

Independent Limited Assurance Report on the information included in the current reports issued by Teraplast SA in accordance with requirements of Law 24/2017 (Article 82) and Regulation no. 5/2018

***To the management of Teraplast S.A.***

We were engaged by the Teraplast S.A. (hereinafter "the Company ") to perform certain procedures in accordance with Regulation no. 5/2018 of Financial Supervisory Authority ("ASF") with all its subsequent amendments and updates and report on the information included in the attached current report (hereinafter "Reporting Schedule") (dated 29 July 2019) that has been prepared by the Company in accordance with the requirements of the Law 24/2017 (Article 82) (" the criteria") to report to the Financial Supervisory Authority ("FSA") and to the Bucharest Stock Exchange for the period from 1 January 2019 to 30 June 2019. The Reporting Schedule has been prepared by the Company based on legal documents signed by the Company with its administrators, employees and significant shareholders as well as with the persons related to them. The Reporting Schedule is the responsibility of the Company's management. Our procedures have been performed exclusively on the Reporting Schedule mentioned above covering the period 1 January 2019 to 30 June 2019.

***Specific Purpose***

This report is intended solely for the purposes specified in the first paragraph above and for your information and must not be used for any other purpose. The report refers exclusively to the Reporting Schedule and must not be associated with any Company's financial statements as a whole. Our procedures have been performed exclusively on the contracts signed during the period 1 January 2019 to 30 June 2019.

***Management's Responsibilities***

The Company's management is responsible for the preparation of the Reporting Schedule in accordance with the requirements of the Law 24/2017 (Article 82) (" the criteria"). In particular, the Company's management is responsible for internal controls being designed and implemented to prevent the Reporting Schedule from being materially misstated.

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In addition, the Company's management is responsible for ensuring that the documentation provided to the auditor is complete and accurate. The Company's management is also responsible for maintaining the internal control system that reasonably ensures that the documentation described above is free from material misstatements, whether due to fraud or error.

### ***Auditor's Responsibilities***

We conducted our assurance engagement in accordance with International Assurance Standards, particularly ISAE 3000 (revised), "Assurance Engagements Other than Audits or Reviews of Historical Financial Information", as adopted by the Chamber of Financial Auditors in Romania. These regulations require that we comply with ethical standards and plan and perform our assurance engagement to obtain limited assurance about the Reporting Schedule.

We apply International Standard on Quality Control 1 (ISQC 1), and accordingly, we maintain a robust system of quality control, including policies and procedures documenting compliance with relevant ethical and professional standards and requirements in law or regulation.

We comply with the independence and other ethical requirements of the IESBA Code of Ethics for Professional Accountants, which establishes the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The procedures selected depend on the auditor's judgment. The procedures include, in particular, inquiry of the personnel responsible for financial reporting and risk management and additional procedures aimed at obtaining evidence about the Reporting Schedule.

The assurance engagement performed represents a limited assurance engagement. The nature, timing and extent of procedures performed in a limited assurance engagement is limited compared with that necessary in a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower.

In respect of the Reporting Schedule of the Company we have performed the following procedures:

- 1) We have obtained the attached Reporting Schedule from the Company and agreed that the signatures on the Reporting Schedule are those of relevant representatives of the Company and we have undertaken a comparison of the details required to be included in the Reporting Schedule as indicated in Law 24/2017 (Article 82) to the information actually included by the Company.

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- 2) We have compared details, for the individual contracts/agreements we have considered, as detailed in this Report, to determine if the content of the Reporting Schedule is consistent, in all material respects, with information as per signed contracts and agreements presented to us and that the presented documents have been signed by representatives of the Company that are indicated in the authorized signature schedule provided to us by the Company. As applicable, our procedures have compared Reporting Schedule to the contract and agreement documentation for consistency of details on: the parties which signed the legal document; the date when documentation was signed and the nature of the documentation; the description of the type of goods/services as indicated in the documentation; the total value of the contract/agreement documentation, and, as applicable, contract related terms and conditions.
- 3) We have compared details disclosed in the Reporting Schedule for consistency with the information provided to us from discussion with management and to the extent indicated in contract/agreement documentation, in relation to the basis and nature of the contract/agreement entered into by the parties.
- 4) From discussions with the management and from perusal of Company policies and procedures provided to us, we have considered the consistency of the transactions performed with administrators, employees and significant shareholders, as well as with persons related to them with the Company's policies and procedures.
- 5) To the extent that there is a market price for the goods or services provided by administrators, employees and significant shareholders, as well as with persons related to them, we have discussed the basis for the price agreement and considered if, to the extent applicable, the prices agreed are consistent with that used for third (other) parties, where similar goods or services could be provided. To the extent that no market prices are available, we have analyzed if the transactions have been performed based on the signed approved contracts.

Our procedures have been performed only on the contracts included in the attached Reporting Schedule, that have been concluded/modified during 1 January 2019 to 30 June 2019 and that have an estimated value during the reporting period above 50,000 Euros. We have not performed any procedures to verify whether the Reporting Schedule includes all the transactions and details that the Company has to report according to Article 82 of Law 24/2017 for the reporting period.

## Conclusion

Based on the procedures performed and evidence obtained, as described above, regarding the legal documents which are included in the Reporting Schedule, nothing has come to our attention that causes us to believe that:

- a) The details as indicated in the Reporting Schedule are not in accordance with the related contracts/agreements presented to us.
- b) The details in the Reporting Schedule are not, in all material respects, consistent with the requirements of the legislation.
- c) The related contracts/agreements provided to us were not properly authorized by representatives of the Company.
- d) The prices have not been established by mutual agreement between the parties in accordance with the type of goods/services and also by considering other terms and conditions mentioned in the respective contracts signed between the parties.
- e) The terms and conditions of the contracts reported by the Company under which transactions have been completed with administrators, employees, significant shareholders, as well as with the persons related to them, are not established on the basis of the contracts signed by the Company according to the type of services and to other terms and conditions agreed between the parties.

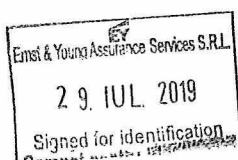
Our report is solely for the purpose set forth in the first paragraph of this Report and for your information and is not to be used for any other purpose.

This Report relates only to the Reporting Schedule as mentioned above and does not extend to any other reports of the Company, individually or taken as a whole.

On behalf of  
Ernst & Young Assurance Services SRL

Alexandru Lupea  
Partner

29 July 2019  
Bucharest, Romania

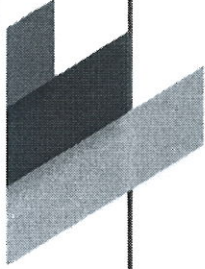


## Attachment

### 1. Reporting Schedule

*The English version of the limited assurance report on the information included in the current reports issued by the Company in accordance with requirements of Law 24/2017 (Article 82) and Regulation no. 5/2018 represents a translation of the original limited assurance report issued in Romanian language.*





## RAPORT CURENT

In conformitate cu Legea nr. 24/2017 si Regulamentul ASF nr.5/2018

Data raportului: **29 iulie 2019**

Denumirea societatii emitente: **TERAPLAST S.A.**

Sediul social: **Sat Saratel, comuna Sieu-Magherus, DN 15A, KM 45+500, Judetul Bistrita-Nasaud**

Telefon/Fax: **0263/238.202; 0263/231.221**

Numar de inregistrare ORC: **J06/735/1992**

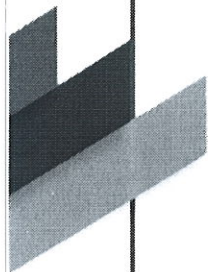
Cod unic de inregistrare: **RO3094980**

Capital social subscris si varsat: **107.024.527,40 lei**

Piata reglementata pe care se tranzactioneaza: **Bursa de Valori Bucuresti**

**Evenimente importante de raportat:** In conformitate cu prevederile art. 144 lit. B, alin. 4 din Regulamentul A.S.F. nr. 5/2018 privind emitentii de instrumente financiare si operatiuni de piata, TERAPLAST S.A. inaintea spre publicare Raportul auditorului financiar privind tranzactiile raportate in temeiul art. 82 din Legea nr. 24/2018, in cursul Semestrului I 2019.

Nr. Crt.	Persoana fizica/juridica cu care Societatea Teraplast a incheiat actul juridic	Data incheierii actului	Natura actului	Obiectul actului	Valoarea estimata a actului	Creantele reciproce intre partile actului	Garantiile constituite	Dobanda	Termenele si modalitatile de plata
Acte aditionale incheiate de Societatea Teraplast S.A. in calitate de Imprumutator									
1.	TERAPLAST HUNGARIA K.F.T.	11.02.2019	Act aditional la Contractul de creditare nr.401770 / 21.02.2017	Prelungirea valabilitatii contractului de creditare cu 12 luni, pana la data de 21.02.2020	Valoarea totala a contractului este de 200.000 euro	Datorii ale Teraplast: 0,00 lei Datorii catre Teraplast: 1.558.833 Lei *1	Nu exista	Imprumutul este purtator de dobanda, la nivelul dobanzii de referinta a BNR	Termen de plata: un an calendaristic, de la prelungirii valabilitatii contractului. Modalitate de plata: virament bancar.



2.	WETTERBEST S.R.L. (fosta DEPACO S.R.L.)	11.02.2019	Contract de creditare nr.423033/ 11.02.2019	Acordarea unui imprumut societatii Depaco SRL	Valoarea totala a contractului este de 12.000.000 lei	Datorii ale TeraPlast: 0 lei Datorii catre TeraPlast: 17.193 Lei	Nu exista	Imprumutul este purtator de dobanda, la nivelul dobanzii de referinta a BNR	Termen de plata: 3 luni, de la data semnarii contractului. Modalitate de plata: virament bancar.
3.	TeraSteel d.o.o. Serbia	15.05.2019	Acord de modificare a Contractului de creditare incheiat in 06.06.2017	Conversia in aport la capitalul social al TeraSteel d.o.o. Serbia a sumei de 1.711.000 euro, parte a contractului de creditare incheiat in 06.06.2017 in valoare totala de 6.250.000 euro	Valoarea acordului este de 1.711.000 euro	TeraPlast SA are creante in legatura cu TeraSteel d.o.o. Serbia.: 23.026.789 LEI <sup>2</sup> ; TeraPlast SA are datorii in legatura cu TeraSteel d.o.o. Serbia: 0,00 LEI;	Nu este cazul	-	Nu este cazul
4.	TeraSteel d.o.o. Serbia	24 iunie 2019	Anexa nr.1 la Acordul din 15 mai 2019 incheiat in vederea modificarii Contractului de creditare din 6 iunie 2017	Reducerea datoriei cu valoarea dobanzii aferinta sumei 1.711.000 euro, ca urmare a conversiei acesteia din imprumut in aport la capitalul social al TeraSteel d.o.o. Serbia	Valoarea Anexei nr.1 este de 143.849,60 euro	TeraPlast SA are creante in legatura cu TeraSteel d.o.o. Serbia.: 22.347.263,29 lei <sup>3</sup> ; TeraPlast SA are datorii in legatura cu TeraSteel d.o.o. Serbia: 0,00 lei;	Nu este cazul	-	Nu este cazul

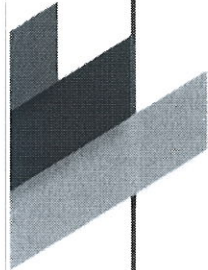
<sup>1</sup> La 12.02.2019, din total creante de incasat de la TeraPlast Hungaria Kft, 945.102 lei reprezinta principal plus dobanda in contul contractului de imprumut in vigoare;

<sup>2</sup> La 14.06.2019, din valoarea de 23.026.789 LEI este in legatura cu contractul de imprumut in vigoare si se compune din 20.715.792 LEI principal (contravaloarea a 4.539.0000 eur) si 2.310.997 LEI dobanda.

<sup>3</sup> La 27.06.2019, valoarea de 22.347.263,29 lei este in legatura cu contractul de imprumut in vigoare si se compune din 20.715.711,8 lei principal si 1.631.551,49 lei dobanda.



Nr. Crt.	Persoana fizica/juridica cu care Societatea TeraPlast a incheiat actul juridic	Data incheierii actului	Natura actului	Obiectul actului	Valoarea estimata a actului	Creantele reciproce intre partile actului	Garantiile constituite	Termenele si modalitatile de plata
<b>Acte aditionale incheiate de Societatea TeraPlast S.A. in calitate de Furnizor/Vanzator</b>								
1.	TERAGLASS BISTRITA SRL	28.02.2019	Act aditional nr. 10 la contractul cadru de vanzare nr.5622/10.06.2015	Prelungirea valabilitatii contractului cadru de vanzare nr.5622/10.06.2015 pana la data de 28.02.2020	Valoarea estimata a contractului pentru anul 2019 este de 7.500.000 lei fara T.V.A.	Creante totale ale TeraPlast : 5.807.631 lei *4 Datorii totale ale TeraPlast : 54.667 lei	Nu exista	120 de zile de la data emiterii facturii, prin virament bancar sau compensare
2.	TERAPLAST HUNGARIA K.F.T.	28.02.2019	Act aditional nr. 8 la contractul cadru de vanzare nr. 7001 / 24.04.2017	Prelungirea valabilitatii contractului cadru de vanzare nr. 7001/24.04.2017 pana la data de 28.02.2020	Valoarea estimata a contractului pentru anul 2019 este de 2.500.000 lei fara TVA	Creante totale ale TeraPlast : 1.579.102 lei *5 Datorii totale ale TeraPlast: 21.496 lei	Nu exista	90 de zile de la data emiterii facturii, prin virament bancar
3.	TeraPlast Recycling S.A.	01.04.2019	Contract de vanzare linie de business reciclare	Transferul către S. TeraPlast Recycling S.A. a liniei de business de reciclare (vânzare stocuri, vânzare mijloace fixe, transfer angajați, cesiune contracte furnizori, închiriere imobile și echipamente)	Valoarea contractului este de 22.875.886 lei	Creante totale ale TeraPlast : 22.875.886 lei; Datorii totale ale TeraPlast : 0 lei;	Nu este cazul	Termenul de plata este 30.06.2019 urmand a se aplica o dobanda de 5%/an din pretul de vanzare al liniei de business incepand cu data de 01.04.2019 pana la data platii integrale; Modalitatea de plata este transfer bancar
4.	TeraPlast Recycling S.A.	24 iunie 2019	Contract de vanzare cumparare nr. 430184 /24.06.2019	Vanzare de deseuri PVC. Contractul este valabil pana la data de 30.06.2020 urmand a se prelungi automat cu perioade succesive de cate 12 luni daca niciuna dintre parti nu solicita rezilierea.	Valoarea estimata anuala a contractului este de 1 milion lei;	Creante totale ale TeraPlast: 24.468.808,66 lei *6 Datorii totale ale TeraPlast : 2.888.345,04 lei;	Nu este cazul	Termenul de plata este 15 zile; Modalitatea de plata este transfer bancar sau compensare



<sup>4</sup> La 04.03.2019, din total creante de incasat de la Teraglass Bistrita SRL, 3.314.878 lei reprezinta sume de incasat in contul contractului de transfer linie de business din 2015;

<sup>5</sup> La 04.03.2019, din total creante de incasat de la Teraplast Hungaria Kft, 945.102 lei reprezinta principal plus dobanzi in contul contractului de imprumut;

<sup>6</sup> La 27.06.2019, din total creante de incasat de la Teraplast Recycling SA, valoarea de 22.875.886,27 lei reprezinta sume de incasat in contul transferului liniei de business din aprilie 2019

### Contracte incheiate de Societatea Teraplast S.A. in calitate de Cumparator

1	TERASTEEL S.A.	01.03.2019	Contract cadru de vanzare – cumparare nr. 424029 / 01.03.2019 valabil 12 luni	Cumpararea de armaturi metalice, accesorii metalice, in baza comenzilor emise	Valoarea estimata a contractului pentru anul 2019 este de 1.000.000 lei fara T.V.A.	Creante totale ale Teraplast: 12.255.252 lei <sup>7</sup> Datorii totale ale Teraplast: 339.385 lei	Nu exista	60 de zile de la data emiterii facturii, prin virament bancar sau compensare
2.	Teraplast Recycling S.A.	24 iunie 2019	Contract de vanzare cumparare nr. 441 / 24.06.2019	Cumpararea de materie prima. Contractul este valabil pana la data de 30.06.2020 urmand a se prelungi automat cu perioade succesive de cate 12 luni daca niciuna dintre parti nu solicita rezilierea.	Valoarea estimata anuala a contractului este de 30 milioane lei;	Creante totale ale Teraplast: 24.468.808,66 lei; <sup>8</sup> Datorii totale ale Teraplast: 2.888.345,04 lei;	Nu este cazul	Termenul de plata este 15 zile; Modalitatea de plata este transfer bancar sau compensare

<sup>7</sup> La 04.03.2019, din total creante de incasat de la Terasteel SA, 12.243.903 lei reprezinta sume de incasat in contul dividendelor distribuite trimestrial in 2018;

<sup>8</sup> La 27.06.2019, din total creante de incasat de la Teraplast Recycling SA, valoarea de 22.875.886,27 lei reprezinta sume de incasat in contul transferului liniei de business din aprilie 2019

Director General  
Stanean Alexandru

Director Financiar  
Birta Ioana

