

CURRENT REPORT**In accordance with Law no. 24/2017, and FSA Regulation nr.5/2018****Date of the report:** 21.05.2021**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 174.320.047,80**Regulated market for shares admitted to trading:** Bucharest Stock Exchange, standard cat., symbol TRP**Important events to be reported:****CONVENING NOTICE****GENERAL MEETING OF SHAREHOLDERS OF TERAPLAST S.A.****Ordinary and Extraordinary****June 25, 2021**

Pursuant to the provisions of **Article 111, Article 113 and Article 117** from **Companies' Law 31/1990**, as currently amended, the provisions of the Articles of Association, the Capital Market Law no. 297/2004, Law no. 24/2017 regarding the issuers of financial instruments and market operations, and of the NSC Regulation no. 5/2018 regarding issuers and operations with securities, **the Board of Directors of the Company TERAPLAST SA**, headquartered in village Săratel, Sieu-Magheruș, DN 15A, km 45+500, Bistrita-Nasaud County, registered with the Trade Register under no. J06/735/1992, VAT no. 3094980, convenes in the session of **May 20, 2021** the **General Meeting of Shareholders – Ordinary and Extraordinary**, to be held on **June 25, 2021** at the company's headquarters in village Săratel, Sieu-Magheruș, DN 15A, km 45+500, Bistrita-Nasaud County, **the Ordinary General Meeting at 10:00 am (Romania time) and the Extraordinary General Meeting at 10:30 am (Romania time), respectively**. All shareholders registered in the Shareholder Register are entitled to participate and vote in such General Meetings of Shareholders by the end of **June 15, 2021**, set as reference date.



Sat Săratel, Comuna Sieu-Măgheruș, DN 15A,
km 45+500, Jud. Bistrița Năsăud, 427301



Tel.: 0374 461 529
Fax: 0263 231 221



office@teraplast.ro
www.teraplast.ro



CUI 3094980, J06/735/1992
Capital social: 174.320.047,80 lei

I. The Ordinary General Meeting of Shareholders will have the following
AGENDA

1. Approving the individual interim financial reports of Teroplast SA for the three-month period ending on March 31, 2021 (namely for the period 01.01.2021-31.03.2021), based on the report of the Company's Board of Directors and the financial auditor's report.
2. Approving the net profit distribution corresponding to the individual interim financial reports of Teroplast SA for the three-month period ending on March 31, 2021, in the amount of 283.898.189 lei, as follows:

- Distribution of partial dividends, in a total amount of 226.615.937 lei, the gross partial dividend/share proposed being of 0,13 lei*;
- Distribution of the amount of 43.579.988 lei in order to increase the share capital;
- Legal reserve: 13.702.264 lei.

**The number of shares issued by the Company was considered when calculating the value of the gross dividend/share, out of which 966 shares that entered the Company account were subtracted (based on the application of the algorithm and rounding down the results to the nearest integer following the processing of the share capital increase achieved on the basis of the EGM(A.G.E.A.) No. 1/29.04.2020), which are held by the Company at the date of this meeting, considering that the holders of own shares are not entitled to receive dividends or other rights.*

3. Approving the remuneration policy of Teroplast S.A.
4. Setting the registration date serving to identify the shareholders impacted by the effects of the resolutions adopted at the Ordinary General Meeting, according to Article 86 (1) of Law no. 24/2017. The date proposed by the Board of Directors is **July 13, 2021**.
5. Approving the **July 12, 2021** as "ex date", namely the date prior to the record date on which the financial instruments subject to the decisions of the company bodies are traded without the rights deriving from the decision, in accordance with Article 2 paragraph 2 l) of the Regulation no. 5/2018.
6. Approving the **July 22, 2021** as payment date, as defined by Article 86 (2) of Law no. 24/2017, and by Article 2 (2) h) and Article 178 of the Regulation no. 5/2018.
7. Entrusting the Board of Directors with the fulfilment of the resolutions adopted by the Ordinary General Meeting.



8. Appointing 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.

9. Appointing the legal counsel of the Company, Ms. Kinga Vaida, to carry out all formalities concerning the OGM recording with the Trade Register Office attached to Bistrita-Nasaud Court and its publication in the Official Gazette of Romania, Part IV.

II. The Extraordinary General Meeting of Shareholders will have the following:

AGENDA:

1. Approving the share capital increase by the amount of 43.579.988 lei* from the current 174.320.047,80 lei up to 217.900.035,80 lei, by the issue of 435.799.880 new shares of a nominal value of 0.10 lei/share, and setting a price of 0,44 lei for the compensation of fractional shares resulting from the application of the algorithm androunding down the results to the nearest integer, according to the legal provisions in force. The increase of the share capital will be achieved by incorporating the amount of 43.579.988 lei, from the profit of the period January 1, 2021 - March 31, 2021. The newly issued shares shall not change the shareholders' quotas and shall be freely distributed to all Company shareholders registered into the Company Shareholder Register held by the Central Securities Depository (Depozitarul Central S.A.) at the date of registration. The capital shall be increased in order to sustain the current Company business. Each shareholder registered with the Company Shareholder Register at the date of registration shall be issued one free share for every four shares held.

**The number of shares issued by the Company was considered when calculating the value of the gross dividend/share, out of which 966 shares that entered the Company account were subtracted (based on the application of the algorithm and rounding down the results to the nearest integer following the processing of the share capital increase achieved on the basis on the EGM (A.G.E.A.) No. 1/29.04.2020), which are held by the Company at the date of this meeting, considering that the holders of own shares are not entitled to receive dividends or other rights.*

2. Approving the updating of the Company's Memorandum of Association, in accordance with what has been approved at item (1) above, as follows:

Article 7 (1) "The subscribed and paid-up share capital of TERAPLAST S.A. is of 174.320.047,80 lei divided into a number of 1.743.200.478 nominative shares with a nominal value of 0.1 lei each." **shall be modified and shall read as follows:**

"The subscribed and paid-up share capital of TERAPLAST S.A. is of 217.900.035,80 lei divided into a number of 2.179.000.358 nominative shares, with a nominal value of 0.1 lei each."

3. Approving the amendment of the Extraordinary General Meeting Resolution no. 1 dated August 24, 2020 whereby it was approved to *buy back a maximum of 5.500.000 shares of a nominal value of 0.1 lei/share at a minimum price equal to the BVB market price at the time of the purchase and a maximum price of 0.45 lei/share*, in the sense of increasing the maximum purchase price of the buy-back shares, from 0.45 lei/share up to 1.00 leu/share. Own shares bought back by the Company shall be offered for free to the employees and the senior employees of the member companies of Teroplast Group, within a Stock Option Plan programme.

4. Setting the registration date serving to identify the shareholders impacted by the effects of the resolutions adopted at the Extraordinary General Meeting, according to Article 86 (1) of Law no. 24/2017. The date proposed by the Board is **September 29, 2021**.

5. Approving the date of **September 28, 2021** as "ex date", namely the date prior to the record date on which the financial instruments subject to the decisions of the company bodies are traded without the rights deriving from the decision, in accordance with Article 2 paragraph 2 l) of the Regulation no. 5/2018.

6. Approving the date of **September 30, 2021** as payment date, as defined by Article 86 (2) of Law no. 24/2017, and by Article 2 (2) h) and Article 178 of the Regulation no.5/2018.

7. Entrusting the Board of Directors with the fulfilment of the resolutions adopted by the Extraordinary General Meeting.

8. Appointing the Chairman of the Extraordinary General Meeting of the Teroplast S.A. shareholders to sign the EGM Resolution on behalf and in the name of all the attending shareholders.

9. Appointing the Company's legal counsel, Ms. Kinga Vaida, to carry out all formalities concerning the EGM recording with the Trade Register Office attached to Bistrita-Nasaud Court and its publication in the Official Gazette of Romania, Part IV.

Considering the Romanian public authorities' latest recommendations in relation to prevention / limitation of the spread of COVID-19, Teroplast strongly recommends to its shareholders, to the extent possible:

- **to access the supporting materials for OGMS and EGMS in electronic format, available on the company's website, rather than in hardcopy at the Correspondence Entry;**
- **to vote by correspondence by using the ballot paper for the vote by correspondence;**
- **to use, as communication means, the e-mail having attached an extended electronic signature, rather than the mail or courier at the Correspondence Entry, when submitting (i) proposals with respect to adding new items on the OGMS/EGMS agenda, (ii) draft resolutions, (iii)**

written questions before OGMS/EGMS, (iv) the powers of attorney for representation in the OGMS/EGMS or (v) the Voting Bulletins for voting by correspondence.

(1) One or more shareholders jointly or severally representing at least 5% of the share capital, have the right (i) to introduce items on the General Meeting of Shareholders' agenda, provided that each item is accompanied by an explanation or a decision draft submitted for adoption to the General Meeting of Shareholders; (ii) to submit decision drafts for the items included or suggested to be included on the General Meeting's agenda.

(2) Any of the rights stipulated in paragraph (1) above may only be exercised in written, and the documents shall be submitted in a closed envelope at the company's headquarter, or sent by any type of mail or fast delivery with acknowledgment of receipt, the envelope bearing a clear note written in capital letters "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021", or sent by messenger delivery or electronic means, with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teroplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021".

(3) The shareholders can exercise the rights stipulated in paragraph (1) letters (i) and (ii) within maximum 15 calendar days following the date of publication of this convening notice, namely no later than **June 8, 2021 inclusively**. Each shareholder shall be entitled to address questions regarding the items on the General Meeting's agenda, and the company shall reply to the shareholders' questions during such meeting. The questions shall be submitted in a closed envelope at the company's headquarter, or sent by any type of mail or fast delivery with acknowledgment of receipt, the envelope bearing a clear note written in capital letters "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021", or sent by messenger delivery or electronic means, with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teroplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021", on or **June 24, 2021 inclusively**.

The shareholders can participate in person or they can be represented in the General Meetings of Shareholders either by their legal representatives or by other agents authorised by a special power of attorney or a general power of attorney, as provided by Article 92 paragraph (10) of Law 24/2017 on the issuers of financial instruments and market operations.

Shareholders' access shall be permitted upon proof of their identity, consisting in case of shareholders, who are natural persons, of their ID card or, in case of legal entities, legal representative.

Shareholders can appoint a representative by a general power of attorney (authorisation) valid for no more than three years, authorising the appointed representative to vote in any matter subject to discussions of the General Meetings of Shareholders, provided such power of attorney (authorisation) be given by the

shareholder, as customer, to an intermediary defined as per Article 2 paragraph (1) item 20 of Law 24/2017 on the issuers of financial instruments and market operations, or to a lawyer.

The shareholders cannot be represented in the General Meeting of Shareholders based on a general power of attorney (authorisation) by a person subject to a conflict of interests, pursuant to Article 92 paragraph (15) of Law 24/2017 on the issuers of financial instruments and market operations.

General powers of attorney (authorisations) should be submitted to the Company Record Office or sent by any type of mail or courier with acknowledgement of receipt, 48 hours before the general meeting, namely no later **June 23, 2021**, 10:00 am (Romania time) for the Ordinary General Meeting, and 10:30 am (Romania time) for the Extraordinary General Meeting, respectively, in copy, including the mention "Certified to be a true copy of the original" signed by the representative. The powers of attorney can also be sent by e-mail with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teroplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021".

The quality of shareholder and, in case of shareholders, who are legal entities, or entities without legal personality, the quality of legal representative is ascertained based on the list of shareholders as of the reference/registration date, received by the issuer from the Central Depository or, accordingly, in case of different reference/registration dates, based on the following documents submitted to the issuer by the shareholder:

- a) the statement of account certifying the quality of shareholder and the number of owned shares;
- b) documents certifying that the details of the legal representative are recorded at the Central Depository/ participants concerned;

However, if the Shareholder did not inform the Central Depository in a timely manner of its legal representative or if this information is not mentioned in the list of shareholders from the reference date received by the Company from the Central Depository, then the proof of the representative status will be with the Company Statement, or a certified copy of the original, issued by the Trade Registry or any other document, in original or in a copy conforming to the original, issued by a competent authority in the State in which the shareholder is legally registered, for the purpose of proving the existence of the legal person and the legal representative's name / quality, with a maximum of 1 month validity reported on the date of publication of the convocation of the general meeting.

The documents attesting the quality of legal representative elaborated in a foreign language other than English must be accompanied by a translation done into Romanian or English by a certified translator.

The identification criteria referred above shall be accordingly applied also in case the need arises to prove that the shareholder, suggesting for new items to be included in the General Meeting of Shareholders'

agenda, or directing questions to the issuer related to the items included in the General Meeting of Shareholders' agenda, is a legal representative.

Pursuant to Article 200 paragraph (4) of the NSC Regulation no. 5/2018 of financial instruments and market operations issuers, a shareholder can appoint only one representative in a certain General Meeting. However, if a shareholder holds shares with a trading company in several security accounts, such restriction shall not prevent such shareholder to appoint separate representatives for the shares held in each security account, for a certain General Meeting. Such provision is not detrimental to the provisions of paragraph (6) of Article 200 of the NSC Regulation no. 5/2018.

Pursuant to Article 200 paragraph (5) of the NSC Regulation no. 5/2018, a shareholder can appoint by power of attorney one or several deputy representatives for a general meeting, in the event the representative appointed as per paragraph (4) above is unable to attend. Where several deputy representatives are appointed by power of attorney, the order in which they will act shall be established.

The shareholders can cast their votes for the items noted in the agenda by mail, and the vote application form, accurately filled out and signed, shall be sent in a sealed envelope to the company's headquarter, which should arrive at the company's headquarter no later than **June 23, 2021**, 10:00 am (Romania time) for the Ordinary General Meeting of Shareholders, and 10:30 am (Romania time) for the Extraordinary General Meeting of Shareholders, respectively, the envelope bearing a clear note written in capital letters „FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021”. The voting bulletins can be sent by e-mail with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teroplast.ro, mentioning at subject: “FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021”.

A representative can cast his/her vote by mail only when such representative has received from the shareholder a special/general power of attorney which will be submitted to the issuer pursuant to Article 92 par. (14) of Law 24/2017 on the issuers of financial instruments and market operations.

Special power of attorney forms to be used for voting by representative, as well as the forms to be used for voting by mail shall be made available for shareholders both in Romanian and in English, at the company's headquarter from **8:00 am to 4:30 pm** and on the company website: www.teroplast.ro, heading “Investors”, Section “General Meeting of Shareholders”, starting with **May 25, 2021**.

The special powers of attorney and the voting bulletins by mail shall be submitted in Romanian or English originals at the company's headquarter, or sent by any type of mail or fast delivery with acknowledgment of receipt, not later than **June 23, 2021**, 10:00 am (Romania time) for the Ordinary General Meeting of Shareholders, and 10:30 am (Romania time) for the Extraordinary General Meeting of Shareholders, respectively, the envelope bearing a clear note written in capital letters „FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021”, or can be sent by e-mail with the extended electronic signature



included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teraplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 25/28.06.2021".

One copy shall be handed over to the representative, one shall be kept by the company, and the third copy shall be kept by the shareholder.

When completing the special powers of attorney and the voting bulletins by mail, the possibility of completing the G.M.S. agenda by new items shall be considered. In such event, the updated special powers of attorney and updated ballots, both in Romanian and in English, can be obtained from the Company Record Office and the company's website www.teraplast.ro, Heading "Investors", Section "General Meeting of Shareholders", as of the date of publishing the completed agenda.

In case the agenda is completed and the shareholders do not send updated special powers of attorney and/or ballots by mail, the special powers of attorney and/or voting bulletins by mail sent before completing the agenda shall be taken into account only for such items that are also found on the initial agenda.

The shareholders can appoint their representative by electronic means as well, notifying the electronic appointment on secretariatCA@teraplast.ro, with the extended electronic signature included according to Law 455/2001 on the electronic signature.

Any informative documents and materials, and also the decision drafts related to the matters listed in the agenda of the General Meeting of Shareholders shall be made available to the shareholders both in Romanian and in English, at the company's headquarters, during business days, from **8 am to 4:30 pm**, and also on the company's website: www.teraplast.ro, heading „Investors”, Section „General Meeting of Shareholders”, starting with **May 25, 2021**.

In the event the validity conditions are not met at the first call to convene, the next General Meeting of Shareholders shall be convened for the date of **June 28, 2021**, the agenda, time and place being the same.

**Chairman of the meeting,
Alexandru Stanean**

For additional information please contact us at the phone number +4 0741 270 439, e-mail: alexandra.sica@teraplast.ro, contact person Alexandra Șica – Manager PR.