

S.C. H.M. AUDIT CONTAB S.R.L.

Company specialized in accounting, accounting expertise, financial auditing and fiscal consultancy

Member of CAFR, CECCAR and CCF

Registered office: Bacau, no.1 I.L. Caragiale Street, 1/D/12

Head office: Bacau, Pasajul Revolutiei, No. 3, Bacau County

Unique Registration Code: 16175653 Order number in the Trade Register:
J04/334/2004

Account: RO83TREZ0615069XXX011808 Bacau Treasury

Account: RO76BRDE040SV44003180400 Bank: BRD - Bacovia

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REVIEW REPORT OF THE INDEPENDENT FINANCIAL AUDITOR

BENEFICIARY:

- AEROSTAR S.A.

HEAD OFFICE:

- Condorilor Street, no. 9, Bacau County

MANAGEMENT:

- GENERAL DIRECTOR - GRIGORE FILIP
- FINANCE-ACCOUNTING DIRECTOR - DORU DAMASCHIN

STATUTORY AUDITOR:

- S.C. H.M. AUDIT CONTAB S.R.L.
- Authorization No. 1019 / 2010

REGISTERED OFFICE:

- Bacau, Ion Luca Caragiale Street, No. 1, 1/D/12

HEAD OFFICE:

- Bacau, Pasajul Revolutiei, No. 3

MANAGEMENT:

- Financial Auditor - Ec. MONICA HUSANU

CONTRACT no 129 / 15.12.2015

REPORT REGARDING THE REVIEW OF THE INTERIM INDIVIDUAL FINANCIAL STATEMENTS ON JUNE 30th, 2018

To the Shareholders of AEROSTAR S.A.

Introduction

We have audited the interim individual financial statements prepared by AEROSTAR S.A. („The Company”) as on June 30th, 2018, which comprise: the individual Statement of the Financial Position, the individual Statement of Profit or Loss, Other Elements of the Global Result, the individual Statement of Equity Modifications, the individual Statement of Treasury Cash Flows and Notes to the Individual Financial Statements. The six months accounting reporting is accompanied by the Report of the Board of Directors, the Declaration of the Company Management according to the Accounting Law No. 82/1991 republished and the Regulation no. 5/2018 regarding the issuers of financial instruments and market operations, issued by the Financial Supervisory Authority („ASF”).

The responsibility of the company’s management for the preparation of the interim Financial Statements

It is the responsibility of the company’s management to prepare and adequately present the interim individual financial information according to the Order of the Public Finance Minister no 2844/2016 for the approval of the accounting Regulations according to the International Financial Reporting Standards, with subsequent amendments, applicable to companies whose securities are admitted for trading on a regulated market, the Law no 24/2017 regarding the issuers of financial instruments and market operations, IAS 34 “Interim Financial Reporting” and the general frame for the accounting reporting applicable as on June 30th, 2018. This responsibility includes: the design, implementation and maintenance of a relevant internal control with respect to the preparation and faithful presentation of the individual accounting reports, which are free of significant misrepresentations due to error or fraud; the selection and application of adequate accounting policies; the elaboration of reasonable accounting estimates under the given circumstances.

Auditor's responsibility

Our responsibility is to express a conclusion on these interim individual financial statements based on our review performed according to the International Auditing Standards. Such standards require that we comply with the ethical requirements, to plan and make our review with a view to obtain reasonable assurance that the accounting reports are free of significant misrepresentations.

Scope of revision

We performed our revision according to the Auditing Standards adopted by the Chamber of Financial Auditors of Romania and more precisely to the International Standard for the Review Missions 2410 "Review of the interim individual financial statements made by an independent auditor of the entity". (ISRE 2410). This standard requires us to plan and to perform the review so as to obtain a reasonable assurance that the financial statements are free of significant misrepresentations. The review of the interim financial information consists of performing interview and investigation activities specially with the personnel of the company in charge with the financial and accounting activities and apply the analytical procedures, as well as other review procedures. The scope of the review is substantially reduced compared to an audit made according to the International Auditing Standards, as adopted by the Chamber of Financial Auditors of Romania, and therefore we cannot obtain the assurance that we will be aware of all the significant aspects which may be identified during an auditing process. So, we do not express an audit opinion.

Conclusion

Based on the review made, nothing determined us to believe that the interim half year individual financial reporting as on June 30th, 2018, attached herewith, identified with the following elements:

➤ Equity	281.968 thousand lei
➤ Total income	191.653 thousand lei
➤ Net result of the reporting period	45.550 thousand lei

do not provide a fair and faithful image of the financial position of the entity on the date of June 30th, 2018, of its financial performance and treasury cash flows for the six months period ended on the respective date, according to the general accounting reporting frame applicable on June 30th, 2018, i.e. the Order of Public Finance Minister no 2531/2018 for the approval of the accounting reporting system on June 30th, 2018 for the economic operators, as well as for setting certain accounting aspects, with the Order of Public Finance Minister no 2844/2016 on the approval of the accounting regulations compliant with the International Financial Reporting Standards applicable to the companies whose securities are admitted to trading on a regulated market, and IAS 34 “Interim Financial Reporting”.

Other aspects

This report is addressed exclusively to the company’s shareholders as a whole. Our review was performed in order to be able to report to the company’s shareholders those aspects which must be reported in a review report, and in no other purpose. To the extent permitted by law, we do not accept and do not assume responsibility for our review, for this report or for conclusions made except solely towards the company and its shareholders as a whole.

The individual half year accounting reports attached are not meant to present the financial position, the result of the operations and a set of annual explanatory notes according to the regulations and accounting principles accepted in countries and jurisdictions other than Romania. Therefore, the individual half year accounting reports are not prepared for the use of the persons who do not know the accounting and legal regulations of Romania inclusively the general accounting reporting frame applicable on June 30th, 2018, as well as the MFP Order no. 2844/2016 for the approval of the accounting regulations according to the International Financial Reporting Standards, applicable in companies whose shares are admitted for trading on a regulated market.

Report on the conformance of the Report of the Board of Directors with the interim individual financial statements on June 30th, 2018

According to the requirements of the Financial Supervisory Authority („ASF”) we read the Report of the Board of Directors. This is attached to the interim individual financial

statements. Our opinion on the interim individual financial statements does not cover the Report of the Board of Directors.

With reference to our audit regarding the interim individual financial statements we read the attached Report of the Board of Directors and we found out the following:

- a) we did not identify information in the Report of the Board of Directors which is not consistent, in all the significant aspects, with the information presented in the attached interim individual financial statements
- b) the Report of the Board of Directors above includes, in all significant aspects, the information required by the legal accounting regulations regarding the interim individual financial statements;
- c) based on our knowledge and understanding, as obtained during the auditing of the individual annual financial statements, for the period January 1st, 2018 – June 30th, 2018, with reference to AEROSTAR S.A., and to its environment, we did not identify misleading information to be included in the Report of the Board of Directors.

July 27th, 2018

BACAU

I.L. Caragiale nr. 1/D/12

HUSANU MONICA

FINANCIAL AUDITOR, chartered with the Chamber of Financial Auditors of Romania under no. 2401/2008

On behalf of

S.C. H. M. AUDIT CONTAB S.R.L. Bacau

Authorization CAFR 1019/2010