

426 / 31. 01. 2020

# SC MCO CONTAB CONSULT S.R.L

Auditing and accounting company

Member of the Chamber of Financial Auditors in Romania

Registered with the Romanian Chamber of Financial Auditors with no. 1105/2012

Registered office: Botosani, str. Aleea Curcubeului no. 11, sc. B, ap.11. County of Botosani

Nr. Reg. R.C.:J 07/488/2006, C.U.I. 18997162, CS 500 lei

Tel: 0752 113396, 0727 225439 Fax: 0331 710134 E-mail: office@mcoaudit.ro

www.mcoaudit.ro

Independent limited insurance report on the information included in the current reports issued by the Company in accordance with the requirements of Law no. 24/2017 (Article 82) and Regulation no. 5/2018

*To the management of "CONTED" S.A. Dorohoi*

1. We have been employed by the Company **CONTED S.A.**, (hereinafter referred to as "the Company"), to carry out certain procedures in accordance with Regulation no. 5/2018 of the Financial Supervisory Authority ("ASF"). With all subsequent amendments and modifications and to report on the information included in the current report attached (dated 19.12.2018) („Current Report ”), which was prepared by the Company in accordance with the requirements of Law no. 24/2017 (Article 82) (the "criteria") to report to the Financial Supervisory Authority ("ASF") and the Bucharest Stock Exchange for the period July 2019 - December 31, 2019. Current reports from 10.10.2019 and 14.01. 2020., have been prepared by the Company based on the legal documents concluded by the Company with its significant directors, staff and shareholders, as well as with the persons involved with them. The responsibility of the current reports is the responsibility of the Company management. Our procedures were performed exclusively on the Current Reports from 10.10.2019 and 14.01.2020, which refers to the conclusion of legal documents with the shareholders who have control of the company according to art. 82 of Law 24/2017 in the second semester of 2019.

## *Specific purpose*

2. This report is made exclusively specified in the first paragraph above, as well as for your information, and should not be used for other purposes. The report refers exclusively to the current reports dated 10.10.2019 and 14.01.2020 and should not

be associated with the financial statements of the Company, taken as a whole. Our procedures have been performed exclusively on the contracts / additional documents / annexes concluded in the second semester of 2019, as presented in the Current Reports dated 10.10.2019, respectively 14.01.2020.

### ***Responsibilities of the company management***

3. The management of the Company has the responsibility of drawing up the current Reports according to the requirements of Law no. 24/2017 (Article 82) ("the criteria"). In particular, the management of the Company has the responsibility of designing and implementing internal controls that allow the preparation of the Current Reports so that they are free of significant distortions. Also, the management of the Company is responsible to ensure that the documents provided to the auditor are complete and correct. The management of the Company is responsible for maintaining an internal control system that reasonably ensures that the documents described above do not contain significant errors due to fraud or error.

### ***Auditor's responsibility***

4. Our insurance mission was carried out in accordance with International Standards for Insurance Missions - ISAE 3000 (revised), "Insurance missions, other than the audit or revision of historical financial information", adopted by the Romanian Chamber of Financial Auditors. These regulations require us to respect ethical standards, including independence, and to plan and carry out the assurance mission so as to obtain limited assurance regarding the Current Reports.

5. The procedures selected depend on the professional reasoning of the auditor. The procedures include, in particular, interviews with the personnel responsible for financial reporting and risk management, as well as additional procedures aimed at obtaining evidence regarding current reports.

6. The insurance commitment made represents a limited insurance commitment. The nature, term and extent of the procedures performed within a limited assurance mission are limited compared to those required within a reasonable assurance mission. As a result, the level of insurance obtained under a limited insurance commitment is lower.

7. Regarding the current Report of the Company we have performed the following procedures:

– We obtained from the Company the current reports attached and we verified that the signatures included in it are those of the representatives of the Company and we compared the details that are necessary to be included in this report, according to Law 24/2017 (article 82), with the information that were included in this report by the Company.

– For the contracts / additional documents / individual annexes that we have analyzed, as defined in this report, we have determined whether their details correspond under all significant aspects with the information included in the contracts

and the additional documents signed by the representatives of the Company, according to with the list of authorized signatures provided by us. Where this was the case, we compared whether the details included in the current report correspond with the documentation related to the additional documents / annexes related to the processing and sale-purchase contract no. 03 / 04.05.2011, from 01.07.2019 to 31.12.2019, as well as their total realized or estimated value.

– We compared if the details presented in the current report annexed correspond with the information we obtained from the discussions with the management of the Company and with the documentation of the additional documents / annexes at the level of detail indicated regarding the basis and nature of the additional documents / the annexes concluded by the Company with the respective entity.

– Based on the discussions with the Company's management and as a result of examining the Company's policies and procedures made available to us, we have analyzed how the Company's transactions with its significant directors, staff and shareholders, as well as with the persons involved with them, are in line with Company policies and procedures.

8. Our procedures have been applied only on the contract of processing and sale no.03 / 04.05.2011 as well as of the additional documents / annexes concluded after July 1, 2019 until the date of the current report of January 14, 2020, which have estimated value more than 50,000 euros. We have not carried out any procedure to verify that the current reports include all the transactions and details that the Company must report according to article 82 of Law no. 24/2017 for this period.

### ***Conclusion***

9. Based on the procedures performed and the evidence obtained described above regarding the legal documents included in the current Reports, we have not observed anything that could cause us to consider that:

i. The details indicated in the current annexed reports are not in accordance with the contract and the additional documents / annexes to the contract no.03 / 04.05.2011. put at our disposal by the Company.

ii. The details indicated in the annexed reports do not comply, in all material respects, with the legal requirements.

iii. The additional documents / annexes to the contract made available to us were not properly authorized by the representatives of the Company.

iv. The prices agreed between the parties have not been accepted by mutual agreement based on the type of products / services and other terms and conditions stipulated in the contract between the parties.

v. The terms and conditions of the transactions included in the reported contract, respectively the additional documents / annexes to the contract, by the Company, performed with its significant shareholder, as well as with persons involved with it,

have not been established on the basis of the contracts signed by the Company, in the report with the nature of the services and other terms and conditions stipulated by the parties.

**Other aspects**

10. Our report is issued only for the purpose set out in the first paragraph of this Report and for your information and should not be used for other purposes. The report refers only to the current Report mentioned above and should not be extended to other reports of the company, taken into consideration individually or as a whole.

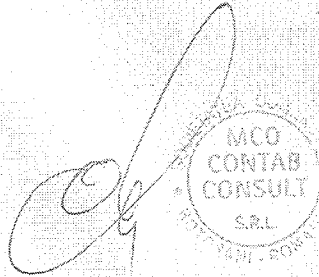
In the name

**SC MCO CONTAB CONSULT S.R.L.**

registered in the Electronic Public Register of financial auditors and audit firms with no.

FA1105

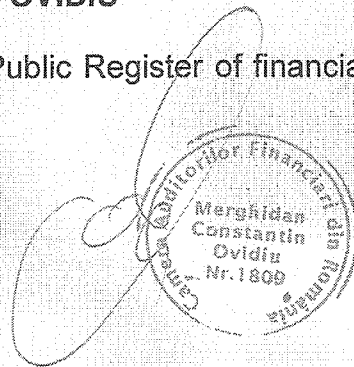
The signer's name,



**MERGHIDAN CONSTANTIN OVIDIU**

registered in the Electronic Public Register of financial auditors and audit firms with no.

AF1809



Dorohoi, January 31, 2020