

February, 2021

TeraPlast Group's unaudited preliminary financial results in 2020

Teleconference with analysts and investors

A. Presentation of the results and main speech topics

Presenters: Alexandru Stănean, CEO TeraPlast; Ioana Birta, CFO TeraPlast;

The year 2020 at a glance

- In 2020, we talked mainly about the pandemic, but we need to separate the medical situation from the economic one.
- For the TeraPlast Group, 2020 was by far the best year in the company's 125-year history.
- We had the highest increase of the share among the BET index and on February 16 we exceeded 1 billion RON market capitalization.
- The year 2020 was a good year, it began with the inclusion in the BET index;
- We distributed free shares during the year, we granted each shareholder with one free share for every 3.3 shares held.
- We signed, in the summer, the sale transaction of the steel products division with the world leader, this being an honour for us.
- We were able to capitalize on the last excess assets of the company through a partnership for a real estate project in Bistrita.
- We were one of the 3 companies in Romania included in the FTSE Russell MicroCap and TotalCap indexes.
- We have applied for investment projects in the amount of 32 million euro and we will receive from the Ministry of Finance 14-million-euro state aid to fund our future growth.
- We sold the window profiles business, a division whose performance was below the group average and had no chance to reach alone 1st or 2nd place in the market.
- We distributed dividends worth 9 million euro on Christmas Eve;
- During the period when the Romanians are thinking about pound cakes and meat rolls between Christmas and New Year, we bought 70% of Somplast shares, representing our entry on the flexible packaging market. The factory is functional and allows us to be there before starting the activity in the TeraPlast Folii Biodegradabile factory.

TeraPlast Group Structure

- The TeraPlast Group includes in 2021 TeraPlast, the parent company, which has been listed on the Bucharest Stock Exchange since 2008.
- We are the greatest PVC processor in the east of the European Union, we are leaders in Romania when it comes to PVC compounds, PVC pipes, 2nd or 3rd place on PE and PP pipes, but our ambition in 2 years is to become leaders in this market.
- TeraPlast Recycling is the largest rigid PVC recycler in Romania, but the glorious title is the 8th place in Europe in the Top 10. Here we will also have a doubling of production capacity this year
- TeraPlast Folii Biodegradabile is a start-up, a new company, in which we invest 12 million euro and we have the ambition to become the market leader on biodegradable flexible packaging in Romania, through TeraPlast Folii Biodegradabile, Somplast and other purchases we intend to make.

Key figures - 2020 production

- 2020 means almost 20 million linear meters of pipe. That's about half the circumference of the Earth at the Equator.
- 17.4 thousand tons of PVC and HFFR granules, about one kilogram per Romanian.
- 9 thousand tons of recycled material, 11 million pieces of fittings and rotomolded products and over 125 thousand doors and windows.
- This is despite the fact that, unfortunately, we had to turn away customers, to reject orders because we had capacity limitations.
- We have, practically, reached our production capacities and that's why we decided to invest 34 million euro in expanding production capacities through the projects co-financed by state aid, to which are further added 2 million euro investments by Somplast.
- Our ambition is to become leaders in all the markets in which we operate and this needs to be done with investment.
- We buy the latest technology available. For example, the productivity of the line we are buying is almost 3 times higher than the existing lines, because it is of the latest generation.
- We will have better technology than our competitors in the European Union, than the European leaders in the markets where we operate because it is newer, and this will lead to a 50% increase in the production capacity on the installations line, doubling for TeraPlast Recycling.
- Through TeraPlast Folii Biodegradabile, by purchasing Somplast and other purchases, we will become the market leaders in flexible packaging and foils.

2020 financial results

- This year, the group exceeded the turnover of 1 billion RON, of which 400 million Plastic division, which continues to operate in the TeraPlast Group and that is where we start.
- Steel Group and the window profiles segment are being transferred to the new owners, the transfer is set to be completed in this first quarter of 2021.
- After the sale of the Steel division, we will reward the shareholders with dividends, as the shareholders expressed their wish for this.

- In 2020, the Plastic division had the best performance in the Group, registering an EBITDA of 14.2%, above the group average of 12%.
- The increase in turnover, of 16%, could have been bigger if we were not limited by the production capacity, which is why we are making investments of 157 million RON so that we can deliver faster and keep up with the orders.
- We are starting from the 130 million EBITDA achieved in 2020.
- Of this amount, 56 million is the EBITDA of the Plastic division.
- We have a good basis for future increases, as the Plastic division has a 14% profitability that we will keep.
- The organic growth in 2021 will bring 20 million RON, additional EBITDA.
- We are currently in the process of implementing all investment projects, that will be operational in the second half of 2021.
- These projects, the increase in PVC, PE production capacity, and new products, particularly the flexible packaging, will bring in 2021 an additional EBITDA of 12 million RON.
- In this manner, we will achieve an EBITDA of 89 million lei for the entire year 2021.
- At maturity, these investment projects will come with an additional EBITDA of 26 million RON.
- Through the M&A activity, respectively one or two companies that we will purchase, we will bring an extra EBITDA of at least 15 million RON.
- In this way, we are trying to complete the EBITDA of 130 million RON of the TeraPlast Group.
- The Steel Division and the line of window profiles will be out of the group in the 1st quarter.
- The price of the steel division is calculated based on a headline price of 410 million RON, which will be adjusted with the net bank debts from the date when the transaction was concluded, which will be February 26.
- The net debts of the Steel division are 16 million RON.
- The Plastic Division starts with a leverage of 2.2 which is a very comfortable one for our shareholders and we still have room for contracting bank debts for new investments.
- For certain, part of the money we will receive from Kingspan will go both to finance investments and to reduce the gearing.

2021 objectives - challenges

- Beyond the 125th anniversary of the beginning of the economic activity that led to what TeraPlast means today, this year we are entering the 300-million-euro biodegradable and classic polyethylene packaging market.
- We are entering this market both through the investment in Somplast and through the new investment of TeraPlast Folii Biodegradabile.
- On investments, we have 32 million euro on TeraPlast and 2 million euro on Somplast - investment projects that we will implement - upon which we will create 200 jobs, we will increase by 50% the existing production capacities in the area of installations and we will come with the new packaging division.

- All these investments come because we couldn't manage to serve the demand from last year, which is particularly frustrating for my sales colleagues and for me, to have demand and not be able to deliver, even though we operated.
- On pipes, last year, we had 15 days off, in total, throughout the year and yet we could not serve the requests from customers, hence the increase in production capacity by 50%, because there is money.
- The money is European and does not overload the state budget.
- There are over 6 billion euro to be spent from POIM and we are waiting for the PNRR (National Relaunch and Resilience Program) to be launched. This means water supply, sewerage and irrigation projects for which approximately 8.2 billion euros will be allocated.
- To these will be added the 900 million euro projects announced by the Government for gas supply.
- We have a market, we only need production capacities, because we don't want Romania to become a pipe importer.
- We do indeed have a challenge when it comes to TeraGlass. There we have to improve profitability very steeply.
- We are relying, therefore, on the enhancement of production capacities in order to increase the turnover by 60%, up to 636 million RON, to approach 90 million EBITDA lei, with an increase of 58%, and to remain above the 14% EBITDA margin with these investments.

2021 objectives - TeraPlast Group

- The Plastic Division, so the activity that continues in the TeraPlast Group, has major investments in 2021: 70% of the Group's business in 2021 will be represented by the installations.
- We have a significant increase both with regard to turnover and margin, thanks to the new investments for increasing the production capacity, an increase of about 50%, an increase already partially implemented since the end of 2020.
- The compounds had a constant EBITDA performance between 12% and 17% during the last 3 years.
- With this very good performance we will also increase the volumes in 2021: on the market of halogen-free fire-retardant compounds and electric cables, where we are the only manufacturer in Romania;
- Windows & Doors, with a 50% increase in production capacity implemented with state aid in 2019, will significantly improve its operational performance, which means will be much more efficient when it comes to production flows, and in this way, we will achieve the objective of improving EBITDA and it, respectively TeraGlass, will also have an EBITDA of 11% in 2021.
- As regards TeraGlass, we are talking about a market with over 1,000 players, larger or smaller window manufacturers. In a market of 1,000 players, our ambition is to enter the top 10 and we have the production capabilities to achieve this.
- The projects we are currently implementing will bring an additional turnover of 83 million RON in 2021 and an EBITDA contribution of 12 million RON.
- At maturity, the investment projects will have a turnover of 50 million lei with an EBITDA of 8 million RON, meaning that all projects will have an EBITDA between 12%

and 20% because we target businesses with high profitability, primarily, because we are talking about markets governed by imports.

- By replacing imports, profitability increases because we replace the cost of transportation in the first place.
- All investment projects will be implemented this year, being scheduled to reach maturity in a time horizon of 1-2 years.
- These projects will also bring 218 new jobs.
- We're feeling really confident about our development plans.
- As I was telling you, in view of the funds that are allocated from the European Union and I would like to insist that it is money from the EU, not money from the state budget, which I know is under pressure, we are confident that we will have sustained demand in the following 2 years due to the POS large infrastructure and 2 years after that through PNRR.
- Beyond the fact that we will have money, we also have a great need of infrastructure works.
- Just think about the fact that now, only 54% of the Romanian population is connected to sewerage networks, only 70% of the Romanian population is connected to water networks.
- Comparing the access to water in Romania with Bulgaria, which, in all European statistics is below Romania, as regards water supplies, Bulgaria is at 95% of the population connected.
- If we are talking about gas, it will take us, working at the current rate, another 80 years to reach Hungary. Pay attention, we are not talking about Western European countries, we are talking about our neighbours, some of them Bulgarians, who are on last place in all statistics.
- We will have production capacities in such a manner that we can serve our customers so that we no longer have to reject them.
- We will have production capacities to be able to export because we want to reach 15% export, not 9% as it was last year in terms of plastics.
- We intend to acquire companies, as we study about 300 possible acquisition targets per year.
- We have a team of people who have worked in Big 4, who do this: they study possible companies to acquire, that would, of course, make sense in the TeraPlast Group.
- Our immediate objective is to exceed the 130 million RON EBITDA that we made in 2020, although we are selling the steel products division and the window profiles part.
- The money we obtain from these transactions will be used for development projects, to reduce the gearing, and last but not least, to reward our shareholders with dividends.
- All our shareholders want dividends, we have seen many questions on this topic. Therefore, we will grant dividends as soon as we complete the transaction with Kingspan, a transaction that will be concluded next Friday.

B. Q&A

1. What are the development plans with Somplast?

Alexandru Stânean, CEO

- First, we need to get the approval of the Competition Council, before discussing Somplast in more detail. Until then, we cannot provide more information.
- Returning to the analysis team I've mentioned earlier, Somplast is a target that we've been analysing for about 3 years.
- Whatever company we buy, we don't buy it overnight, but after serious and long-term analyses.
- The same happened with Serbia, for example. I went personally for the first time to the factory in Serbia in 2011.
- We bought it in 2017 as a bankruptcy and it became a market leader.
- Why? Because we make purchases following serious analyses, not overnight.
- We bought Somplast because it is our entry on the polyethene packaging market, it also brings a small production capacity on the pipe side and ultimately for the assets it has.
- Somplast has 20,000 square meters of halls that TeraPlast will no longer have to build for future developments.
- All the equipment is new, except for those on state aid that imply building new halls, will all be placed on those premises.

2. Why is the turnover of 400 million RON because it is not in line with what we are used to so far?

Ioana Birta, CFO

- It is the turnover of the plastics division, which continues its operation within the Group.
- From this point on, we are starting to develop in 2021.
- Along with the two divisions we are selling, namely, the Steel Division with TeraSteel Romania and Serbia, Wetterbest, and the window profiles division, we registered a turnover of 1.1 billion RON in 2020.
- What remains, and the foundation from which we are starting and further developing, is the plastics division with a turnover of 400 million RON and an EBITDA of 56 million RON.
- We aim to reach a turnover of 1 billion RON and an EBITDA of 130 million RON in a time horizon of 2 years.

3. Regarding the statement with the packaging market of 300 million euro of biodegradable bags and foils - is it about the Romanian market? What% market share do you hope to have in the coming years?

Alexandru Stănean, CEO

- The packaging market in Romania, according to the market research, is 300 million euro, both the biodegradable and the classic market.
- It is an exportable product and there are many imports in Romania.
- Approximately 40 million of these represent imports in Romania. These are imports that we set out to eliminate.
- It is an exportable product. Somplast, for instance, has been exporting this type of products to France for years.
- This is why we entered this market. It is an atomized market, there are over 50 producers and none of them has a very large market share, so we are confident that we will aggregate, through organic growth and acquisitions, a business that will be a leader in this market.

4. How does Q1 look based on data so far?

Ioana Birta, CFO

- We can't say anything, but we can say it's good.
- It is in line with the results we had in 2020, which is very good.

5. Can you give us an estimate of the profit made from the sale of the Steel division?

Alexandru Stănean, CEO

- Have a little more patience.
- Next Friday, the transaction ends, occasion on which the calculation is made and the figure is published.
- Before being able to discuss it, the information needs to be public.

6. At what value do you think of assigning special dividends following the Steel sale?

Alexandru Stănean, CEO

- The money ultimately belongs to the shareholders.
- We know that shareholders want dividends.
- It is the time, after years of investing, to grant dividends, but the decision will depend upon the shareholders.
- The profit will be marked on Q1 of 2021, after which, as in Q3, we will have an audit in Q1 and the distribution of the profit will be established by the shareholders.

7. Are you also considering a share capital increase with free shares or only dividends?

Alexandru Stănean, CEO

- It is up to the shareholders to decide how this profit will be distributed.
- I think it can be seen in the financial statements and if it is not obvious I say it now: the development of TeraPlast can be done, due to the fact that we have a very low degree of indebtedness, through bank financing.
- Therefore, the shareholders will be able to distribute as they decide the profit from the transaction with Kingspan.

8. Will the acquisitions of companies also aim at entering other markets / fields of activity?

Alexandru Stănean, CEO

- We're studying any market we are good at and we are good at everything that means plastic products, irrespective of the application.
- We are equally good at building materials.
- We are in the market, we know how to sell construction materials, I say, regardless of their nature.
- On the other hand, we know how to produce almost everything that is made of plastics.
- These are the areas we are looking at this time for mergers and acquisitions.

9. I understand that the sale transaction of the Steel division is worth 410 million RON, with conditionalities. Is there a chance that the final amount will be higher?

Ioana Birta, CFO

- These conditionalities are net debts.
- The net debts of the Steel division on December 31st amount to 16 million RON. They are deducted from the base price.
- The value of the transaction will not be higher than 410 million lei.

10. What is the current level of indebtedness of the unsold transactions? What level of indebtedness do you estimate they will reach after repaying part of the debt from the Steel sale?

Ioana Birta, CFO

- The degree of indebtedness of the remaining operations is 2.2, total bank debts on EBITDA.
- A very comfortable leverage that leaves room for bank debt financing of new investments.

11. What share does the export have in total turnover?

Alexandru Stânean, CEO

- 9% in 2020.
- If we had bigger production capacities we would have exported more.
- Our immediate objective is to reach 15% of what is now exported, for example, on compounds.

12. Do you have a revenue projection for the next year as well, since you said that the investments from 2021 will reach maturity in 2022? Are there any chances to reach a turnover of 1 billion RON in 2022?

Ioana Birta, CFO

- Yes, the projections are reflected on slide 13.
- In 2021 we will have a turnover of 636 million RON, starting from the base, which means the plastics division, that continues its activity within the group and which made 400 million RON for the whole year 2020.

- EBITDA of the plastics division, which continues its activity within the group, so the base from which we start, is 56 million RON, and for 2021 we will have 89 million RON.
- This is happening in 2021, but the investments we are already implementing are reaching maturity in a 1-2 year horizon.
- In slide 8 we see what happens after 2021. More specifically, at maturity, the investments we are implementing bring another 26 million RON, in addition to the 89 million RON we will make in 2021, a year in which the investments will bring their contribution to EBITDA only in the second half of the year.
- With these investments at maturity and with 1-2 new companies acquired, which will bring at least 15 million RON additional EBITDA, we will reach 130 million RON again.

13. Do you have an estimate of the final price for the window profiles division? How is it calculated?

Alexandru Stănean, CEO

- We have announced it: it will be about 4.5 million euro.
- We are not talking here about an equally complex formula.
- The only thing that will influence the price will be the inventory on the date of transfer, which is March 15.

14. Somplast is in a union with Vrancart Recycling and Dedeman. Will you continue this collaboration for the biodegradable foils?

Alexandru Stănean, CEO

- Some information got mixed.
- Vrancart intends to increase its recycling and has created an OIREP in which Somplast holds 0.1% of the shares.
- That stake is absolutely immaterial.
- We are interested in everything that means recycling and green initiatives.
- With last year's activity of TeraPlast Recycling, we are saving 22,000 tons of carbon dioxide thanks to the fact that we are replacing some of the virgin raw material with recycled raw material.
- We are saving 4,000 tons of carbon dioxide by investing in photovoltaic panels.
- All these green initiatives will continue.

- Doubling production capacity at TeraPlast Recycling means that 22,000 tonnes of carbon dioxide will be converted into 44,000 tonnes of carbon dioxide saved by what we are doing there.

15. To what extent can the increase in the price of raw materials be passed on in the final price of plastic products?

Alexandru Stănean, CEO

- We have been witnessing a record growth in raw material price, a record in the last 5 years.
- The growth is present worldwide.
- The budget includes 9% price increases that we have been operating since January

16. When you say that in 2 years the investments will reach maturity, do you mean 2023? So do we hope to reach almost 1 billion turnover and 130 million EBITDA again in 2023?

Ioana Birta, CFO

- It is possible to make acquisitions of companies this year, which will contribute to EBITDA.
- So it is possible to reach the 130 million lei EBITDA right from 2022.
- Our projections are more reserved, this is why we gave this horizon of 2-3 years.

Alexandru Stănean, CEO

- The objectives of becoming leaders in the packaging and PE piping market, which we are not yet a leader in, are by the end of 2022.
- By that time, we intend to have these positions, which will also be reflected in EBITDA.

17. In relation to the threshold of 130 million lei EBITDA, it takes into account the new investments. But what growth potential would there be after it? Is the 130 million threshold a maximum you can reach with current investments?

Alexandru Stânean, CEO

- The 130 million EBITDA target is comprised of the investments we are making, the ones announced, plus mergers and acquisitions, bringing 15 million to the EBITDA.
- Yes, these investments are considered to capacity.

18. What is happening is a maximum? What potential is there for what will happen next?

Alexandru Stânean, CEO

- We will continue to grow in Romania and abroad.
- We are looking on a radius of 1,000 km for development opportunities, but the amounts concerned aim at the maximum use, which is 1,020 shifts per year, of the production capacities from the announced investments.

19. So 130 is a maximum for the organic growth and M&A. Right?

Alexandru Stânean, CEO

- Yes.
- Do you know what is the best part? We are investing this year half of the turnover.
- I am convinced that if more companies in Romania would make investments at this level, in a short time we would not look with envy at countries like Poland or the Czech Republic.
- I would like to see that more companies from Romania invest in order to develop at the pace we are.

20. Of these 32 million, how much is already invested and how much is European funds?

Alexandru Stănean, CEO

- They are state aid, not European funds, but they work somewhat similarly.
- Since January 4, we have one line already operating, bought as part of these projects.
- The next one will be put into operation at the end of next month or at the latest at the beginning of April.
- The others are about to be staggered. We are talking about almost 40 contracts for the supply of various equipment related to these investments.
- A large part of them are signed, deliveries have started and little by little, we are putting them into operation.

21. How much is the state aid?

Alexandru Stănean, CEO

- 14 million euro is the value of state aid.

22. How much will the degree of indebtedness rise after the investments of 32 million euro?

Ioana Birta, CFO

- On the basis of the results from 2021 we will have a gearing of approximately 2.

23. How do you comment that after these extraordinary results the share price is decreasing at BVB?

Alexandru Stănean, CEO

- We are here to work, to generate turnover and EBITDA.
- We did these last year, we showed you what we are planning for this year.
- The evolution of the share is influenced by several factors. There are other mechanisms there that I don't want to discuss.

Dorel Goia, Chairman of the Board of Directors

- The stars are the colleagues from the executive, never the shareholders, even though the press often turns them into stars.
- Why did the price increase or why did it decrease? I'm asking a colleague of yours, a broker from a company as large, who was asked at one point by a shareholder from Cluj if he should invest in TRP shares.
- At that time, the market capitalization was 70 million euro, approximately 1 year and a half ago.
- The broker told him that only chickens invest in TRP. Everybody's entitled to their opinion.
- Who was right? The one who invested in TRP at the right time. He marked the profit.
- TRP has grown sustainably and will remain a high-rated company, but that depends on us, not you, the investors.
- If we deliver results, we deliver profit, EBITDA, then you will believe in the company.
- We don't like to brag and give you hope, but we assure you that if 3 years ago we were researching the market in Hungary or Serbia, we are doing it now too.
- In Romania, there are many other companies from Hungary, such as MOL, reputable companies, banks from Poland ... they all come to Romania because it is a good business environment and they are making a profit here.
- How many companies went to Serbia, Bulgaria, Poland? Very few and not to produce there, which is the definition of expansion in the neighbouring countries.
- The western border of Hungary is closer to Cluj than Ploiești.
- Why don't Romanians go to produce in Serbia? I've admired them a lot while we were colleagues, but unfortunately, they are 15 years behind us, like Vietnam opposite China.
- We are negotiating to enter as a shareholder in another country to do the job.
- Depending on what we deliver in the coming years, the market capitalization of TRP will evolve and we will be more or less proud of what we are doing.
- We are trying to do as many good things as possible, calculated, not with impulsive decisions.
- We didn't even have the courage to buy bankruptcies. We analysed the market, how many imports, how many exports, what is happening in Serbia and we entered there. In 2 years we've become the market leader.
- There are several kinds of leaders in business. Some of them are very big world leaders, and there is nothing left after them. For instance, the next one after Kingspan is 6 times smaller. Why did they come to us? Among others, they liked what we did in Serbia.

- In the end, we will tell you what we do at the right time. We will tell you true facts, not dreams. We are talking here about market shares, cost calculation, transport impact etc.
- We would never buy second-hand equipment. We will always buy everything new, better than the competitors in the same field from Germany. Then we fight on the same level as the Germans, the Italians, the Poles, the Hungarians or the Swedes.
- We get the job done. If we somehow disappointed you that the market capitalization has decreased... it happens.
- Maybe the broker from Cluj is right, but I think he was wrong.

24. From the amount of sale of the Steel division do you give dividends too or just shares?

Alexandru Stănean, CEO

- Yes, once again, we also give dividends because our shareholders want dividends.
- We have the largest pension funds shareholders from Romania and it is normal that after we have been stingy with dividends for years, we reward the shareholders.

25. Are you planning to expand your business outside the field of organic or non-organic plastics? If the opportunity arises.

Alexandru Stănean, CEO

- Beyond the plastics area where we have comfort because we know how to produce efficiently, competitively, everything that means plastics, we know how to sell very well everything that means construction materials.
- Wherever we feel we have competencies, we are interested

26. One of the last objectives of collecting the amount from the transaction with Kingspan, you said, is to reduce the degree of indebtedness. What do you mean? Why do you want to reduce it? Do you find it high, risky or do you see the financing costs as being too great?

Ioana Birta, CFO

- It is a very comfortable level of indebtedness, 2.2 as we have now.

- We already have investments in implementation of 34 million euro, of which 14 million are financed by state aid.
- We also have a number of businesses under analysis for M&A.
- Our objective is to implement these investment projects, to purchase companies and to remain at a very comfortable gearing, around 2.

Alexandru Stânean, CEO

- A gearing around 2 implies that if opportunities arise among the hundreds of companies analysed, it means that we can take very quickly that cash and close a very good deal. It doesn't mean it's an uncomfortable level.

27. Does it mean you want more room for manoeuvre?

Alexandru Stânean, CEO

- Yes, it gives us the flexibility to enter any acquisition.

28. Are the 34 million euro planned for 2021?

Alexandru Stânean, CEO

- They are investments through state aid, to which is added 1 million euro for doubling the capacity of Recycling and 2 million euro for the investments in Somplast.

29. But how many of them have already been achieved?

Ioana Birta, CFO

- In 2020, we paid 2 million euro for the first line of PVC that is already operational.
- The rest will be fully implemented in 2021.

30. How big will be the estimated volume of goods to transit to the new warehouse on the Electroprecizia platform in Săcele?

Alexandru Stânean, CEO

- We don't provide information at the level of regional warehouses, so I can't answer you.

31. Was it a one-off in Q4?

Alexandru Stănean, CEO

- Yes, in Q4 we accounted for almost 3 million RON of non-recurring expenses, related to the transactions carried out.

32. Do you have a guideline on dividends? If it will be similar to last year's yield, absolute value?

Alexandru Stănean, CEO

- Let's close the transaction with Kingspan and then we'll see.
- We have no other indication at this time than that we will grant dividends.

33. How long after the transaction will you announce something about dividends?

Ioana Birta, CFO

- Dividends will be granted on the basis of the audited financial statements for Q1.

34. You mean, most likely in May?

Alexandru Stănean, CEO

- Rather in June.

Ioana Birta, CFO

- Certainly, at the meeting in April on the results on Q1, we will be able to tell you more.

35. One of the participants suggests that we should give 75% of the profit from T4 as dividends and reinvest altogether the profit from the transaction with Kingspan.

Dorel Goia, Chairman of the Board of Directors

- Any suggestion is good.
- We don't know what we can buy because we've got some pretty strict regulations.

- We will never buy a company that has bank debts over 1 because we are cautious.
- We don't buy a company if it has old equipment because it doesn't help us. Also if they are not functional and have no exportable goods. No export goods can be produced on old equipment.
- Somplast also exports to France with a very good profit.
- After all, we have about 90 lines in our analysis. If the respective criteria are met and the one who sells, does it at a reasonable price, at the multiples of EBITDA that are comfortable for us, then we will make any kind of acquisition.
- We never buy shares in a company where wages are paid or sells are carried out illegally or where we don't like the shareholders. We're being conservative.
- If there appears a target that meets the requirements of the colleagues in the analysis department, of the executive management, of the members of the Board of Directors, then the acquisition is decided.
- If a target appears which meets the requirements of the colleagues in the analysis department, executive management, members of the Board, then the acquisition shall be decided. But here the shareholders have the last word.

36. Can the granting of dividends be correlated with the GMS of the end of 2020? Do you mean an extraordinary GMS?

Ioana Birta, CFO

- The approval of the dividends will be carried out with an extraordinary GMS based on the results audited at Q1.
- Not at the GMS approving the results for 2020 because we are marking the profit on February 26th.

Dorel Goia, Chairman of the Board of Directors

- This is because the legislation of the last years allows us, or else we would have had to wait until 2022.

37. How do you appreciate the support of the new Government especially on the side of agriculture and irrigation?

Alexandru Stănean, CEO

- We like governments that invest and invest wisely.
- There is a lot to invest in Romania. We have 52% of the population with access to sewerage, 70% to water etc.
- The current government has European funds on its side - we have never had access to as much European money as we have now.
- We would like to see this money spent.
- We are contributing enough to the European Union budget to have the right to benefit from this money. To do this, they must first be spent.

38. In the preliminary report, is the diluted earnings per share relative to the weighted average number of shares? I see that it is 1.48 billion shares and TRP has 1.7 billion shares.

Ioana Birta, CFO

- Yes, it is the capital increase-weighted average.
- That's how it was on each report, there is a standard for how to calculate gross earnings per share. The profit is related to the weighted average number of shares depending on the moment when the increase took place.