

STEICO SE: Investment in production facilities for wood fibre insulation materials at Gromadka site

- **New production capacity created for annual output of more than 1.5 million cbm**
- **Additional increases to capacity possible at this site**

Feldkirchen (Munich), 9 March 2021 – Today's meeting of the Board of Management of STEICO Group (ISIN DE000A0LR936) resolved to create new production capacity at the recently acquired facility at Gromadka (Poland).

An insulation materials plant with three production lines will be set up. Two lines will be built for flexible wood fibre insulation mats, with a combined total annual capacity of over 1 million cbm. Another line with an annual capacity of around 500,000 cbm will produce stable wood fibre insulation boards using the dry process.

According to current forecasts, the total investment volume will amount to around € 75 million. Construction is scheduled to start in mid-2021. The group intends to take production live at the end of 2022. The possibility of further expanding capacity in future is already included in the current project design, so that a future-oriented further expansion of the site is possible.

The Gromadka facility is located about 70 km east of Görlitz, conveniently situated directly on the Polish A4 motorway, and is part of a former airport that is currently being converted into an industrial estate. The space was acquired in November 2020.

STEICO is responding to the rapidly increasing demand for wood fibre insulating materials by continuously expanding its production capacities, and this trend is also enjoying dynamic growth in the first quarter of 2021.

Current capacity enhancement projects include:

- Increase in capacity for flexible wood-fibre insulation mats by 45% by going live with a production line in France (Casteljaloux site) and conversion of a production line in Poland (start of regular operations March 2021).
- Increase in capacity for stable wood-fibre insulation boards using the wet method by 15% by optimizing production lines (project already completed at the start of 2021).
- Doubling of capacity for wood fibre air injected insulation and 50% increase in capacity for cellulose air injected insulation (start of regular operation March 2021).
- Construction of a production line for stable wood fibre insulation boards from the dry process in France (Casteljaloux site) with an annual capacity of around 250,000 cbm (expected to go live in the second half of 2021 with possibility for further enlargement).
- Construction of a production line for stable wood-fibre insulation boards using the wet process in

Poland (Czarna Woda site) with an annual capacity of 135,000 cbm (expected to go live in the second half of 2021).

The STEICO Group aims to use these investments to significantly expand its position as the global market leader for wood fibre insulation materials, and to continue the profitable growth it has enjoyed to date.

The corporate news can be downloaded from

www.steico.com/ir.

Company profile

STEICO develops, produces and markets ecological construction products made of renewable raw materials. STEICO is the global market leader for wood fibre insulation materials.

STEICO is positioned as a system provider for ecological residential construction and is the only manufacturer in the industry to offer an integrated wooden construction system in which innovative wooden construction components and ecological insulation material supplement each other.

Laminated veneer lumber and I-joists form the structural components of the system. The insulation materials include flexible and stable wood fibre insulation panels, facade insulation materials, as well as cavity wall insulation made of wood fibres and cellulose. Sealing products for the building shell complete the overall system.

The STEICO Group offers its customers a unique range of products through to the prefabrication of complete components for timber element construction. The Munich-based company's products are used in new construction and when renovating roofs, walls, ceilings, floors and facades. STEICO's products allow the construction of future-proof, healthy buildings with a particularly high quality of living and a healthy atmosphere. STEICO's products offer reliable protection against cold, heat and also noise, and they permanently improve the building's energy efficiency.

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