

AD HOC REPORT

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

Date of report: **July 25th 2016**

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 July 25th 2016, starting with **10:00 AM**, respectively **10:30 AM**, 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 July 14th 2016, established as a reference date, the quorum consisting of 57,92% for OGMS and of 57,92% for EGMS, from the total of 566.113.948 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 Ordinary and Extraordinary General Meeting of Shareholders of TERAPLAST SA:

DECISION No. 1 of the Ordinary General Meeting of Shareholders of TERAPLAST SA,**dated July 25th 2016**

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 nr.31/2006, the **Ordinary 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

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registration number at the Trade Register Office RO 3094980, held on **July 25th 2016** at the headquarter of the Company, at 10:00 AM, with a quorum of 57,92% of the total of 566.113.948 voting rights related to the 566,432,600 shares issued by Company TERAPLAST S.A., representing a total number of 327.893.804 votes expressed,

DECIDES

On the items on the AGENDA, as follows:

1. Approves the appointment of KPMG Romania SRL, with headquarters in Bucuresti, Sector 1, Bucuresti-Ploiesti Road, No. 69-71, Floor P, Chamber 01, Trade Register No: J40/1829/1995, Sole registration number at the Trade Register Office 2627023, as financial auditor of the company.

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

2. Approves the appointment of S.C. 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 authorization no. 1120/28.06.2012, legally represented by Mrs. IACOB GABRIELA ADRIANA - administrator and financial auditor - authorization no. 3727, as internal auditor of the company.

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

3. Approves that the duration of the financial auditor and internal auditor contracts to be 1 year beginning with the adopting of the present decision.

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

4. Approves that the remuneration for the financial auditor to be 59,000 euro and for the internal auditor to be 1,000 euro.

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

5. Empowers Mr. Alexandru Stanean acting as CEO, and Mrs. Orban Eniko-Edit acting as CFO of the Company, to negotiate and to sign, in the name and on behalf of the shareholders, the contract of financial and internal audit”.

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

6. Approves the date **August 12th 2016** 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 the date **August 11th 2016** 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. 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

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9. Empowers the legal adviser, Mrs. Bretfelean Diana, identified by ID series XB no. 515915, issued by the Police Department of Bistrita on 13.06.2016, 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 July 25th 2016 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 July 25th 2016**

Pursuant to the provisions of Art. 113 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 nr.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 **July 25th 2016** at the headquarter of the Company, at 10:30 AM, with a quorum of 57,92% of the total of 566.113.948 voting rights related to the 566,432,600 shares issued by Company TERAPLAST S.A., representing a total number of 327.893.804 votes expressed,

DECIDES

On the items on the AGENDA, as follows:

1. Approves the change of the Articles of Association, as follows:

Art. 20 alin.(2) „*The Ordinary General Meeting of Shareholders appoints the financial auditor, and the audit contract will be signed by the company by the Chief Executive Officer and the Chief Financial Officer.*

*The Ordinary General Meeting of Shareholders appointed as financial auditor S.C. ERNST & YOUNG ASSURANCE SERVICES S.R.L, with the registered office in Bucharest, 63-69, Dr. Iacob Felix Street, district 1, incorporated with the Registrar of Companies attached to the Court of Law Bucharest under no. J40/5964/1999, fiscal code RO11909783, member of the Romanian Chamber of Financial Auditors, license no. 77/15 august 2011, legally represented by Mr. Collins Garry Rex, as financial auditor of the Company.” **will modify and will have the following content:***

„The Ordinary General Meeting of Shareholders appoints the financial auditor, and the audit contract will be signed by the company by the Chief Executive Officer and the Chief Financial Officer.”

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

2. Approves the date **August 12th 2016** 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

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3. Approves the date **August 11th 2016** 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

4. 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 and the Articles of Association.

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

5. Empowers the legal adviser, Mrs. Bretfelean Diana, identified by ID series XB no. 515915, issued by the Police Department of Bistrita on 13.06.2016, 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 July 25th 2016 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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