</b>	<b>473</b>	<b>32 606</b>
Net profit							4 208	4 208	524	4 732
Comprehensive income related to a CCIRS transaction					-1 003	-1 003		-1 003		-1 003
Other comprehensive income					-2 173	-2 173		-2 173	876	-1 297
Transfer of previous year's net profit				4 573	0	4 573	-4 573			
Repurchased shares		-60						-60		-60
Capital increase										
Capital increase - agio										
Change in the share of external owners										
Paid dividends										
Ownership contribution										
<b>30-09-2020</b>	<b>5 504</b>	<b>-441</b>	<b>8 063</b>	<b>27 634</b>	<b>-11 862</b>	<b>23 835</b>	<b>4 208</b>	<b>33 106</b>	<b>1 873</b>	<b>34 979</b>

Source: consolidated non-audited report of the Group on 30th of September 2020 and non-audited report on 30th of September 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	258 228	EUR
Masterplast Romania	Bank guarantee	396 638	RON	82 198	EUR
Masterfoam Kft.	Custom	10 000 000	HUF	27 848	EUR
Masterfoam Kft.	Tender guarantee	260 000 000	HUF	724 052	EUR
Masterplast YU D.o.o.	Bank guarantee	2 000 000	EUR	2 000 000	EUR
<b>Total:</b>				<b>3 092 327</b>	<b>EUR</b>

Source: consolidated non-audited report of the Group on 30th of September 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 manufacturing capacity**

Despite the restrictive measures, there was still no supply disruption in the Group's own manufacturing operations. High stock of raw materials and semi-finished products ensured an uninterrupted supply of goods for sales. Strict internal measures have been maintained throughout by Masterplast to avoid workplace infections. Planned summer vacations have been issued and pre-season maintenance has taken place.

In the Group's EPS plant in Subotica in Q3 2020 the production volume was in 16% lagging compared to the base period but close to planned output. Cumulated production was also 10% lower than last year but was in line with the plans. 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 Q3 the mesh edge production output was 14% higher than in the same period of last year. Overall, due to the continuous year-over-year performance, the cumulative performance was 12% higher than the previous year's output.

In Subotica, the production and output of the fiberglass mesh factory also increased by 42% compared to the base period. The cumulated output was 36% higher than last year's performance. This significant increase was coupled with improvements in the production efficiency ratio, which had a positive effect on reducing costs.

In the Kál based foam factory after previous periods' trend the quarterly output started to increase. Although Q3 performance was 8% lower in 2020 than in the same period last year, but the trend is improving. Domestic, typically packaging, sales were already above base, while export sales continued to decline. Subsidiary sales were significantly above previous year same period. Overall, cumulative performance resulted in an 18% lag.

A diffusion roofing foil production and laminator line installed in H1 at the central site in Sárszentmihály carried out trial production from which products has already been resold.

The fleece manufacturing unit in Aschersleben started the quarter with high capacity utilization. In July and August, most of the sales went to the healthcare industry, mostly for masks, protective clothing raw materials. In both months, output exceeded pre-planned volumes and product distribution also helped production efficiency. From September, construction needs became more pronounced, but even the production of mask raw materials was significant. There was an unplanned emergency shutdown due to a technical failure, which resulted in a loss of production, but despite all, the supply of raw materials and deliveries went smoothly, the stock levels were adequate, so the supply of customers was unhindered.

## **12. Changes of the full time employees (headcount)**

	<b>30-09-2020</b>	<b>31-12-2019</b>	<b>30-09-2019</b>
Company employees	46	46	49
Group level employees	1 134	1 099	1 114

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**

In addition to the published information, no significant events occurred.

14. Balance sheet compared with 31 December 2019 status

Data in 1000 EUR	30-09-2020	31-12-2019	Change	Index
	(A)	(B)	A-B	(A/B-1)
<b>FIXED ASSETS</b>				
Land, buildings and equipment	48 201	37 193	11 008	48 201
Intangible assets	179	191	-12	179
Shares in related companies	298	321	-23	298
Deferred tax assets	396	362	34	396
<b>Total fixed assets</b>	<b>49 074</b>	<b>38 067</b>	<b>11 007</b>	<b>49 074</b>
<b>CURRENT ASSETS</b>				
Inventories	22 432	21 257	1 175	22 432
Trade accounts receivable	20 552	14 471	6 081	20 552
Tax receivables	2 548	784	1 764	2 548
Other financial receivables	124	2	122	124
Other current assets	1 526	1 767	-241	1 526
Liquid assets	7 006	4 530	2 476	7 006
<b>Total current assets</b>	<b>54 188</b>	<b>42 812</b>	<b>11 376</b>	<b>54 188</b>
<b>TOTAL ASSETS</b>	<b>103 263</b>	<b>80 880</b>	<b>22 383</b>	<b>103 263</b>
<b>CAPITAL AND RESERVES</b>				
Subscribed capital	5 504	5 504	0	5 504
Reserves	23 835	22 438	1 397	23 835
Repurchased shares	-441	-381	-60	-441
Parent share of interests	4 208	4 573	-365	4 208
<b>Equity attributable to the owners of the parent</b>	<b>33 106</b>	<b>32 134</b>	<b>972</b>	<b>33 106</b>
Minority interests	1 873	473	1 400	1 873
<b>Total capital and reserves</b>	<b>34 979</b>	<b>32 607</b>	<b>2 372</b>	<b>34 979</b>
<b>LONG-TERM LIABILITIES</b>				
Long-term loans	5 481	3 864	1 617	5 481
Liabilities from issued bonds	16 450	18 136	-1 686	16 450
Deferred tax liabilities	194	266	-72	194
Deferred income	3 195	3 748	-553	3 195
Other long-term liabilities	4 132	695	3 437	4 132
<b>Total long-term liabilities</b>	<b>29 452</b>	<b>26 709</b>	<b>2 743</b>	<b>29 452</b>
<b>SHORT-TERM LIABILITIES</b>				
Short-term loans	14 550	5 853	8 697	14 550
Trade accounts payable	12 019	10 728	1 291	12 019
Short-term leasing liabilities	176	290	-114	176
Other financial liabilities	2 800	92	2 708	2 800
Tax liabilities	4 382	1 047	3 335	4 382
Short-term deferred income	626	626	0	626
Provisions	397	219	178	397
Other short-term liabilities	3 883	2 710	1 173	3 883
<b>Total short-term liabilities</b>	<b>38 833</b>	<b>21 565</b>	<b>17 268</b>	<b>38 833</b>
<b>TOTAL LIABILITIES</b>	<b>68 285</b>	<b>48 274</b>	<b>20 011</b>	<b>68 285</b>
<b>TOTAL CAPITAL AND LIABILITIES</b>	<b>103 263</b>	<b>80 880</b>	<b>22 383</b>	<b>103 263</b>

Source: consolidated non-audited report of the Group on 30th of September 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
Fidelis Bau Kft.	Hungary	3 000 000	HUF	100%	100%	Thermobeton production
<b>Indirect relations:</b>						
Masterplast D.O.O.	North Macedonia	973 255	MKD	80%	80%	Wholesale of building materials
<b>Affiliated company of the Group:</b>						
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.

The first consolidation of Masterplast Nonwoven GmbH and Fidelis Bau Kft. took place during the third quarter. The value of assets in the companies (initial settlement) is presented at an initial value determined on a temporary basis in accordance with IFRS 3 Business Combinations, which is adjusted until the annual closing.

## 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 12,5 years	4 548 057
Ács Balázs	Vice Chairman of the Board	03-04-2008	30-04-2021	approximately 12,5 years	3 877 259
Dirk Theuns	Board member	01-05-2014	30-04-2021	approximately 6,5 years	-
Dezse Margaret	Board member	01-05-2020	30-04-2021	approximately 0,5 years	-
Sinkó Ottó	Board member	01-05-2020	30-04-2021	approximately 0,5 years	-

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	936 762	6,42%
SOH Kft. & LPH Kft. jointly	no	798 869	5,47%
<b>Total</b>		<b>10 160 947</b>	<b>69,59%</b>

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

	30-09-2020
Issuing ownership	240 204
Affiliated companies ownership	0
<b>Total</b>	<b>240 204</b>

**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
07.08.2020.	Information about registration of acquisition to the company register
25.08.2020.	Half-yearly Report
01.09.2020.	Voting rights, registered capital
01.09.2020.	Extraordinary information about credit rating
17.09.2020.	Modification of the result forecast in the document related to the Investor forum on 9th December 2019
01.10.2020.	Voting rights, registered capital
22.10.2020.	Changing of corporate action timetable
22.10.2020.	Corporate Action Timetable
03.11.2020.	Voting rights, registered capital
06.11.2020.	GM - Invitation

## DECLARATION

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

Sárszentmihály, 12 November 2020



Tibor Dávid  
Chairman of the Board

