

CURRENT REPORT

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

Date of the report: 14th September 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 S.A. is informing its shareholders and potential investors, that in the meeting of 14th September 2018, the Board of Directors of Teraplast S.A. **has established the details of the increase of share capital in respect of which it was authorized by the EGMS by Decision No. 1 of 27 April 2018.**

In order to ensure a complete and accurate information of the shareholders and potential investors, we reproduce the decisions taken by the Board of Directors no. 55 dated 14th September 2018.

RESOLUTION

of the Board of Directors of TERAPLAST S.A.

J06/735/1992, RO 3094980

No. 55 dated 14th September 2018

In pursuance of art.153[^]20 and the following of Companies Law 31/1990 as amended, Law no. 24/2017 regarding the issuers of financial instruments and market operations and FSA Regulation nr.5/2018 on Issuers of Financial Instruments and Market Operations and pursuant to the Articles of Association of TERAPLAST S.A., headquartered in village Sărațel, commune Șieu-Magheruș, DN 15A,



km 45+500, Bistrita-Nasaud County, registered at the Trade Register under no. J06/735/1992, VAT no. 3094980, within the meeting of 14th September 2018 attended all the members of the Board of Directors,

Taking into account the following considerations:

- a) The decision of EGMS Teraplast no. 1 of 27 April 2018 approving:
- i) Authorization of increasing the share capital of the Company, with a maximum of 21.450.000 lei, up to the maximum amount of 107.141.097 lei, representing authorized capital, by delegating to the Board of Directors, for a period of 12 months, the exercise of its competencies regarding the increase of the share capital, based on the provisions of art. 114 paragraph (1) - (2), and of art. 2201 of Law no. 31/1990, the provisions of art. 85 of the Law no. 24/2017 and the provisions of art. 9 paragraph (2) of the Articles of Association of the company, under the following conditions:
 - The newly issued shares will be distributed free of charge to all shareholders of the company registered in the Register of Shareholders at the registration date to be determined by the Board of Directors;
 - The capital increase will be made to support the current activity of the company;
 - Each shareholder registered in the Register of Shareholders at the registration date (which will be determined by the Board of Directors by the decision approving all the details of the increase of the share capital) will be allocated a number of 1 free share to 4 shares held;
 - The increase of the share capital will be made by incorporating the reserves set up in the previous years.
 - ii) Authorization of the company's Board of Directors to perform any and all formalities necessary to carry out the fulfillment of item i) from above, including but not limited to: initiating, developing (including setting out the date of payment, setting out the registration date - the date that serves to identify the shareholders over whom the effects of the capital increase will be reflected, setting the ex-date, establishing the exact value with which the share capital is increased, determining the price at which the fraction of shares resulting from the application of the algorithm and the rounding of the results will be compensated), completing, registering and operating the increase of the share capital, the corresponding modification of the Company's Articles of



Association, the drafting and signing of all documents and the fulfillment of any formalities for the implementation and registration of the increase of the share capital to the competent authorities.

b) The provisions of art. 9 paragraph (4) of the Articles of Incorporation of the Teraplast Company, according to which "the Board of Directors is authorized by the Articles of Incorporation, for a period of 12 months from the date of completing the Articles of Incorporation with this article, to increase the share capital of the Company with the value of maximum 21,450,000 lei, up to the maximum amount of 107,141,097 lei, representing authorized capital.";

The Board of Directors, with the favourable vote of all the members,

DECIDES:

1. **Approves the share capital increase with 21.333.483,20 lei by releasing of 213.334.832 new shares**, with a reference value of 0.10 lei/share, as well the determination of the price 0,40 lei for the compensation of the fractions of shares following the application of the algorithm and the rounding of the results to the lower inferior, in accordance with the applicable legal provisions.

The share capital increase will be made by incorporating the reserves in amount of 21.333.483,20 lei, constituted from the net profit of the previous years, and by releasing of 213.334.832 new shares with a reference value of 0.10 lei/share. The new released shares will not modify the shareholders percentage and will be distributed for free to all company's shareholders, registered in the Shareholders' Registry, at the registration date established by this Decision. The capital increase is made in order to support the current activity of the company. Every shareholder registered in the Shareholders' Registry at the registration date shall receive 1 new share for every 4 owned shares.

When calculating the value with which the share capital is increased,, was taken into account the number of shares issued by the company, out of which a number of 3.571.114 shares fell (shares that Teraplast S.A. has redeemed and holds at the date of the present document, on the basis of the stock option plan approved by the EGMS Decision no.1 of 21.09.2017), taking into account that own shares do not give rise to dividends or other rights.

2. Approves the update of the Articles of Association, in accordance with the ones approved at point 1 of the present, as follows:



Art. 7. Alin. (1) "The subscribed and paid in share capital of the Company TERAPLAST S.A. is 85.691.044,2 lei divided into a number of 856.910.442 registered shares, with nominal value of 0.1 lei each"

modifies and will have the following content:

"The subscribed and paid in share capital of the Company TERAPLAST S.A. is 107.024.527,40 lei divided into a number of 1.070.245.274 registered shares, with nominal value of 0.1 lei each".

3. Establishes the date of **December 19th, 2018** as the **registration date** when the shareholders affected by the decisions adopted by the Board of Directors shall be identified.

4. Approves the date of **December 18th, 2018** as "**ex-date**", namely the date before the registration date at which the financial instruments object of the decisions of the company bodies are traded without the rights deriving from the decision.

5. **Approves** the date **December 20th, 2018** as **payment day**, date on which the distribution of the proceeds of the ownership of securities, consisting of cash or securities, becomes certain.

6. Authorise Mr. Dorel Goia – Chairman of the Board of Directors along with Mr. Alexandru Stanean – Director, to sign on behalf of and for all the directors the Resolution adopted.

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

