

AD HOC REPORT

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

Report date: **July 19th 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, standard cat., symbol TRP**

Major events to be reported

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

Teraplast SA informs its shareholders that, by letter no. 25668/19.07.2017, the Central Depository has informed, that on July 19th 2017, it was registered in the register of shareholders of the company the share capital increase with 29,047,831 lei, by issuing 290,478,310 new shares, with nominal value of 0.10 lei/share.

Following the capital increase, the new share capital of Teraplast SA will be 85,691,097 lei, divided into 856,910,970 shares, with nominal value of 0.10 lei each. The share capital increase was made into the account of all shareholders registered in the register of shareholders on July 18th 2017, which were allocated 1 bonus share for each 1.95 (more exactly 1.9499998468) held shares.

The Board of Directors of Teraplast SA releases for the investors the document regarding the offering or the allocation of free shares (prepared according to appendix no. 19 from NSC regulation no. 1/2006).

Appendix 19:



Document of investors' information regarding the offering or the allocation of free shares

(prepared according to appendix no. 19 from NSC regulation no. 1/2006).

1. Responsible persons

1.1. *The name and the function of the private person and/or the name and the headquarters address of the legal person responsible for the information included in the presentation document*

Teraplast SA, headquartered in Bistrita, Teraplast Industrial Park, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud county, registered with the Trade Register No. J06/735/1992, Sole registration number at the Trade Register Office No. 309498, bank account RO55 BTRL 0060 1202 A608 75XX opened at Banca Transilvania SA, Bistrita, represented by Mrs. Mirela Pop, Chief Executive Officer.

1.2. *Declarations of the responsible persons mentioned at the point 1.1 of which to appear that the information included in the presentation document are, in their knowledge, in conformity with reality.*

After verifying the content of this prospect, the company Teraplast SA, represented by Mrs. Mirela Pop, Chief Executive Officer, accepts the responsibility for the content and certifies that the released information are in conformity with reality and they do not contain omissions or untrue declarations designed to affect significantly the content of the document.

2. General information about the issuer

2.1. *Name, headquarter, trade register number, Sole registration number at the Trade Register Office*

Name of issuer: Company TERAPLAST S.A.

Headquarters: "Teraplast Industrial Park", DN 15A, km 45+500, Bistrita, Bistrita-Nasaud county.

Company registration: registered with the Trade Register No. J06/735/1992, Sole registration number at the Trade Register Office No. 3094980

2.2. *Share capital:*

- The value of the subscribed and paid share capital: 56,643,266 lei
- The number of shares: 566,432,660 shares
- The nominal value of each share: 0,10 lei

3. Information regarding the shares offered for free to the shareholders

3.1. *The formalities which decides the increase of the share capital which involves offering for free the issued shares to the existing shareholders.*

By the General Meeting of Shareholders decision, dated April 27th 2017, it was approved the capital increase with the amount of 29,047,831 lei by issuing 290,478,310 new shares, with nominal 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 capital increase will be achieved by incorporation of reserves in the amount of 29,047,831 lei from the 2016 net profit, according to item 4 on the agenda of the Ordinary General Meeting of Shareholders of Teraplast SA dated April 27th 2017 and the issuance of 290,478,310 new shares with a nominal value of 0.10 lei/share. The newly issued shares will not change the percentage holding of shareholders and will be distributed free of charge to all shareholders registered in the Shareholders Register at the registration date July 18th 2017. The capital increase is made in order to support the current activity of the company. Each shareholder registered in the Register of Shareholders on the registration date will be allocated a number of 1 new share for each 1.95 (more exactly 1.9499998468) held shares.

The registration date established by GMS/or BD, for the identification of the shareholders which will benefit of the offering or allocation of free shares.

Registration date approved by the EGMS for the shareholders identification is July 18th 2017.

3.2. The description of the share capital increase:

- **The reason for the share capital increase;**
- **The amount and the source for the capital increase;**
- **The number of issued shares by the capital increase;**

The amounts obtained from the share capital increase will be used to support the current activity of the company.

The General Meeting of Shareholders, held on April 27th 2017, decided the increase of the share capital of Teraplast SA, by the amount of 29,047,831 lei, from 56,643,266 lei up to 85,691,097 lei, by issuing 290,478,310 shares with nominal value of 0.10 lei. The increase of the share capital will be realized by:

- incorporation of reserves in the amount of 29,047,831 lei from the net profit of 2016, by issuing a number of 290,478,310 shares with nominal value of 0.10 lei.

3.3. Description of the type and the class of the shares which will be offered or allocated. The number of shares allocated for free for each owned share.

The offered securities are registered dematerialized shares. Each shareholder registered at July 18th 2017 will receive a number of 1 new share for each 1.95 (more exactly 1.9499998468) held shares.

3.4. The value of the increased share capital

The value of the increased share capital is 85,691,097 lei.

3.5. The agent which helped the issuer at the compiling of the presentation document

The name of the agent: not the case.

3.6. Any other information considered important by the issuer or by the NSC

According to art. 89, align (3) letter e) from the NSC regulation no. 1/2006 the compiling and the release of a prospect is not necessary for shares offered for free to the shareholders, on condition that the shares to be of the same class as the shares already traded on the regulated market and on condition that it is available a document which will contain at least the information provided by the appendix no.19.

Issuer

Company TERAPLAST S.A.

Chief Executive Officer

Pop Carmen Mirela

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.