

CURRENT REPORT

In accordance with Law no. 24/2017, and FSA Regulation nr.5/2018

Date of the report: 29th April 2020

Name of the issuing company: TERAPLAST S.A.

Registered office: village Saratel, Sieu-Magherus commune, DN 15A, km 45 + 500, county Bistrita-Nasaud

Phone number: 0263/238.202

Fax number: 0263/231.221

Trade Register No.: J06/735/1992

VAT number: RO3094980

Subscribed and paid-up share capital: RON 133,780,650.80 lei

Regulated market for shares admitted to trading: Bucharest Stock Exchange, standard cat., symbol TRP

Important events to be reported :

On April 29th 2020, 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, through power of attorney and also through voting by correspondence, the shareholders registered in the Shareholders Register held by Central Depository, at April 16th 2020, established as a reference date, the quorum consisting of 64.3465%, from the total of 1,337,805,018 voting rights related to the 1,337,806,508 shares issued by the Company.

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

DECISION no. 1 dated April 29th, 2020
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., of Law no. 24/2017, and the NSC Regulation no. 5/2018, the Ordinary General Meeting of Shareholders of the company TERAPLAST S.A., headquartered in village Sărățel, 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 April 29th 2020 at the company's headquarters, at 10:00 am, in a quorum of 64.3465% of the total 1,337,805,018 voting rights corresponding to the 1,337,806,508 shares issued by TERAPLAST S.A., representing a total number of 860,830,691 votes expressed,

DECIDES

On the items of the agenda as follows:

1. Approves the Report of the Board of Administration on the individual and consolidated financial situations for the 2019 financial year.

Voting structure: 99.5201% for, 0.4799% against, 0% abstention

2. Records the Report of the financial auditor DELOITTE AUDIT S.R.L on the individual and consolidated financial statement for the 2019 financial year.

Voting structure: 99.5201% for, 0.4799% against, 0% abstention

3. Approves the individual financial situations for the 2019 financial year, based on the Report of the Board of Directors and the Report of the Company's financial auditor.

Description	Financial year 2019
Revenues total –out of which:	371,113,282
Revenues from sale of finished products	324,107,838
Revenues from the sale of merchandise	46,574,399
Revenues from service rendering	431,045
Other operating income (including rent)	2,004,428
Changes in inventories of finished goods and work in progress	-469,965
Raw materials, consumables used and merchandise	-258,372,802
Employee benefit expenses	-39,154,707
Expenses with impairment adjustments and amortization	-18,213,381
Impairment of trade receivable, net	-734,803
Impairment of trade inventory, net	1,627,842
Provisions, net	-1,052,686
Losses on disposal of tangible and intangible assets	-190,023
Gains from sale of assets held for sale	15,034
Gains/(Losses) from the fair value measurement of investment properties	205,310
Loss at disposal of investment properties	-133,370
Other expenses	-40,250,227
Operating result	16,178,346
Interest expense, net	-5,784,967
Other financial income/ (expense), net	118,005
Dividends received	88,742
Profit before tax	10,600,126
Income tax expense	-930,974
Profit for the year	9,669,152

Voting structure: 99.5201% for, 0% against, 0.4799% abstention

4. Approves the proposal of distribution of the net profit for the 2019 financial year, as follows:

- Net profit realized: 9,669,152 lei;
- Legal reserves: 539,239 lei;
- Retained earnings 9,129,913 lei;

Voting structure: 99.5201% for, 0% against, 0.4799% abstention

5. Approves the consolidated financial statements for the 2019 financial year, according to the Report of the Board of Directors and the Report of the Company's financial auditor.

Description	Financial year 2019 RON
Total Revenue from customer contracts, <i>out of which:</i>	972,582,408
<i>Revenue from sale of finished products</i>	835,541,229
<i>Revenue from the sale of merchandise</i>	124,469,014
<i>Revenue from turnkey halls and other services</i>	12,572,165
Other operating income	2,174,416
Changes in inventory of finished goods and work in progress	-3,134,062
Income from the variation of turnkey halls in progress	310,752
Raw materials, consumables used and merchandise	-698,053,436
Employee benefit expenses	-86,152,804
Amortization and the adjustments for impairment of non-current assets, net	-32,773,395
Impairment of trade receivable, net	-2,713,577
Impairment of trade inventory, net	1,976,608
Expenses with provisions, net	-1,182,096
Gains / (Losses) from the disposal of tangible and intangible assets	-124,645
Gains from the disposal of assets held for sale	15,034
Losses from the disposal/fair value measurement of investment properties	-133,370
Other operating expenses	-96,921,507
Income from debt cancellation	24,269,035
Impairment of goodwill	-25,204,000
Operating result	54,946,573
Financial expenses	-3,829,085
Interest expense, net	-9,005,774
Financial income	2,552,272
Income from dividends	88,742
Financial result, net	-10,193,841
Profit before tax	44,752,732
Income tax expense	-5,845,202
Profit for the year	38,907,530

Voting structure: 99.5201% for, 0% against, 0.4799% abstention

6. Approves the discharge of the Company's Board of Directors for the 2019 financial year.

Voting structure: 26.7420% for, 0% against, 73.2580% abstention

Of the 73.2580% abstention votes, 72,781% are given by the company's director who also has the quality of shareholder.

7. Approves the Budget of Revenues and Expenses for the 2020 financial year.

Budget 2020	TeraPlast	TRP Grup
Turnover, net of intragrup transactions	441,885,407	1,248,550,001
EBITDA	47,202,223	146,039,520
EBITDA%	10.7%	11.7%

Voting structure: 100% for, 0% against, 0% abstention

8. Approves the Investment Program for the 2020 financial year.

**CapEx Budget 2020
(million lei)**

Teraplast SA	14.3
TRP Grup	30.9

Voting structure: 100% for, 0% against, 0% abstention

9. Approves the proposal of keeping the level of the remuneration for the members of the Board of Directors for the 2020 financial exercise to the same net level approved in 2019 financial exercise. The remuneration thus established shall remain valid until the next ordinary general meeting approving the amount of the administrators' remuneration.

Voting structure: 100% for, 0% against, 0% abstention

10. Elect Mr. Nadir Geafer ALI as an independent member for the Audit Committee, for a mandate of 1 year from the date of appointment, in accordance with Article 65 of Title I, Chapter IX, Law 162/2017;

Voting structure: 100% for, 0% against, 0% abstention

11. Approves the proposal for establishing the remuneration of the members of the Audit Committee at a value of up to 3,000 euros / year net.

Voting structure: 100% for, 0% against, 0% abstention

12. Empowers the Board of Directors to fulfill the decisions adopted by the Ordinary General Meeting of Shareholders.

Voting structure: 100% for, 0% against, 0% abstention

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

Voting structure: 100% for, 0% against, 0% abstention

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

Voting structure: 100% for, 0% against, 0% abstention



DECISION no. 1 dated April 29th, 2020
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., of Law no. 24/2017, and the NSC Regulation no. 5/2018, the Extraordinary General Meeting of Shareholders of the company TERAPLAST S.A., 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 April 29th, 2020 at the company's headquarters, at 10:30 am, in a total quorum of 64.3465% of the total 1,337,805,018 voting rights corresponding to the 1,337,806,508 shares issued by TERAPLAST S.A., representing a total number of 860,830,691 votes expressed,

DECIDES

On the items of the agenda as follows:

1. **Approves the share capital increase with 40,539,546 lei*, lei by releasing of 405,395,460 new shares**, with a reference value of 0.10 lei/share, as well the determination of the price 0.28 lei for the compensation of the fractions of shares following the application of the algorithm and the rounding of the results to the lower inferior, in accordance with the applicable legal provisions.

The share capital increase will be made by incorporating the reserves in amount of 40,539,546 lei, constituted from the issue premium of 27,384,726 lei and other reserves of 13,154,820 lei, and by releasing of 405,395,460 new shares with a reference value of 0.10 lei/share. The new released shares will not modify the shareholders percentage

and will be distributed for free to all company's shareholders, registered in the Shareholders' Registry, at the registration date established by this Decision. The capital increase is made in order to support the current activity of the company. **Every shareholder registered in the Shareholders' Registry at the registration date shall receive 1 new share for every 3.3 owned shares.**

**When calculating the value with which the share capital is increased, was taken into account the number of shares issued by the company, out of which a number of 1490 shares fell (shares that have entered into the Company's account following the application of the algorithm and the rounding of the results to the lower one as a result of the processing of the capital increase) and which the Company holds at the present date, taking into account that own shares do not give rise to dividends or other rights. According to E.G.M.S. no.1/20.12.2019, it was approved the cancellation of these own actions, and the procedure for canceling them is in progress.*

Voting structure: 100% for, 0% against, 0% abstention

2. Approves the update of the Articles of Association, in accordance with the ones approved at point 1 of the present, as follows:

Art. 7. Alin. (1) "The subscribed and paid in share capital of the Company TERAPLAST S.A. is 133,780,501.80 lei divided into a number of 1,337,805,018 registered shares, with nominal value of 0.1 lei each" **modifies and will have the following content:**

"The subscribed and paid in share capital of the Company TERAPLAST S.A. is 174,320,047.80 lei divided into a number of 1,743,200,478 registered shares, with nominal value of 0.1 lei each".

Voting structure: 100% for, 0% against, 0% abstention

3. Approves the total value of 180.000.000 lei as the maximum limit of indebtedness that the company can contract between 29.04.2020 - 29.04.2021 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: 99.5201% for, 0.4799% against, 0% abstention

4. Approves the supplementation of the maximum limit of indebtedness that the company may contract between 29.04.2020 - 29.04.2021 with the amount of 180,000,000 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: 99.5201% for, 0.4799% against, 0% abstention

5. 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 3 and 4 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: 99.5201% for, 0.4799% against, 0% abstention

6. Establishes the date of **August 18th, 2020 as the registration date** when the shareholders affected by the decisions adopted by the Extraordinary General Meeting of Shareholders shall be identified, according to art. 86 par. (1) of the Law no. 24/2017.

Voting structure: 100% for, 0% against, 0% abstention

7. Approves the date of **August 17th, 2020, as "ex-date"**, namely the date previous to the registration date when the financial instruments, subject of the decisions of the corporate bodies, are transacted without the rights resulting from such decision, in accordance with art. 2 par. 2 lit. l) of Regulation no. 5/2018.

Voting structure: 100% for, 0% against, 0% abstention

8. Approves the date of **August 19th, 2020 as payment day**, as defined by the art. 86 par. 2 of the Law no. 24/2017, art. 2 par. 2 lit. h) and art. 178 of Regulation no. 5/2018.

Voting structure: 100% for, 0% against, 0% abstention

9. Authorizes the Board of Directors to enforce the decisions adopted by the Extraordinary General Meeting of Shareholders.

Voting structure: 100% for, 0% against, 0% abstention

10. 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: 100% for, 0% against, 0% abstention

11. 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: 100% for, 0% against, 0% abstention

Chairman of the Board of Directors

Dorel Goia

If you need any further information please contact us on +4 0741 270 439, email: investor.relations@teraplast.ro, contact person Alexandra Sica – PR Manager.