

CURRENT REPORT

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

Date of the Report: **28.04.2022**

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

Registered office: **Sărațel village, Șieu-Măgheruș commune, 1 Teraplast Way, Bistrița-Năsăud county**

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

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

Tax Identification Number: **3094980**

Subscribed and paid-up share capital: **RON 217.900.035,80**

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

Stock symbol: **TRP**

Significant events to report:

On April 28, 2022, starting with 11:00 AM, respectively 11:30 AM, at Company's headquarters, as well as by participation by electronic means, took place the Ordinary and Extraordinary General Meeting of Shareholders, which was legally and statutory constituted at first convocation.

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 28.04.2022

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, 1 Teraplast Way, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, legal and statutory held on 28.04.2022, at the Company's headquarters, as well as by participating by electronic means, at 11:00 (Romania time), in the personal presence, by representative as well as by expressing votes by correspondence of a number of shareholders holding **71.146%** of the total of 2.178.997.817 voting rights related to the 2.179.000.358 shares issued by the Company,

DECIDES

On the items of the agenda as follows:

- Approves the standalone financial statements corresponding to fiscal year 2021, based on the Company's Board Report and the financial auditor's Report.

Caption	Financial year:	
	31 December 2021	31 December 2020
Total revenues:	531,841,986	362,417,107
Other operating income (including rent)	2,623,223	1,823,400
Income from investment subsidies	1,374,763	1,247,947
Changes in inventory of finished goods and work in progress	20,502,164	2,512,784
Raw materials, consumables used and merchandise	(382,310,546)	(234,270,575)
Employee benefit expenses	(50,270,015)	(38,925,704)
Transport expenses	(17,862,197)	(14,918,908)
Utilities expenses	(13,471,867)	(9,220,227)
Amortization and the adjustments for impairment of non-current assets, net	(16,478,026)	(14,255,359)
Other expense	(18,677,425)	(18,163,972)
Operating result	57,272,060	38,246,471
Financial result	1,807,867	(4,246,026)
Profit before tax	59,079,927	34,000,445
Income tax expense	(9,732,920)	(3,892,245)
Profit of business that continues its activity	49,347,007	30,108,199
Profit of the Steel and Joinery Profiles businesses	274,163,434	2,995,940
Profit for the year	323,510,441	33,104,139
	31 December 2021	31 December 2020
Non-current assets	258,198,688	168,877,454
Current assets	521,672,309	292,459,859
Equity	580,032,553	239,463,641
Non-current liabilities	55,787,200	49,622,358
Current liabilities	144,051,245	172,251,312

Structure of the vote: With 1.550.056.380 valid votes cast for this item on the agenda, Item 1 on the agenda was approved as follows: 1.550.056.380 votes for, representing 100% of the votes cast by the shareholders who were present, represented or cast their votes by mail, 0 votes against, representing 0% of the votes cast by the shareholders who were present, represented or cast their votes by mail and 61.000 abstentions.

2. Approves the allocation of the total net profit corresponding to fiscal year 2021, amounting to 323.510.441 lei, as follows:

- Legal reserves: 16.662.168 lei;
- **Distribution of dividends** in a total amount of **32.684.967,26** lei, the gross dividend/share proposed being of **0,015 lei***, corresponding to the 2nd, 3rd and 4th quarters of the year 2021. Dividends are to be distributed pursuant to this decision, on the Payment Date, as set forth below, to the shareholders registered on the Record Date below;
- Dividends in a total amount of 226.615.937 lei, namely 0,13 lei gross dividend/share have been allocated from the profit earned during the first quarter of 2021, on the basis of the decision of the ordinary general meeting of the Company's shareholders of 25 June 2021 and have been paid in July 2021;

Thus, the total amount of dividends being distributed for the fiscal year 2021 is of 259.300.904,26 lei, namely 0,145 lei gross price per share (out of which 0,13 lei gross price/share has already been paid).

- Share capital increase: 43.579.988 lei. The increase has been approved by the extraordinary general meeting of the Company's shareholders of 25 June 2021 and implemented in September 2021, out of the profit earned during the first quarter of 2021;
- Retained earnings: 3.967.380 lei.

**When the value of a gross dividend/share was calculated, the calculation considered the number of shares issued by the Company, out of which were taken out 2.541 shares, which entered the Company's account (following application of the algorithm and rounding the results to the lower integer as a result of the processing of the share capital increase, conducted in accordance with the EGM no. 1/29.04.2020, and the EGM Resolution no. 1/25.06.2021, respectively) and are currently owned by the Company, considering that own shares do not entitle holding dividends or any other rights.*

Structure of the vote: With 1.550.117.380 valid votes cast for this item on the agenda, Item 2 on the agenda was approved as follows:

1.516.362.533 votes for, representing 97,822433% of the votes cast by the shareholders who were present, represented or cast their votes by mail, 33.754.847 votes against, representing 2,177567% of the votes cast by shareholders who were present, represented or cast their votes by mail and 0 abstention votes.

3. Approves the consolidated financial statements corresponding to fiscal year 2021, based on the Board Report and the financial auditor's Report.

	Financial year ended	
	31 December 2021	31 December 2020
Total revenue from customer contracts,	615,111,229	396,180,378
Other operating income	1,088,999	622,666
Income from investment subsidies	2,396,968	2,054,541
Changes in inventory of finished goods and work in progress	17,937,485	(1,731,653)
Raw materials, consumables used and merchandise	(424,446,513)	(238,958,599)
Employee benefit expenses	(69,274,901)	(49,866,847)
Travel expenses	(22,306,207)	(18,028,567)
Expenses with utilities	(17,478,236)	(11,231,599)
Amortization and the adjustments for impairment of non-current assets, net	(22,381,746)	(18,641,137)
Other expenses	(27.328.474)	(22.549.147)
Operating result	53,318,604	37,850,036
Financial result, net	(2,343,698)	(4,148,908)
Profit before tax	50,974,906	33,701,128
Income tax expense	(8,683,806)	(3,999,294)
Profit of businesses that continue their activity within the Group	42,291,100	29,701,834
Profit from sale of Steel and Profiles businesses / Net profit of such businesses in 2020, when they were part of the Group	189,249,012	47,798,964
Profit for the year	231,540,112	77,500,798
	31 December 2021	31 December 2020
Non-current assets	296,258,629	174,507,735
Current assets	583,433,582	198,101,970
Assets held for sale – Joinery profiles	-	25,399,520
Assets held for sale – Steel division	-	333,788,087
Equity	591,530,924	334,198,504
Non-current liabilities	90,275,354	59,911,876
Current liabilities	197,885,933	171,958,285
Liabilities related to assets held for sale and discontinued activities	-	165,728,647

Structure of the vote: With 1.552.617.380 valid votes cast for this item on the agenda, Item 3 on the agenda was approved as follows:

1.552.617.380 votes for, representing 100% of the votes cast by the shareholders who were present, represented or cast their votes by mail, 0 votes against representing 0% of the votes cast by shareholders the shareholders who were present, represented or cast their votes by mail and 0 abstentions.

4. Approves the remuneration report for the members of the Board of Directors and of the executive directors, for the year 2021.

Structure of the vote: With 1.410.489.089 valid votes cast for this item on the agenda, Item 4 on the agenda was approved as follows:

1.091.747.209 votes for, representing 77,402032% of the votes cast by the shareholders who were present, represented or cast their votes by mail, 318.741.880 votes against, representing 22,597968% of the votes cast by the shareholders who were present, represented or cast their votes by mail and 142.126.291 abstention votes.

5. Approves the discharge from administration of the Company's Board of Directors for financial year 2021.

Structure of the vote: With 530.868.414 valid votes cast for this item on the agenda, Item 5 on the agenda was approved as follows:

526.538.306 votes in favor, representing 99,184335% of the votes cast by the shareholders who were present, represented or cast their votes by mail, 4.330.108 votes against, representing 0,815665% of the votes cast by the shareholders who were present, represented or cast their votes by mail and 1.021.848.966 abstention votes.

6. Approves the Income and Expenses Budget corresponding to the fiscal year 2022.

<i>lei thousand</i>	Group	Installations Recycling	Compounds, including recycled	Windows Doors	Flexible Packaging
Turnover	788.967	493.302	186.751	46.967	61.947
<i>% vs 2021</i>	28%	21%	27%	8%	268%
EBITDA	112.204	73.168	33.268	2.102	3.665
<i>% vs 2021</i>	50%	45%	24%	110%	<i>n/a</i>
Marja EBITDA	14,2%	14,8%	17,8%	4,5%	5,9%
Net profit	69.389	44.814	24.113	742	-280
<i>% vs 2021</i>	64%	57%	23%	<i>n/a</i>	<i>n/a</i>

Structure of the vote: With 1.552.740.250 valid votes cast for this item on the agenda, Item 6 on the agenda was approved as follows:

1.552.740.250 votes for, representing 100% of the votes cast by shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes cast by shareholders present, represented or who voted by correspondence and 0 abstentions.

7. Approves the Investment Program corresponding to the fiscal year 2022.

Structure of the vote: With 1.550.240.250 valid votes cast for this item on the agenda, Item 7 on the agenda was approved as follows:

1.550.229.035 votes for, representing 99,999277% of the votes cast by shareholders present, represented or who voted by correspondence, 11.215 votes against, representing 0,000723% of the votes cast by shareholders present, represented or who voted by correspondence, and 0 abstention votes.

8. 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.

Structure of the vote: With 1.410.676.365 valid votes cast for this item on the agenda, Item 8 on the agenda was approved as follows:

1.091.928.434 votes for, representing 77,404603% of the votes cast by the shareholders present, represented or who voted by correspondence, 318.747.931 votes against, representing 22,595397% of the votes cast by shareholders present, represented or who voted by correspondence, and 142.063.885 abstention votes.

9. 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.

Structure of the vote: With 1.552.585.379 valid votes cast for this item on the agenda, Item 9 on the agenda was approved as follows:

1.516.374.723 votes for, representing 97,667719% of the votes cast by shareholders present, represented or who voted by correspondence, 36.210.656 votes against, representing 2,332281% of the votes cast by shareholders present, represented or who voted by correspondence and 2.100 abstention votes.

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

Structure of the vote: With 1.552.485.479 valid votes cast for this item on the agenda, Item 10 on the agenda was approved as follows:

1.552.485 votes for, representing 100% of the votes cast by shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes cast by shareholders present, represented or who voted by correspondence and 0 abstentions.

11. Approves the date of **July 8, 2022 as “ex date”**, namely the date before the registration date on which the financial instruments subject to the corporate bodies’ resolutions are traded without the rights deriving from the resolution, according to Article 2 paragraph 2 l) of Regulation 5/2018.

Structure of the vote: With 1.552.679.250 valid votes cast for this item on the agenda, Item 11 on the agenda was approved as follows:

1.552.579.250 votes for, representing 99,993560% of the votes cast by the shareholders present, represented or who voted by correspondence, 100.000 votes against, representing 0,006440% of the votes cast by shareholders present, represented or who voted by correspondence, and 61.000 abstentions.

12. Approves the date of **July 11, 2022 as registration date** in identifying the shareholders on which the decisions adopted by the Ordinary General Meeting will bear effects, according to Article 87 of Law no. 24/2017 (republished) (“Registration Date”).

Structure of the vote: With 1.552.679.250 valid votes cast for this item on the agenda, Item 12 on the agenda was approved as follows:

1.550.704.250 votes for, representing 99,872801% of the votes cast by the shareholders present, represented or who voted by correspondence, 1.975.000 votes against, representing 0,127199% of the votes cast by the shareholders present, represented or who voted by correspondence and 61.000 abstention votes.

13. Approves the date of **July 29, 2022 as payment date**, as defined by Article 87 paragraph 2 of Law no. 24/2017 (republished) and Article 2 paragraph 2 h) and Article 178 of Regulation no. 5/2018 (“Payment Date”).

Structure of the vote: With 1.552.679.250 valid votes cast for this item on the agenda, Item 13 on the agenda was approved as follows:

1.552.579.250 votes for, representing 99,993560% of the votes cast by the shareholders present, represented or who voted by correspondence, 100.000 votes against, representing 0,006440% of the votes cast by shareholders present, represented or who voted by correspondence, and 61.000 abstentions.

14. Entrusting the Board of Directors with the fulfilment of the decisions adopted by the Ordinary General Meeting of Shareholders.

Structure of the vote: With 1.552.734.035 valid votes cast for this item on the agenda, Item 14 on the agenda was approved as follows:

1.552.734.035 votes for, representing 100% of the votes cast by shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes cast by shareholders present, represented or who voted by correspondence and 0 abstentions;

15. Authorizes the Chairman of the Ordinary General Meeting of the Teraplast S.A. Shareholders to sign the OGM Resolution on behalf and in the name of all the attending shareholders.

Structure of the vote: With 1.552.740.250 valid votes cast for this item on the agenda, Item 15 on the agenda was approved as follows:

1.552.740.250 votes in favor, representing 100% of the votes cast by shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes cast by shareholders present, represented or who voted by correspondence and 0 abstentions;

16. 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.

Structure of the vote: With 1.552.728.894 valid votes cast for this item on the agenda, Item 16 on the agenda was approved as follows:

1.552.728.894 votes for, representing 100% of the votes cast by shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes cast by shareholders present, represented or who voted by correspondence and 0 abstentions.

This resolution has been executed and signed today, 28.04.2022, 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 28.04.2022

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 Sărațel, commune Șieu-Măgheruș, DN 15A, km 45+500, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, legal and statutory held on 25.06.2021, at the Company's headquarters, as well as by participating by electronic means, at 11:30 (Romania time), in the personal presence, by representative as well as by expressing votes by correspondence of a number of shareholders holding **71.146%** of the total of 2.178.997.817 voting rights related to the 2.179.000.358 shares issued by the Company,

DECIDES

On the items of the agenda as follows:

1. Approves the maximum limit of indebtedness the company can contract during the period from 28.04.2022 to 28.04.2023 and approving the guarantee for the credit and/or lease agreements to be accessed within the set limit, by real estate collaterals/securities, assignment of present and future debt rights, assignments related to current and future availabilities, resulting from current accounts, and assignments of rights resulting from insurance policies. The Board's proposal is that such limit of indebtedness to be of maximum 300.000.000 lei.

Structure of the vote: With a participation of 1.552.647.818 valid votes for this item on the agenda, Item 1 of the agenda was approved as follows: 1.544.353.519 votes for, representing 99,465796% of the votes held by the shareholders present, represented or who voted by correspondence, 2.533.176 votes against, representing 0,163152% of the votes held by the shareholders present, represented or who voted by correspondence and 5.712.430 abstention votes, representing 0,367915% of the votes held by the shareholders present, represented or who voted by correspondence and 48.693 votes not exercised, representing 0,003136% of the votes held by the shareholders present, represented or who voted by correspondence.

2. Approves the supplementation of the maximum limit of indebtedness that the company may contract between 28.04.2022 - 28.04.2023 with the amount of 150.000.000 lei, which will be used (if that should be the case) only to secure the loans of subsidiaries and approving the securing of credit and/or lease agreements to be accessed by subsidiaries, within the set limit, by real estate collaterals/securities, assignment of present and future debt rights, assignments related to current and future availabilities, resulting from current accounts, and assignments of rights resulting from insurance policies.

Structure of the vote: With a participation of 1.552.647.818 valid votes for this item on the agenda, Item 2 of the agenda was approved as follows: 1.544.002.934 votes for, representing 99,443217% of the votes held by the shareholders present, represented or who voted by correspondence, 2.538.276 votes against, representing 0,163480% of the votes held by the shareholders present, represented or who voted by correspondence, 6.057.915 abstention votes, representing 0,390167% of the votes held by the shareholders present, represented or who voted by correspondence and 48.693 votes not exercised, representing 0,003136% of the votes held by the shareholders present, represented or who voted by correspondence.

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. In this respect, the Board of Directors shall issue decisions on:

- access to bank loans, entering into loan/lease agreements, extending the accessed bank loan/lease agreements, establishing the structure of guarantees related to the loan/lease agreements accessed or extended,

restructuring/refinancing the granted loans, changing the structure of the guarantees for outstanding credits, authorising the persons who will sign on behalf of and for TERAPLAST S.A. the loan/lease agreements or guarantee agreements/addenda to loan or lease agreements, as well as any other documents or instruments that are ancillary to, related to or referred to in the loan/lease agreements, guarantee agreements or any other documents, and sign any other forms, requests that may be required or useful relative to such bank transactions.

- guaranteeing the access by the company subsidiaries bank loans and/or loan/lease agreements, establishing/changing the structure of corresponding guarantees, authorising the persons who will sign on behalf of and for TERAPLAST S.A. the loan/lease agreements/addenda, as well as any other documents or instruments that are ancillary to, related to or referred to in the guarantee agreements, and sign any other forms, requests that may be required or useful relative to such transactions.

Structure of the vote: With a participation of 1.552.647.818 valid votes for this item on the agenda, Item 3 of the agenda was approved as follows: 1.546.756.394 votes for, representing 99,620556% of the votes held by the shareholders present, represented or who voted by correspondence, 25.301 votes against, representing 0,001630% of the votes held by the shareholders present, represented or who voted by correspondence, 5.717.430 abstention votes, representing 0,368237% of the votes held by the shareholders present, represented or who voted by correspondence and 148.693 votes not exercised, representing 0,009577% of the votes held by the shareholders present, represented or who voted by correspondence.

4. Authorize the repurchase by Teraplast S.A. of its own shares, in accordance with the applicable legal provisions, as follows: A maximum number of 2.760.000 shares with a par value of 0,1 lei/share at a minimum price equal to the BVB market price at the time of purchase and a maximum price of 2 lei/share, for a period of maximum 18 months from the date of publication of the EGM Resolution in the Official Gazette of Romania, Part IV, within a stock option plan programme, for the implementation of a compensation system for the employees and senior employees of the Teraplast Group companies, the directors and the executive directors of the Company, which should ensure the compliance with the principle of long-term performance reward and provide an employee loyalty programme (“SOP”).

The nominal value of the own shares thus repurchased may not exceed together with any other own shares held by Teraplast S.A. the 10% threshold of the subscribed share capital of Teraplast S.A.

The payment of the repurchased shares shall be made from the profit distributable or the Company’s available reserves, recorded in the last annual financial statement approved, except for legal reserves, according to the provisions of Article 103 (1) of Law no. 31/1990, updated.

Structure of the vote: With a participation of 1.552.679.820 valid votes for this item on the agenda, Item 4 of the agenda was approved as follows: 1.290.342.343 votes for, representing 83,104213% of the votes held by the shareholders present, represented or who voted by correspondence, 262.100.186 votes against, representing 16,880504% of the votes held by the shareholders present, represented or who voted by correspondence, 3.825 abstention votes, representing 0,000246% of the votes held by the shareholders present, represented or who voted by correspondence

and 233.466 votes not exercised, representing 0,015036% of the votes held by the shareholders present, represented or who voted by correspondence.

5. Approves to appoint the Company's Board of Directors for the enforcement and fulfilment of the share repurchase resolution according to item 4 of the EGM agenda, as well as for the implementation of the SOP program.

Structure of the vote: With a participation of 1.552.679.820 valid votes for this item on the agenda, Item 5 of the agenda was approved as follows: 1.290.608.485 votes for, representing 83,121354% of the votes held by the shareholders present, represented or who voted by correspondence, 261.969.366 votes against, representing 16,872079% of the votes held by the shareholders present, represented or who voted by correspondence, 30.406 abstention votes, representing 0,001958% of the votes held by the shareholders present, represented or who voted by correspondence and 71.563 votes not exercised, representing 0,004609% of the votes held by the shareholders present, represented or who voted by correspondence.

6. Authorize the Chairman of the Extraordinary General Meeting of Shareholders to sign the EGM Resolution on behalf and in the name of all the attending shareholders.

Structure of the vote: With a participation of 1.552.679.820 valid votes for this item on the agenda, Item 6 of the agenda was approved as follows: 1.552.571.161 votes for, representing 99,993002% of the votes held by the shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes held by the shareholders present, represented or who voted by correspondence, 0 abstention votes representing 0% of the votes held by the shareholders present, represented or who voted by correspondence and 108.659 votes not exercised, representing 0,006998% of the votes held by the shareholders present, represented or who voted by correspondence.

7. Authorize the Company's legal counsel, Mrs. Kinga Vaida, to carry out all formalities concerning the EGM recording with the Trade Register Office attached to Bistrița-Năsăud Court and its publication in the Official Gazette of Romania, Part IV.

Structure of the vote: With a participation of 1.552.679.820 valid votes for this item on the agenda, Item 7 of the agenda was approved as follows: 1.552.608.257 votes for, representing 99,995391% of the votes held by the shareholders present, represented or who voted by correspondence, 0 votes against representing 0% of the votes held by the shareholders present, represented or who voted by correspondence, 0 abstention votes representing 0% of the votes held by the shareholders present, represented or who voted by correspondence and 71.563 votes not exercised, representing 0,004609% of the votes held by the shareholders present, represented or who voted by correspondence.

Chairman of the meeting,

Alexandru Stanean

Should you need any further information, we are at your service via e-mail at investor.relations@teraplast.ro or by phone at +40 741 270 439 – Contact person: Alexandra Sica.