

AD HOC REPORT

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

Report date: **August 03rd 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

Teraplast Group concluded on 03.08.2017 an agreement for the purchase of the 50% stake held by French company Socotub in Politub. Until the moment of the agreement, Teraplast had 50% of Politub, one of the most important players on the market of water and gas pipes. Following this acquisition Teraplast will own 99.99% of Politub's share capital, and TeraSteel will have 00.01%.

The acquisition is part of the development and expansion plan of Teraplast Group.

Mirela Pop, Chief Executive Officer Teraplast: *“One of the main reasons for the acquisition was the Group's wish to have a better control over the company, respectively to be able to implement decisions much faster, in accordance with the actual market requirements. Additionally, another important aspect is the fact that we intend to develop this products segment, which is complementary with the rest of the Group's business lines”.*

The purchase of the stake is conditioned by the obtaining of the favorable approval of the Competition Council.

Teraplast Group is developing an annual turnover of over 400 million LEI. The products portfolio of the Group is structured in six business lines: Installations & Decorations, Windows profiles, Compounds, Sandwich panels, Galvanized profiles and PVC windows and doors, and is on top positions on most of the markets on which is present. The parent company Teraplast is market leader in exterior sewage drains and compound and on the second position in interior sewage. The subsidiary, TeraSteel, is the second player on sandwich panels market and the leader of the galvanized steel structures market. In the same time, Depaco, 60% owned Teraplast is the second producer of metallic tiles on the Romanian market.

Politub manufactures tubes and pipes, of medium and high density for the transport and distribution networks of water, gas, and telecommunications, sewer or irrigation. Politub also produces fittings and segments of PE pipes and Polyethylene tubes with structured-walls (corrugated pipes). The polyethylene pipes plant of Politub has an annual production capacity of over 10,000 tones and is localized in Teraplast Industrial Park.

For additional information please contact the Investor Relations Department of Teraplast, phone 0752-101.639, e-mail: anca.rif@teraplast.ro, contact person *Anca Rif – Investor Relations Manager*.