

## CURRENT REPORT

In accordance with Law No. 24/2017 and Regulation No. 5/2018 of the Financial Supervisory Authority (ASF)

Date of report: **28.04.2021**

Name of issuing company: **TERAPLAST S.A.**

Registered office: **Sat Saratel, comuna Sieu-Magherus, DN 15A, KM 45+500, Judetul Bistrita-Nasaud**

Telephone/Fax: **0263/238.202; 0263/231.221**

Trade Register Office Number: **J06/735/1992**

VAT number: **3094980**

Subscribed and paid-up share capital: **174,320,047.80 lei**

Regulated market for shares admitted to trading: **Bucharest Stock Exchange, standard category**

Stock symbol: **TRP**

### Significant events to report:

On April 28th 2021, starting with 10:00 AM, respectively 10:30 AM, at Company's headquarters took place the Ordinary and the Extraordinary General Meeting of Shareholders, which was legally and statutory constituted at first convocation. During this meeting participated in person, and through voting by correspondence, the shareholders registered in the Shareholders Register held by Central Depository, at April 15th 2021, established as a reference date, the quorum consisting of 70,5947%, from the total of 1.743.199.512 voting rights related to the 1.743.200.478 shares issued by the Company, for the Ordinary General Meeting, respectively the quorum consisting of 70,6093%, from the total of 1.743.199.512 voting rights related to the 1.743.200.478 shares issued by the Company, for the Extraordinary General Meeting.

In order to ensure a complete and correct information of shareholders and potential investors, we reproduce the content of the decisions of the Ordinary and Extraordinary General Meeting of Shareholders of the Company TERAPLAST S.A:

**DECISION no. 1 dated 28.04.2021**

**of the Ordinary General Meeting of Shareholders of TERAPLAST S.A.**

In pursuance of art.111 and the following of Companies Law 31/1990 as amended to date, of the Articles of Association of TERAPLAST S.A. (the "**Company**"), of Law no. 24/2017, and the ASF Regulation no. 5/2018, the Ordinary General Meeting of Shareholders ("**OGMS**") of the Company, headquartered in village Sărațel, commune Șieu-Magheruș, DN 15A, km 45+500, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, held on 28.04.2021, at the Company's headquarters, at 10:00 (Romania time), in a total quorum of 70,5947% of the total 1.743.199.512 voting rights corresponding to the 1.743.200.478 shares issued by TERAPLAST S.A., representing a total number of 1.230.606.645 votes expressed,

**DECIDES**

**On the items of the agenda as follows:**

- Approves the individual financial statements corresponding to financial year 2020, on the basis of the Board of Directors' Report and the Company's Financial Auditor Report.

<b>Total revenues:</b>	<b><u>362,417,107</u></b>
Other operating income (including rent)	1,823,400
Income from investment subsidies	1,247,947
Changes in inventory of finished goods and work in progress	2,512,784
Raw materials, consumables used and merchandise	(234,270,575)
Employee benefit expenses	(38,925,704)
Amortization and the adjustments for impairment of non-current assets, net	(14,255,359)
Impairment of current assets, net	2,297,270
Impairment of inventories, net	(511,531)
Losses from the disposal of tangible and intangible assets	(12,357)
Gains from fair value measurement of investment properties	367,610
Losses from the disposal of investment properties	(166,632)
Sponsorships, donations	(201,630)
Other operating expenses	<u>(40,504,379)</u>
<b>Operating result</b>	<b><u>38,246,471</u></b>
Interest expense, net	(4,506,926)
Other financial income/(expenses), net	200,572
Dividends received	<u>60,328</u>
<b>Financial result</b>	<b><u>(4,246,026)</u></b>
<b>Profit before tax</b>	<b><u>34,000,445</u></b>
Income tax expense	<u>(3,892,245)</u>
<b>Profit of business that continues its activity</b>	<b><u>30,108,199</u></b>

Profit of the Joinery Profiles business

2,995,940

Profit for the year

33,104,139

**Voting structure: 96,90% in favour, out of the votes attending the meeting, 3,10% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

2. Approves the proposal of net profit distribution corresponding to financial year 2020 as follows:

- Net profit achieved: 33.104.139 lei;
- Legal reserve: 1.938.441 lei;
- Dividends: 30.682.530 lei\*;
- Retained earnings: 483.168 lei;

*\*The dividends have been distributed according to the Decision of the Ordinary General Assembly of the Shareholders no. 1 of 27th November 2020, approving the distribution of dividends amounting to RON 45,323,187.31, out of which the amount of RON 30,682,530 from the earnings for the year 2020, and the remaining amount from the retained earnings. The dividends have been paid on 24th December 2020 (payment date).*

**Voting structure: 99,56% in favour, out of the votes attending the meeting, 0,44% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

3. Approves the consolidated financial statements corresponding to financial year 2020, on the basis of the Board of Directors' Report and the Company's Financial Auditor Report.

Total Revenue from customer contracts, <i>out of which:</i>	<b>396,180,378</b>
<i>Revenue from sale of finished products</i>	349,938,671
<i>Revenue from the sale of merchandise</i>	44,939,927
<i>Revenue from services</i>	1,301,780
Other operating income	622,666
Income from investment subsidies	2,054,541
Changes in inventory of finished goods and work in progress	(1,731,653)
Raw materials, consumables used and merchandise	(238,958,599)
Employee benefit expenses	(49,866,847)
Amortization and the adjustments for impairment of non-current assets, net	(18,641,137)
Impairment of current assets, net	(1,671,212)
Reversal of provisions, net	223,303
Gains / (Losses) from the disposal of tangible and intangible assets	(75,417)
Losses from the disposal/fair value measurement of investment properties	(166,632)
Other expenses	(49,892,780)
Sponsorships	(226,575)
<b>Operating result</b>	<b>37,850,036</b>
Financial expenses	(721,519)
Interest expense, net	(4,927,448)
Financial income	1,439,731
Income from dividends	60,328
<b>Financial result, net</b>	<b>(4,148,908)</b>
<b>Profit before tax</b>	<b>33,701,128</b>
Income tax expense	(3,999,294)
<b>Profit of businesses that continue their activity within the Group</b>	<b>29,701,834</b>
<b>Profit of Steel and Profiles businesses</b>	<b>47,798,964</b>
<b>Profit for the year</b>	<b>77,500,798</b>

**Voting structure: 96,9049% in favour, out of the votes attending the meeting, 3,0951% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

4. Approves the discharge from administration of the Company's Board of Directors for financial year 2020.

**Voting structure: 30,9257% in favour, out of the votes attending the meeting, 2,4268% against, out of the votes attending the meeting, 66,6474% abstention, out of the votes attending the meeting.**

*Of the 66,6474% abstention votes, 66,34% are given by the company's director who also has the quality of shareholder.*

5. Approves the Budget of Revenues and Expenses for the 2021 financial year.

Budget 2021	TeraPlast	TeraPlast Group
Net turnover	549,976,475	636,223,000
EBITDA	77,460,775	89,126,000
EBITDA (%)	14%	14%

**Voting structure: 100% in favour, out of the votes attending the meeting, 0% against, out of the votes attending the meeting, 0% abstention, out of the votes attending the meeting.**

6. Approves the Investment Program for the 2021 financial year.

	TeraPlast	TeraPlast Group
CapEx Budget 2021	94,537,431	160,293,000

**Voting structure: 100% in favour, out of the votes attending the meeting, 0% against, out of the votes attending the meeting, 0% abstention, out of the votes attending the meeting.**

7. Approves the remuneration level for the members of the Board of Directors for the ongoing year and the general limit for additional remunerations of the Board members:

- a fixed remuneration for the Board members (including the Chairman of the Board) in an amount of 2,000 Euros net monthly;
- the maximum limit of additional remunerations of the Board members – that is, maximum 200% as compared to the fixed monthly remuneration established according to the previous item.

The remuneration thus established shall remain valid until the next ordinary general meeting approving the amount of the administrators' remuneration and/or additional remunerations.

**Voting structure: 82,3103% in favour, out of the votes attending the meeting, 17,6897% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

8. Approves the election of **Mr. Anghel Lucian-Claudiu** as a member of the Board of Directors of the Company, the mandate being valid from the date of appointment, respectively April 28, 2021 and until September 14, 2021.

**Voting structure: 97,3423% in favour, out of the votes attending the meeting, 2,6577% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

9. Approves the election of **Mr. Nadir Geafer ALI** as an independent member of the Audit Committee for a one-year mandate starting from the date of appointment, in pursuance of Article 65 of title I, chapter IX, Law 162/2017, and approves a remuneration of up to 3,000 euro / year net, for the independent member in the Audit Committee.

**Voting structure: 80,3210% in favour, out of the votes attending the meeting, 19,6790% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

10. Approves the election as an external financial auditor of the Company of **Deloitte Audit S.R.L.**, for a term of 2 (two) years from the date of adoption of the OGMS decision, with a remuneration of 24,000 euro / year.

**Voting structure: 99,3317% in favour, out of the votes attending the meeting, 0,6683% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

11. Approves the election as an internal auditor of the Company of **MAZARS ROMANIA S.R.L.**, for a term of 1 (one) year from the date of adoption of the OGMS decision, with a remuneration of 5,000 euro.

**Voting structure: 98,01% in favour, out of the votes attending the meeting, 1,99% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

12. Approves the striking off the notes concerning the auditor whose mandate shall not be extended, if applicable, from the Trade Register of Bistrita-Năsăud.

**Voting structure: 100% in favour, out of the votes attending the meeting, 0% against, out of the votes attending the meeting, 0% abstention, out of the votes attending the meeting.**

13. Authorizes the Board of Directors to fulfill the decisions adopted by the Ordinary General Meeting of Shareholders.

**Voting structure: 100% in favour, out of the votes attending the meeting, 0% against, out of the votes attending the meeting, 0% abstention, out of the votes attending the meeting.**

14. Authorizes the Chairman of the Board, Mr. Dorel Goia, to sign, on behalf and in the name of all shareholders present in the meeting, the Resolution of the Ordinary General Meeting of Shareholders.

**Voting structure: 100% in favour, out of the votes attending the meeting, 0% against, out of the votes attending the meeting, 0% abstention, out of the votes attending the meeting.**

15. Authorizes the Company's legal counsel, Mrs. Kinga Vaida, to carry out all formalities concerning the recording of the Ordinary General Meeting Resolution with the Trade Register Office attached to the Bistrita-Nasaud Court and its publication in the Official Gazette of Romania, Part IV.

**Voting structure: 100% in favour, out of the votes attending the meeting, 0% against, out of the votes attending the meeting, 0% abstention, out of the votes attending the meeting.**

This resolution has been executed and signed today, 28.04.2021, in 5 (five) original copies, out of which 2 (two) copies are for the Company and 3 (three) copies to be submitted at the Trade Register attached to Bistrita-Nasaud Court.



**DECISION no. 1 dated 28.04.2021**

**of the Extraordinary General Meeting of Shareholders of TERAPLAST S.A.**

In pursuance of art.113 and the following of Companies Law 31/1990 as amended to date, of the Articles of Association of TERAPLAST S.A. (the "**Company**"), of Law no. 24/2017, and the ASF Regulation no. 5/2018, the Extraordinary General Meeting of Shareholders ("**EGMS**") of the Company, headquartered in village Sărățel, commune Șieu-Măgheruș, DN 15A, km 45+500, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, held on 27.11.2020, at the Company's headquarters, at 10:30 (Romania time), in a total quorum of 70,6093% of the total 1.743.199.512 voting rights corresponding to the 1.743.200.478 shares issued by TERAPLAST S.A., representing a total number of 1.230.860.345 votes expressed,

**DECIDES**

**On the items of the agenda as follows:**

1. Approves the total value of 150.000.000 lei as the maximum limit of indebtedness that the company can contract between 28.04.2021 - 28.04.2022 and the approval of the warranty of credit and/or leasing contracts which are going to be accessed within the limit established, with security interest in real estate/pledge, assignments of current and future receivables rights, assignments related to current and future cash, resulting from current accounts and assignments of rights resulted from the insurance policies.

**Voting structure: 99,04% in favour, out of the votes attending the meeting, 0,44% against, out of the votes attending the meeting, 0,53% abstention, out of the votes attending the meeting.**

2. Approves the supplementation of the maximum limit of indebtedness that the company may contract between 28.04.2021 - 28.04.2022 with the amount of 60.000.000 lei, which will be used (if needed) exclusively to guarantee the loans of the subsidiaries and the approval of the guarantee of the credit and / or leasing contracts to be accessed by the subsidiaries, within the fixed limit, with real estate/movable securities, assignments of present and future receivable rights, assignments related to current and future available funds, resulting from current accounts and assignments of rights resulting from insurance policies.

**Voting structure: 99,04% in favour, out of the votes attending the meeting, 0,44% against, out of the votes attending the meeting, 0,53% abstention, out of the votes attending the meeting.**

3. Authorises the Board of Directors to take, for and on behalf of the Company, all the actions and steps required or useful for the enforcement of item 1 and 2 of this decision, up to the maximum agreed limit of indebtedness. Therefore, the Board of Directors shall issue decisions on:

- taking out bank loans, entering into credit/leasing contracts, extending the bank loan/leasing contracts, establishing the security structure corresponding to the taken out/extended bank loan or leasing contracts, restructuring/establishing new maturity dates for the granted loans, changing the structure of the securities for the pending loans, authorising the persons entitled to sign for and on behalf of TERAPLAST S.A. the bank loan contracts / the leasing contracts / the security contracts / the addendums to the bank loan/leasing contracts, and also any other complementary documents or instruments related to or referred to in the bank loan/leasing contracts, security contracts or any other documents, and also to sign any other forms and requests that might be necessary or useful in relation to such bank transactions.

- guaranteeing the access by company's subsidiaries of certain bank credits and / or credit contracts / leasing contracts, establish / change the related guarantee structure, empower the persons who will sign on behalf of and on behalf of TERAPLAST SA the warranty contracts / additional documents and any other documents or instruments that are related to or referenced in the warranty agreements and to sign any other forms, requests that may be necessary or useful related to these transactions.

**Voting structure: 99,0365% in favour, out of the votes attending the meeting, 0,4373% against, out of the votes attending the meeting, 0,5262% abstention, out of the votes attending the meeting.**

4. Authorizes the Chairman of the Board of Directors, Mr. Dorel Goia, to sign, for and on behalf of all the shareholders present at the meeting, the EGMS Decision.

**Voting structure: 99,5627% in favour, out of the votes attending the meeting, 0,4373% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

5. Authorizes the company's legal adviser, Mrs. Kinga Vaida, to do everything that is necessary as to record the EGMS Decision at the Trade Register of Bistrita-Nasaud Court, and to publish such decision in the Official Gazette of Romania, Section 4.

**Voting structure: 99,5627% in favour, out of the votes attending the meeting, 0,4373% against, out of the votes attending the meeting, 0,00% abstention, out of the votes attending the meeting.**

This resolution has been executed and signed today, 28.04.2021, in 5 (five) original copies, out of which 2 (two) copies are for the Company and 3 (three) copies to be submitted at the Trade Register attached to Bistrita-Nasaud Court.



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ALEXANDRU STANEAN

TeraPlast S.A. CEO

**If you need any further information feel free to contact us at  
email [investor.relations@teraplast.ro](mailto:investor.relations@teraplast.ro) or by phone at: +40 741 270 439 – Contact person: Alexandra Sica.**