



## Annual Shareholders' Meeting of 1 September 2014

### Notice of meeting

The company informs its shareholders that they are invited to attend an Ordinary and Extraordinary Shareholders' Meeting on 1 September 2014 at the Cité Photonique in Pessac, where Europlasma's Bordeaux offices will be relocated in November. A notice convening the Shareholders' Meeting, containing the agenda and the text of the resolutions, is published in the Bulletin of Mandatory Legal Notices (BALO) today.

### Details regarding the eleventh, twelfth and thirteenth resolutions

As indicated in press release dated 3 July 2014, the Group received in April 2014 a new loan in the amount of €2.8 million granted *pari passu* (50:50) by its main shareholder, Crédit Suisse Europlasma SPV (CSE), and CHO Morcenx.

This loan, coupled with financial aid (repayment deferrals) granted by the State and some of the Group's other key partners, allowed the company to cover its cash requirements between April and July 2014, a particularly rich period in operational terms that saw :

- CHO Power receive the Preliminary Delivery of the Morcenx power plant,
- Inertam find a lasting solution to the long-standing and recurring problems of torch rectifiers,
- Torches & Process secure more orders for studies,
- and Management continue the execution of the 180-day plan.

It is repayable by May 2015 at the latest, in cash or by the conversion into Europlasma or CHO Power shares, at the request of the lenders and subject to the prior approval of the Shareholders' Meeting as regards the conversion into Europlasma shares. This authorisation is subject to the approval of the eleventh resolution to be submitted to shareholders.

Conversion into Europlasma shares would be made at the same price as the exercise price determined by the Board of Directors for the capital increase with preferential subscription rights planned in September 2014. The possibility of converting would be restricted to a three-month period following the approval of the Shareholders' Meeting.

In case of rejection by the Shareholders' Meeting of the eleventh resolution authorising the possible conversion of loans granted since 1 January 2013, additional interest of 10% would apply to the April 2014 loan.

Moreover, the loan has a clause providing for the issuance of Europlasma warrants at a token unit price of €0.01 each, with prior authorisation from the Shareholders' Meeting. The number of warrants issued would be a function of the ratio of 20% of sums lent as of the date of issue of the warrants and €0.80, the subscription price determined by the Board of Directors for the capital increase planned in September 2014. The warrants will be exercisable over a period of five years at an exercise price equal to the subscription price of the said capital increase.

If the Shareholders' Meeting does not approve the twelfth and thirteenth resolutions regarding the issuance of the warrants, the parties will make their best effort to find an alternative solution.

## Strengthened confidence of financial partners

Aside from the May 2014 loan, the Group has been granted several loans by its financial partners since January 2013. The company's financial partners are proposing to convert all of these loans (for an amount greater than €9 million) at the time of the September 2014 capital increase. The approval by the Shareholders' Meeting of the aforementioned resolutions will thus be beneficial to the Group on three counts:

- The conversion of debt into equity once again demonstrates the confidence of our financial partners in the Group, its management, and its value-creation potential.
- The conversion will allow us to significantly improve the balance sheet structure, to lift significant guarantees currently associated to these loans, and – in operational terms – to look to the future.
- The conversion intentions of lenders will go towards underwriting 75% of the amount of the September 2014 capital increase, the proportion required to obtain the AMF's approval for the transaction.

## Search for intermediate funding and confirmation of the suspension of trading

As noted in the press release dated 3 July 2014, the company has identified a need for additional cash of approximately €3 million to continue operations until the September 2014 capital increase. The company has already secured half of this sum and is pressing ahead with negotiations with potential partners for the remaining part.

It will only be possible to publish the annual and consolidated financial statements and the reports of the statutory auditors on the said financial statements after the full amount of €3 million has been secured.

In this context, the suspension of trading of Europlasma shares is maintained. The company indicates that the resumption of trading will be announced in a press release issued before its effective date.

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## About Europlasma

Europlasma is a French Group operating in the clean technologies and renewable energy production industries. Founded in 1992 to apply its proprietary plasma torch technology to hazardous waste destruction, it is now built on the following three business units:

- **Europlasma** is a world-wide supplier of plasma heating systems and related applications
- **CHO Power** is a producer of electricity from waste and biomass gasification.
- **Inertam** is the global specialist in the destruction and recycling of asbestos and hazardous waste

<http://www.europlasma.com> [Alternext - NYSE Euronext Paris – Mnemo : ALEUP – Isin : FR0000044810]

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