

AD HOC REPORT

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

Report date: **04.09.2017**

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

- 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**

CONVENING NOTICE

ORDINARY GENERAL MEETING OF SHAREHOLDERS

October 6th 2017

Pursuant to the provisions of **Article 111** and **Article 117** from **Companies' Law 31/1990**, as currently amended, the provisions of the Articles of Association, the Capital Market Law no. 297/2004, Law no. 24/2017 regarding the issuers of financial instruments and market operations, and of the NSC Regulation no. 1/2006 regarding issuers and operations with securities, amended by the NSC Regulation no. 31/2006 and the NSC Regulation no. 6/2009, **the Board of Directors of the Company TERAPLAST SA**, headquartered in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, registered with the Trade Register under no. J06/735/1992, VAT no. 3094980, convenes in the session of **September 4th 2017** the **Ordinary General Meeting of Shareholders**, to be held on **October 6th 2017** at the company's headquarters in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298,

Bistrița-Năsăud County, **starting at 16:00 PM**. All shareholders registered in the Shareholders' Registry by the end of **September 25th 2017** set as reference date, are entitled to participate and vote.

Ordinary General Meeting of Shareholders will have the following

AGENDA

Considering:

- The decision of the Board of Directors, no. 20, dated May 09th 2017, by which it was approved the election of Mrs. Pop Carmen Mirela as interim Nonexecutive Director, the mandate being effectual beginning with May 09th 2017 until the date of the assembly of the Ordinary General Meeting of Shareholders, which will complete the number of company's Directors.
- On October 6th 2017 expires the term of validity of the mandate granted to the other members of the Board of Directors of Teraplast S.A.

is proposed for approval:

1. Election of the members of the Board of Directors of the Company.
2. Establishing the validity of the mandate of the Board members, starting from the date of adoption of the decision by OGMS. The Board of Directors proposes that mandate length will be 1(one) year.
3. Empowering Mr. Dorel Goia and Mrs. Magda-Eugenia Palfi-Tirau to negotiate managers' contracts of mandate and to sign them, either of the two, in the name and on behalf of the Company.
4. Establishing **the registration date** which serves to identify the shareholders who will be affected by the decisions adopted by the Ordinary General Meeting of Shareholders. The date proposed by the Board of Directors is October 26th 2017.
5. Approval of the date October 25th 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).
6. Empowering the Chairman of the Board of Directors to sign for and on behalf of all shareholders present at the assembly, the Decision of O.G.M.S.

7. Empowering the legal adviser, Mrs. Diana Bretfelean, identified by ID series XB no. 515915, to accomplish all formalities regarding registration of the Decision of O.G.M.S. at the Trade Register of Bistrita-Nasaud Law Court and to publish such decision in the Official Gazette of Romania, Part 4.

(1) One or more shareholders jointly or severally representing at least 5% of the share capital, have the right (i) to introduce items on the General Meeting of Shareholders' agenda, provided that each item is accompanied by an explanation or a decision draft submitted for adoption to the General Meeting of Shareholders; (ii) to submit decision drafts for the items included or suggested to be included on the General Meeting's agenda.

(2) Any of the rights stipulated in paragraph (1) above may only be exercised in written, and the documents shall be submitted in a closed envelope at the company's headquarter located in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, or sent by any type of mail or fast delivery with acknowledgment of receipt, the envelope bearing a clear note written in capital letters "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017", or sent by messenger delivery or electronic means, with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teraplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017".

(3) The shareholders can exercise the rights stipulated in paragraph (1) letters (i) and (ii) within maximum 15 calendar days following the date of publication of this convening notice, namely no later than **September 21st, 2017**. Each shareholder shall be entitled to address questions regarding the items on the General Meeting's agenda, and the company shall reply to the shareholders' questions during such meeting. The questions shall be submitted in a closed envelope at the company's headquarter located in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, or sent by any type of mail or fast delivery with acknowledgment of receipt, the envelope bearing a clear note written in capital letters "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017", or sent by messenger delivery or electronic means, with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teraplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017", on or by **October 05th, 2017**.

The shareholders can participate in person or they can be represented in the General Meetings of Shareholders either by their legal representatives or by other agents authorised by a special power of attorney or a general power of attorney, as provided by Article 92 paragraph (10) of Law 24/2017 on the issuers of financial instruments and market operations. Shareholders' access shall be permitted upon proof of their identity, consisting in case of shareholders, who are natural persons, of their ID card or, in case of legal entities, legal representative, and in case of legal entities and shareholders, who are represented natural persons, of a special power of attorney awarded to the person acting as their agent, provided legal applicable provisions are complied with.

The shareholders can appoint a representative by a general power of attorney (authorisation) valid for no more than three years, authorising the appointed representative to vote in any matter subject to discussions of the General Meetings of Shareholders, provided such power of attorney (authorisation) be given by the shareholder, as customer, to an intermediary defined as per Article 2 paragraph (1) item 20 of Law 24/2007 on the issuers of financial instruments and market operations, or to a lawyer. The shareholders cannot be represented in the General Meeting of Shareholders based on a general power of attorney (authorisation) by a person subject to a conflict of interests, pursuant to Article 92 paragraph (15) of Law 24/2007 on the issuers of financial instruments and market operations.

General powers of attorney (authorisations) should be submitted to the Company Record Office or sent by any type of mail or courier with acknowledgement of receipt, 48 hours before the general meeting, namely no later than **October 4th 2017**, 4:00 pm, in copy, including the mention "Certified to be a true copy of the original" signed by the representative. The powers of attorney can also be sent by e-mail with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teraplast.ro, mentioning at subject: "FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017". *The quality of shareholder* and, in case of shareholders, who are legal entities, or entities without legal personality, *the quality of legal representative* is ascertained based on the list of shareholders as of the reference/registration date, received by the issuer from the Central Depository or, accordingly, in case of different reference/registration dates, based on the following documents submitted to the issuer by the shareholder, issued by the Central Depository or the participants defined in Article 168 paragraph (1) letter b) of Law 297/2004, as amended and completed, providing trustee services:

- a) the statement of account certifying the quality of shareholder and the number of owned shares;
- b) documents certifying that the details of the legal representative are recorded at the Central Depository/ participants concerned;

The documents attesting the quality of legal representative elaborated in a foreign language other than English must be accompanied by a translation done into Romanian or English by a certified translator.

The identification criteria referred above shall be accordingly applied also in case the need arises to prove that the shareholder, suggesting for new items to be included in the General Meeting of Shareholders' agenda, or directing questions to the issuer related to the items included in the General Meeting of Shareholders' agenda, is a legal representative.

Pursuant to Article 14 paragraph 4) of the NSC Regulation no. 6/2009, a shareholder can appoint only one representative in a certain General Meeting. However, if a shareholder holds shares with a trading company in several security accounts, such restriction shall not prevent such shareholder to appoint other representative for the shares held in each security account, for a certain General Meeting. Such provision is not detrimental to the provisions of paragraph (5) of Article 14 of the NSC Regulation no. 6/2009.

Pursuant to Article 14 paragraph 4 item 1 of the NSC Regulation no. 6/2009, a shareholder can appoint by power of attorney one or several deputy representatives for a general meeting, in the event the representative appointed as per paragraph (4) above is unable to attend. Where several deputy representatives are appointed by power of attorney, the order in which they will act shall be established.

The shareholders can also cast their votes for the items noted in the agenda by mail, and the vote application form, accurately filled out and signed, shall be sent in a sealed envelope to the company's headquarter located in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, which should arrive at the company's headquarter no later than **04.10.2017**, 4:00 pm, the envelope bearing a clear note written in capital letters „FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017”. The ballots can be sent by e-mail with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teraplast.ro, mentioning at subject: “FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017”.

A representative can cast his/her vote by mail only when such representative has received from the shareholder a special/general power of attorney which will be submitted to the issuer pursuant to Article 92 par. (14) of Law 24/2017 on the issuers of financial instruments and market operations.

Special power of attorney forms to be used for voting by representative, as well as the forms to be used for voting by mail shall be made available for shareholders both in Romanian and in English, at the company's headquarter located in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, during business days, from **8:00 am to 4:30 pm** and on the company website: www.teraplast.ro, heading “Investors”, Section “General Meeting of Shareholders”, as of **September 05th, 2017**.

The special powers of attorney and the ballots by mail shall be submitted in Romanian or English originals at the company's headquarter located in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, or sent by any type of mail or fast delivery with acknowledgment of receipt, not later than **October 04th, 2017**, 4:00 pm, the envelope bearing a clear note written in capital letters „ FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017”, or can be sent by e-mail with the extended electronic signature included according to Law 455/2001 on the electronic signature, at the following e-mail secretariatCA@teraplast.ro, mentioning at subject: “FOR THE GENERAL MEETING OF SHAREHOLDERS OF 06/09.10.2017”.

One copy shall be handed over to the representative, one shall be kept by the company, and the third copy shall be kept by the shareholder.

When completing the special powers of attorney and the ballots by mail, the possibility of completing the G.M.S. agenda by new items shall be considered. In such event, the updated special powers of attorney and updated ballots, both in Romanian and in English, can be obtained from the Company Record Office and the company's website

www.teraplast.ro, Heading “Investors”, Section “General Meeting of Shareholders”, as of the date of publishing the completed agenda.

In case the agenda is completed and the shareholders do not send updated special powers of attorney and/or ballots by mail, the special powers of attorney and/or ballots by mail sent before completing the agenda shall be taken into account only for such items that are also found on the initial agenda.

The shareholders can appoint their representative by electronic means as well, notifying the electronic appointment on secretariatCA@teraplast.ro, with the extended electronic signature included according to Law 455/2001 on the electronic signature.

Any informative documents and materials, and also the decision drafts related to the matters listed in the agenda of the General Meeting of Shareholders shall be made available to the shareholders both in Romanian and in English, at the company's headquarter located in Parc Industrial Teraplast, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud County, during business days, from **8 am to 4:30 pm**, and also on the company's website: www.teraplast.ro, heading „Investors”, Section „General Meeting of Shareholders”, as of **September 05th 2017**.

In the event the validity conditions are not met at the first call to convene, the next General Meeting of Shareholders shall be convened for the date of **October 09th 2017**, the agenda, time and place being the same.

The list of information regarding name, city of residence and professional qualification of the proposed Directors will be available to shareholders, to be consulted and completed, at the company's headquarters from Teraplast Industrial Park, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud county, during working days, between **08:00 – 16:30** and on the company's webpage: www.teraplast.ro, Category «Investors», Section «General Meeting of Shareholders», starting with **September 5th 2017**.

The deadline for the submission of applications by those interested is **September 22nd 2017** inclusive.

Chairman of the Board of Directors

Dorel Goia

Legal adviser

Diana Bretfelean

For additional information please contact the Investor Relations Department of Teraplast, phone 0752-101.571, e-mail: diana.bretfelean@teraplast.ro, contact person Diana Bretfelean – *Legal adviser*.