

CURRENT REPORT

In accordance with Law no. 24/2017, and FSA Regulation nr.5/2018

Date of the report: June 28 2019

Name of the issuing company: TERAPLAST S.A.

Registered office: village Saratel, Sieu-Magherus commune, DN 15A, km 45 + 500, county BistritaNasaud

Phone number: 0263/238.202

Fax number: 0263/231.221

Trade Register No.: J06/735/1992

VAT number: RO3094980

Subscribed and paid-up share capital: RON 107.024.527,40

Regulated market for shares admitted to trading: Bucharest Stock Exchange, standard cat., symbol TRP

Important events to be reported

e) other events:

Initial approval for the merge of the TeraPlast Recycling SA and Politub SA subsidiaries by merging Politub SA into TeraPlast Recycling SA

The board of Directors of TeraPlast SA headquartered in village Saratel, Sieu-Magherus, DN 15A, km 45 + 500, county BistritaNasaud, Romania, Zip Code 427301, registered with the Trade Register No. J06/735/1992, Sole registration number at the Trade Register Office No. 309498, approved during the meeting held in **June 27 2019**, as a majority shareholder of the subsidiaries TeraPlast Recycling SA and Politub SA, the participation at the extraordinary general meeting of these two companies held in 28.06.2019 and the agenda of the meetings, voting in favour of the initial approval for the merge between TeraPlast Recycling and Politub SA, by merging Politub SA into TeraPlast Recycling SA, in accordance with the stipulation of the 238 article, line 1, letter a from Law 31/1990 – the Law of companies, republished and with the later updates

Politub, part of TeraPlast Group ever since its founding in 1994, will be merged into TeraPlast Recycling – the Group's rigid PVC recycler.

In operational terms, the merge will set the premises of savings in management costs for the two companies and will supervene the managerial and administrative parallel structures, which will result in management efficiency.

After the merge, Politub SA will be dissolved without entering into liquidation, will be deleted from the Trade Register Office, while TeraPlast Recycling will continue to exist in its legal form.

In 2017, TeraPlast reached 99,99% stake in Politub – the polyethylene tubing producer. Following the acquisition, Politub's activity was incorporated in TeraPlast SA, becoming its polyethylene segment. Therefore, between 2018 and 2019, the company didn't have any activity.

TeraPlast Recycling coordinates the recycling activities in the Group, after taking over the Recycling business line from TeraPlast SA in April 2019. With an annual processing capacity of 12.000 tonnes, the company is the largest rigid PVC recycler in Romania and in top 10 rigid PVC recyclers in Europe.

The Board of Directors of each company involved in the merge was trusted to draw up, in accordance with the law, the merging project, including determining the reference date of the balance sheets used for the merging project. The merging project will be registered at the Trade Register Office in Bistrița Năsăud and published on the companies' webpages involved in the merge, respectively www.trprecycling.ro and www.politub.ro in the *The merge between TeraPlast Recycling and Politub SA* section.

Chairman of the Board of Directors

Mr. Dorel Goia

About TeraPlast Group

With a tradition of over 120 years, the TeraPlast Group is currently the largest Romanian construction materials producer. The Group comprises of the following companies: TeraPlast, TeraSteel Romania & Serbia, Wetterbest (Depaco), TeraGlass, TeraPlast Hungary. Starting with April 2019, the recycling business has been spun off in the independent company TeraPlast Recycling.

Since the 2nd of July, 2008, the largest company of the Group – TeraPlast SA – is listed at the Bucharest Stock Exchange under the TRP symbol. TeraPlast's shares are included in the following indexes: BET-BK, BET-XT, BET-XT-TR and BET-Plus.

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