

**AD HOC REPORT**

In accordance with Law no. 297/2004 and NSC Regulation no. 1/2006

Report date: **June 15<sup>th</sup> 2016**

Name of issuer: **TERAPLAST S.A.**

Headquarters: **Teraplast Industrial Park, DN 15A, KM 45+500, Bistrita-Nasaud County**

Telephone/Fax: **0263/238.202 / 0263/231.221**

Trade Register No: **J06/735/1992**

Sole registration number at the Trade Register Office: **RO3094980**

Share capital: **37,762,177 lei**

Regulated market on which the issued shares are traded: **Bucharest Stock Exchange**

**Major events to be reported**

- a) Changes in the control over the company – **N/A**
- b) Substantial acquisitions and alienations of assets – **N/A**
- c) Bankruptcy – **N/A**
- d) Transactions as listed in art. 225 of Law 297/2004– **N/A**
- e) **Other events**

Board of Directors of Teraplast SA inform its shareholders and potential investors about the decision to renew the multi-option threshold, multicurrency threshold, worth 3,300,000 Euro, from BRD - Groupe Societe Generale S.A., for a period of 12 (twelve) months.

In order to ensure a complete and accurate information of the shareholders and potential investors, we reproduce the decision taken by the Board of Directors of Teraplast SA:

**DECISION**

**of the Board of Directors of Teraplast SA.**

**J06/735/1992, RO 3094980**

**No. 27, dated June 14<sup>th</sup> 2016**

According to the provisions of the art. 153<sup>^</sup>20 and Companies Law No. 31/1990, republished, the provisions of the Capital Market Law No. 297/2004 on the capital market and the Regulation No.1/2006 of NSC regarding issuers and operations with securities, modified by the Regulation No. 31/2006 of NSC and Art. 18.4, paragraph (7) of the Articles of Association of Teraplast SA, headquartered in Bistrita, Teraplast Industrial Park, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud county, registered with the Trade Registry Office under No. J06/735/1992, VAT registration

**Sediul central:**

Parc Industrial Teraplast,  
DN 15A, km 45+500  
Cod. 427298, Jud. Bistrita-Nasaud  
Tel. 0263-238202, Fax. 0263-231221  
www.teraplast.ro

No. 309498, in the on-line meeting attended by all Board members, namely: Magda Eugenia Palfi-Tirau, Dorel Goia, Emanoil Ioan Viciu, Razvan Stefan Lefter and Teofil-Ovidiu Muresan,

**Considering the DECISION no. 1 of the Extraordinary General Meeting of Shareholders, dated April 28<sup>th</sup> 2016, by which it was approved:**

a. *the value of 68,000,000 lei as maximum limit of indebtedness that the company can contract in the 2016 financial year, including the warranty of credit and/or leasing contracts which are going to be accessed within the limit established, with security interest in real estate/pledge, assignments of current and future receivables rights, assignments related to current and future cash, resulting from current accounts and assignments of rights resulted from the insurance policies.*

b. *the empower of the Board of Directors that, up to the maximum limit of indebtedness approved, it should accomplish, in the name of and for the Company, all the actions and steps necessary or useful in order to fulfill those approved. In this regard, the Board of Directors shall issue decisions on: accessing some bank credits, concluding some credit/leasing contracts, extending the bank credit/leasing contracts accessed, establishing the warranty structure for the credit/ leasing contracts accessed/extended, restructure/reschedule of the credits granted, change of structure of the warranties of the existing credits in balance, empowering the persons who will sign in the name of and for the Company TERAPLAST S.A. the credit contracts/ leasing contracts /warranty contracts /additional acts to the credit/leasing contracts, as well as any other documents or instruments which are accessory, related to or to which reference is made in the credit/leasing contracts, warranty contracts or any other documents as well as to sign any other application forms, requests which might be necessary or useful regarding these bank transactions.*

**After deliberations, the Board of Directors, with the favorable vote of all its members,**

#### **DECIDES**

1. Approves the renewal of the multi-option threshold (Credit Line, Letters of guarantee, credentials), multicurrency threshold (RON, EUR, USD) worth **3.300.000 EURO**, accessed from BRD - Groupe Societe Generale S.A., under the credit contract no.1/15.04.2010 and subsequent addenda, for a period of 12 (twelve) months.

2. Approves the change of the guaranties structure, for the multi-option threshold, multicurrency threshold, mentioned at point 1, in the sense of releasing from guarantee of the following fixed assets (technological equipment):

- a) JUNGHEINRICH Forklift DFG 320 inventory no. 59023
- b) JUNGHEINRICH Forklift DFG 320 inventory no. 59024
- c) VOLVO Loader L30B inventory no. 59142
- d) JUNGHEINRICH Forklift DFG 320 inventory no. 59153
- e) JUNGHEINRICH Forklift DFG 320 inventory no. 59154
- f) JUNGHEINRICH Forklift DFG 320 inventory no. 59155
- g) JUNGHEINRICH Forklift DFG 320 inventory no. 59156
- h) JUNGHEINRICH Pallet truck EJC 216-SF inventory no. 58879
- i) JUNGHEINRICH Forklift DFG.320-FURCI FR inventory no. 58881

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3. Approves the keeping of the following securities, in order to guarantee the multi-option threshold, multicurrency threshold, mentioned at point 1:
- a. Mortgage on the industrial space real estate, having the following destination: Hall of manufacturing pipes, PVC profiles and warehouse, consisting of: raw materials warehouse and factory for 3 sections: pipes, PVC profiles and granules, registered in the Land Registry of Bistrita under No. 50134 / Bistrita, Land No. / Topographical No: 50134, 50134-C1, under the A1, A1.1 and land area of 55,390 square meters.
  - b. Mortgage on the present and future money amounts from all present and future accounts opened at BRD - Groupe Societe Generale S.A., in lei and foreign currency;
  - c. Mortgage on movable assets – fixed assets (technological equipment) company's property;
  - d. Movable mortgage on all the receivables/rights to collect representing all the rights and interests of present and future revenues and earnings, belonging to the Company Teraplast SA, arising from contracts signed with partners;
4. Empowers Mr. Alexandru Stanean acting as CEO, and Mrs. Orban Eniko-Edit acting as CFO of the Company, in order to perform the following demarches:
- a. to negotiate, agree upon, conclude and sign in name and on behalf of TERAPLAST SA, the credit agreements / contracts of guarantee / addenda to credit contracts, and any other documents or instruments that are accessories that are related to or referenced in credit agreements, guarantees contracts or other documents and to sign any forms, applications that may be necessary and useful in connection with this transaction concluded with BRD - Groupe Societe Generale SA.
  - b. if necessary, to negotiate, to agree, conclude and sign in the name and on behalf of the Company any subsequent addenda to the credit agreements, contracts of guarantee and any other document to which the company is a party.
  - c. to fulfill in the name and on behalf of the Company any formalities necessary for such credit agreements/addenda, guarantees contracts and any other instruments that are accessories, to be fully valid and binding for the Company.
5. Empowers Mr. Dorel Goia, Chairman of the Board of Directors and Mrs. Magda-Eugenia Palfi-Tirau – Non-Executive Director, to sign the present decision, in the name and on behalf of the Board of Directors.
6. Empowers the legal adviser, Mrs. Diana Pavel, to accomplish all formalities regarding registration of the Board of Directors Decision at the Trade Register of Bistrita-Nasaud Law Court.

The present decision was adopted and signed on June 14<sup>th</sup> 2016, in 4 (four) original copies.

**Chairman of the Board of Directors**

**Dorel Goia**

For additional information please contact the Investor Relations Department of Teraplast, phone 0752-101.639, e-mail: [anca.rif@teraplast.ro](mailto:anca.rif@teraplast.ro), contact person *Anca Rif – Investor Relations Manager*.

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