

CONVENING
EXTRAORDINARY GENERAL SHAREHOLDERS MEETING
27th August 2013

Pursuant to the provisions of Art.111, 113 and Art.117 of Law 31/1990 republished as subsequently amended and supplemented by Law No. 441/2006, the provisions of the Articles of Incorporation, the provisions of Law No. 297/2004 on the capital market, the Regulation CNVM No.1/2006 regarding issuers and operations with securities, as subsequently amended by Regulation CNVM nr.31/2006, and by Regulation CNVM No. 6/2009, the Board of Administration of SC TERAPLAST SA, headquartered in Bistrita, "Teraplast Industrial Park", DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud District, registered with the Trade Registry Office under number J06/735/1992, having the Fiscal Registration Code RO 3094980 ,during the session held on **24.07.2013** convenes the **Extraordinary General Shareholders Meeting, for 27th of August 2013** to perform its activity at the headquarter of the company, from Bistrita, Teraplast Industrial Parc, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud District, starting from 14:00. All shareholders registered with the Shareholding Register , until 6 p.m., at the end of the day **14th August 2013**, (reference date) are entitled to participate and to vote in this General Shareholders Meeting.

The Extraordinary General Shareholders meeting shall have the following :

AGENDA OF PROCEEDINGS :

1. *Ratification of Board Decision No. 165 of 23 May 2013, based on which the following were approved:*
 - i. Contracting a credit line of 1.4 million Euro, for the purchase of machinery, equipment and vehicles in financial leasing by SC Raiffeisen Leasing IFN SA, headquartered in Bucharest, Pipera, No. 42, et 1A Nusco Tower Building, Sector 2, registered with the Trade Registry under J40/6468/1999, Registration Code 11972373.
 - ii. Mandating Mrs. Edit Orban and Mr. Alexandru Stanean to decide on the value of the goods to be purchased in financial leasing, and to negotiate and sign all documents necessary to carry out the purposes of this Decision, including but not limited to: financial leasing contracts, financial leasing contracts related documents, addenda to financial leasing contracts etc. This mandate is valid until expressly revoked by the Board of Administration of the SC TERAPLAST SA.
 - iii. Mandating Mr. Traian Simion, Chairman of the Board of Administration and Mr. Alexandru Stanean, Administrator, to sign the Board Decision that was adopted.

iv. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no. 370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud.

2. *Ratification of Board Decision No. 169 from 06.06.2013, based on which the following were approved:*

i. Guaranteeing by the founder company SC TERAPLAST S.A, of the credit accessed by SC PLASTSISTEM SA under the Credit Agreement No.3 , dated 30.01.2012 and Credit Agreement No.4 dated 21.02.2012 and subsequent addenda, with the production equipment property of SC TERAPLAST SA, evaluated according to the evaluation report prepared by SC EVALBIS S.R.L. Bistrita on 7 March 2013, valued at a market value of 9.746.667 RON (EUR 2.234.705).

ii. Mandating Ms. Eniko-Edit Orban and Mr Alexandru Stanean for performing the following demarches:

a) to negotiate, to agree, conclude and sign in the name and on behalf of SC TERAPLAST SA, the addenda to warranty contracts / addenda to credit agreements and any other documents or instruments that are incidental to, in connection with or referred to in credit agreements, Warranty Contracts or any other documents and to sign any forms, applications that may be necessary and useful in connection with this transaction concluded with BRD-GSG Bistrita Nasaud.

b) if necessary, to negotiate, to agree, conclude and sign in the name and on behalf of the company any subsequent addenda credit agreements, Warranty Contracts and any other document to which the company is a party.

c) to perform in the name and on behalf of the company any formalities required for such credit agreements / addenda, warranty contracts, and any other instruments that are incidental to be fully valid and binding for the company.

iii. Mandating Mr. Traian Simion, Chairman of the Board of Administration, in order to sign in the name and on behalf of the Board, the decision that was adopted.

iv. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no. 370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud.

3. *Ratification of Board Decision No. 172 from 26.06.2013, based on which the following were approved:*

i. Renewal of credit line amounting 3.300.000 EUR, accessed from BRD-GSG, under the credit agreement no. 1/15.04.2010 and subsequent addenda, for a period of 12 (twelve) months.

ii. Guaranteeing credit line mentioned in the previous paragraph with the following guarantees:

- Mortgage on real estate industrial space destination: pipes manufacturing hall, PVC profiles and warehouse, consisting of: raw material warehouse and factory 3 sections: pipes, granules and PVC profiles, registered in the land of Bistrita under No. 50134/Bistrita, landmark No : 50134, 50134-C1, under A1, A1.1 and land area under of 55.390 sq.m., evaluated in December 2012 at the amount of EUR 3.016.000;
- Movable mortgage on present and future amount of money from all present and future accounts opened at BRD, in lei and foreign currency;
- Movable mortgage on movable assets, fixed assets owned by the company, valued in December 2012 at a market value of EUR 1.497.005;
- Movable mortgage over the whole debt / receivable representing all the rights and interests, present and future revenues and income belonging to Teraplast arising from contracts signed with partners to market value (12 months collecting estimated) 15.636 Keur;
- Mortgage on Industrial premises Building with the destination "PP pipe production hall and PE manholes", ground floor, with SC 4820 sqm and land, with S = 10,498 square meters, located in Teraplast Industrial Park, in the unincorporated area of Bistrita, DN 15A, km 45 +500, county Bistrita Nasaud, registered in the Land Registry no. 56484/Bistrita, with no. Land 56484, 56484-C1, under A1 and A1.1 respectively, evaluated in December 2012 at the amount of 1.368.000 EUR.

iii. Mandating Mr Alexander Stanean, as Deputy General Manager and Mrs. Edit Eniko Orban as Finance Director of the Company to perform the following:

- a) to negotiate, to agree, conclude and sign in the name and on behalf of SC TERAPLAST SA, the addenda to warranty contracts / addenda to credit agreements and any other documents or instruments that are incidental to, in connection with or referred to in credit agreements, Warranty Contracts or any other documents and to sign any forms, applications that may be necessary and useful in connection with this transaction concluded with BRD-GSG Bistrita Nasaud.
- b) if necessary, to negotiate, to agree, conclude and sign in the name and on behalf of the company any subsequent addenda credit agreements, Warranty Contracts and any other document to which the company is a party.
- c) to perform in the name and on behalf of the company any formalities required for such credit agreements / addenda, warranty contracts, and any other instruments that are incidental to be fully valid and binding for the company.

iv. Mandating Mr Gheorghe Grosan – administrator, to sign in name and on behalf of all the administrators the Board decision no. 172 dated 26 June 2013.

v. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no. 370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud.

4. *Ratification of Board Decision no. 173 dated 06.26.2013, on the maintenance, or completing structure guarantees for the credit of EUR 2.500.000 accessed from BRD - GSG, based on which it was approved:*

i. Maintaining the same structure of securities, as they are mentioned in the Decision of Council of Administration No 129 of 16 December 2011, ratified in the Extraordinary General Meeting of the Shareholders dated 27 July 2012, in the Decision of Council of Administration No 139 of 13 June 2012, in the Decision of Council of Administration No. 147 dated 03 December 2012, in Decision No. 155 dated March 4, 2013, according to the credit agreement No. 35/19.12.2012 and related addenda.

ii. Supplementing the securities structure, with the following:

a. Mortgage on real estate industrial space destination: pipes manufacturing hall, PVC profiles and warehouse, consisting of: raw material warehouse and factory 3 sections: pipes, granules and PVC profiles, registered in the Land Registry of Bistrita under No. 50134 with landmark No. 50134, 50134-C1 under A1 and A1.1 respectively, with land of 55.390 sq.m., evaluated in December 2012 at the amount of EUR 3.016.000;

b. Movable mortgage over the whole debt / receivable representing all the rights and interests, present and future revenues and income belonging to Teraplast arising from contracts signed with partners to market value (12 months collecting estimated) 15.636 Keur.

iii. Mandating Mr Alexander Stanean, as Deputy General Manager and Mrs. Edit Eniko Orban as Finance Director of the Company to perform the following:

a) to negotiate, to agree, conclude and sign in the name and on behalf of SC TERAPLAST SA, the addenda to warranty contracts / addenda to credit agreements and any other documents or instruments that are incidental to, in connection with or referred to in credit agreements, Warranty Contracts or any other documents and to sign any forms, applications that may be necessary and useful in connection with this transaction concluded with BRD-GSG Bistrita Nasaud.

b) if necessary, to negotiate, to agree, conclude and sign in the name and on behalf of the company any subsequent addenda credit agreements, Warranty Contracts and any other document to which the company is a party.

c) to perform in the name and on behalf of the company any formalities required for such credit agreements / addenda, warranty contracts, and any other instruments that are incidental to be fully valid and binding for the company.

iv. Mandating Mr Gheorghe Grosan – administrator, to sign in name and on behalf of all the administrators the Board decision no. 173 dated 26 June 2013.

v. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no.

370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud.

5. *Ratification of Board Decision No. 174 dated 08.07.2013, based on which the following were approved:*

i. Supplementation of the credit line, accessed from SC Raiffeisen Leasing IFN SA with the amount of 250.000 euros without T.V.A..

ii. Mandating Mrs. Edit Orban and Mr. Alexandru Stanean to decide on the value of the goods to be purchased in financial leasing, and to negotiate and sign all documents necessary to carry out the purposes of this Decision, including but not limited to: financial leasing contracts, financial leasing contracts related documents, addenda to financial leasing contracts etc. This mandate is valid until expressly revoked by the Board of Administration of the SC TERAPLAST SA.

iii. Mandating Mr. Traian Simion, Chairman of the Board of Administration and Mr. Alexandru Stanean, Administrator, to sign the Board Decision to be adopted.

iv. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no. 370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud.

6. *Ratification of Board Decision No 176 dated 17th July 2013, based on which the following were approved:*

i. Amendment of guarantees on the technological equipment, provided in the EGM Resolution no. 2 of 26 April 2013, namely pledge on technological equipment located in the Teraplast property hall Saratel valued at a market value of EUR 2.234.705 on 07.03.2013, by constituting security mortgage on technological equipment, Teraplast property, valued in December 2012 at a market value of EUR 1.497.005. The other guarantees constituted in favor of BRD - GSG, according to EGM resolution No. 2 of April 26, 2013 remain valid.

ii. Mandating Mr Alexander Stanean, as Deputy General Manager and Mrs. Edit Eniko Orban as Finance Director of the Company to perform the following :

a.) to negotiate, sign, perfect, issue and draw up (in original, where applicable) in the name and on behalf of the Company, the Credit Agreement and related addenda, guarantee contracts and addenda thereto, and all documents, confirmations and documents in connection therewith, and any acts modifying them in order to comply with the resolutions adopted in this Decision.

b.) to take any action regarding guarantee contracts registration, or amendments thereto, with the Electronic Archive of Security Interest and / or the competent Land Registry and / or competent Trade Registry and / or shareholders' register of the Company and / or in connection with notification and / or fulfillment of any other formality required before any other competent authority or interested third parties

and for the publication of this Decision in the Official Monitor of Romania, part IV, and c.) in general, to fulfill all actions and necessary or useful arrangements to the intended transaction documents mentioned in the above resolutions.

iii. Mandating Mr. Traian Simion, Chairman of the Board of Administration and Mr. Alexandru Stanean, Administrator, to sign the Board Decision No.176/17.07.2013.

iv. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no. 370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud.

7. Appointing the registration date defined as the date to identify the shareholders touched by the effects of the decisions approved by the Extraordinary General Meeting of the Shareholders. The date proposed by the Board of Administration is 12th of September, 2013.

8. Mandating the Chairman of the Board of Administration, in signing the Decision of the Extraordinary General Meeting of the Shareholders, on behalf and for all Shareholders participating in the meeting.

9. Mandating the Legal Advisor of the Company, Kinga Vaida, which legitimizes the CI XB series, no. 370 326, issued by Bistrita Police on 26.06.2012, to perform all the necessary steps to deposit and register the decisions of the Board at the Trade Register of the Tribunal Bistrita Nasaud and for the publication of this Decision in the Official Monitor of Romania, part IV.

(1) One or more shareholders having at least 5% of the share capital, individually or jointly, are entitled: (i) to introduce new topics on the agenda (provided that each topic is accompanied by a justification or a draft decision proposed to be approved by the general meeting; (ii) to present draft resolutions for the topics on the agenda or proposed to be included on the agenda of the general meeting;

(2) The rights provided in par. (1) may be exercised only in writing and documents shall be deposited in a sealed envelope at the company's headquarter address in Bistrita, Teraplast Industrial Park, DN 15A, 45 500 km, postal code 427298, Bistrita-Nasaud, or dispatched by means of courier or by electronic means, with extended electronic signature attached, to e-mail office@teraplast.ro .

(3) Shareholders may exercise their rights stipulated in par. (1), letters (i) and (ii) within 15 days from the date of publication of this convening, which is by latest **10th of August 2013**, and the rights stipulated in letter (ii) by latest 26th of August 2013. The shareholders can submit to the Company questions in writing regarding the topics on the agenda, and the Company can reply to these questions, at the General Shareholders Meeting. The questions of the shareholders can be sent in writing either by post or courier service (in a sealed envelope) to the Company's Headquarter Address in Bistrita, Teraplast Industrial Park, DN 15A, 45 500 km, postal code 427298, Bistrita-Nasaud or by electronic means (to the address: office@teraplast.ro), with extended electronic signature attached, until **25th of August 2013**.

Shareholders may attend the General Meeting of Shareholders in person, or be represented either by their legal representatives, or by other representatives who were given a special power of attorney, under the provisions of Art. 243 of Law No. 297/2004 on the capital market. Shareholders' access is allowed by simply proving their identity, through their Identity document – for the individual shareholders , and through the special power of attorney on the individuals they represent – in case of legal persons.

Shareholders can vote items on the agenda by mail using the voting form, duly completed and signed, sent in a closed envelope at the company's headquarter adress in Bistrita, Teraplast Industrial Park, DN 15A, 45 500 km, zip code 427298 , Bistrita-Nasaud, until no later than **25th of August 2013**.

The special power of attorney form, respectively those for exercising the right to vote by correspondence are available at the Company's headquarter address in Bistrita, Teraplast Industrial Park, DN 15A, km 45+500, postal code 427298, during business days, between 10:00 – 16:00 , and shall also be available for download from the Company's website: www.teraplast.ro, Category: „Shareholders”, Section: „ Power of Attorney - General Shareholders Meeting”, starting from **26th of July 2013**.


These powers of attorney and voting forms shall be sent in original , in English or Romanian languaghe, to the Company's Headquarter Address in Bistrita, Teraplast Industrial Park, DN 15A, km 45+500, postal code 427298, Bistrita-Nasaud District, until **25th of August 2013** , hours 14:00. One copy is to be given to the authorized person, another copy shall remain with the Company and the third will remain with the shareholder.

Shareholders may appoint their representative also by electronic means, the notification of electronically designation may be submitted by e-mail office@teraplast.ro , having attached an extended electronic signature..

Documents and background material as well as draft resolutions targeting issues on the agenda of the General Shareholders Meeting will be available to shareholders, at company headquarter in Bistrita, Teraplast Industrial Park, DN 15A, 45 500 km, postal code 427298, Bistrita-Nasaud, during business days, between 10:00 - 16:00 and on the website of the company: www.teraplast.ro , category "Investor Relations", Section " Shareholders Info", starting from **26th of July 2013**.

If, at the first convening, the legal validity condition is not met, the General Shareholders Meeting will take place on **28th of August 2013** at the address and time mentioned for the first convening, with the same agenda.

Chairman of the Board of Administration
Traian Simion



**Legal Adviser
Kinga Vaida**