

Associated Business Advisors

Independent Report of Limited Assurance over the Information Included in the Current Reports Issued by the Company According to the Provisions of Law no. 24/2017 and Regulations no. 5/2018 ASF

To the Management of
ŞANTIERUL NAVAL ORŞOVA S.A („Company”)

1. We were employed to perform the limited assurance engagement on the Current Report on the information contained in the Current Report issued by the Company on February 14, 2018 on the legal acts concluded by the Company with related parties (the Current Report) in accordance with Regulations no. 1/2006 of CNVM (applicable until June 11, 2018), respectively Regulations no. 5/2018 ASF (applicable from June 11, 2018) and the provisions of Law 24/2017 on Issuers of Financial Instruments and Market Operations ("Law 24/2017") to report to the Financial Supervisory Authority ("ASF"), and the Bucharest Stock Exchange for the period February 12, 2018 - June 30, 2018.

2. Our mission was to issue a limited insurance report in which to present an independent conclusion that we did not identify on the basis of the procedures performed, nothing to indicate that the legal acts concluded by the Company with related parties and submitted by it in the Current Report, or any other information presented in this report, are not in accordance with the provisions of Regulation no. 1/2006 of CNVM (the current ASF) and the provisions of Law 24/2017.

Our procedures were performed exclusively on contracts concluded between February 12, 2018 - June 30, 2018.

Management's responsibility

3. The responsibility for preparing and presenting the current report that are free from material misstatement, in accordance with Law no. 24/2017 and Regulation no. 1/2006 of the CNVM (the current ASF) repealed by the Regulation no. 5/2018 of ASF as of June 11, 2018, as well as for the information presented in the Current Report, belongs to the management of the Company.

4. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and presentation of this current report that does not contain material misstatements and meet the requirements of the Law Nr. 24/2017 and Regulation no. 1/2006 of CNVM.

5. Responsibility of the Company include also prevent and detect fraud and ensure compliance of the Company with all applicable laws and regulations. Finally, the Company's management is responsible for ensuring sufficient qualified staff to draft the current report.

Auditor's responsibility

6. Our responsibility is to perform our mission in accordance with the International Insurance Assurance Standard (ISAE) 3000 on insurance missions other than audit or review of historical information. This means that we must analyze the current and legal acts or transactions presented, and report as an independent limited assurance conclusions on the evidence obtained.

7. We have conducted our engagement in accordance with the International Standard for Assurance Engagements (ISAE) 3000: "Assurance Engagements other than Audits or Reviews of Historical Financial Information". This standard requires that we comply with ethical requirements, including independence, in accordance with IESBA's Professional Ethics Code of Ethics, which sets out the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional conduct, as well as plan and perform our procedures to obtain limited assurance that the Current Report prepared by the Company complies with the provisions of Law no. 24/2017 and Regulations no. 1/2006 of CNVM.

8. The procedures we have performed have included both form and background checks in order to determine the authenticity of the framework contract and if there are transactions with affiliated entities between February 12, 2018 - June 30, 2018.

9. Due to the test characteristics and other inherent limitations of any accounting and internal system, there is an unavoidable risk that some transactions that should be reported are not included in the current report and not identified by our procedures.

10. Our mission is not an audit or a review. Limited assurance on our mission is narrower than reasonable assurance or absolute assurance, and the procedures performed within our mission have not been audited in accordance with the International Standards on Auditing, not are revision procedures in line with the International Standards for Review Engagements, adopted by the Chamber of Financial Auditors of Romania (CAFR). Selected procedures depend on the auditor's professional judgment.

Procedurile efectuate

11. We conducted the following procedures related to the Company's Current Reports:

- We obtained from the Company's management the Current Report according to the C.N.V.M. (current ASF) no 1/2006, prepared by the Company on February 14, 2018 and verified whether the information included in this report is presented in accordance with art. 82 of Law 24/2017.
- We obtained from the Company's management the service contract no. 436 of February 12, 2018, and verified authenticity and authorized signatures.
- For the period February 15, 2018 - June 30, 2018, we have not identified any other Current Reports on Transactions with related parties made under the Service Contract no. 436 of February 12, 2018 that were issued by the Company's management.
- We checked the items listed in the current report with the key information provided in the contract or the parties to the subject and estimated value. In terms of value, the contract stipulates that the prices will be negotiated for each order or additional act concluded for the parts to be executed by the Company as the provider. The Company's estimated value of 50,000 euros / year is shown exclusively in the current Report. Regarding the declared 0.1% late penalties, the Service Agreement is signed with objections by the management of Independența SA for the purpose of setting a penalty of 0.06% per day of delay.
- For the period February 15, 2018 - June 30, 2018, we requested and received the supplier account sheet for the transactions with Independența SA Sibiu carried out under the Framework Services Agreement no. 436 of February 12, 2018 and found that there are no such transactions recorded during the respective period.

The scope of a review is lower than that of an audit conducted in accordance with International Standards on Auditing and as a result we can not obtain assurance that we will refer to all matters that might be identified in a reasonable assurance engagement.

Conclusion

12. According to the procedures conducted , we have not identified anything to our attention to indicate that transactions submitted by the Company in the current report or any other information presented in this report do not conform in all material respects with the provisions of Regulation no. 1/2006 of CNVM (applicable at the date of issue of the Current Report) and the provisions of Law 24/2017.

Alte aspecte

13. This Limited Assurance Report is addressed exclusively to the Board of Directors or the appropriate representatives of the Company's management. Our engagement was performed in order to report the Board or appropriate representatives management of the Company those matters we are required to report in a limited assurance report and for no other purpose. To the extent permitted by law, we do not

accept or assume responsibility only to the Company and the Board of Directors or the appropriate representatives Company's management to our commitment to report limited assurance on the current report issued by the Company and the conclusion drawn in this report

Timișoara, August 3, 2018

On behalf of A.B.A. AUDIT SRL

Registered with the Chamber of Financial Auditors from Romania
No. 305/December 23, 2002

Dr. Dumitrescu Alin - Constantin

Registered with the Chamber of Financial Auditors from Romania
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