

AD HOC REPORT

In accordance with Law no. 24/2017 and NSC Regulation no. 1/2006

Date of report: **21.09.2017**

Name of issuer: **TERAPLAST S.A.**

Headquarters: **Teraplast Industrial Park, DN 15A, KM 45+500, Bistrita-Nasaud County**

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

Trade Register No: **J06/735/1992**

Sole registration number at the Trade Register Office: **RO3094980**

Share capital: **85.691.097 lei**

Regulated market on which the issued shares are traded: **Bucharest Stock Exchange**

Major events to be reported

- a) Changes in the control of the company – **N/A**
- b) Significant acquisitions or sales of assets – **N/A**
- c) Bankruptcy – **N/A**
- d) Transactions as listed in art. 82 of Law 24/2017 – **N/A**
- e) **Other events**

On September 21st 2017, starting with **16:00 PM**, respectively **17:00 PM**, 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 September 11th 2017, established as a reference date, the quorum consisting of 58,26%, from the total of 856.910.442 voting rights related to the 856.910.970 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 Ordinary and Extraordinary General Meeting of Shareholders of TERAPLAST SA:

DECISION no. 1 of the Ordinary General Meeting of Shareholders of TERAPLAST S.A. dated September 21st 2017

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. 1/2006 amended by NSC Regulation no. 31/2006, the Ordinary General Meeting of Shareholders of the company TERAPLAST S.A.,



headquartered outside the built-up area of Bistrita municipality, at Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, held on September 21st 2017 at the company's headquarters, at 4:00, in a quorum of 58,26% of the total 856.910.442 voting rights corresponding to the 856.910.970 shares issued by TERAPLAST S.A., representing a total number of 499.212.950 votes expressed,

DECIDES

On the items of the agenda as follows:

1. Approves the appointment of ERNST & YOUNG ASSURANCE SERVICES S.R.L., with headquarters in Bucuresti, Ion Mihalache Boulevard, no. 15-17, fl. 21, building Bucharest Tower Center, Sector 1, registered at Trade Register Office under no.J40/5964/1999, having CUI RO11909783, member of Financial Auditors Chamber of Romania, authorisation no 77/15 August 2011, legally represented by Mr. Lupea Alexandru, as financial auditor of the Company.

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

2. Approves the appointment of GENERAL CONSULTING MGI SRL with headquarters in Bistrita, str. Zefirului, nr.11, Bistrita-Nasaud County, registered at Trade Register Office of Bistrita-Nasaud Court under no. J06/628/2003, having CUI 15816660, company authorized to conduct financial audit activities and other related services – CAFR BUCHAREST member with authorisation no. 1120/28.06.2012, legally represented by Mrs. IACOB GABRIELA ADRIANA, as internal auditor of the Company.

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

3. Approves that the period of validity of the financial audit contract be of 2 (two) years from the date of adoption this decision, and the period of validity of the internal audit contract be of 1 (one) year from the date of adoption this decision.

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

4. Approves the remuneration for the financial auditor and the internal auditor.

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

5. Approves the striking off the Trade Register of Bistrita-Năsăud the mentions concerning the auditor whose appointment will not be extended, if applicable.

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

6. Authorizes Mrs. Carmen Mirela Pop - CEO, and Mrs. Maria Ioana Birta - CFO, to negotiate and sign for and on behalf of the shareholders the financial and internal audit agreements.

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

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CUI: RO3094980; J6/735/1992

Capital social subscris și vărsat: 85.691.097 lei

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7. Approves the increase of the total amount of the Investment Plan, corresponding to the 2017 fiscal year, from RON 84,000,000, approved by the OGMS Decision no. 1/27.04.2017, to RON 96.000.000.

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

8. Establishes the date of October 12th, 2017 as the registration date when the shareholders affected by the decisions adopted by the Ordinary General Meeting of Shareholders shall be identified.

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

9. Approves the date of October 11th 2017 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, pursuant to Article 2 letter f) of the Regulation no. 6/2009 on the exercise of certain rights of the shareholders within the general meetings of the trading companies, as amended and completed by Regulation no. 13/2014 on the amendment and completion of certain regulations issued by the Security National Board (hereinafter referred to as NSC Regulation no. 6/2009).

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 OGMS Decision.

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

11. Authorizes the company's legal adviser, Mrs. Diana Octavia Bretfelean, holder of ID card series X.B. no. 515915, 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

This decision has been executed and signed today, September 21st, 2017, 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 of the Extraordinary General Meeting of Shareholders of TERAPLAST S.A.
dated September 21st 2017**

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. 1/2006 amended by NSC Regulation no. 31/2006, the Extraordinary General Meeting of Shareholders of the company TERAPLAST S.A., headquartered outside the built-up area of Bistrita municipality, at Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, held on September 21st 2017 at the company's headquarters, at 5:00 pm, in a quorum of 58,26% of the total



856.910.442 voting rights corresponding to the 856.910.970 shares issued by TERAPLAST S.A., representing a total number of 499.212.950 votes expressed,

DECIDES

On the items of the agenda as follows:

1. Approves the decrease of the company's share capital from RON 85.691.097 to RON 85.691.044,2 by cancelling a number of 528 own shares, with a par value of RON 0.1 per share, acquired by the company following the enforcement of the awarding report and the method of rounding to the lower integer, at the time of increasing the share capital pursuant to the EGMS Decision no. 1/27.04.2017. The grounds for decreasing the share capital reside in the need to optimise the share capital structure considering that, on the one hand, acquiring the own shares to be cancelled has not been associated to a specific purpose, and, on the other hand, preserving those shares as own shares brings no benefits to the company and its shareholders.

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

2. Approves the redemption of its own shares by Teraplast S.A., pursuant to the applicable legal provisions, under the following circumstances: maximum 5.150.000 shares (i.e. maximum 0.60% of the total number of shares the share capital is comprised of), with a par value of RON 0.1 per share, at a minimum price equal to the BVB [Bucharest Stock Exchange] market price at the time of the purchase, and a maximum price of RON 0.8/share, but limited to the amount of RON 1,850,000, for a period of maximum 18 months from the date of publishing the EGMS Decision in the Official Gazette of Romania, Section 4, for the implementation of a staff remuneration system that shall comply with the principle of long-term performance, and also with a loyalty rewards scheme. The shares subject to redemption are paid from the distributable profit or the available funds of the company, recorded in the last approved annual financial statement, except the legal funds, pursuant to Article 103 item (1) of Law 31/1990, updated.

Voting structure: 97,56% for, 0% against, 2,44% abstention

3. Authorises the company's Board of Directors to enact and execute the share redemption decision pursuant to item 2 on EGMS agenda.

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

4. Approves the updating of the Company's Articles of Association in accordance with those approved at item 1 above, as follows:

Art. 7. par. (1) "The subscribed and paid-up share capital of TERAPLAST S.A. is of RON 85.691.097, being divided into 856,910,970 registered shares, with a par value of RON 0.1 per share." shall be amended as follows:

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“The subscribed and paid-up share capital of TERAPLAST S.A. is of RON 85.691.044,2 being divided into 856,910,442 registered shares, with a par value of RON 0.1 per share.”

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

5. Approves the increase of the maximum limit of indebtedness, to the value RON 185.000.000, that the company may contract during the 2017 fiscal year, and to approve the securing of credit and/or leasing contracts which are going to be accessed, but not exceeding the convened limit, by security interests in real estate/pledge, assignments of current and future receivable rights, assignments related to current and future cash, resulting from current accounts and assignment of rights resulting from insurance policies.

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

6. 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 5 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.

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

7. Establishes the date of October 12th, 2017 as the registration date when the shareholders affected by the decisions adopted by the Extraordinary General Meeting of Shareholders shall be identified.

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

8. Approves the date of October 11th, 2017, 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, pursuant to Article 2 letter f) of the Regulation no. 6/2009 on the exercise of certain rights of the shareholders within the general meetings of the trading companies, as amended and completed by Regulation no. 13/2014 on the amendment and completion of certain regulations issued by the Security National Board (hereinafter referred to as NSC Regulation no. 6/2009).

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.



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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. Diana Octavia Bretfelean, holder of ID card series X.B. no. 515915, 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

This decision has been executed and signed today, September 21st, 2017, 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.

Chairman of the Board of Directors

Dorel Goia

Legal adviser

Diana Octavia Bretfelean

For additional information please contact us at the phone number 0752-101.571, e-mail: diana.bretfelean@teraplast.ro, contact person Diana Bretfelean – Legal Adviser.

