

AD HOC REPORT

In compliance with Capital Markets Law no. 297/2004 and Regulation no. 1/2006 of NSC

Date of report: **April 27th 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: **56,643,266 lei**

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

Significant 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. 225 of Law 297/2006– **N/A**
- e) **Other events**

On April 27th 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 April 14th 2017, established as a reference date, the quorum consisting of 58,30%, from the total of 566,432,660 voting rights related to the 566,432,660 shares issued by the Company.

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

DECISION No. 1 of the Ordinary General Meeting of Shareholders of TERAPLAST SA,**dated April 27th 2017**

Pursuant to the provisions of Art. 111 in Law 31/1990 on companies as subsequently amended, the provisions of the Articles of Incorporation of **TERAPLAST S.A** the provisions of Law No. 297/2004 as well as the NSC Regulation No. 1/2006, as subsequently amended by NSC Regulation no. 31/2006, the **Ordinary General Meeting of Shareholders**

Sediul central:

Parc Industrial Teraplast,
DN 15A, km 45+500
Cod. 427298, Jud. Bistrita-Nasaud
Tel. 0263-238202, Fax. 0263-231221
www.teraplast.ro

of **TERAPLAST S.A.**, headquartered in Bistrita, "Teraplast Industrial Park", DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, registered with the Trade Registry Office under number J06/735/1992, having the Fiscal Registration Code CUI RO 3094980, held on **April 27th 2017** at the headquarter of the Company, at 16:00 PM, with a quorum of **58,30%** of the total 566,432,660 voting rights according to the 566,432,660 shares issued by Company TERAPLAST S.A., representing a total number of 330.208.608 votes expressed,

DECIDES

On the items on the AGENDA, as follows:

1. Approves the Report of the Board of Administration on the individual and consolidated financial situations for the 2016 financial year.

Structure of the vote: 100% for, 0% against, 0% abstaining

2. Records the Report of the financial auditor KPMG Audit S.R.L on the individual and consolidated financial statement for the 2016 financial year.

Structure of the vote: 100% for, 0% against, 0% abstaining

3. Approves the individual financial situations for the 2016 financial year, based on the Report of the Board of Directors and the Report of the Company's financial auditor.

Indicators (thousand, lei)	2016
Turnover	257.296
Total incomes	282.973
Total expenses	(237.660)
Gross result	45.314
Tax income	(3.802)
Net result	41.512

Structure of the vote: 100% for, 0% against, 0% abstaining

4. Approves the proposal regarding the distribution of the net profit for the 2016 financial year, as follows:

Net profit to be distributed: 41.511.532 lei

Legal reserves: 2.294.246 lei

Dividends distribution: 9.572.712 lei, proposed gross dividend/share being 0.0169 lei;

Other reserves: 29.047.831 lei

Retained earnings 596.743 lei

Structure of the vote: 100% for, 0% against, 0% abstaining

5. Approves the consolidated financial statements for the 2016 financial year, according to the Report of the Board of Directors and the Report of the Company's financial auditor.

Structure of the vote: 100% for, 0% against, 0% abstaining

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6. Approves the discharge of the Company's Board of Directors for the 2016 financial year.

Structure of the vote: 19.76% for, 0% against, 80.24% abstaining

(the abstaining votes are given by the Directors, who are also shareholders)

7. Approves the Budget of Revenues and Expenses for the 2017 financial year, with the following indicators:

Indicators (lei)	2017
Turnover	259.263.360
Operational incomes	262.220.179
Operational expenses	(231.548.541)
Operational result	30.671.638
EBITDA	52.054.388
Financial result	7.042.020
EBT	37.713.658

Structure of the vote: 100% for, 0% against, 0% abstaining

8. Approves the Investment Program for the 2017 financial year.

Structure of the vote: 100% for, 0% against, 0% abstaining

9. Approves the proposal of keeping the level of the remuneration for the member of the Board of Directors for the 2017 financial exercise to the same level as in 2016 financial exercise.

Structure of the vote: 97.56% for, 0% against, 2.44% abstaining

10. Approves the date May 18th 2017 as registration date which serves to identify the shareholders who will be affected by the decisions adopted by the Ordinary General Meeting of Shareholders.

Structure of the vote: 100% for, 0% against, 0% abstaining

11. Approves the date May 17th 2017 as „**ex-date**”, respectively the date previous to the registration date when the financial instruments, subject of the decision of the corporate bodies, are transacted without the rights resulting from such decision, pursuant to art. 2 letter f) of Regulation No. 6/2009 regarding the exercise of certain rights of the shareholders within the general assemblies of the trading companies, amended and completed by Regulation no. 13/2014 regarding the amendment and completion of certain regulations issued by the Security National Board (herein referred to as NSC Regulation No. 6/2009).

Structure of the vote: 100% for, 0% against, 0% abstaining

12. Approves the date June 9th 2017 as **payment day**, as defined by the art. 2, letter g) of NSC Regulation No. 6/2009 and by art. 129, ind.3, alin. 2 of the NSC Regulation no. 1/2006 regarding issuers and operations with securities.

Structure of the vote: 100% for, 0% against, 0% abstaining

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

Structure of the vote: 100% for, 0% against, 0% abstaining

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14. Empowers the Chairman of the Board of Directors, Mr. Dorel Goia, to sign the OGMS decision, in the name and on behalf of the shareholders present at the meeting.

Structure of the vote: 100% for, 0% against, 0% abstaining

15. Empowers the legal adviser, Mrs. Kinga Vaida, identified by ID series XB, No. 370326 and/or Mrs. Diana Bretfelean, identified by ID series X.B. no. 515915, to accomplish all formalities regarding registration of the OGMS Decision at the Commercial Registry of Bistrita-Nasaud Tribunal and to publish this decision in the Official Gazette of Romania, Part 4.”

Structure of the vote: 100% for, 0% against, 0% abstaining

This decision was drafted and signed on April 27th 2017 in five (5) copies, of which 2 (two) copies to the Company and three (3) copies to be submitted to the Trade Registry Office of the Bistrita Nasaud Law Court.

DECISION No. 1 of the Extraordinary General Meeting of Shareholders of TERAPLAST SA,

dated April 27th 2017

Pursuant to the provisions of Art.111 in Companies Law no. 31/1990 as subsequently amended, the provisions of the Articles of Incorporation of **TERAPLAST S.A** the provisions of Law No. 297/2004 as well as the NSC Regulation No. 1/2006, as subsequently amended by NSC Regulation no. 31/2006, the **Extraordinary General Meeting of Shareholders of TERAPLAST S.A**, headquartered in Bistrita, “Teraplast Industrial Park”, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, registered with the Trade Registry Office under number J06/735/1992, having the sole registration number at the Trade Register Office RO 3094980, held on **April 27th 2017** at the headquarter of the Company, at 17:00 PM, with a quorum of 58,30% of the total voting rights according to the 566.432.660 shares issued by Company TERAPLAST S.A., representing a total number of 330.208.608 votes expressed,

DECIDES

On the items on the AGENDA, as follows:

1. Approves the share capital increase with 29,047,831 lei by releasing of 290,478,310 new shares, with a reference value of 0.10 lei/share, as well the determination of the price 0 (zero) lei for the compensation of the fractions of shares following the application of the algorithm and the rounding of the results, in accordance with the applicable legal provisions. The share capital increase will be made by incorporating the reserves in amount of 29,047,831 lei, constituted from the 2016 net profit, according to point 4 from the OGMS Agenda, dated April 27th 2017 and by releasing of 290,478,310 new shares with a reference value of 0.10 lei/share. The new released shares will not modify the shareholders percentage and will be distributed for free to all company's shareholders, registered in the

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Shareholders' Registry, at the registration date established by GMS. The capital increase is made in order to support the current activity of the company. Every shareholder registered in the Shareholders' Registry at the registration date shall receive 1 new share for every 1.95 owed shares (more exactly 1.9499998468)."

Structure of the vote: 100% for, 0% against, 0% abstaining

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

Art. 7. Alin. (1) "The subscribed and paid in share capital of the Company TERAPLAST S.A. is 56,643,266 lei divided into a number of 566,432,660 registered shares, with nominal value of 0.1 lei each" modifies and will have the following content:

"The subscribed and paid in share capital of the Company TERAPLAST S.A. is 85.691.097 lei divided into a number of 856.910.970 registered shares, with nominal value of 0.1 lei each".

Structure of the vote: 100% for, 0% against, 0% abstaining

3. Approves the maximum limit of indebtedness that the company can contract in the 2017 financial year and the approval of the warranty of credit and/or leasing contracts which are going to be accessed within the limit established, with security interest in real estate/pledge, assignments of current and future receivables rights, assignments related to current and future cash, resulting from current accounts and assignments of rights resulted from the insurance policies. The proposal of the Board of Administration is that this limit of indebtedness to reach the total value of 135,000,000 lei."

Structure of the vote: 99.95% for, 0% against, 0.05% abstaining

4. Empowers the Board of Directors that, up to the maximum limit of indebtedness approved, it should accomplish, in the name of and for the Company, all the actions and steps necessary or useful in order to fulfill those approved at point 3 from the present decision. In this regard, the Board of Directors shall issue decisions on: accessing some bank credits, concluding some credit/leasing contracts, extending the bank credit/leasing contracts accessed, establishing the warranty structure for the credit/ leasing contracts accessed/extended, restructure/reschedule of the credits granted, change of structure of the warranties of the existing credits in balance, empowering the persons who will sign in the name of and for the Company TERAPLAST S.A. the credit contracts/ leasing contracts /warranty contracts /additional acts to the credit/leasing contracts, as well as any other documents or instruments which are accessory, related to or to which reference is made in the credit/leasing contracts, warranty contracts or any other documents as well as to sign any other application forms, requests which might be necessary or useful regarding these bank transactions".

Structure of the vote: 99.95% for, 0% against, 0.05% abstaining

5. Approves the agreements, signed in 01.03.2017, for the purchase of the 50% of the stake held by the shareholders of Depaco SRL, in the company Depaco SRL."

Structure of the vote: 100% for, 0% against, 0% abstaining

6. Approves July 18th 2017 as **registration date** which serves to identify the shareholders who will be affected by the decisions adopted by the Extraordinary General Meeting of Shareholders.

Structure of the vote: 100% for, 0% against, 0% abstaining

7. Approves July 17th 2017 as „**ex-date**”, respectively the date previous to the registration date when the financial instruments, subject of the decision of the corporate bodies, are transacted without the rights resulting from such decision, pursuant to art. 2 letter f) of Regulation No. 6/2009 regarding the exercise of certain rights of the shareholders within the general assemblies of the trading companies, amended and completed by Regulation no. 13/2014 regarding the amendment and completion of certain regulations issued by the Security National Board (herein referred to as NSC Regulation No. 6/2009).

Structure of the vote: 100% for, 0% against, 0% abstaining

8. Approves July 19th 2017 as the **payment date**, date to which the distribution of the income associated with the securities holders, consisting in cash or shares, becomes certain.

Structure of the vote: 100% for, 0% against, 0% abstaining

9. Empowers the Board of Directors to fulfill the decisions adopted by the Extraordinary General Meeting of Shareholders.”

Structure of the vote: 100% for, 0% against, 0% abstaining

10. Empowers the Chairman of the Board of Directors, Mr. Dorel Goia, to sign the EGMS decision, in the name and on behalf of the shareholders present at the meeting.”

Structure of the vote: 100% for, 0% against, 0% abstaining

11. Empowers the legal adviser, Mrs. Kinga Vaida, identified by ID series XB, No. 370326 and/or Mrs. Diana Bretfelean, identified by ID series X.B. no. 515915, to accomplish all formalities regarding registration of the EGMS Decision at the Commercial Registry of Bistrita-Nasaud Tribunal and to publish this decision in the Official Gazette of Romania, Part 4.”

Structure of the vote: 100% for, 0% against, 0% abstaining

This decision was drafted and signed on April 27th 2017 in five (5) copies, of which 2 (two) copies to the Company and three (3) copies to be submitted to the Trade Registry Office of the Bistrita-Nasaud Law Court.

Chairman of the Board of Directors

Dorel Goia

For additional information please contact us at the phone number 0752-101.639, e-mail: anca.rif@teraplast.ro, contact person Anca Rif – Communications & Investor Relations Manager.

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