

CURRENT REPORT

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

Date of the report: November 12th, 2018

Name of the issuing company: TERAPLAST S.A.

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

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 85.691.044,20

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

Important events to be reported: TeraPlast Group receives EUR 6.8m government grant funding.

TeraPlast Group, one of the most important manufacturers of construction materials, will start implementing 3 investment projects totaling EUR 15 million submitted through the Grant Scheme after the Ministry of Finance approved their funding. The implementation of the three projects submitted by TeraPlast, Depaco and TeraGlass will begin immediately.

„I am pleased to see that authorities meet their commitment to support Romanian companies. A grant aid project for Teraplast SA was submitted in 2016, but due to the fact that it was not approved we were partially able to implement the project with internal financing. These investment projects will have national and international impact with the main beneficiaries being our customers and partners, to whom we are committed to deliver quality solutions. Another outcome of their implementation translates in 159 available jobs in the three companies of TeraPlast Group" said Dorel Goia, Chairman of the TeraPlast Board of Directors.

TeraPlast SA's EUR 6.2m investment aims to bring innovation to the PVC compound market in Romania through the production of halogen-free fire resistant granules and expanding the production capacity of polypropylene inner sewer pipes, a superior quality alternative to PVC systems. The resulting polypropylene waste from the technological process will be recycled and reprocessed.

The EUR 5.2m investment project in **Depaco** will be used to open a new manufacturing facility in Băicoi (Prahova), with a production capacity of over 10 million square meters of tile which will ensure optimal logistics flow and storage.

The **TeraGlass** project, worth EUR 3.5m aims to create a completely new, fully automated flow for PVC windows and doors production, a process that will contribute both to increasing production capacity and labor productivity as well as fulfilling the increasing demand.

The grant scheme for which the three companies of TeraPlast Group applied for is the State grant aid H.G. 807/2014, that seeks to stimulate the investment projects with a major impact on the economy and regional development.

TeraPlast Group Details:

With a tradition of over 120 years, TeraPlast Group is currently one of the most important manufacturers of materials for construction industry. The Group's product portfolio is structured on six business lines: Installations & Design, Window Profiles, Gompound, Thermal insulating panels, Windows & Doors and Metallic Tiles – by Wetterbest brand. TeraPlast Group opened in October 2017 TeraSteel Serbia, the first factory wholly owned by a Romanian company, inaugurated after 1990.

Starting 2 July 2008, the Group's biggest company – TeraPlast SA – has been listed on Bucharest Stock Exchange under the symbol TRP.

Chairman of the Board of Directors

Dorel Goia

Should you need any further information, please contact us at 0752-101.571, e-mail: diana.bretfelean@teraplast.ro, contact person Diana Bretfelean – Legal adviser