

CURRENT REPORT

In accordance with Law No. 24/2017 and Regulation No. 5/2018 of the Financial Supervisory Authority (ASF)

Date of report: **22.07.2021**

Name of issuing company: **TERAPLAST S.A.**

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

Telephone/Fax: 0263/238.202; 0263/231.221

Trade Register Office Number: **J06/735/1992**

VAT number: **3094980**

Subscribed and paid-up share capital: **174,320,047.80 lei**

Regulated market for shares admitted to trading: **Bucharest Stock Exchange, standard category**

Stock symbol: **TRP**

Significant events to report:

In accordance with provisions of art. 144 item B, paragraph 4 of the Regulation of the Financial Supervisory Authority no. 5/2018 on issuers of financial instruments and market operations, **TERAPLAST S.A. is submitting for publication the Auditor's report containing the transactions reported pursuant to art. 92 (3) of Law no. 24/2017, during the first semester of 2021.**

The attached material includes both the auditor's report and the report on the transactions reported during the first semester of 2021, to be examined by interested parties.

ALEXANDRU STANEAN

TeraPlast S.A. CEO

If you need any further information feel free to contact us at

email investor.relations@teroplast.ro or by phone at: +40 757 101 686 – Contact person: Kinga Vaida.

INDEPENDENT LIMITED ASSURANCE REPORT

ON THE INFORMATION INCLUDED IN THE CURRENT REPORTS PREPARED BY THE COMPANY IN ACCORDANCE WITH THE PROVISIONS OF LAW NO. 24/2017, AS REVISED, AND FSA REGULATION NO. 5/2018

***To the Board of Directors,
TERAPLAST S.A.***

We have been contracted by TERAPLAST S.A. (herein after referred to as “**the Company**” or “**TERAPLAST**”) in order to report according to the requirements of Law no. 24/2017 on financial instruments and market operations, as revised (herein after referred to “**Law no. 24/2017**”) regarding the financial instruments issuers and market, on the information included in the accompanying current reports (dated 2 April 2021, and 6 April 2021) (herein after referred to as the “**Current Reports**”), which were prepared by the Company in accordance with article 92³ of Law no. 24/2017, and to the provisions of Regulation no. 5/2018 of the Financial Supervisory Authority (herein after referred to as “**FSA**”), to report to the Financial Supervisory Authority (“**FSA**”) and the Bucharest Stock Exchange (“**BSE**”) for the period 1 January 2021 – 30 June 2021, in the form of a limited assurance conclusion.

Specific Scope

The scope of our report is exclusively that laid down in the first paragraph hereof, and our report is prepared for the information of the Company, of the BSE and the FSA and shall not be used for any other purpose. Our report shall not be deemed adequate for use by any party that wishes to acquire rights towards us, other than the Company, for any purpose or in any context.

Any party other than the Company, which gains access to our report or a copy hereof and chooses to rely on our report (or a portion hereof), shall do so on its own responsibility. Our engagement was conducted so as to report on such matters that we must report in an independent limited assurance report, and not for other purposes. This report refers only to the elements mentioned hereunder and does not extend to the Company’s financial statements or other reports issued by the Company, individually or as a whole.

Management’s Responsibility

The Company’s management is responsible for the preparation of the Current Reports and conclusion of the transactions reported in accordance with Law no. 24/2017 as revised and FSA Regulation no. 5/2018. Moreover, the Company’s management is responsible for the design, implementation and maintenance of internal controls that enable the preparation of Current Reports that is free from material misstatements, whether due to fraud or error.

The Company’s management is also responsible to make sure that the supporting documents underlying the preparation of the Current Reports and evidence provided to the auditor are complete, correct and justified.

Auditor's Responsibility

We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements ISAE 3000 (Revised) - Assurance engagements other than audits or reviews of historical financial information. This standard requires that we comply with ethical requirements, plan and perform the assurance engagement to obtain limited assurance about the Current Reports.

Our firm applies International Standard on Quality Control 1 ("ISQC1") and, accordingly, maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

The procedures selected depend on the auditor's judgment and understanding of the reported transaction included in the Current reports, and of other circumstances of the engagement, as well as on our considerations as to the areas where material misstatements might arise. In obtaining an understanding of the reported transaction included in the current reports, we have taken into consideration the process used by the Company for concluding the transactions and preparing and presenting the current reports in accordance with Law no. 24/2017 and FSA Regulation 5/2018, for the purpose of determining the assurance procedures applicable in the given circumstances, but not for the purpose of expressing a conclusion on the efficacy of the process or of the Company's internal control for concluding the reported transaction included in the Current reports and for preparing and presenting the Current reports.

The procedures include, in particular, making enquiries of those in charge of financial reporting and risk management, as well as additional procedures aimed at obtaining evidence on the information included in the Current reports.

The procedures of obtaining evidence in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

As regards the Company's current reports, in order to assess the justified and correct nature of the transactions reported in such report, we have conducted the following procedures:

- 1) We have obtained from the Company the accompanying Current reports and details on the transactions included in such report.
- 2) We have checked whether the persons approving such reports are the Company's authorised representatives and requested the list of authorised signatures.
- 3) For the transactions analysed, presented in the Current reports, we have determined whether the details thereof are consistent, in all material respects, with the information included in the signed contract, made available to us, and whether they were signed by the Company's representatives, in accordance with the list of authorised signatures provided to us. Where applicable, we have checked whether the details included in the Current reports match the documentation pertaining to such contracts: the parties who signed the supporting documents; the date when the documentation was signed and the nature thereof; description of the type of goods/services indicated in the documentation; the achieved or estimated aggregate value of the contracts and, where applicable, guarantees and penalties established, payment terms and methods, the related contractual terms and conditions.
- 4) For the transactions analysed, we have checked whether the details presented in the accompanying Current reports match the information obtained by us following the enquiries with the Company's management as well as with the documentation accompanying the contracts, as applicable.

5) For the transactions analysed, to the extent there is a market price for the goods or services provided between the Company and its affiliates, we have discussed with the Company's management the pricing of such goods or services and whether, on a case by case basis, the agreed upon prices are consistent with those applied by other (third) parties for similar goods or services and whether the related contracts are approved by the board of directors or the supervisory board of the Company.

If there are no market prices available, we have analysed whether such transactions are carried out based on the Company's internal procedures regarding the substantiation of the pricing and, respectively, whether the related contracts are approved by the Company's board of directors or supervisory board in accordance with its internal procedures.

Our procedures have been conducted only for the transactions included in the accompanying Current Reports, which related to the period 1 January 2021 – 30 Jun 2021. We have not conducted any procedures to check whether Current Reports includes all the transactions that the Company should report as per article 92³ of Law no. 24/2017 for such period.

Conclusion

Our conclusion was formed on the basis of and considering the matters presented in this independent limited assurance report. Based on the procedures described above and the evidence obtained, nothing has come to our attention that causes us to believe that:

- a) the information included in the accompanying Current reports is not consistent in all material respects with the supporting documents made available to us by the Company.
- b) the information included in the accompanying Current reports is not consistent in all material respects with the requirements of law no. 24/2017 and FSA Regulation 5/2018, as regards the signatories of the supporting documents; the date when the documentation was signed and the nature thereof; the description of the type of goods/services referred to in the documentation; the achieved or estimated aggregate value of the contracts, and, if applicable, guarantees and penalties established, payment terms and methods, the related contractual terms and conditions.
- c) the contract underlying the transaction reported and analysed have not been duly authorised by the Company's representatives and have not been approved by the Company's board of directors and supervisory board.
- d) the price agreed upon by the parties have not been mutually accepted based on the type of goods and other terms and conditions stipulated, as applicable, in the agreements between the parties and have not been determined according to the criteria mentioned at item 5) of the list of procedures herein above.

On behalf of:
Deloitte Audit SRL

Alina Mirea

For signature, please refer to the original signed Romanian version.

Bucharest, Romania
July 21, 2021

Annex

1. *Current Reports forming the subject matter of this limited assurance report.*

CURRENT REPORT

In accordance with Law No. 24/2017 and Regulation No. 5/2018 of the Financial Supervisory Authority (ASF)

Date of report: **02.04.2021**

Name of issuing company: **TERAPLAST S.A.**

Registered office: **Sat Saratel, comuna Sieu-Magherus, DN 15A, KM 45+500, Județul Bistrița-Năsăud**

Telephone/Fax: 0263/238.202; 0263/231.221

Trade Register Office Number: **J06/735/1992**

VAT number: 3094980

Subscribed and paid-up share capital: **174,320,047.80 lei**

Regulated market for shares admitted to trading: **Bucharest Stock Exchange, standard category**

Stock symbol: **TRP**

Significant events to report: Transactions of the type of those listed in Article 92 index 3 of Law no. 24/2017

No.	Natural/juridical person with which Teraplast has entered into the legal document	Date of signing	Type of document	Object of the document	Estimated value	Total mutual debts between the contracting parties on 01.04.2021	Securities	Interest	Payment terms and methods of payment
Contracts signed by Teraplast S.A. as Buyer									
1	TERAGLASS BISTRITA S.R.L.	08.10.2020	Sales and Purchase Agreement no. 517/08.10.2020 and the corresponding Addenda	Selling and purchasing goods (aluminium joinery)	Total contract value is 81,699.18 lei	Money owed by Teraplast: 1,177.46 lei Money owed to Teraplast: 6,739,905.12 Lei*	N/A	N/A	Payment term: 1 day from the invoice date, by bank transfer/compensation
Documents signed by Teraplast S.A. as Lender/Sole Shareholder									
1	TERAGLASS BISTRITA S.R.L.	01.04.2021	Credit agreement	A loan granted to Teraglass Bistrita SRL	Total contract value is 12,000,000 lei	Money owed by Teraplast: 1,177.46 lei Money owed to Teraplast: 6,739,905.12 Lei*	N/A	The loan bears an interest: Robor interest rate 3M+1.1%	Payment term: 4 months from the contract signing, with the possibility of extension; Payment method: bank transfer



2	TERAGLASS BISTRITA S.R.L.	01.04.2021	Share capital increase	Share capital increase by debt conversion	Total value is 3,418,333.1 lei	Money owed by Teraplast: 1,177.46 lei Money owed to Teraplast: 6,739,905.12 Lei*	N/A	N/A	N/A
---	---------------------------	------------	------------------------	---	--------------------------------	---	-----	-----	-----

*Out of the total debt to receive from Teraglass Bistrita SRL, 3,418,333.10 lei concerns the Business Transfer Contract dated March 2015

ALEXANDRU STANEAN

TeraPlast S.A. CEO

If you need any further information feel free to contact us at

email investor.relations@teraplast.ro or by phone at: +40 741 270 439 – Contact person: Alexandra Sica.



Sat Sărătel, Comuna Șieu-Măgheruș, DN 15A,
km 45+500, Jud. Bistrița Năsăud, 427301



Tel.: 0374 461 529
Fax: 0263 231 221



office@teraplast.ro
www.teraplast.ro



CUI 3094980, J06/735/1992
Capital social: 174.320.047,80 lei

CURRENT REPORT

In accordance with Law No. 24/2017 and Regulation No. 5/2018 of the Financial Supervisory Authority (ASF)

Date of report: **06.04.2021**

Name of issuing company: **TERAPLAST S.A.**

Registered office: **Sat Saratel, comuna Sieu-Magherus, DN 15A, KM 45+500, Județul Bistrița-Năsăud**

Telephone/Fax: 0263/238.202; 0263/231.221

Trade Register Office Number: **J06/735/1992**

VAT number: **3094980**

Subscribed and paid-up share capital: **174,320,047.80 lei**

Regulated market for shares admitted to trading: **Bucharest Stock Exchange, standard category**

Stock symbol: **TRP**

Significant events to report: Transactions of the type of those listed in Article 92 ind. 3 of Law no. 24/2017

No.	Natural/juridical person with which Teraplast has entered into the legal document	Signing date	Type of document	Object of the document	Estimated value	Total mutual debts between the contracting parties as of 06.04.2021	Securities	Interest	Payment terms and methods of payment
Contracts signed by Teraplast S.A. as Owner									
1	TERAPLAST FOLII BIODEGRADABILE S.R.L.	20.08.2020	Lease Agreement for Premises no. 452262/20.08.2020	Leasing premises intended as registered office, for a period of 5 years	Total contract value is 6,000 Euro	Money owed by Teraplast: 0,00 lei Money owed to Teraplast: 7,043,848 Lei*	N/A	N/A	Payment term: 30 days from the invoice date, by bank transfer/compensation
Contracts signed by Teraplast S.A. as Seller									
1	TERAPLAST FOLII BIODEGRADABILE S.R.L.	29.12.2020	Authenticated Sales and Purchase Agreement no. 2740/2020	Selling by Teraplast SA of a land located outside Sărățel built-up area, com. Sieu-Măgheruș, jud.B-N, Land Registry entry no. 30170, in a surface of 16,000 m ²	Total contract value is 378.496 lei	Money owed by Teraplast: 0,00 lei Money owed to Teraplast: 7,043,848 Lei*	N/A	N/A	Payment term: up to 31.12.2020; Payment method: bank transfer



Contracts/Addenda signed by Teraplast S.A. as Lender

1	TERAPLAST FOLII BIODEGRADABILE S.R.L.	28.12.2020	Credit Agreement no. 459410/28.12.2020	Granting a loan to Teraplast Folii Biodegradabile S.R.L.	Total contract value is 10,000,000 lei	Money owed by Teraplast: 0,00 lei Money owed to Teraplast: 7,043,848 Lei*	N/A	The loan bears an interest: Robor interest rate 12M+1.5%	Maximum payment term: 28.12.2027, the loan can also be reimbursed in instalments, before the 28.12.2027; Payment method: bank transfer
2	TERAPLAST FOLII BIODEGRADABILE S.R.L.	06.04.2021	Addendum to Credit Agreement no. 459410/28.12.2020	Increasing the value of Credit Agreement no. 459410/28.12.2020	Total value of the Addendum is 15,000,000 lei	Money owed by Teraplast: 0,00 lei Money owed to Teraplast: 7,043,848 Lei*	N/A	The loan bears an interest: Robor interest rate 12M+1.5%	Maximum payment term: 28.12.2027, the loan can also be reimbursed in instalments, before the 28.12.2027; Payment method: bank transfer

*Out of the total debt to receive from Teraplast Folii Biodegradabile S.R.L., 7,042,683 lei represent amounts to cash (principal+interest) on account of the loan granted according to the Agreement 459410/28.12.2020

ALEXANDRU STANEAN
TeraPlast S.A. CEO

If you need any further information feel free to contact us at
email investor.relations@teraplast.ro or by phone at: +40 741 270 439 – Contact person:
 Alexandra Sica.