

**JPA Romania**

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IESIRE

**SOCEP S.A.**

Incinta Port Constanta Dana 34,  
Constanta

**Independent limited assurance report on the information provided in accordance with the requirements of the Law No.24/2017 (art.82) and Regulation No.1/2006**

*To the Executive Board of SOCEP S.A.*

We have been assigned by SOCEP S.A. (“the company”) to provide certain procedures in accordance to Law No.24/2017, art.82 and to Regulation No.1/2006 of Comisia Națională a Valorilor Mobiliare (“CNVM”), currently named Autoritatea de Supraveghere Financiara („ASF”), with all subsequent amendments and modifications and also to provide a report with regard to the information concerning the company transactions with its related parties, complying with all above mentioned legal regulations.

### **Purpose of present Report**

The Report is prepared exclusively with above specified purpose and to inform the management and should not be used for other purposes. Our Report is referring exclusively to the information concerning company transactions with related parties included in the above-mentioned reports and it does not refer to the company financial statements. Our procedures are exclusively related to contracts signed and provided to us by the company.

### **Management responsibility**

Management is responsible for the preparation of current Report in accordance with the requirements of the Law No.24/2017 art.82. and for designing and implementing internal controls as determined necessary to enable the preparation of Current Reports that are free from material misstatement. Also, management is responsible for providing to the auditor complete and correct information. The Company management is responsible for keeping functional an internal control system which has the role to ensure in a reasonable way, that all above mentioned documents do not include material misstatement, whether due to fraud or error.

## **Auditor's responsibilities**

We conducted our engagement in accordance with International Standard on Assurance Engagements ("ISAE") 3000 (revised), "Assurance Engagements Other than Audits or reviews of Historical Financial Information" adopted by the CAFR. This standard requires that the auditor plan and perform procedures to obtain a limited assurance on the information contained in the current reports mentioned.

Our firm applies International Standard on Quality Control 1 (ISQC 1) and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding standard requirements.

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants issued by the IESBA, which is based on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The engagement performed is a limited assurance. The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is less than the assurance that would have been obtained had we performed a reasonable assurance engagement.

The procedures applied to the related party transactions of the company as at December 31, 2018 are summarized below:

- 1) We obtained a report referring to and related to the information in accordance with the art.85 of Law No.24/2017.
- 2) We have been provided by the company with the contracts that support the above-mentioned transactions; based on them, the transactions are carried out and therefore we examined whether these transactions are complying with provisions stipulated in those contracts.
- 3) We compared the details included in the report to those we have got in our discussions with company staff and also to the agreements signed by the management of the company.
- 4) To the extent that there is a market price for the goods and services provided to the company by the managers, by the personnel, by its major shareholders and by people related with them, we had discussions with company management related to the basis of establishing these prices and to whether those prices match those used elsewhere for similar goods and services.

Our procedures have been applied only to the contracts included in the provided documents, which have been signed/agreed/modified in-between July 1<sup>st</sup>, 2018 – December 31<sup>st</sup>, 2018 and that have an estimated contracted value in the period of more than Euro 50,000. We considered the transactions that were made with Casa de Expediții PHOENIX SA. We did not perform any procedure for checking whether the

current reports do include all the transactions and all the details that the company must report in accordance to art.82 of Law No.24/2017, for this particular time period.

### Conclusion

Based on above described procedures performed and proof obtained, related to documents provided by the company (the financial statements for the 2018 year-end were not published at the date of our report), nothing came to our attention that could cause us believe that:

- a) Details indicated in the transaction report are not in concordance with the agreements/contracts made available by the company
- b) Details indicated in the transaction report do not comply with legal requirements in all significant/essential aspects
- c) Agreements/contracts made available to us have not been properly authorized.
- d) Agreed prices have not been accepted by both parties by mutual agreement, based on the provided type of service.
- e) Terms and conditions of the provided services have not been established based of signed contracts by the parties.

Our Report is referring exclusively to the transaction report provided to us by the company and must not be extended to other reports of the company, either individually or taken as a whole.

On behalf of JPA Audit & Consultanta S.R.L.  
Florin Toma  
Partener

January 25<sup>th</sup>, 2019

