AEROSTAR S.A.

www.aerostar.ro

BOARD OF DIRECTORS REPORT

First half of 2026

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The Report for the First Half of 2026 has been prepared in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations and A.S.F. Regulation no. 5/2018 issued by the Financial Supervisory Authority regarding issuers of financial instruments and market operations, respectively Annex 14, the applicable reporting requirements and the Guidelines set out in the European Commission Communication.

The Company financial statements have been prepared in accordance with the provisions of the International Financial Reporting Standards (IFRS) as adopted by the European Union, Order no. 2844/2016, as subsequently amended, approving the accounting regulations compliant with IFRS, Accounting Law no. 82/1991, republished, with subsequent amendments and supplements, and are presented in accordance with the requirements of IAS 1 (Note 3). The Company's financial statements are accompanied by the statutory auditor's review report.

The purpose of this report is to provide investors with information regarding the changes in the Company's financial position and performance that occurred during the reporting period January-June 2026, as well as regarding the expected developments in the aviation and defence industry market and the Company's development opportunities.

ABOUT AEROSTAR S.A.

AEROSTAR S.A. is the successor of the URA enterprise, established on 17 April 1953 by Decision no. 1165 of the Council of Ministers. The Company operated under the following successive names: URA (1953), IRAv (Aircraft Repair Enterprise) (1970), IAv (Aircraft Enterprise) (1978) and AEROSTAR since 1991, when it was registered as a joint-stock company with the Bacău Trade Register.

The Company's European Unique Identifier (EUID): ROONRC.J1991001137040;
The Company's Legal Entity Identifier (RON) is: 315700G9KRN3B7XDBB73;
Subscribed and paid-in share capital: 48.728.784 RON;
Unique Registration Code: 950531; ISIN code ROAEROACNOR5.

The registered office is located at 9 Condorilor Street, Bacău, postal code 600302, Romania;
The Company's main field of activity is production. The Company's core activity is "Manufacture of civil aircraft and spacecraft" – CAEN (The Statistical Classification of Economic Activities in the European Community) code 3031;

AEROSTAR S.A. is listed on the Bucharest Stock Exchange under the ARS ticker symbol, with all issued shares included in the Standard category. The records of shares and shareholders are maintained, in accordance with the applicable legislation, by S.C. Depozitarul Central S.A. Bucharest.

AEROSTAR OPERATES ON THE GLOBAL MARKET FOR PRODUCTS AND SERVICES IN THE AERONAUTICAL AND DEFENCE INDUSTRY AS AN INDEPENDENT COMPANY.

TODAY, AEROSTAR IS A NATIONAL MARKET LEADER AND AN INTEGRATED SUPPLIER WITHIN THE GLOBAL SUPPLY CHAINS OF THE MAJOR COMPANIES OPERATING IN THE AEROSPACE SECTOR.

Through the commitment of our employees and the responsibility assumed by the Board of Directors, AEROSTAR develops, manufactures and supports safe and sustainable activities in the aeronautical and defence fields.
The Company directs all its resources towards meeting the highest standards of quality, safety and responsibility, strengthening its role as a trusted partner in the industry in which it operates.

AEROSTAR'S RESULTS FOR THE FIRST HALF OF 2026

H1 2026 vs H1 2025

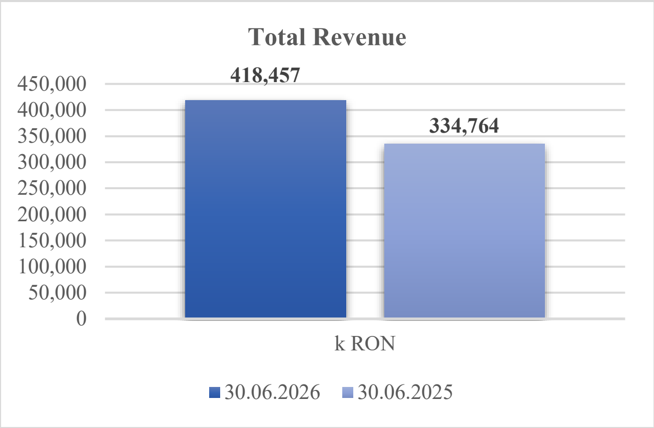
	UM	30.06.2026	30.06.2025
Share capital	k RON	48.729	48.729
Turnover	k RON	392.991	314.564
Export sales	k RON	332.189	276.383
Export share in turnover	%	85%	88%
Actual headcount	no.	1.909	1.825
Gross profit (before tax)	k RON	101.940	53.287
Net profit	k RON	86.717	46.147
Current ratio		9,17	10,35
Investment expenditures from own funds	k RON	5.762	6.455

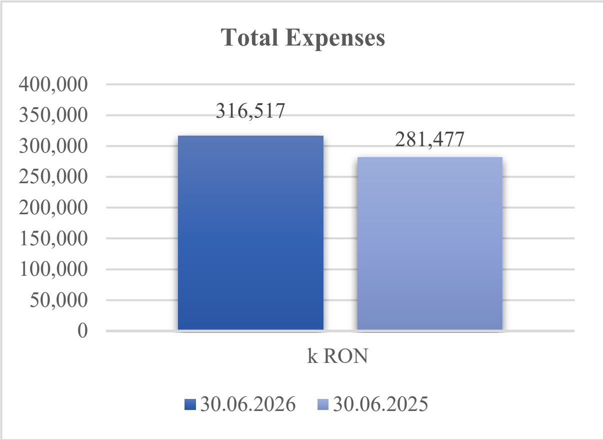
Economic and financial indicators	UM	30.06.2026	30.06.2025
Net profit margin (to total revenue)	%	20,72	13,79
Cash and cash equivalents	k RON	346.926	290.590
Net treasury	k RON	187.827	120.983
Debt-to-equity ratio		0	0
Trade receivables turnover - customers	days	56	54
Non-current assets turnover ratio		1,67	1,52

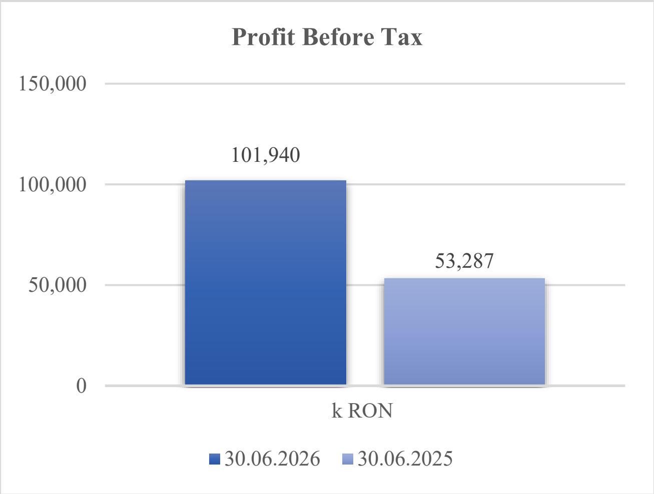
FINANCIAL POSITION – SUMMARY – FIRST HALF OF 2026

AEROSTAR prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS).

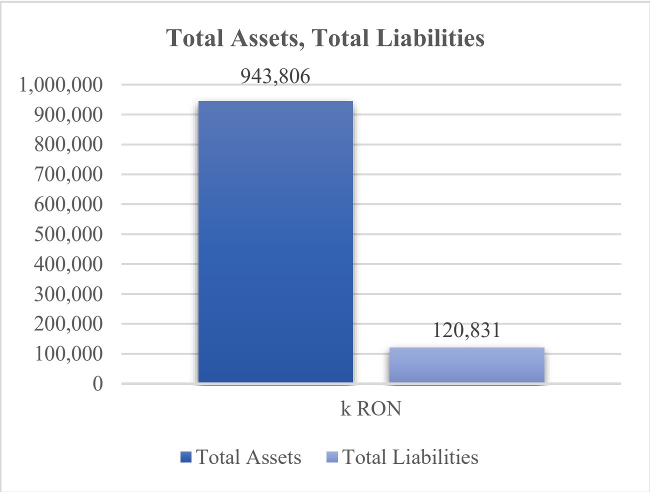
Financial Performance

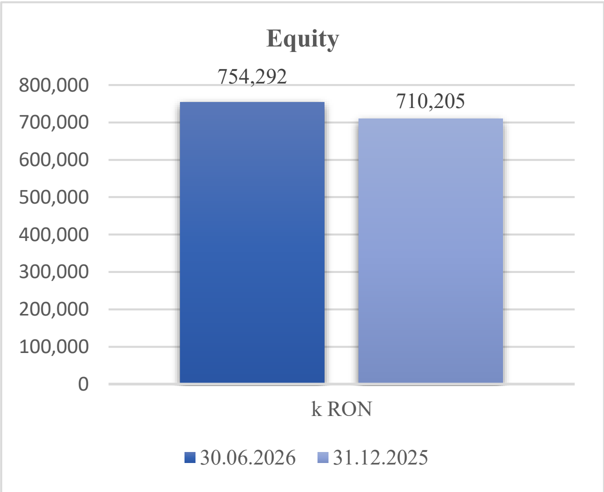






Financial Position





The first half of 2026 was a strong period for AEROSTAR. Revenues increased by almost 25%, while net profit nearly doubled, reaching 86,7 million RON.
The key aspect is that this growth was generated mainly by the core business activities rather than by non-recurring items.

1. Although the result was affected by the increase in costs, this increase remained below the pace of the revenue growth.
   Operating revenue increased by 24%, while expenses increased by only 15%.
   The difference translated directly into higher profitability, with the operating margin increasing from 15% to 21%.

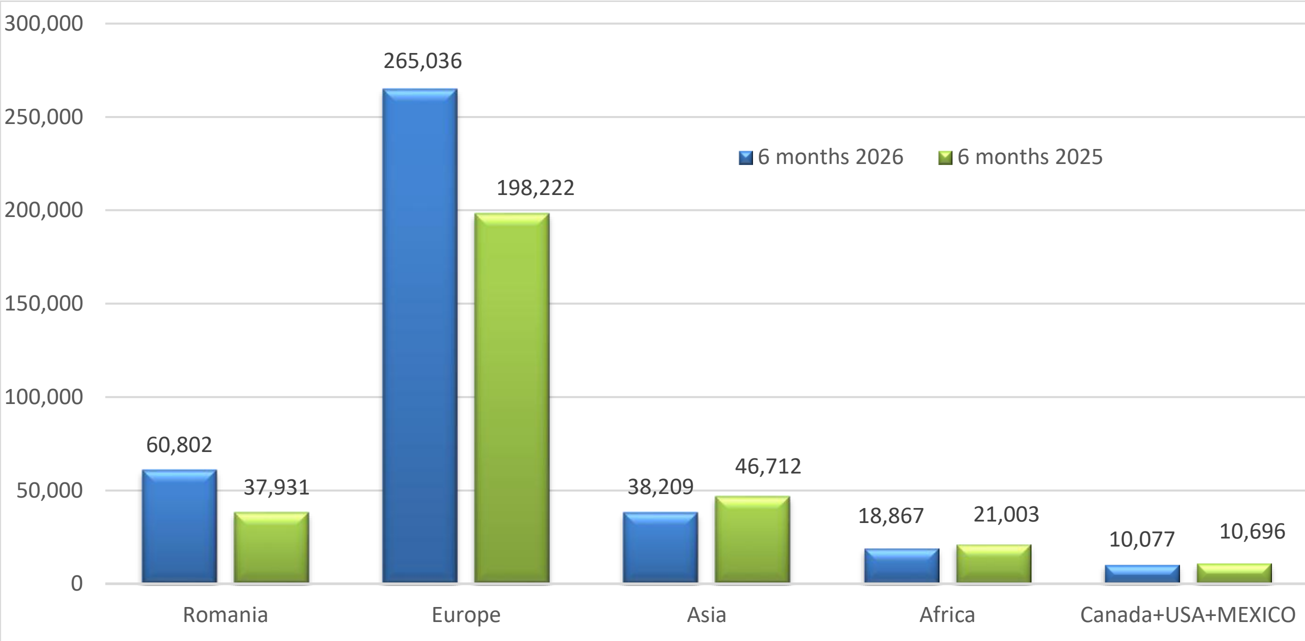
2. Personnel expenses increased by 11,7%, less than half the growth rate of revenues, while their share of sales decreased from 32,7% to 29,2%.
   External services expenses decreased by 22,5%.

3. Material costs remained under control.
   They increased in line with business activity, maintaining their share at approximately 42% of sales.
   Of the 48,7 million RON increase in gross profit, approximately three quarters were generated by operating activities and one quarter by financial activities.
   Equity reached 754,3 million RON, representing 80% of total assets, and the Company has no financial debt.
   Cash increased to 346,9 million RON (+33,6 million RON) compared to the beginning of 2025, despite the payment of dividends amounting to 50 million RON.
   Operating activities generated 76,1 million RON in cash, equivalent to 90% of operating profit - demonstrating that profit is effectively converted into cash rather than being locked in inventories or receivables.

The first half of 2026 confirmed a solid operating performance achieved on the basis of a debt-free financial structure and comfortable liquidity levels. The quality of earnings remained strong, as growth was not supported by non-recurring items, while reversals of provisions had a lower contribution compared to the previous year.

COMPARATIVE SALES DEVELOPMENT

From the turnover of 392.991 thousand RON achieved in the first half of 2026, the Company generated sales of products and services amounting to 60.802 thousand RON on the domestic market and 332.189 thousand RON on international markets.



Comparative Sales Development by Market (thousand RON)

Comparative Sales Development by Business Lines (thousand RON)

During the reporting period, an increase was recorded in turnover, sales across all business lines, and export sales. This positive development demonstrates the success of the Company’s policies, as well as its ability to adapt to market requirements.

MARKET DEVELOPMENTS

During the first half of 2026, air transport demand remained robust, although growth slowed down, with continued high pressure on costs and supply chains. IATA (International Air Transport Association) indicated moderate passenger traffic growth and low profit margins due to fuel prices and geopolitical disruptions.

DELAYS IN NEW AIRCRAFT DELIVERIES

For 2026, the global aircraft manufacturers Airbus and Boeing set ambitious production targets (approximately 1.800 commercial aircraft combined). Against this target, by the end of June, Airbus had delivered 351 aircraft and Boeing approximately 314 aircraft, marking an increase compared to the same period of the previous year, but not fully eliminating the risk of further delays due to supply chain instability.

SUPPLY CHAIN CHALLENGES

Supply chains remained a critical factor during the first half of 2026. Although production increased, suppliers of components and materials (including special alloys, avionics systems and engines) continued to deliver under pressure from higher energy costs, which affected production costs, as well as from logistical constraints and strong global demand.

SUSTAINABILITY-RELATED PRESSURES

The aviation industry's transition towards lower emissions remained highly costly during the first half of 2026, with Sustainable Aviation Fuel (SAF) continuing to trade at prices three to five times higher than conventional fuel, while production and distribution infrastructure has not developed sufficiently to support large-scale adoption.
ReFuelEU Aviation and the objectives of the European Green Deal continue to drive operators and manufacturers towards investments in green technologies and operational optimisation.

INTERNATIONAL DEMAND VOLATILITY

During H1 2026, international demand was affected by conflicts in the Middle East and the reconfiguration of global routes, with a direct impact on regional airline traffic and passenger and cargo flows. IATA reported that March 2026 recorded the weakest post-pandemic passenger traffic growth, with a significant decline in traffic among Middle Eastern carriers and a slower global pace due to traffic being diverted through certain air corridors, resulting in longer flight times and increased fuel costs.

SHORTAGE OF QUALIFIED PERSONNEL AND PROFESSIONAL TRAINING

The shortage of qualified personnel persisted during the reporting period. The aerospace industry faced strong demand for certified technicians and engineers, driven by increasing production levels and technological complexity, which further increased the need for advanced skills.

The training centres were unable to fully meet demand, while the aerospace companies intensified their internal training programmes, partnerships with educational institutions and employee retention policies. Without coordinated policies at national and European level, the risk of stagnation in production and maintenance capacity remains high.

CONVERSION OF CIVIL AVIATION COMPANIES TOWARDS THE MILITARY SEGMENT

Against the backdrop of the current geopolitical environment and the apparent increase in global defence budgets, an increasing number of civil aviation companies are reshaping their business models by strategically moving towards military and dual-use operations. This trend is driven by:

- Increased funding and growing demand for advanced military equipment, including aircraft, avionics systems and maintenance components.
- The need for NATO interoperability, which favours suppliers capable of adapting to military standards.

This reorientation in business profiles is intensifying competition in the military segment, leading to increased competitive pressure in tenders and strategic partnerships, as well as creating the need to strengthen production capabilities and military certifications in order to remain relevant within the supply chains of major integrators.

CLIMATE CHANGE

Climate change represents a global challenge with potential implications for investment planning and business models. AEROSTAR continuously assesses environmental risks and opportunities associated with its operations. During the reporting period, no significant impacts on the Company's assets or liabilities were recorded as a result of climate-related risks.

GEOPOLITICAL AND ECONOMIC CONTEXT

The international instability and regional conflicts have generated uncertainties in planning activities. Despite these challenges, AEROSTAR demonstrated resilience, recording an increase in turnover during H1 2026.

INTERNAL ENVIRONMENT AND WORKFORCE

The existing high competency and experience requirements further intensify the pressure on recruitment and retention. AEROSTAR continues to invest in professional training, educational partnerships and youth attraction programmes, in order to strengthen the organisational culture and team diversity.

SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

FEBRUARY

Publication of the preliminary financial results for 2025.

MARCH

AEROSTAR completed the annual negotiations between the AEROSTAR S.A. Management and the Employees' Committee. The negotiated package includes a **10,5%** salary increase fund, consisting of:

- a **6,6%** salary increase through indexation**;**
- a **3%** individual negotiation fund;
- an increase in the value of meal vouchers from 40 RON to 45 RON;

In addition, an increase in the value of holiday vouchers from 550 RON to 600 RON was agreed. The provisions of the new Collective Labour Agreement will apply starting with the salary rights corresponding to April 2026.

APRIL

AEROSTAR S.A. celebrated 73 years of continuous activity on 17 April!

On **17 April**, the second edition of the "Investor Day" event took place, bringing together investors and analysts, the media, members of the Board of Directors, the executive management and the operational executive management.

On **22 April**, the **General Meeting of Shareholders** was held to approve the annual financial results for 2025. During the Ordinary General Meeting, AEROSTAR shareholders approved the following:

- the Directors' Report and the financial statements for 2025;
- the Financial Auditor's Report on the audit of the financial statements;
- the discharge from liability of the members of the Board of Directors and executive management;
- the allocation of the net profit for the 2025 financial year, amounting to **98.037.044,52 RON**, as follows:

allocations to the legal reserve from reinvested profit	9.734.591,88 RON
allocations to reserves	35.005.345,14 RON
allocations to dividends	53.297.107,50 RON

- gross dividend per share: 0,35 RON;
- the payment date of dividends related to the 2025 financial year is 5 June 2026.

EVENTS AFTER THE REPORTING PERIOD

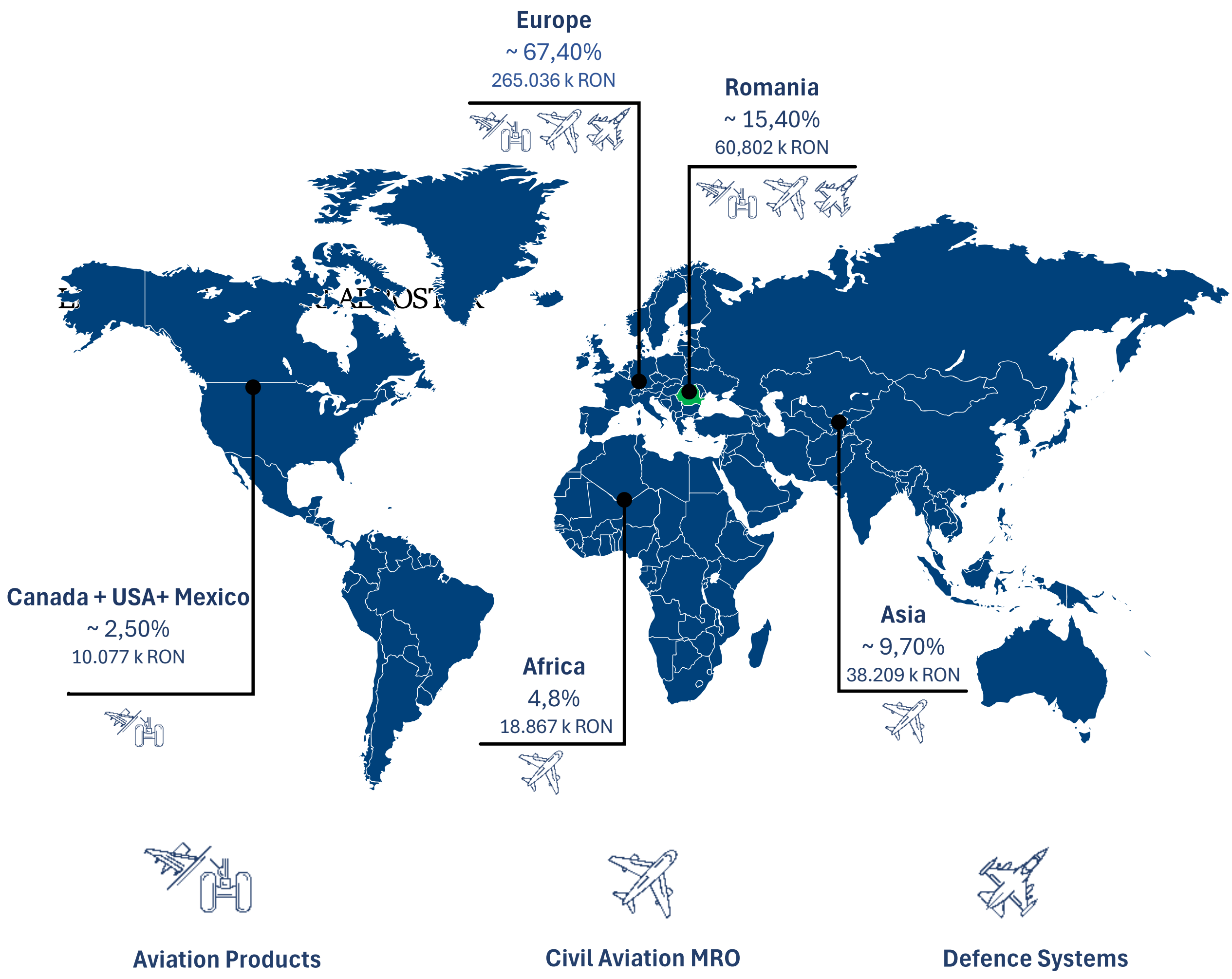
On 30th July 2026, Aerostar entered into a 49-year concession agreement with the Iași County Council for two plots of land with a total area of 3,430 sqm.

The plots are adjacent to the land previously obtained under concession and are intended to support the expansion of Aerostar's civil aircraft maintenance operations. The additional land will facilitate the construction of a new hangar for the maintenance and servicing of civil aircraft.

AEROSTAR'S OPERATIONS AND PRODUCTS

AEROSTAR operates across three business lines, based on the products and services offered. The Company's main field of activity is production. The Company's core activity is "Manufacture of civil aircraft and spacecraft" - CAEN code 3031;

AEROSTAR'S PRESENCE IN THE GLOBAL MARKET



MANUFACTURE OF AERONAUTICAL PRODUCTS

The equipment, assemblies and components manufactured by AEROSTAR are integrated into a wide range of commercial aircraft, including the Airbus A320, A321, A330 and A350, Boeing 737, 767, 787, Gulfstream G650, Dassault Falcon 7X, and Bombardier Challenger 600 series and Global 5000/6000 series.

By constantly adapting to new market requirements regarding new production structures, as well as to new quality and environmental protection requirements, AEROSTAR maintains its leading position in Romania in the manufacture of aviation products and continues to strengthen its position within the supply chain of major global companies operating in the aviation and aerospace sectors.

CIVIL AVIATION MRO

AEROSTAR has a significant business footprint in the Civil Aviation MRO sector, acting as an independent provider of industrial maintenance services for Airbus A320ceo/neo family aircraft, Boeing 737 (all series) and Boeing 737 MAX commercial aircraft. AEROSTAR is EASA Part-145 authorised, complemented by a broad range of authorisations issued by civil aviation authorities. The Company operates three hangars: two at its headquarters in Bacău, with capacity for simultaneous maintenance of up to seven aircraft, and one hangar in Iași, with capacity for simultaneous maintenance of up to three aircraft.

The Company has more than 20 years of experience in Civil Aviation MRO, built through strong partnerships with international airline operators and the implementation of the highest technical and safety standards. In April, the Company completed maintenance and returned to service its 1.300th aircraft.

DEFENCE SYSTEMS

Within its Defence Systems business line, AEROSTAR is a top-tier supplier to the Romanian Ministry of National Defence.

AEROSTAR is a Maintenance Centre for the F-16 aircraft operated by the Romanian Armed Forces; Maintenance Centre for the Black Hawk helicopters operated by the Ministry of Internal Affairs: Maintenance Centre for missile launcher systems operated by the Ministry of National Defence.

AEROSTAR has continuously developed the capabilities required to strengthen its position as a supplier, increasing its expertise in the maintenance and modernisation of military aircraft, ground-to-ground launch systems and radar communication systems, as part of command-and-control systems. AEROSTAR is an integral part of the national defence industry, in accordance with Law no. 232/2016, contributing to the strengthening of national security capabilities and to the sustainable development of this sector.

AEROSTAR’S BUSINESS MODEL AND STRATEGY

AEROSTAR’s business model is built on a solid framework focused on performance and professionalism. The Company’s activities are structured around the areas that generate long-term value and support organisational resilience in a competitive global environment. The management has adopted an ambitious strategy and an integrated business model, based on a process-oriented systemic approach and RISK-based thinking.

The Company’s business model has not been modified as a result of the international context; however, the way activities are carried out has been adapted according to the specific characteristics of activity flows. The Company fully complies with applicable national and international legislation, acting consistently, proactively and transparently to pursue growth opportunities and ensure access to new programmes in the aviation and defence sectors.

WE BELIEVE THAT BY ACTING RESPONSIBLY, WE WILL CONTRIBUTE TO LONG-TERM ECONOMIC SUCCESS. BY PURSUING SUSTAINABLE DEVELOPMENT, WE ARE MOVING TOWARDS A SAFER FUTURE.

AEROSTAR's strategy involves increasing its commitment across all aspects of sustainability. We aim to align ourselves with both regulatory requirements and global trends, directing our efforts towards achieving the main objective of enhancing sustainability by combining profitability with responsibility, creating value in the short, medium and long term, and thus improving the Company's performance.

The strategic objectives established by the executive operational management represent the foundation for the development of annual business plans. These plans are designed as dynamic instruments, adaptable to the operational context and to the evolving expectations of stakeholders. Through this flexible approach, AEROSTAR strengthens its ability to effectively respond to challenges and opportunities in the sectors in which it operates.

When establishing the Company's objectives for 2026, we considered both the Company's development strategy and our mission, aligned with our three business lines.

Our medium- and long-term strategy focuses on:

- increasing performance through continuous improvement of activities, processes, products and services;
- continuous compliance with environmental protection requirements, all quality requirements, and national and international regulations;
- professional development of employees based on integrity, innovation and initiative, while maintaining a thriving social dialogue;
- ensuring a qualified workforce aligned with the Company's needs;
- increasing efficiency and reducing costs;
- maintaining our position as a top employer;
- meeting customer requirements and ensuring utmost safety for our employees;
- creating value for the community and strengthening collaborative relationships.

The Company's management policy is focused on maintaining a solid capital base to support continuous development in the context of the global market and to ensure competitive advantage through quality, capabilities and advanced technologies, thereby supporting sustainable and orderly growth and, implicitly, the achievement of strategic objectives.

WE PROTECT THE ENVIRONMENT

Reducing greenhouse gas and volatile organic compound emissions;

Mitigating environmental impact by increasing waste recovery and educating all employees to minimise waste generation so as to improve environmental performance;

Partially supplying the energy required for the Company's processes from green sources through our own photovoltaic parks.
We respect the environment, nature and resources!

TOP EMPLOYER

Engaging employees in professional development and supporting an inclusive culture, where each employee can reach their full potential and contribute with our support, thus ensuring the evolution of future professions;

Improving the quality of life at the workplace, ensuring the occupational health and safety and maintaining a thriving social dialogue;
Promoting a culture of occupational health and safety;

Continuing the training and professional development programmes;

We respect, support and guarantee equal, non-discriminatory treatment through equal opportunities for all our employees!

COMMUNITY ENGAGEMENT AND DEVELOPMENT

Ongoing dialogue with local communities, in line with our aspiration to positively influence the community;

Developing partnerships to attract young people to internships and study programmes;

Continuing scholarship programmes for students in dual education;

Enhancing professional and social integration;

Community engagement initiatives!

OUR CUSTOMERS' SATISFACTION

Developing partnerships to establish ourselves as a trusted reference point for our customers;

Strengthening our position as a strategic player in the civil and military aviation industry and creating sustainable added value;

Adopting transparent practices grounded in integrity and business ethics;

Maintaining a strong focus on customers and end-users;

We uphold the highest standards of professional ethics!

INVESTMENTS FOR SUSTAINABILITY

AEROSTAR's investment policy is guided by the principles of sustainable development, with a focus on:
- The efficient and responsible use of available resources;
- Reducing environmental impact;
- Strengthening professional excellence.

AEROSTAR adopts an integrated approach that combines economic performance with environmental responsibility, while remaining firmly committed to ensuring the sustainability of all its investment projects.
During January–June 2026, AEROSTAR incurred capital expenditure totalling 5.762 thousand RON.
The capital expenditure is structured as follows:

Category	%
Development expenditure	77%
Replacement expenditure	23%
TOTAL	100%
Equipment	63%
Construction	4 %
Measuring, control and regulating instruments and installations	17%

These investments contribute to strengthening AEROSTAR's position as a competitive supplier in the aerospace industry, ready to meet the increasingly complex requirements of the international market.

OUR EMPLOYEES

Human capital represents a key factor in the performance, efficiency, growth, and development of the company.
We support our employees' professional development by providing access to training and professional development programmes.

Within AEROSTAR S.A., employees' rights and responsibilities, as set out in the Collective Labour Agreement (CCM) and the Rules of Organisation and Operation, are established in accordance with the principles of respect for human rights and the right to work, as enshrined in the International Bill of Human Rights and the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. These principles are reflected in the labour legislation and are governed by the principles of consensus and good faith, which form the foundation of interactions within labour relations.

In the first half of 2026, AEROSTAR had a total of 1.909 employees. The voluntary employee turnover rate in the second quarter of 2026 was **4,23%**, compared with **5,39%** in the second quarter of 2025.

	No. of employees	Share of women in Aerostar	Share of men in Aerostar	Share of women in management positions	Employees under 30 years old	Employees aged 31 to 50	Employees over 51 years old
H1 2026	1.909	30%	70%	24%	23%	42%	35%
H1 2025	1.825	30%	70%	25%	20%	43%	37%

No incidents of employment-related discrimination based on gender, race or ethnic origin, nationality, religion or belief, disability, age, sexual orientation, or other relevant forms of discrimination or harassment, were reported within AEROSTAR.

The Company maintains an ongoing transparent relationship with its social dialogue partner, the representative trade union. The Collective Labour Agreement concluded with the representative trade union also ensures the compliance of the Company's human resources policies.

	Average unionisation rate	Employee turnover rate	Fatal occupational accidents
H1 2026	59,58%	4,23 %	0
H1 2025	59,73%	5,39 %	0

AEROSTAR is committed to supporting its employees, fostering their professional development, and attracting and retaining talent through its development strategy and performance management framework.

We have continued to invest in the training of our personnel by offering opportunities for growth and career advancement, thus, each employee benefits from training programmes designed to support their professional development.

During the first half of 2026, Human Resources activities focused on ensuring the required workforce for technical and support positions, improving recruitment processes, and developing employees' skills and competencies.
Targeted recruitment campaigns were carried out, and selection processes were optimised to reduce the time required to fill vacant positions. At the same time, professional training programmes tailored to operational requirements were implemented.

During this period, both internal and external training programmes were organised, aimed at developing professional competencies and adapting employees' skills to technological requirements.

	UM	30.06.2026	30.06.2025
Number of training attendees	no.	2.798	2.208
Number of employees included in training programmes	no.	973	897
Average number of training hours per employee	hours	29	16

The main objective was to increase the number of certified aircraft structural technicians by attracting suitable candidates and providing them with the necessary competencies, thereby ensuring the sustainability and competitiveness of aircraft manufacturing and maintenance activities.

	Students in Practical Training
30.06.2026	374
30.06.2025	459

AEROSTAR established a PROFESSIONAL COMPETENCE ASSESSMENT CENTRE for competencies acquired through non-formal learning pathways. The Centre is authorised by the Ministry of Labour and the Ministry of Education to organise qualification courses in four trades specific to the aviation industry.

EMPLOYEE BENEFITS

Starting from 1 APRIL 2026, employee benefits were adjusted to address evolving needs through a 10,5% increase in the overall salary package.

This increase reflects the Company's commitment to maintaining competitiveness in the labour market, recognising performance, and supporting employee well-being in a dynamic economic environment, while also demonstrating its focus on employee motivation and retention.

EXECUTIVE AND OPERATIONAL MANAGEMENT

The executive management is provided by the Chief Executive Officer and the Financial Director. The executive-operational management structure is completed by the other directors of divisions and directorates. In 2026, the direct shareholding of executive management in the Company's share capital remained below 1%.

Executive Management	
Name	Position
Filip Alexandru	Chief Executive Officer (CEO)
Damaschin Doru	Financial and Accounting Director
Operational Management	
Rogoz Vasile Laurențiu	Quality Director
Vîrnă Daniel	Director of Legal and Human Resources Directorate
Cristea Andra	Logistics Division Director
Pascal Laurențiu	Deputy CEO
Buhai Ovidiu	Defence Systems Division Director
Iosipescu Șerban	Aeronautical Products Division Director
Veleșcu Ioan - Dan	Civil Aviation MRO Division Director
Branche Cătălin Bogdan	Utilities and Infrastructure Division Director

BOARD OF DIRECTORS

The Company is managed under a one-tier board system, with delegated executive management. The Company's Board of Directors establishes the strategic direction and ensures its implementation, while also being responsible for ensuring compliance with all applicable legal requirements and internal regulations, as well as for the appropriate management and control of risks. The Board of Directors is also responsible for the accounting and financial management system, as well as for the revenue and expenditure budget, and approves the financial plan for the current year.

In accordance with the Company's Constitutive Deed, the Board of Directors meets at the Company's headquarters whenever necessary, but at least once every three months. The Board acts in accordance with the Internal Regulations of the Board of Directors, while the meeting agendas and all related activities comply with the legal provisions and the Constitutive Deed regarding the Board's role and responsibilities.

The current Board of Directors, elected by secret ballot on 4 July 2024 for a four-year term commencing on 11 July 2024, consists of five members:

Structure of the Board of Directors	
Name	Position
Filip Grigore	President
Damaschin Doru	Vice President
Filip Alexandru	Member
Toncea Radu Tudor	Member
Doroș Liviu- Claudiu	Member

Aspects of Diversity Within the Management Structure

AEROSTAR S.A. promotes and supports diversity within its extended management structure with regard to gender, education, professional experience and age, while ensuring equal opportunities and equal treatment regarding access to positions within its management bodies.
The Company recognises the importance of gender diversity within its management bodies. In accordance with the provisions of Art.175³(4) of Law No. 24/2017, as subsequently amended and supplemented, the Board of Directors approved the "Nomination and Evaluation Policy for The Members of the Management Structure of AEROSTAR S.A.", a document which is available on the Company's website.

The implementation of this policy has resulted in gender diversity being represented at all hierarchical levels within the Company, from office manager positions to division director positions.
As at 30.06.2026, from a gender perspective, all five members of the Board of Directors are male. They are elected for a four-year term commencing on 11 July 2024 and ending on 10 July 2028. Among them, two are executive members.

While reaffirming the Company's commitment to promoting gender diversity in accordance with the applicable legal requirements, we should also mention that the final decision regarding the appointment of members of the Board of Directors rests with the General Meeting of Shareholders of AEROSTAR S.A.

AEROSTAR SHAREHOLDERS

The Company's significant shareholders are IAROM S.A., Bucharest and EVERGENT Investments S.A., Bacău. The synthetic shareholding structure is as follows:

Shareholders	Number of Shares	Percentage
IAROM S.A.	108.910.958	71,5213%
Evergent Investments S.A	23.053.957	15,1394%
Other shareholders	20.312.535	13,3393%
Total	152.277.450	100%

Shareholders may obtain information about AEROSTAR S.A. and its significant events on the Company's website.

RELATIONS WITH SHAREHOLDERS AND THE CAPITAL MARKET

In its relations with shareholders, Aerostar focused on protecting and ensuring shareholder rights, namely:

- the right to participate in General Meetings either in person or by proxy - by providing them with special proxies, mail-in voting ballots, and other useful information;
- the right to fair treatment, regardless of the size of their shareholdings;
- the right to receive dividends in proportion to their shareholdings.

In its relations with the capital market, AEROSTAR fulfilled all reporting obligations arising from the applicable legal provisions by publishing all mandatory current and periodic reports through the electronic reporting systems of the Financial Supervisory Authority and the Bucharest Stock Exchange, on the Company's website and through press releases.

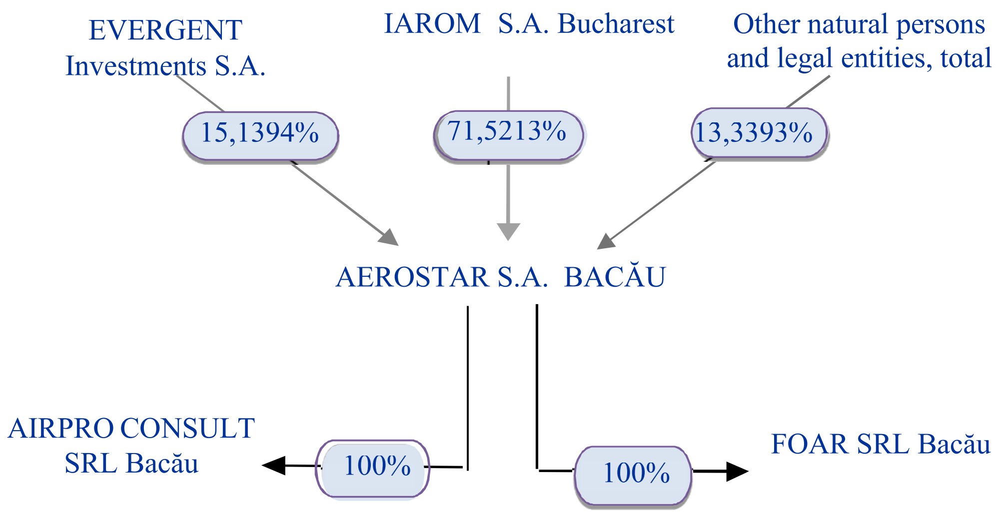
In accordance with the provisions of the Corporate Governance Code, current and periodic information has been disclosed simultaneously in both Romanian and English. Shareholders may obtain information about AEROSTAR and its significant events on the Company's website, www.aerostar.ro.

Additionally, annual and semi-annual reports for the past ten years, quarterly reports for the past five years, current reports, as well as other information relevant to shareholders, are available for download. There have been no changes regarding shareholders' rights. The Company did not enter into any major transactions with persons acting in concert, nor were such persons involved in any major transactions during the relevant period.

ASPECTS RELATING TO THE COMPANY'S SHARE CAPITAL AND MANAGEMENT

There have been no changes affecting the capital and management of AEROSTAR S.A. The company did not fail to meet its financial obligations during this period.

AEROSTAR's relationship with the parent company, other shareholders, and the companies in which it holds equity stakes:



In December 2025, AEROSTAR entered into a Share Transfer Agreement and acquired 392 shares in FOAR S.R.L. from GKN Fokker Aerospace B.V. As a result, as at 31 December 2025, AEROSTAR held 100% of the share capital of FOAR S.R.L.

AEROSTAR is a subsidiary of IAROM S.A. and, therefore, the parent company consolidating the group's financial statements is IAROM S.A., having the unique identification code 1555301 and its registered office in Bucharest, 39 Aerogării Boulevard. The consolidated financial statements for the financial year 2024 were submitted to the Romanian National Agency for Fiscal Administration (ANAF) under registration number 962157978/26.08.2025.

The parent company will prepare and publish a set of consolidated financial statements in accordance with applicable accounting regulations for the financial year ending 31 December 2025.

AEROSTAR contributes to the Education for Sustainable Development Cluster (C-EDD) with an amount of 2.500 RON, thus supporting strategic collaboration initiatives in the field of education. The founding members of this Cluster, alongside AEROSTAR, are: Vasile Alecsandri University, the Bacău County Council and Local Council, the Bacău County School Inspectorate, the Bacău County Small and Medium Enterprises Employers’ Association, Barleta S.R.L., and Barrier S.R.L.

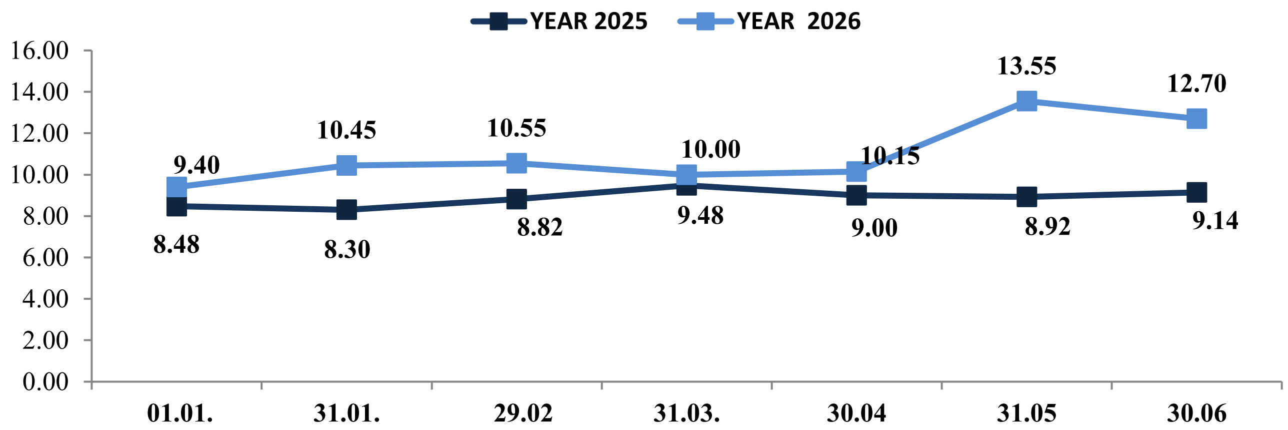
AEROSTAR ARS SHARES

AEROSTAR S.A. Bacău shares have been traded on the regulated market operated by the Bucharest Stock Exchange since 1998.

The main characteristics of the securities issued are as follows: 152.277.450 nominative, ordinary shares of equal nominal value, fully paid, issued in dematerialised form and recorded in the Shareholders' Register. This register is managed by Depozitarul Central S.A. Bucharest. The issuer, AEROSTAR S.A. Bacău, is registered with the following identification details: Unique Registration Code 950531, ISIN code ROAEROACNOR5, ARS ticker symbol, all issued shares are included in the Standard category.

AEROSTAR shares in figures:	30.06.2026	30.06.2025	30.06.2024
Number of shares	152.277.450	152.277.450	152.277.450
Nominal value per share (RON)	0,32	0,32	0,32
End-of-Period Price (RON)*	12,70	9,14	9,70
Market capitalisation (RON)*	1.933.923.615	1.391.815.893	1.477.091.265
Maximum price (RON)*	13,85	9,90	9,90
Minimum price (RON)*	9,26	8,18	8,25
Earnings per share (RON)	0,569	0,303	0,311

Source: Monthly bulletin issued by the Bucharest Stock Exchange



Monthly evolution of the reference price of ARS shares in 2026 compared to the same period of 2025 (RON/share)

During 2026:

- AEROSTAR S.A. did not issue any bonds or other similar securities;
- no subscriptions for new shares, nor any participation certificates, convertible bonds, options or similar rights were registered;
- there was no share buyback programme.

RELATED PARTIES

As at 30.06.2026, AEROSTAR S.A.'s equity interests in other companies are as follows:

Name of subsidiary	Main activity	No. of equity interests held by AEROSTAR	Voting rights	Value of AEROSTAR's investment (thousand RON)	Financial information for the last financial year (2025) for which the financial statements of the related companies were approved		
					Sales (thousand RON)	Equity (thousand RON)	Net Profit (thousand RON)
Airpro Consult S.R.L. Bacău	CAEN code 7820	100	100%	10	19.042	1.152	637
Foar S.R.L. Bacău	CAEN code 7739	800	100%	211	202	468	36
TOTAL				221	19.244	1.620	673

AEROSTAR's equity interests in these companies are recorded at cost. Both companies in which AEROSTAR holds equity interests are registered in Romania. Transactions with related parties are presented in the Financial Statements under Note 26.

TANGIBLE ASSETS

AEROSTAR S.A.'s production facilities and capacities are located at the Company's registered office in Bacău, Romania, where the company's headquarters are also located, at 9 Condorilor Street, postal code 600302, as well as the secondary operating site without legal personality, in Iași at 25B Aeroportului Street, and at the secondary operating site without legal personality, in Fetești at 2 Carpați Street, Apt. 7. The Company owns land with a total area of 49,17 hectares, with direct access to the European road E85.

AEROSTAR has direct access to the runway of "George Enescu" Airport in Bacău, while the operating site in Iași benefits from direct access to the runway of Iași International Airport.

At the registered office, all types of facilities required for the proper performance of production activities, according to the Company's scope of activity, have been built.

The production spaces include hangars, industrial halls, technological test benches, and areas designated for administrative and social functions. Additionally, the Company owns office spaces intended for technical and economic activities.

All these facilities are maintained in good condition. The total built-up area of the buildings is approximately 14,54 hectares.

AEROSTAR S.A.'s assets comply with the requirements established under the occupational health, safety, and environmental management system, and they fully adhere to applicable legislation and regulations regarding occupational safety, as well as property protection and security standards.

As at 30 June 2026, AEROSTAR S.A. Bacău owns tangible assets used for carrying out its operations, with a gross value of 417.224 thousand RON, consisting of land, buildings, special constructions, technical installations, technological equipment, and means of transport:

Categories of tangible assets	Gross Value (k RON)	Degree of Wear (%)	Estimated Useful Life (years)
Land	31.171	N/A	N/A
Constructions	103.692	58,37%	30-50 years
Investment property	12.964	57,15%	25-50 years
Technical installations, of which:	264.712	77,49%	
• plant and machinery	253.180	77,75%	4-25 years
• vehicles	11.532	71,74%	4-18 years
Other Tangible Assets	4.190	69,39%	2-18 years
TOTAL	417.224	66,15%	N/A

During the first 6 months of 2026, no risks regarding the ownership of tangible assets were identified.

QUALITY AND ENVIRONMENT

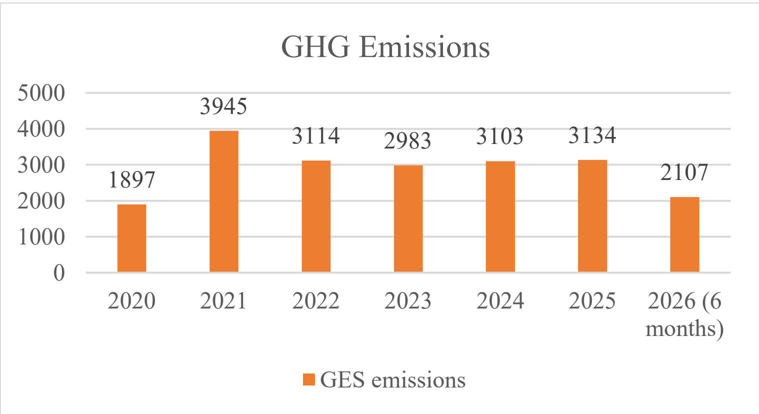
We manage, assess, and monitor environmental impact activities responsibly and effectively!
Through the Environmental Management System, we have clearly defined the responsibilities and actions required to monitor and comply with the authorised conditions in accordance with the provisions of the REACH Regulation.

During the first half of 2026, the reports requested by the Bacău County Environmental Directorate were submitted through the Integrated Environmental System, along with the Annual Environmental Report for the activities carried out in Bacău and at the Iași MRO Centre.

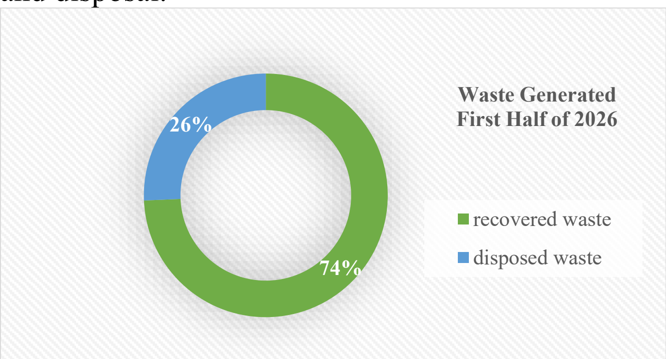
Within the Company, employee training aimed at increasing awareness regarding compliance with environmental requirements remains a continuous priority.

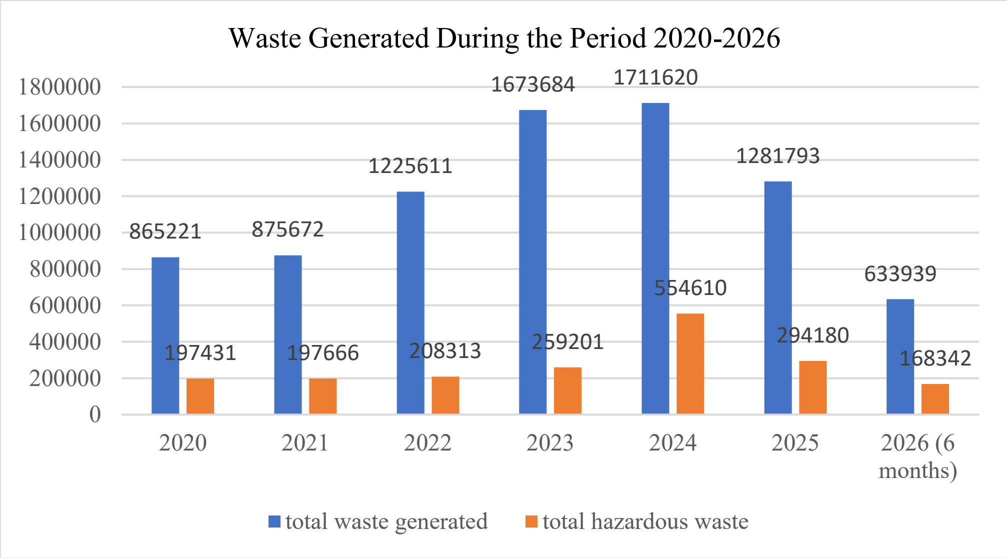
All hazardous chemical substances and preparations used within AEROSTAR are managed in accordance with the applicable regulations in force.

AEROSTAR complied with all obligations arising from the Greenhouse Gas Emissions Permit:
- preparation of the monitoring report on greenhouse gas emissions generated in 2025, a report validated through the audit performed by an accredited verifier at the beginning of this year;
- following the verification audit regarding greenhouse gas emissions management, no non-conformities were documented, and the emissions for 2025 were validated.
- in March 2026, compliance in the European Union Registry for greenhouse gas emissions was completed, with 3.134 GHG allowances corresponding to the 2025 CO_2 emissions being surrendered.



All waste generated from the activities carried out within the Company is selectively stored in appropriate containers and subsequently handed over to authorised operators for collection, recovery and disposal.





We are certified in accordance with the requirements of the ISO 9001 quality management standard, the ISO 14001 environmental management standard, and the ISO 45001 occupational health and safety standard. We are also authorised as a Part-145 Maintenance Organisation, a Part 21G Production Organisation, and a Part 21J Design Organisation. Our partnerships associated with the defence market have led us to implement the quality management system in accordance with the NATO quality assurance requirements, AQAP 2110 and AQAP 2210.

RISK MANAGEMENT

AEROSTAR is exposed to a variety of risks and uncertainties that may affect its financial performance. AEROSTAR's business lines, operational results or financial position could be impacted by the occurrence of the risks described below.
AEROSTAR aims to secure medium- and long-term sustainability and to reduce the uncertainty associated with its strategic and financial objectives.
Risk management processes ensure the identification, analysis, assessment and management of risks in order to minimise their effects to an agreed level.
However, in addition to the risks described below, other currently unknown or insignificant risks and uncertainties may arise that could affect AEROSTAR's business lines in the future.

Operational Risk
Operational risk is the risk of incurring losses or failing to achieve expected sales and profits, resulting from:

- the use of inadequate processes, systems, or human resources, or those that do not perform their intended function properly;
- external events and actions, including deterioration of global economic conditions, natural disasters, or other events that may affect AEROSTAR’s assets.

Given the current global political turbulence, new types of risks may arise in the future, and AEROSTAR closely monitors the main conflict areas.

Legal Risk is also considered a component of Operational Risk and is defined as the risk of loss arising both from fines, penalties and sanctions that AEROSTAR may incur due to non-compliance with, or improper application of legal, regulatory or contractual provisions, as well as from contractual rights and obligations of AEROSTAR and/or its business partners that are not properly established.
The monitoring and mitigation of the effects of legal risk are achieved through a permanent information system regarding legislative changes, as well as through the establishment of a system for the analysis, review and approval of the terms and conditions included in commercial contracts.

AEROSTAR allocates and will continue to allocate funds for investments and other operating expenses to prevent and manage operational risk.
In addition, AEROSTAR aims to maintain, through the establishment of provisions for risks and related expenses, its own funds to cover the risks to which it is exposed.
Furthermore, in order to mitigate operational risk, AEROSTAR annually renews, with top-tier insurance and reinsurance companies, a civil liability insurance contract covering its main business lines (manufacture of aeronautical products and commercial aircraft maintenance).

Credit risk is the risk that AEROSTAR may incur a financial loss as a result of a counterparty's failure to fulfil its contractual obligations, and is mainly determined by demand and term deposits held with banks and trade receivables.
Deposits held with banks are placed only with top-tier banking institutions (the top five banks by total assets), which are considered to have a high level of creditworthiness.
Credit risk, including the country risk associated with the jurisdiction in which the customer operates, is managed individually for each business partner. Where considered necessary, specific instruments are requested to mitigate credit risk (such as advance payments, bank payment guarantees, or confirmed export letters of credit).
AEROSTAR has no significant exposure to any single business partner and does not have a significant concentration of turnover in any single geographical area.

However, the Company remains exposed to the global Airbus programmes, as a significant proportion of its products is incorporated into Airbus aircraft.

Quantitative information regarding AEROSTAR's exposure to credit risk is presented in detail in Note 18 (Financial Instruments) to the Financial Statements.

Liquidity risk is the risk that AEROSTAR may encounter difficulties in meeting obligations associated with its liabilities as they fall due.
For liquidity risk management purposes, cash flows are monitored and analysed on a weekly, monthly, quarterly and annual basis in order to determine the estimated level of net changes in liquidity. The analysis provides the basis for financing decisions and capital commitments.
In order to mitigate liquidity risk, AEROSTAR maintains an annual liquidity reserve in the form of a Line of Credit available as an overdraft facility granted by banks, amounting to 2.500 thousand USD. During the reporting period, AEROSTAR did not use the Line of Credit, all activities being financed from its own sources.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.
Market risk comprises price risk, foreign currency risk and interest rate risk.
AEROSTAR is mainly exposed to price risk arising from fluctuations in the prices of raw materials and materials used in production processes, caused by exceptional events, the imposition of international sanctions with consequences on the availability of parts and materials, and increased costs related to specific duties for the import/export of metal products to and from the USA.
This risk is managed through:
- diversification of the supplier portfolio, which may provide increased negotiation leverage if raw material prices increase with certain suppliers.
- entering into long-term contracts with fixed-price clauses.

AEROSTAR is exposed to foreign currency risk, as 84% of its turnover is denominated in USD and EUR, while a significant portion of operating expenses is denominated in RON. Therefore, AEROSTAR is exposed to the risk that fluctuations in foreign exchange rates will affect both its net revenues and its financial position, as expressed in RON.
AEROSTAR has decided not to use foreign exchange hedging instruments (options, forwards) due to the relatively high initial costs and the possibility of losing opportunities in the event of the depreciation of the RON against the main currencies (USD, EUR).

A sensitivity analysis of AEROSTAR's exposure to changes in foreign exchange rates is presented in detail in Note 18 (Financial Instruments) to the Financial Statements.

Regarding interest rate risk, due to the fact that AEROSTAR did not use the contracted Line of Credit during the reporting period, its income and cash flows are independent of fluctuations in interest rates on the banking market.

AEROSTAR S.A. BACĂU

COMPANY FINANCIAL STATEMENTS
AS AT 30 JUNE 2026

REVISED

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AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF PROFIT OR LOSS
FOR 30 JUNE 2026
(unless specified otherwise, all amounts are stated in thousands of RON)

	Note	30 June 2026	30 June 2025
Operating revenue			
Revenue from sales	19	392.991	314.564
Other operating income	19	484	656
Revenue related to inventories of finished goods and work in progress	19	2.791	3.642
Revenue from production of non-current assets	19	335	780
Operating grants	19	4	306
Total operating revenue		**396.605**	**319.948**
Operating expenses			
Material expenses	20	(165.737)	(133.514)
Employee benefits expenses	20	(114.798)	(102.803)
Depreciation and amortisation of non-current assets	5;6;20	(13.519)	(14.732)
Net expenses/(income) from adjustments to current assets	20	(3.277)	(7.641)
Net income/(expenses) from adjustments to provisions	20	6.615	9.767
Expenses for external services	20	(15.907)	(20.530)
Other expenses	20	(5.801)	(2.535)
Total operating expenses		**(312.424)**	**(271.988)**
Operating profit or loss		**84.181**	**47.960**
Financial income	21	21.852	14.816
Financial expenses	22	(4.094)	(9.489)
Financial profit or loss		**17.758**	**5.327**
Total revenue		**418.457**	**334.764**
Total expenses		**(316.518)**	**(281.477)**
Profit before tax		**101.939**	**53.287**
Current and deferred income tax	17;23	(15.222)	(7.140)
Net profit for the period		**86.717**	**46.147**

Chief Executive Officer, | **Financial Director,**

Alexandru Filip | **Doru Damaschin**

(unless specified otherwise, all amounts are stated in thousands of RON)

	30 June 2026	30 June 2025
Net profit for the period	**86.717**	**46.147**
Deferred income tax recognised in equity	(2.633)	(1.085)
Revaluation of equity instruments at fair value in other comprehensive income	13.300	1.199
Gain transferred to retained earnings on the sale of equity instruments in other comprehensive income	-	(41)
Other comprehensive income	**10.667**	**73**
Total comprehensive income for the period	**97.384**	**46.220**

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF FINANCIAL POSITION
FOR 30 JUNE 2026
(unless specified otherwise, all amounts are stated in thousands of RON)

	Note	30 June 2026	31 December 2025
ASSETS			
Non-current assets			
Property, plant and equipment	6	137.994	145.597
Intangible assets	5	1.411	1.538
Investment property	6	5.555	5.906
Right-of-use assets	32	1.770	1.745
Fixed financial assets	7	88.750	75.451
Deferred income tax assets	17	19.249	19.867
Total non-current assets		**254.729**	**250.104**
Current assets			
Inventories	10	217.382	209.751
Trade receivables and other receivables	8;9;18	122.680	124.761
Current tax receivables	23	-	-
Short-term prepayments	31	2.089	896
Cash and cash equivalents	11	346.926	313.352
Total current assets		**689.077**	**648.760**
Total assets		**943.806**	**898.864**
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	48.729	48.729
Current result	12	86.717	98.037
Retained earnings	12	55.513	55.390
Reserves	12	604.271	552.363
Deferred income tax recognised in equity	17	(37.335)	(34.579)
Allocation of profit for legal reserves	12	(3.603)	(9.735)
Total equity	12	**754.292**	**710.205**
Non-current liabilities			
Deferred income tax liabilities	17	38.184	35.602
Non-current government grants	14	1.301	468
Other non-current liabilities	16	1.498	1.480
Total non-current liabilities		**40.983**	**37.550**
Non-current provisions	13	**43.844**	**41.180**
Current liabilities			
Trade payables	15;18	43.019	52.302
Current income tax liabilities	23	7.825	605
Deferred income	31	4.507	5.510
Short-term government grants	14	212	264
Other current liabilities	16	24.285	17.129
Total current liabilities		**79.848**	**75.810**
Current provisions	13	**24.839**	**34.119**
Total provisions		**68.683**	**75.299**
Total liabilities		**120.831**	**113.360**
Total equity, liabilities and provisions		**943.806**	**898.864**

Chief Executive Officer, **Financial Director,**

Alexandru Filip **Doru Damaschin**

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF CASH FLOWS
(DIRECT METHOD)
FOR 30 JUNE 2026
(unless specified otherwise, all amounts are stated in thousands of RON)

	Note	30.06.2026	30.06.2025
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		407.467	341.316
Tax recoveries from the State Budget		7.946	1.782
Receipts of government grants from the State Budget		4	293
Payments to suppliers		(216.725)	(172.494)
Payments to employees		(66.007)	(60.906)
Payments of taxes and duties to the State Budget		(49.173)	(43.085)
Payments of income tax to the State Budget		(7.435)	(3.965)
NET CASH FROM OPERATING ACTIVITIES	27	**76.077**	**62.941**
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received from bank deposits		9.706	6.169
Proceeds from the sale of financial assets	27	-	1.674
Dividends received from other entities		3.298	2.989
Dividends received from related entities		458	521
Payments for the acquisition of financial assets	7, 27	-	(105)
Payments for the acquisition of property, plant and equipment and intangible assets		(7.735)	(6.611)
NET CASH FROM INVESTING ACTIVITIES	27	**5.727**	**4.637**
CASH FLOWS FROM FINANCING ACTIVITIES			
Gross dividends paid		(50.034)	(34.458)
NET CASH FROM FINANCING ACTIVITIES	27	**(50.034)**	**(34.458)**
Net increase in cash and cash equivalents		31.770	33.120
Cash and cash equivalents at the beginning of the period		**313.352**	**260.403**
Effect of changes in foreign exchange rates on cash and cash equivalents	27	1.804	(2.933)
Cash and cash equivalents at the end of the period	11	**346.926**	**290.590**

Chief Executive Officer
Filip Alexandru

Financial Director
Damaschin Doru

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR 30 JUNE 2026
(unless specified otherwise, all amounts are stated in thousands of RON)

	Share capital	Reserves	Revaluation reserves of financial assets in other comprehensive income	Deferred income tax recognised in equity	Retained earnings	Profit for the period	Total equity
Comprehensive income							
A. Balance as at 1 January 2026	**48.729**	**510.069**	**42.293**	**(34.579)**	**55.390**	**88.302***	**710.205**
Profit for the period						86.717	86.717
Other comprehensive income							
Deferred income tax recognised in equity				(2.756)	123		(2.633)
Allocation of the 2025 financial year profit to the destinations approved by the shareholders in the AGOA of 22 April 2026 (Note 12)					88.302	(88.302)	-
Allocation of the profit achieved in the first half of 2026 to reserves from tax incentives, in gross amounts		3.603				(3.603)	-
Gain transferred to retained earnings related to the disposal of equity instruments in other comprehensive income							-
Fair value revaluation of equity instruments in other comprehensive income			13.300				13.300
Total comprehensive income for the period	**-**	**3.603**	**13.300**	**(2.756)**	**88.425**	**(5.188)**	**97.384**
Reserves allocated from the 2025 profit		35.005			(35.005)		-
Dividends distributed relating to 2025					(53.297)		(53.297)
Transactions with shareholders recognised directly in equity	**-**	**35.005**	**-**	**-**	**(88.302)**	**-**	**(53.297)**
B. Balance as at 30 June 2026	**48.729**	**548.677**	**55.593**	**(37.335)**	**55.513**	**83.114****	**754.292**
C. Changes in equity (Note 12)	**-**	**38.608**	**13.300**	**(2.756)**	**123**	**(5.188)**	**44.087**

* The result as at 31.12.2025, amounting to 98.037 thousand RON, is affected by the allocation of profit to other reserves from tax incentives in the amount of 9.735 thousand RON;
** The result as at 30.06.2026 , amounting to 86.717 thousand RON, is affected by the allocation of profit to other reserves from tax incentives in the amount of 3.603 thousand RON;

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR 30 JUNE 30 IUNIE 2025
(unless specified otherwise, all amounts are stated in thousands of RON)

	Share capital	Reserves	Revaluation reserves of financial assets in other comprehensive income	Deferred income tax recognised in equity	Retained earnings	Profit for the period	Total equity
Comprehensive income							
A. Balance as at 1 January 2025	**48.729**	**459.571**	**8.110**	**(27.445)**	**54.374**	**76.994***	**620.334**
Profit for the period						46.147	46.147
Other comprehensive income							
Deferred income tax recognised in equity				(1.215)	130		(1.085)
Allocation of the 2024 financial year profit to the destinations approved by the shareholders in the AGOA of 24 April 2025 (Note 12)					76.994	(76.994)	-
Allocation of the profit achieved in the first half of 2025 to reserves from tax incentives, in gross amounts		6.363				(6.363)	-
Gain transferred to retained earnings related to the disposal of equity instruments in other comprehensive income			(280)		239		(41)
Fair value revaluation of equity instruments in other comprehensive income			1.199				1.199
Total comprehensive income for the period	**-**	**6.363**	**919**	**(1.215)**	**77.363**	**(37.210)**	**46.220**
Reserves allocated from the 2024 profit		40.447			(40.447)		-
Dividends distributed relating to 2024					(36.547)		(36.547)
Transactions with shareholders recognised directly in equity	**-**	**40.447**	**-**	**-**	**(76.994)**	**-**	**(36.547)**
B. Balance as at 30 June 2025	**48.729**	**506.381**	**9.029**	**(28.660)**	**54.743**	**39.784****	**630.007**
C. Changes in equity (Note 12)	**-**	**46.810**	**919**	**(1.215)**	**369**	**(37.210)**	**9.673**

* The result as at 31.12.2024, amounting to 95.725 thousand RON, is affected by the allocation of profit to other reserves from tax incentives in the amount of 18.731 thousand RON;
** The result as at 30.06.2025, amounting to 46.147 thousand RON, is affected by the allocation of profit to other reserves from tax incentives in the amount of 6.363 thousand RON;

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

NOTE 1 – COMPANY DESCRIPTION

AEROSTAR was established in 1953 and operates in accordance with the Romanian law.

AEROSTAR S.A. conducts its business activities at its registered office located in Bacau, 9 Condorilor Street, postal code 600302. In accordance with the Board of Directors' Resolution no. 2/14.12.2017, the opening of a secondary place of business without legal personality (operating site) located in Iasi, at 25B Aeroportului Street was approved. Furthermore, in accordance with the Board of Directors' Resolution no. 1/02.06.2023, the opening of another secondary place of business without legal personality (operating site) located in Feteşti, at 2 Carpaţi Street, ap. 7 was approved.

The Company's main field of activity is production.

The core activity of the Company is "Manufacture of civil aircraft and spacecraft" – CAEN (The Statistical Classification of Economic Activities in the European Community) code 3031.

The company was registered as a joint-stock company with the Bacău Trade Register under registration number J1991001137040, with the current name "AEROSTAR S.A.", unique identification code 950531, and European Unique Identifier (EUID) code ROONRC.J1991001137040.

The Company is listed on the Bucharest Stock Exchange under the ticker symbol ARS, and the record of its shares and shareholders is maintained, in accordance with the law, by S.C. Depozitarul Central S.A. Bucharest.

During 2026, no subscriptions of new shares, convertible bonds, warrants, options or similar rights were registered.

In terms of accounting regulations, AEROSTAR S.A. is a subsidiary of IAROM S.A.; therefore, the parent company responsible for preparing the Group's consolidated financial statements is IAROM S.A., with the unique identification code 1555301. The consolidated financial statements for the financial year 2024 were submitted to the National Agency for Fiscal Administration (A.N.A.F.) under registration number 962157978/26.08.2025. The parent company will prepare and publish a set of consolidated financial statements in accordance with the applicable accounting regulations for the financial year ended 31.12.2025.

The Company has a single operating segment in accordance with IFRS 8. The activities performed by AEROSTAR S.A. are not separately structured into operating components with distinct financial information, but operate as an integrated system in which resources are allocated based on an integrated medium-and long-term perspective, while the nature of the products and services offered by the Company exhibit similar economic characteristics. The Company operates across three main business lines, structured to meet specific market requirements with the objective of maximising sales.

Information regarding sales by business lines and markets is presented in detail in the Directors' Report.

The management policy is focused on maintaining a solid capital base in order to support the Company's continuous development and the achievement of its strategic objectives.

The Company will continue to act decisively to ensure the sustainability of its investments and the preservation of its production capabilities. Furthermore, drawing on the experience accumulated by its workforce, the Company is committed to identifying the most appropriate solutions to the new economic challenges.

NOTE 2 - ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

2.1. Estimates

The preparation and presentation of the Company financial statements in accordance with IFRS requires management to make estimates, judgements and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses.

Estimates and judgements are based on historical experience and on other factors considered relevant and reasonable under the circumstances. Accounting estimates and underlying assumptions are reviewed on an ongoing basis and reflect reasonable expectations regarding probable future events. The reported carrying amounts of assets and liabilities that cannot be determined from other sources are based on these estimates, considered adequate by the Company's management.

Estimates, as well as the judgements and assumptions underlying them, are reviewed periodically, and the outcome of these reviews is recognised in the period in which the estimate is revised.

Any changes in accounting estimates are recognised prospectively by including them in the result of:

- the period in which the change occurs, if it affects that period only; or
- the period in which the change occurs and future periods, if the change also affects them.

The Company uses estimates to determine:

- doubtful customers and loss allowance on related receivables;
- the amounts of provisions for liabilities and charges to be recognised at the end of the period (month, quarter, year) for litigations, for dismantling of property, plant and equipment, for warranties granted to customers, employee benefit obligations and other obligations;
- adjustments for impairment of property, plant and equipment and intangible assets. At the end of each reporting period, the Company assesses whether there are indications of impairment. If such indications are identified, the recoverable amount of the asset is estimated to determine the extent of impairment (if any);
- the useful lives of property, plant and equipment and intangible assets. The Company reviews the estimated useful lives of property, plant and equipment and intangible assets at least at the end of each financial year to determine their adequacy;
- inventories of raw materials and consumables requiring write-downs;
- deferred taxes.

Presentation of information

Where practicable, the Company presents the nature and amount of a change in an accounting estimate that has an effect on the current and/or future periods.

2.2. Errors

Errors may arise in the recognition, measurement, presentation or disclosure of elements in the financial statements.

The Company retrospectively corrects material prior-period errors in the first set of financial statements authorised for issue after their discovery by:

- restating the comparative amounts for the prior period presented in which the error occurred; or
- if the error occurred before the earliest prior period presented, restating the opening balances of assets, liabilities and equity for that period.

In the case of an identified error, the Company presents the following information:

NOTE 2 - ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

- the nature of the error for the prior period;
- for each prior period presented, to the extent practicable, the amount of the correction:
  - for each line item affected in the financial statement;
  - for basic and diluted earnings per share.
- the amount of the correction at the beginning of the earliest prior period presented;
- if retrospective restatement is impracticable for a specific prior period, the circumstances that led to that condition and a description of how and from when the error was corrected.

2.3. Changes in accounting policies

Changes in accounting policies are permitted only if required by an IFRS or if they result in more relevant or reliable information regarding the Company's operations.

The Company changes an accounting policy only if the change:

- is required by an IFRS; or
- results in financial statements that provide reliable and more relevant information about the effects of transactions, other events or conditions on the entity's financial position, financial performance, or cash flows.

Application of changes in accounting policies:

- The entity shall account for a change in accounting policy arising from the initial application of an IFRS in accordance with the specific transitional provisions, if any, of that IFRS; and
- Upon the initial application of an IFRS that does not include specific transitional provisions.

Presentation of information

When the initial application of an IFRS has an effect on the current period or on prior periods, the Company shall present in the notes to the financial statements:

- the title of the IFRS;
- the nature of the change in accounting policy;
- where applicable, the fact that the change is made as a result of the transitional provisions and a description of those provisions;
- for the current period and each prior period presented, the amount of the adjustments for each affected line item in the statement of financial position, to the extent practicable.

Where it is impracticable to determine the specific effects for one or more prior periods presented, the Company shall apply the new accounting policy to the carrying amounts of assets and liabilities for the first period for which retrospective application is possible, which may be the current period.

When a voluntary change in accounting policy has an effect on the current period or on a prior period, the Company shall present in the notes to the financial statements:

- the nature of the change in accounting policy;
- the reasons why the application of the new accounting policy provides reliable and more relevant information;
- for the current period and each prior period presented, the estimated amount of adjustments for each affected line item in the statement of financial position, to the extent practicable.

NOTE 2 – ACCOUNTING ESTIMATES, ASSUMPTIONS AND JUDGEMENTS (continued)

At the Board of Directors' meeting held on 19 March 2026, the update of the Accounting Policies Manual was approved, following the amendment of Art. 28 para. (2) of the Fiscal Code by Emergency Ordinance (OUG) no. 8/2026. The Company's management has established a capitalisation threshold for assets of 5.000 RON. All acquisitions below this amount will be recognised as expenses for the period. The alignment of the tax threshold with the accounting recognition threshold was necessary for practical and operational reasons, in order to simplify the internal procedures and workflows applicable to the acquisition of assets. The change will be applied prospectively from the date of approval; therefore, the restatement of prior financial statements is not required, as the impact of the change is not material.

AEROSTAR S.A. BACĂU

NOTE 3 – ACCOUNTING POLICIES AND MEASUREMENT BASES

3.1. Basis of Preparation and Presentation of the Financial Statements

The Company financial statements of AEROSTAR S.A. are prepared in accordance with the provisions of:

- International Financial Reporting Standards (IFRS) as adopted by the European Union;
- Accounting Law no. 82/1991, republished, as amended and supplemented;
- Order of the Ministry of Public Finance (O.M.F.P.) no. 881/2012 on the application of International Financial Reporting Standards by companies whose securities are admitted to trading on a regulated market;
- Order of the Ministry of Public Finance (O.M.F.P.) no. 2.844/2016 for the approval of Accounting Regulations compliant with International Financial Reporting Standards, as amended and supplemented;
- Order of the Ministry of Public Finance (O.M.F.P.) no. 2.861/2009 for the approval of Norms regarding the organisation and conduct of inventories of assets, liabilities and equity;
- Order of the Ministry of Public Finance (O.M.F.P.) no. 1.826/2003 for the approval of Clarifications regarding certain measures for the organisation and management of cost accounting;
- Order of the Ministry of Public Finance (O.M.F.P.) no. 2.634/2015 on financial-accounting documents, as amended and supplemented;
- Law no. 24/2017, republished, on issuers of financial instruments and market operations.

Accounting records are maintained in Romanian and in the national currency.

Accounting records for transactions performed in foreign currencies are maintained both in the national currency and in the foreign currency.

The financial year corresponds to the calendar year.

The financial statements are prepared and reported in thousands of RON and all amounts are rounded to the nearest thousand RON. Due to rounding, the figures presented may not always exactly correspond to the totals provided, and percentages may not precisely reflect absolute amounts.

The financial statements are prepared on the historical cost basis.

The financial statements are presented in accordance with the requirements of IAS 1 *Presentation of Financial Statements*. The Company has opted for a presentation by nature and liquidity within the statement of financial position, and a presentation of income and expenses by nature within the statement of profit or loss, considering that these presentation methods provide information that is relevant to the Company's situation.

3.2. Applied Accounting Policies

AEROSTAR S.A. describes the accounting policies applied in the notes to the Company financial statements and avoids repeating the text of the standard, unless this is considered relevant for understanding the content of the note. Compared to the accounting policies presented at the end of the 2025 financial year, there are no changes in the accounting principles, methods, policies and procedures applied.

NOTE 4 – TRANSACTIONS IN FOREIGN CURRENCIES

AEROSTAR considers the Romanian leu (RON) as the functional currency and the financial statements are presented in thousands of RON.
Foreign currency transactions are recorded using the exchange rate of the functional currency at the date of the transaction.

At the reporting date of the Statement of Financial Position, financial assets and liabilities denominated in foreign currency are retranslated into the functional currency using the foreign exchange market rate, communicated by the National Bank of Romania, applicable at the end of the reporting period:

Currency	30.06.2026	Average Exchange Rate H1 2026	31.12.2025
1 EUR	5,2438 RON	5,1423 RON	5,0985 RON
1 USD	4,6010 RON	4,4081 RON	4,3417 RON
1 GBP	6,0897 RON	5,9291 RON	5,8335 RON

Foreign exchange gains and losses arising from the settlement of financial assets and liabilities denominated in foreign currency are recognised in the Statement of Profit or Loss for the period in which they occur.

Considering that 84% of the turnover recorded during the reporting period is denominated in USD and EUR, while a significant portion of operating expenses is denominated in RON, fluctuations in exchange rates will affect both the Company's net revenues and its financial position as expressed in the functional currency.

During the reporting period, the net foreign currency exposure, calculated as the difference between cash inflows from financial assets and cash outflows for financial liabilities denominated in foreign currencies, is presented as follows:

First Half (H1) of 2026	**k EUR**	**k USD**	**k GBP**
Cash inflows from financial assets	20.806	46.160	-
Cash outflows for financial liabilities	(10.089)	(22.794)	(329)
Net foreign exchange exposure	**10.717**	**23.366**	**(329)**

AEROSTAR has decided not to use foreign currency hedging (options, forwards) due to the relatively high initial costs and the potential loss of opportunities in case of RON depreciation against the main currencies (USD, EUR).

The remeasurement of financial assets and liabilities denominated in foreign currencies as at 30 June 2026 resulted in the recognition of a financial foreign exchange gain of 4.445 thousand RON.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 5 – INTANGIBLE ASSETS: reporting period 30 June 2026

	Carrying amounts as at 30 June 2026			Carrying amounts as at 01 January 2026		
	Gross carrying amount	Accumulated amortisation	Net carrying amount	Gross carrying amount	Accumulated amortisation	Net carrying amount
Licences	9.924	(8.733)	1.191	9.577	(8.221)	1.356
Other intangible assets (software)	1.631	(1.411)	220	1.408	(1.226)	182
Total	**11.555**	**(10.144)**	**1.411**	**10.985**	**(9.447)**	**1.538**

Net carrying amount as at 30.06.2026 and transactions during the period :

	Net carrying amount as at 1 January 2026	Additions at gross carrying amount	Amortisation for the period	Net carrying amount as at 30 June 2026
Licences	1.356	347	(512)	1.191
Other intangible assets	182	223	(185)	220
Total	**1.538**	**570**	**(697)**	**1.411**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 5 – INTANGIBLE ASSETS: reporting period 30 June 2026 (continued)

COMPARATIVE FIGURES – INTANGIBLE ASSETS

	Carrying amounts as at 30 June 2025			Carrying amounts as at 01 January 2025		
	Gross carrying amount	Accumulated amortisation	Net carrying amount	Gross carrying amount	Accumulated amortisation	Net carrying amount
Licences	9.099	(7.681)	1.418	8.620	(7.299)	1.321
Other intangible assets (software)	1.391	(1.044)	347	1.340	(873)	467
Total	**10.490**	**(8.725)**	**1.765**	**9.960**	**(8.172)**	**1.788**

Net carrying amount as at 30.06.2025 and transactions during the period:

	Net carrying amount as at 1 January 2025	Additions at gross carrying amount	Amortisation for the period	Net carrying amount as at 30 June 2025
Licences	1.321	584	(487)	1.418
Other intangible assets	467	51	(171)	347
Total	**1.788**	**635**	**(658)**	**1.765**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 5 – INTANGIBLE ASSETS: reporting period 30 June 2026 (continued)

The category of intangible assets comprises the following classes of assets of a similar nature and use:

- Licences
- Other intangible assets

Software programmes are recorded under other intangible assets.

The useful lives for the intangible assets are determined in years, based on the contractual term or the period of use, as applicable. The useful life of acquired or internally generated software programmes is 3 years.

Amortisation expenses are recognised in the Statement of Profit or Loss using the straight-line method.

The intangible assets in balance as at 30.06.2026 are not impaired, and no impairment losses have been recognised.

When determining the gross carrying amount of intangible assets, the Company uses the historical cost method.

The carrying amount of fully amortised software licences that were still in use as at 30 June 2026 amounted to 8.096 thousand RON.

All intangible assets in balance as at 30 June 2026 are the property of Aerostar S.A.

Additions of intangible assets consisted of:	**570 thousand RON**
• acquisition of the complete documentation for the M-14-P engine repair	117 thousand RON
• development of the production management information system	106 thousand RON
• acquisition of software licences	347 thousand RON

During the reporting period, there were no additions of internally generated licences or licences acquired through business combinations.

During the reporting period, there were no assets classified as held for sale in accordance with IFRS 5.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT: reporting period - 30 June 2026

	Carrying amounts as at 30 June 2026			Carrying amounts as at 01 January 2026		
	Gross carrying amount	**Accumulated depreciation**	**Net carrying amount**	**Gross carrying amount**	**Accumulated depreciation**	**Net carrying amount**
Land	31.171	-	31.171	31.171	-	31.171
Land improvements	495	(21)	474	-	-	-
Constructions	103.692	(60.524)	43.168	103.410	(57.442)	45.968
Plant & machinery and vehicles	264.712	(205.126)	59.586	260.685	(196.361)	64.324
Other equipment and office equipment	4.190	(2.908)	1.282	4.050	(2.753)	1.297
Technical installations and vehicles under procurement	-	-	-	327	-	327
Property, plant and equipment under construction	2.313	-	2.313	2.510	-	2.510
Total property, plant and equipment	**406.573**	**(268.579)**	**137.994**	**402.153**	**(256.556)**	**145.597**
Investment property	**12.964**	**(7.409)**	**5.555**	**12.964**	**(7.058)**	**5.906**
Grand total	**419.537**	**(275.988)**	**143.549**	**415.117**	**(263.614)**	**151.503**

Net carrying amount as at 30.06.2026 and transactions during the period:

	Net carrying amount as at 1 January 2026	Additions (reclassifications) at gross carrying amount	Disposals (reclassifications) at gross carrying amount	Depreciation for the period	Net carrying amount as at 30 June 2026
Land	31.171	-	-	-	31.171
Land improvements	-	495	-	(21)	474
Constructions	45.968	282	-	(3.082)	43.168
Plant & machinery and vehicles	64.324	4.456	(430)	(8.764)	59.586
Other equipment and office equipment	1.297	155	-	(170)	1.282
Technical installations and vehicles under procurement	327	-	(327)	-	-
Property, plant and equipment under construction	2.510	5.192	(5.389)	-	2.313
Total property, plant and equipment	**145.597**	**10.580**	**(6.146)**	**(12.037)**	**137.994**
Investment property	**5.906**	**-**	**-**	**(351)**	**5.555**
Grand total	**151.503**	**10.580**	**(6.146)**	**(12.388)**	**143.549**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT(continued): reporting period: 30 June 2026

COMPARATIVE FIGURES – PROPERTY, PLANT AND EQUIPMENT

	Carrying amounts as at 30 June 2025			Carrying amounts as at 01 January 2025		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Gross carrying amount	Accumulated depreciation	Net carrying amount
Land	31.171	-	31.171	31.171	-	31.171
Constructions	101.685	(54.366)	47.319	101.423	(51.316)	50.107
Plant & machinery and vehicles	257.509	(186.304)	71.205	251.321	(175.987)	75.334
Other equipment and office equipment	3.946	(2.586)	1.360	3.886	(2.433)	1.453
Property, plant and equipment under construction	797	-	797	1.680	-	1.680
Total property, plant and equipment	**395.108**	**(243.256)**	**151.852**	**389.481**	**(229.736)**	**159.745**
Investment property	**12.964**	**(6.707)**	**6.257**	**12.954**	**(6.356)**	**6.598**
Grand total	**408.072**	**(249.963)**	**158.109**	**402.435**	**(236.092)**	**166.343**

Net carrying amount as at 30.06.2025 and transactions during the period:

	Net carrying amount as at 1 January 2025	Additions (reclassifications) at gross carrying amount	Disposals (reclassifications) at gross carrying amount	Depreciation for the period	Net carrying amount as at 30 June 2025
Land	31.171	-	-	-	31.171
Constructions	50.107	263	-	(3.051)	47.319
Plant & machinery and vehicles	75.334	6.374	(187)	(10.316)	71.205
Other equipment and office equipment	1.453	67	(7)	(153)	1.360
Property, plant and equipment under construction	1.680	5.820	(6.703)	-	797
Total property, plant and equipment	**159.745**	**12.524**	**(6.897)**	**(13.520)**	**151.852**
Investment property	**6.598**	**10**	**-**	**(351)**	**6.257**
Grand total	**166.343**	**12.534**	**(6.897)**	**(13.871)**	**158.109**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT(continued)

Property, plant and equipment are measured at acquisition or production cost less accumulated depreciation and impairment losses.
The depreciation method applied to property, plant and equipment is the straight-line method.

Depreciation expenses are recognised in the Statement of Profit or Loss.

Estimated useful lives:		Depreciation rate (%)
-constructions	30-50 years	58,37%
- plant and machinery	4-25 years	77,75%
- vehicles	4-18 years	71,74%
- other property, plant and equipment	2-18 years	69,39%
- investment property	25-50 years	57,15%

Useful lives are determined by committees comprising the Company's specialists. The tax depreciation lives of property, plant and equipment are regulated by the applicable tax legislation.

The Company has not acquired assets through business combinations and has not classified any assets as held for sale.

Investment property comprises 13 real estate properties – buildings leased to third parties under lease agreements.
Rental income for this category of assets amounted to 1.567 thousand RON.

At the date of transition to IFRS, the Company estimated and included in the cost of property, plant and equipment the estimated costs of dismantling the assets at the end of their useful lives.

These costs were reflected through the recognition of a provision, which is recorded in the Statement of Profit or Loss over the useful lives of the property, plant and equipment by inclusion in the depreciation expense. This expense is not tax-deductible.

Depreciation of an asset begins when it is available for use and ends on the date the asset is reclassified to another category or when it is derecognised.

Depreciation does not end when the asset is not in use.

Land and buildings are separable assets and are accounted for separately, even when acquired together.
Land has an unlimited useful life and therefore is not depreciated.
The value of land owned by Aerostar S.A. is presented at acquisition cost, i.e., the deemed cost recorded at the date of transition to IFRS.
In accordance with IAS 36 "Impairment of Assets", the Company proceeded to identify indicators of impairment of property, plant and equipment, considering internal and external sources of information.
Internal sources of information:
The economic performance of the assets is good; all property, plant and equipment in operation provide benefits to the Company.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 6 – PROPERTY, PLANT AND EQUIPMENT(continued)

External source of information:
The indicator providing information on investors' interest in companies listed on the capital market is the market capitalisation to equity ratio (MBR).

MBR Indicator – Market to Book Ratio	Values	30.06.2026
Market capitalisation/Equity	1.933.924 k RON/754.292 k RON	2,56

The **above-unit** value of the MBR indicator is achieved by high-performing companies on the capital market and which are of interest to investors.

Property, plant and equipment in balance as at 30 June 2026 are not impaired, and no significant indicators of impairment have been identified.

The gross carrying amount of property, plant and equipment fully depreciated and still in use as at 30 June 2026 amounted to 145.685 thousand RON.
As at 30.06.2026, no mortgages have been established over the real estate assets owned by Aerostar S.A.

Additions of property, plant and equipment consisted of:	**10.580 k RON**
• commissioning of plant and machinery equipment, hardware, and measurement and control equipment	4.456 k RON
• building modernisation work	282 k RON
• land improvement work	495 k RON
• property, plant and equipment under construction during the period	5.192 k RON
• commissioning of other equipment and office equipment	155 k RON

Disposals of property, plant and equipment consisted of:	**6.146 k RON**
• transfer of assets under construction to property, plant and equipment following commissioning	5.389 k RON
• derecognition, for scrapping purposes of certain property, plant and equipment (buildings, technical installations, motor vehicles and technological equipment) as the Company no longer expects future economic benefits from their use	757 k RON

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 7- FINANCIAL ASSETS

	Shares/equity interests held in subsidiaries	Other non-current investments – shares	Other non-current investments – contribution to equity	Other non-current receivables – supplier guarantees	Total
As at 1 January 2026	**221**	**75.181**	**2**	**47**	**75.451**
Increases/(Decreases)	-	13.299	-	-	13.299
As at 30 June 2026	**221**	**88.480**	**2**	**47**	**88.750**

As at 30.06.2026 the increase in value relating to other non-current investments – shares amounts to 13.299 thousand RON and consists of:

Fair value revaluation of Evergent Investments S.A. shares	Value of shares sold during January-June 2026	Value of shares purchased during January-June 2026	Total net increase in value
13.299	**-**	**-**	**13.299**

A) Investments in subsidiaries recorded at cost:

Subsidiary/Registered office	CAEN Code	No. of shares / equity interests issued	Voting rights (%)	Aerostar's investment (k RON)	Financial information for the year 2025: Share capital (k RON)	Reserves (k RON)	Net profit (k RON)	Nominal value per share (k RON)	Net asset per share (k RON)
Airpro Consult SRL Bacău 9 Condorilor Street	**- core activity according to CAEN code 7820**	**100**	**100%**	10	10	505	637	0,10	11,52
Foar SRL Bacău 9 Condorilor Street	**- core activity according to CAEN code 7739**	**800**	**100%**	211	8	424	36	0,01	0,58
TOTAL	**x**	**x**	**x**	**221**	**x**	**x**	**x**	**x**	**x**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 7- FINANCIAL ASSETS (continued)

Both companies in which Aerostar holds equity interests are registered in Romania.

B) Investments in equity instruments in other comprehensive income:

Issuer / Registered office	CAEN Code	No. of shares	Symbol	Price per share as at 30.06.2026 (RON)	Portfolio value at market price (k RON)	Portfolio value at acquisition cost (k RON)
Evergent Investments S.A. 94C Pictor Aman Street, Bacău	**- core activity according to CAEN code 6499**	**27.140.923**	**EVER**	**3,2600**	**88.480**	**32.887**

As at 30 June 2026, the Company held 27.140.923 shares of Evergent Investments S.A., listed on the Bucharest Stock Exchange. AEROSTAR accounts for its shareholding at fair value in other comprehensive income, in accordance with IFRS 9 “Financial Instruments”. The Company has exercised the irrevocable option to designate these equity instruments at fair value in other comprehensive income, as these financial assets are held both for the collection of dividends and to realise gains on their disposal. The gain or loss relating to these equity instruments is recognised in other comprehensive income, except for dividend income.

C) Cash contribution to the establishment of the initial patrimony of the “Education for Sustainable Development Cluster – C-EDD” Association

The Association was voluntarily established by its founding members, operating as a Romanian private legal entity without a profit-making purpose. The Association is non-governmental, non-political, non-profit, and independent, and is not subordinated to any other legal entity. The purpose of the Association is to develop and implement effective mechanisms for public-private dialogue in the educational field, to act as a platform for dialogue and collaboration among the main stakeholders in education, to improve the quality of educational processes, and to connect lifelong learning with the economic environment, providing qualified human resources for sustainable development. Aerostar's cash contribution to the patrimony of the “ Education for Sustainable Development Cluster – C-EDD” Association amounts to 2.500 RON.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 8 – TRADE RECEIVABLES

	30 June 2026	31 December 2025
TRADE RECEIVABLES, OF WHICH:		
Customers:	**107.617**	**112.760**
Domestic customers	7.375	29.460
Foreign customers	100.242	83.300
Doubtful customers	**3.890**	**3.675**
Loss allowance on trade receivables	**(2.405)**	**(2036)**
Suppliers – debtors	**3.724**	**2.350**
TOTAL TRADE RECEIVABLES	**112.826**	**116.749**

In accordance with the provisions of the Accounting Policies Manual, in order to cover the risk of non-recovery of amounts representing doubtful trade receivables, the Company recognises loss allowances for doubtful customers as follows:

- 50% of the value of overdue receivables, if the delay period is between 30 days and 180 days. As at 30 June 2026, the Company recognised loss allowances of this nature amounting to 1.484 thousand RON;
- 100% of the value of overdue receivables, if the delay period exceeds 180 days. As at 30 June 2026, the Company recognised loss allowances of this nature amounting to 921 thousand RON.

When determining the recoverability of a trade receivable, changes in the customer's creditworthiness from the date the trade credit was granted until the reporting date were taken into consideration.

Suppliers – debtors have the following settlement terms:

- ✓ in 2026: 2.978 k RON
- ✓ in 2027: 693 k RON
- ✓ in 2028: 42 k RON
- ✓ in 2029: 11 k RON.

Receivables denominated in foreign currency were measured using the foreign exchange market rate communicated by the National Bank of Romania applicable at the end of June 2026.

Foreign exchange gains and losses arising between the exchange rate at which foreign currency receivables are recorded and the foreign exchange market rate communicated by the National Bank of Romania applicable at the end of June 2026 are recognised in profit or loss.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 9 - OTHER RECEIVABLES

	30 June 2026	31 December 2025
Receivables related to personnel and similar accounts	**193**	**27**
Receivables related to social security budget and state budget, *of which:*	**6.915**	**4.845**
– VAT recoverable	4.641	2.097
– VAT not yet due	85	94
– Amounts recoverable from the Health Insurance Fund (sick pay reimbursements)	2.079	2.521
– Excise duties recoverable for fuel used	87	66
– Other receivables related to the local budget	9	53
– Other receivables related to social security budget and state budget	14	14
Interest receivable on bank deposits	**2.487**	**2.987**
Other debtors	**769**	**635**
Loss allowance on receivables - other debtors	**(510)**	**(482)**
TOTAL OTHER RECEIVABLES	**9.854**	**8.012**

Note:

- Other receivables related to the social security, state budget and local budget represent amounts resulting from the submission of amended tax returns;
- Interest receivable relates to bank deposits held by the Company at the end of the reporting period and represents 25% of total other receivables;
- Receivables related to the state budget represent 70% of total other receivables, with the following structure:
  - 4.641 thousand RON VAT recoverable;
  - 2.079 thousand RON amounts reimbursed but not yet collected from the Health Insurance Fund.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 10 - INVENTORIES

	30 June 2026	31 December 2025
of which:		
Raw materials	66.079	62.320
Consumable materials	106.571	97.487
Other materials	21	27
Semi-finished goods	-	-
Packaging materials	35	78
Finished goods	55.976	58.434
Work in progress (goods and services)	71.877	71.733
Gross carrying amount of inventories	**300.559**	**290.079**
Allowance for inventory write-downs	**83.177**	**80.328**
Net carrying amount of inventories	**217.382**	**209.751**

INVENTORY WRITE-DOWNS

	30 June 2026	Increases/ Write-downs recognised/	Decreases/ Reversals/	31 December 2025
Total write-downs	**83.177**	**6.582**	**3.733**	**80.328**
Write-downs of raw materials	37.700	1.913	2.164	37.951
Write-downs of consumable materials	41.868	2.294	1.563	41.137
Write-downs of semi-finished goods	-	-	-	-
Write-downs of finished goods	119	-	6	125
Write-downs of work in progress	3.490	2.375	-	1.115

Inventories are measured at the lower of cost and net realisable value.
Net realisable value represents the estimated selling price of inventories less all estimated costs to complete and all estimated costs necessary to make the sale.

The cost of inventories comprises purchase costs, conversion costs, and other costs incurred in bringing the inventories to their present location and condition.
Inventory write-downs are made periodically based on the findings of inventory review committees and/or module managers, in order to present inventories at the lower of cost and net realisable value.

Within the company, goods are considered impaired if their age exceeds the storage period established internally by the Board of Directors.
In accordance with the Accounting Policies Manual, Aerostar S.A. establishes inventory write-downs as follows:

NOTE 10 – INVENTORIES (continued)

- for raw materials, consumables, semi-finished goods, and spare parts, different storage periods are established for each profit centre;
- for finished goods and work in progress, inventory write-downs are made each period as follows:
  a) 100% of the value for inventories of this type that are not based on customer contracts;
  b) variable percentages, agreed with the relevant profit centres, for finished goods not delivered within contractual deadlines.

The cost of materials recognised as expense during the period amounts to 165.737 thousand RON, comprising:
- 156.753 thousand RON representing expenses related to material inventories;
- 8.485 thousand RON representing expenses related to water, gas, and electricity consumption;
- 499 thousand RON representing expenses related to non-inventory materials.

Aerostar S.A. holds finished goods (buffer stocks) at the levels agreed under customer contracts.
Aerostar S.A. does not have pledged inventories.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 11 - CASH AND CASH EQUIVALENTS

Cash includes:
- cash on hand at Aerostar;
- demand deposits held with banks (current bank accounts).

Cash equivalents include term deposits held with banks.

At the end of the reporting period, cash and cash equivalents consist of:

	30.06.2026	**31.12.2025**	**30.06.2025**
Cash on hand	93	30	62
Demand deposits held with banks	26.693	23.237	53.543
Term deposits held with banks	320.140	290.085	236.985
Cash and cash equivalents	**346.926**	**313.352**	**290.590**

There are no restrictions on the use of current bank accounts or deposits held with banks.

The value of the Line of Credit available in the form of an overdraft, accessible for future operating activities, is 2.500 thousand USD (equivalent to 11.503 thousand RON).
During the reporting period, the Line of Credit was not used.

AEROSTAR's policy is to maintain cash deposits in an amount corresponding to the established provisions. The balance of provisions as at 30.06.2026 amounts to 68.683 thousand RON.

Term deposits are placed for short periods (up to 3 months), as AEROSTAR prefers to maintain easy access to its cash savings. As a result, alternative options for investing excess cash, such as placements in investment funds, are not considered by AEROSTAR due to the associated investment risks. Therefore, in the short term, such investments may experience significant fluctuations due to various market conditions.

AEROSTAR's decision to place only short-term bank deposits is mainly driven by global political and economic uncertainties and the disruption of supply chains, with events potentially occurring at any time that may require the purchase of raw materials and supplies in order to build buffer stocks.

NOTE 12 - EQUITY

The Company's equity as at 30 June 2026 amounted to 754.292 thousand RON. The increase in equity during 2026 compared to the end of 2025 amounted to 44.087 thousand RON.

Changes in equity items in 2026 compared to the end of 2025 :

- **Share capital remained unchanged:**

As at 30 June 2026, the share capital of AEROSTAR S.A. Bacau amounted to 48.728.784 RON, divided into 152.277.450 shares with a nominal value of 0,32 RON.

- **Reserves increased by 51.908 thousand RON:**
  - an increase of 35.005 thousand RON arising from the allocation of the 2025 profit to the destinations decided by shareholders at the AGOA (Ordinary General Meeting of Shareholders) held on 22 April 2026;
  - an increase of 3.603 thousand RON resulting from the allocation during 2026 of the reserves related to the tax incentives received;
  - an increase of 13.300 thousand RON resulting from the revaluation at fair value of the shares held in Evergent Investments S.A;

- **Other items of equity decreased by 2.756 thousand RON** as a result of deferred income tax recognised in equity.

- **Retained earnings increased by 123 thousand RON** on account of deferred income tax recognised in equity.

- The balance of retained earnings as at 30 June 2026 amounted to 55.513 thousand RON, comprising :
  - retained earnings arising from the use, at the date of transition to IFRS, of fair value as deemed cost = 26.176 thousand RON ;
  - retained earnings representing gains realised from revaluation reserves, capitalised as property, plant and equipment are depreciated = 24.534 thousand RON;
  - net gains realised on the disposal of equity instruments previously recognised in other comprehensive income = 4.803 thousand RON.

- **The profit for the period amounted to 86.717 thousand RON.**

(unless otherwise specified, all amounts are stated in thousands of RON)

NOTE 13 - PROVISIONS

	31 December 2025	Increases/ Additions/ Reclassifications of provisions	Decreases/ Additions/ Reclassifications of provisions	Revaluation differences	30 June 2026
Total provisions	**75.299**	**13.127**	**20.285**	**542**	**68.683**
Provisions for customer warranties	29.902	13.127	11.577	44	31.496
Provisions for decommissioning of property, plant and equipment	16.490	-	-	-	16.490
Provisions for employee benefits	9.479	-	8.388	-	1.091
Other provisions	19.428	-	320	498	19.606
Long-term provisions	**41.180**	**5.902**	**3.627**	**389**	**43.844**
Provisions for customer warranties	10.638	5.902	3.307	44	13.277
Provisions for decommissioning of property, plant and equipment	16.490	-	-	-	16.490
Other provisions	14.052	-	320	345	14.077
Short-term provisions	**34.119**	**7.225**	**16.658**	**153**	**24.839**
Provisions for customer warranties	19.264	7.225	8.270	-	18.219
Provisions for employee benefits	9.479	-	8.388	-	1.091
Other provisions	5.376	-	-	153	5.529

Provisions for customer warranties

Provisions for customer warranties are recognised to cover the risks of non-conformities arising during the warranty period of products sold and services rendered, in accordance with contractual terms. The standard warranty period is generally 24 months.

Provisions for decommissioning of property, plant and equipment

Provisions for the decommissioning of property, plant and equipment, particularly buildings, are recognised to cover the costs of dismantling, removal of components and restoration of the sites where they are located and are included in their cost. The value has been estimated using an annual discount rate of 6,5%.

Provisions for employee benefits

Provisions for employee benefits are recognised for unused annual leave outstanding from the previous year.

NOTE 13 – PROVISIONS (continued)

Other provisions

Other provisions include provisions recognised for:

- covering risks specific to the aviation industry, such as: the risk of latent defects and the risk of identifying quality-related incidents that may give rise to damages;
- covering expenses related to the Company's obligations towards A.J.O.F.M., in accordance with O.U.G. (Government Emergency Ordinance) no 95/2002;

During January – June 2026, the Company recorded expenses related to the recognition of provisions amounting to 13.669 thousand RON and income related to the reversal/decrease of provisions amounting to 20.284 thousand RON, resulting in net income from adjustments to provisions of 6.615 thousand RON.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 14 – GOVERNMENT GRANTS FOR INVESTMENTS IN ASSETS

AEROSTAR recognises grants related to assets as deferred income.

	30.06.2026	30.06.2025
Balance as at 1 January, of which:	**732**	**1.552**
Short-term	264	828
Long-term	468	724
Grants received	**939**	**-**
Grants recognised in income in line with the calculated depreciation	**(158)**	**(414)**
Balance as at 30 June, of which:	**1.513**	**1.138**
Short-term	212	551
Long-term	1.301	587

The balance recorded as at 30 June 2026 represents grants related to investments in non-current assets which will be recognised in income over the useful life of the related assets, in line with the depreciation recognised.

Grants received in previous years for the financing of assets, outstanding as at 30 June 2026, relate to the implementation of two investment projects under two non-reimbursable financing agreements:

1. Contract no. 210304/22.04.2010: ”Expansion of manufacturing and assembly capacities for civil aviation aerostructures’, carried out between April 2010 and October 2012, the grant received from the Ministry of Economy, Trade and Business Environment (MECMA) amounted to 5.468 thousand RON, with 311 thousand RON remaining to be recognised as income;

2. Financing contract no. 10/28.02.2023: ” Equipping the AEROSTAR Testing Laboratory with NDT testing equipment", carried out between March 2023 and December 2023, the grant received from the Ministry of Economy amounted to 381 thousand RON, with 253 thousand RON remaining to be recognised as income.

All investment projects in non-current assets have been implemented and completed in accordance with the contractual terms agreed.

Aerostar S.A. is the beneficiary of an offset contract to be implemented by Lockheed Martin Inc., following the signing of the F-16 pilot training contract with the M.Ap.N.(Romanian Ministry of National Defence) - Romanian Air Force.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 15 - TRADE PAYABLES

	30 June 2026	**31 December 2025**
Advances received from customers, *of which:*	**3.728**	**12.737**
Domestic customers with credit balances	13	9
Foreign customers with credit balances	3.715	12.728
Suppliers, *of which:*	**39.291**	**39.565**
Domestic suppliers of materials and services	9.901	9.539
Foreign suppliers of materials and services	24.493	24.023
Suppliers – invoices not yet received	3.408	3.229
Suppliers of non-current assets	1.489	2.774
Total trade payables	**43.019**	**52.302**

Advances received from foreign customers relate to aircraft maintenance and repair services (98,02%) and other services provided (1,98%).

No mortgages have been established for the reported payables.

Foreign exchange gains and losses arising between the market exchange rate at which the foreign currency trade payables are recorded and the exchange rate published by the National Bank of Romania valid for the end of June 2026 are recognised in profit or loss.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 16 - OTHER LIABILITIES

	30 June 2026	31 December 2025
Other current liabilities, *of which:*	**24.285**	**17.129**
• ***Liabilities related to personnel and related accounts***	**7.698**	**4.653**
• ***Liabilities related to social security budget and state budget**, of which:*	**9.951**	**8.605**
– VAT payable	-	1.792
– social security contributions	7.134	5.022
– work insurance contribution	446	313
– payroll income tax	1.414	979
– contribution for persons with disabilities not employed	237	251
– other taxes	666	193
– other social liabilities	54	55
• ***Other liabilities,** of which:*	**6.636**	**3.871**
– dividends	6.329	3.548
– other creditors	260	276
– guarantees received	47	47
Other non-current liabilities	**1.498**	**1.480**

The category “Other non-current liabilities” includes the liability related to the right-of-use for the land concessioned for the MRO Hangar in Iași.

The dividends outstanding as at 30 June 2026, amounting to 6.329 thousand RON represent the amounts remaining due to shareholders who have not claimed their dividends from the paying agent CEC Bank S.A. (designated by AEROSTAR) and which are not statute-barred.

The Company does not have any overdue liabilities to the state budget, social security budget, or local budgets.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 17 - DEFERRED INCOME TAX

Deferred income tax is recognised for temporary differences arising between the tax base of the assets and liabilities and their carrying amounts. The deferred income tax is calculated at a tax rate of 16% applicable to the temporary differences.

The Company has estimated and recognised deferred income tax liabilities related to non-current assets (arising from differences between the carrying amounts and the tax values, differing useful lives, etc.) and reserves, and has recognised deferred income tax assets related to non-current equity investments (shares), inventory write-downs, and loss allowance on trade receivables, as well as provisions for warranties granted to customers, and other provisions.

Structure of the deferred income tax recorded as at 30.06.2026:

Deferred income tax liabilities	
1. Deferred income tax liabilities arising from differences between the carrying amounts (higher) and the tax bases (lower) of non-current assets	528
2. Deferred income tax liabilities related to legal reserves	1.559
3. Deferred income tax liabilities related to reserves arising from tax incentives	27.141
4. Deferred income tax liabilities related to retained earnings representing realised surplus from revaluation reserves	61
5. Deferred income tax liabilities related to non-current equity investments - shares	8.895
Total deferred income tax liabilities	**38.184**

Deferred income tax assets	
1. Deferred income tax assets related to other provisions	260
2. Deferred income tax assets related to provisions for warranties granted to customers	5.039
3. Deferred income tax assets related to employee benefit provisions	175
4. Deferred income tax assets related to inventory write-downs	13.308
5. Deferred income tax assets related to loss allowance on trade receivables	467
Total deferred income tax assets	**19.249**

Balance – Net deferred income tax liability	**18.935**

The Company did not recognise deferred income tax assets related to other provisions for risks specific to the aviation industry, as there is uncertainty regarding the tax deductibility of the expenses arising from the settlement of future obligations. Consequently, the differences between the tax base and the carrying amount would be nil.

During 01 January 2026 – 30 June 2026, the Company recorded deferred income tax benefit amounting to 2.846 thousand RON and deferred income tax expense amounting to 3.413 thousand RON, resulting in a net impact on financial performance of (567) thousand RON.

NOTE 17 - DEFERRED INCOME TAX (continued)

Deferred income tax income recognised in equity, amounting to 37.335 thousand RON comprises deferred income tax liabilities of 37.595 thousand RON and deferred income tax assets of 260 thousand RON.

Deferred income tax liabilities consist of:

- deferred income tax liabilities related to legal reserves 1.559 thousand RON;
- deferred income tax liabilities related to reserves arising from tax incentives 27.141 thousand RON;
- deferred income tax liabilities related to non-current equity investments - shares 8.895 thousand RON.

Deferred income tax assets amounting to 260 thousand RON relate to provisions for liabilities and charges established prior to the date of transition to IFRS.

Of the **total deferred income tax liabilities of 38.184 thousand RON**, an amount of 37.595 thousand RON is recognised in equity, while the difference of 589 thousand RON is recognised in retained earnings.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 18 - FINANCIAL INSTRUMENTS

A financial instrument is any contract that simultaneously gives rise to a financial asset of one entity and a financial liability or an equity instrument of another entity.
Financial assets and financial liabilities are recognised when AEROSTAR becomes a party to the contractual provisions of the instrument.

Financial assets of AEROSTAR include:
- demand and term deposits held with banks;
- trade receivables;
- shares in Evergent Investments S.A. (stock symbol: EVER);
- non-current receivables (guarantees deposited with third parties)

Financial liabilities of AEROSTAR include:
- trade payables;

As of the reporting date, AEROSTAR does not record any financial liabilities related to bank overdrafts or long-term bank loans.

The main types of risk arising from the financial instruments held, to which AEROSTAR is exposed, are:
a) credit risk;
b) liquidity risk;
c) foreign currency risk;
d) interest rate risk.
e) market risk

a) Credit risk
Credit risk is the risk that one of the parties involved in a financial instrument will cause a financial loss to the other party by failing to fulfil a contractual obligation, and it mainly relates to:
- demand and term deposits held with banks
- trade receivables;

Demand and term deposits are held exclusively with top-tier banks (top 5 by total assets), with ratings reflecting the lowest level of risk.
In certain cases, specific instruments are required to mitigate commercial credit risk (advance payments, bank payment guarantees, confirmed export letters of credit).
AEROSTAR has no significant exposure to a single counterparty and does not present a significant concentration of receivables in any single geographic area.

Credit risk exposure
The carrying amount of the financial assets, net of loss allowances, represents the maximum exposure to credit risk.
The maximum credit risk exposure as at the reporting date is presented in the table below:

	30.06.2026	**30.06.2025**
Demand and term deposits held with banks	346.833	290.528
Trade receivables, net of loss allowances	109.102	69.313
Non-current receivables	47	42
Total	**455.982**	**359.883**

*Cash on hand of AEROSTAR is not considered to be exposed to credit risk;

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 18 - FINANCIAL INSTRUMENTS (continued)

** Assets in the form of advances paid to suppliers, for which the future economic benefits consist of the receipt of goods or services rather than the right to receive cash or another financial asset, are not financial assets.

The maximum credit risk exposure by geographic area for trade receivables, net of loss allowances, is presented in the table below:

	30.06.2026	30.06.2025
Domestic market	7.486	5.457
Eurozone countries	47.878	29.978
United Kingdom	40.904	19.565
Other European countries	2.322	3.017
Other regions	10.512	11.296
Total	**109.102**	**69.313**

Loss allowance
The ageing analysis of gross trade receivables at the reporting date is presented in the following table:

	Gross amount 30.06.2026	Loss allowance 30.06.2026	Gross amount 30.06.2025	Loss allowance 30.06.2025
Not overdue	**107.617**		**68.377**	
Overdue, total, of which:	**3.890**		**1.872**	
1-30 days	-	-	41	20
31-60 days	2.632	1.316	740	370
61-90 days	80	40	681	341
91-120 days	72	36	410	205
Over 120 days	1.020	927	-	-
More than 1 year	86	86	-	-
Total	**111.507**	**2.405**	**70.249**	**936**

The movement in the loss allowance for trade receivables during the year is presented in the following table:

	30.06.2026	30.06.2025
Balance at 1 January	**2.036**	**110**
Loss allowance recognised	2.312	1.515
Loss allowance reversed to income	(1.943)	(689)
Balance at 30 June	**2.405**	**936**

As at 30.06.2026, 97% of the balance of trade receivables relates to customers with a good payment history.

b) Liquidity risk
Liquidity risk is the risk that AEROSTAR may encounter difficulties in meeting obligations associated with financial liabilities that are settled in cash.
AEROSTAR's policy regarding liquidity risk is to maintain an optimal level of liquidity to ensure it can meet its obligations as they fall due.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 18 - FINANCIAL INSTRUMENTS (continued)

To assess liquidity risk, cash flows from operating, investing, and financing activities are monitored and analysed on a weekly, monthly, quarterly, and annual basis to estimate the net changes in liquidity.
Additionally, specific liquidity ratios (current ratio, quick ratio, and overall solvency ratio) are analysed monthly against budgeted levels.
Furthermore, to mitigate liquidity risk, AEROSTAR maintains an annual liquidity reserve in the form of a Credit Facility (available as an overdraft) granted by banks, up to 2.500 thousand USD.

The time bands used for the analysis of the contractual maturities of financial liabilities, to highlight the timing of cash flows, are presented in the following table:

	Liabilities	Carrying amount	Contractual cash flows	0-30 days	31-60 days	over 60 days
30.06.2026	Trade payables	35.882	(35.882)	(24.741)	(9.198)	(1.943)
30.06.2025	Trade payables	21.934	(21.934)	(17.909)	(2.883)	(1.142)

* Liabilities representing trade advances received are not considered financial liabilities, as the associated outflow of economic benefits represents the delivery of goods and services, rather than a contractual obligation to pay cash or another financial asset.

Cash flows included in the maturity analysis are not expected to occur earlier or in significantly different amounts.
As at 30.06.2026 AEROSTAR does not have any overdue liabilities.

c) Foreign currency risk
Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates.

Foreign currency risk exposure
AEROSTAR is exposed to foreign currency risk because 84% of the turnover recorded during the reporting period is denominated in USD and EUR, while a significant portion of operating expenses is denominated in RON.
Thus, AEROSTAR is exposed to the risk that fluctuations in exchange rates may affect both its net revenues and its financial position as expressed in RON.
However, AEROSTAR has chosen not to use foreign currency hedging instruments (options, forwards) due to relatively high initial costs and the potential loss of opportunities in the event of RON depreciation against the main currencies (USD, EUR).

The net exposure of financial assets and liabilities to foreign currency risk is presented below, based on the carrying amounts denominated in foreign currency as at the end of the reporting period:

30.06.2026	**k EUR**	**k USD**	**k GBP**
Demand and term deposits held with banks	1.731	3.620	13
Trade receivables	3.436	18.169	-
Trade payables	(2.244)	(3.202)	(9)
Net exposure in original currency	**2.923**	**18.587**	**4**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 18 - FINANCIAL INSTRUMENTS (continued)

Sensitivity analysis

Based on the net exposure calculated in the table above, AEROSTAR is primarily exposed to foreign currency risk arising from fluctuations in the USD/RON and EUR/RON exchange rates.

Considering the historical evolution of the USD/RON and EUR/RON, high volatility is observed for USD/RON (+/-5%) and low volatility for EUR/RON (+/-2%). Accordingly, a reasonably possible change of +/-5% for USD/RON and +/-2% for EUR/RON at the end of the reporting period is considered.

The effect of a reasonably possible change in the EUR/RON and USD/RON exchange rates on AEROSTAR's financial result is calculated in the table below:

30.06.2026	EUR/RON	USD/RON
Net exposure in original currency	2.923 k EUR	18.587 k USD
Exchange rate	5,2438	4,6010
Net exposure in functional currency	15.328 k RON	85.519 k RON
Reasonably possible change in exchange rate	+/- 2%	+/- 5%
Effect of the change on financial result	**+/- 307 k RON**	**+/- 4.276 k RON**

d) Interest rate risk

During the reporting period, AEROSTAR had access to a multi-product Credit Facility with a total amount of 7.000 thousand USD, intended to finance operating activities, of which:

- 2.500 thousand USD is available as an overdraft;
- maximum of 7.000 thousand USD, available for the issuance of guarantee instruments (bank guarantee letters and import letters of credit), provided that the overdraft facility is not utilised.

Interest is applicable only to the overdraft.

As the overdraft facility was not utilised during the reporting period, income and cash flows are independent of changes in market interest rates.

As at 30.06.2026, the value of guarantees granted under commercial contracts through the issuance of bank guarantees and import letters of credit is 5.030 thousand RON (equivalent to 1.094 thousand USD).

As at 30.06.2026 no mortgages have been established over the real estate assets owned by AEROSTAR.

e) Market risk, is the risk that the fair value or future cash flows of a financial asset will fluctuate due to changes in market prices.

The maximum exposure to market risk at the reporting date is presented in the table below:

	30.06.2026	31.12.2025
Portfolio value of Evergent Investments S.A. shares (stock symbol: EVER)	88.479 k RON	75.180 k RON

The increase in the value of the share portfolio was driven by the closing price of 3,26 RON/share as at 30.06.2026 for EVER shares, representing an increase of 17,69% compared to 31.12.2025, while the number of shares remained unchanged.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 19 - OPERATING REVENUE

	30 June 2026	30 June 2025
Revenue from sales, of which:	**392.991**	**314.564**
Revenue from the sale of products	225.813	169.919
Revenue from services	162.304	142.340
Revenue from the sale of goods	844	271
Rental income	1.600	1.584
Revenue from other activities	2.430	450
Revenue related to inventories of finished goods and work in progress	**2.791**	**3.642**
Revenue from the production of non-current assets	**335**	**780**
Operating grants	**4**	**306**
Investment grants	**158**	**414**
Other operating income	**326**	**242**
Total operating revenue	**396.605**	**319.948**

The Company recorded a 23,96% increase in operating revenue in the first six months of 2026 compared to the same period of 2025, a positive variation driven by a 24,93% increase in revenue from sales, alongside a decrease in revenues related to finished goods inventories and work in progress.

Other operating income in the amount of 326 thousand RON represents amounts recovered from former employees (training costs and other outstanding amounts), compensation received from partners and recovered taxes.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 20 – OPERATING EXPENSES

	30 June 2026	30 June 2025
Employee benefits expenses, of which:	**114.798**	**102.803**
Salaries and allowances	101.424	90.168
Meal vouchers expense	7.953	7.132
Social security and insurance contributions	5.421	5.503
Raw materials and consumables	**148.486**	**117.405**
Energy, water, and gas	**8.485**	**7.782**
Other material expenses, of which:	**8.766**	**8.327**
Expenses related to non-inventoried materials	499	562
Expenses related to goods	659	345
Packaging materials	489	327
Other materials	7.119	7.093
External services, of which:	**15.907**	**20.530**
Repairs	3.040	7.407
Transport costs	2.803	2.301
Commissions and fees	1.060	1.220
Travel and secondments	828	621
Royalties and rents	337	434
Other services rendered by third parties	7.839	8.547
Trade discounts received	**(226)**	**(304)**
Depreciation and amortisation	**13.519**	**14.732**
Net expenses (income) from adjustments to provisions	**(6.615)**	**(9.767)**
Net expenses (income) from adjustments to current assets	**3.277**	**7.641**
Other operating expenses	**6.027**	**2.839**
Total operating expenses:	**312.424**	**271.988**

In accordance with the provisions of the International Financial Reporting Standards and the Accounting Policies Manual, the Company recognises adjustments to provisions (Note 13) and adjustments for the impairment of current assets, namely inventories, work in progress and receivables (Notes 8, 9, and 10).

In the first six months of 2026, the Company granted to its employees meal vouchers amounting to 7.953 thousand RON.

Other operating expenses, totalling 6.027 thousand RON include, among others, local taxes and duties, sponsorships, scholarships granted to students enrolled in the dual education programmes, environmental protection expenses, and compensation expenses under contracts concluded with business partners.

(unless specified otherwise, all amounts are stated in thousands of RON)

In the first six months of 2026, AEROSTAR recorded increases/recognitions and decreases/reversals of adjustments to provisions, as follows:

Adjustments to provisions	**30 June 2026**	**30 June 2025**
Increases/provisions recognised	13.669	8.965
Decreases/reversals	(20.284)	(18.732)
Net expenses/(income) from adjustments to provisions	**(6.615)**	**(9.767)**

In the first six months of 2026, the impact of adjustments to provisions led to a decrease in operating expenses of 6.615 thousand RON.

Adjustments for impairment of current assets	**30 June 2026**	**30 June 2025**
Increases/adjustments recognised		
Inventory write-downs	6.582	12.029
Loss allowance on receivables	2.358	1.578
Losses on receivables and other debtors	30	
Total increases/adjustments recognised	**8.970**	**13.607**
Decreases/reversals of adjustments		
Inventory write-downs	**(3.733)**	**(5.266)**
Loss allowance on receivables	(1.960)	(700)
Total decreases/reversals of adjustments	**(5.693)**	**(5.966)**
Net expense/(income) from adjustments for impairment of current assets	**3.277**	**7.641**

In the first six months of 2026, the impact of adjustments for the impairment of current assets led to an increase in operating expenses by 3.277 thousand RON.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 21 - FINANCIAL INCOME

	30 June 2026	30 June 2025
Foreign exchange gains	8.524	4.379
Interest income	9.206	6.531
Income from investments in subsidiaries	458	585
Income from financial assets measured at fair value	3.664	3.321
Total financial income	**21.852**	**14.816**

Information regarding the Company's exposure to risks arising from the financial instruments held are presented in *Note 18 – Financial Instruments*.

Income from investments in subsidiaries represents dividends receivable from FOAR SRL relating to the financial year 2025, appropriated in accordance with the Sole Shareholder's Resolution.

Income from financial assets measured at fair value represents dividends relating to the equity instruments held in Evergent Investments S.A.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 22 - FINANCIAL EXPENSES

	30 June 2026	**30 June 2025**
Foreign exchange losses	4.079	9.460
Interest on lease liabilities	15	29
Total financial expenses	**4.094**	**9.489**

In the first six months of 2026, the Company recorded the following items under financial expenses:

- foreign exchange losses;
- interest expenses related to the right-of-use asset for the land concessioned for the MRO Hangar in Iași.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 23 - INCOME TAX

Income tax is recognised in the statement of profit or loss. Current income tax is the tax payable on the profit for the current period, calculated based on the applicable tax regulations at the reporting date. The applicable income tax rate as at 30.06.2026 was 16% (the same rate applied for the financial year 2025).

	30 June 2026	30 June 2025
Gross accounting profit	**101.940**	**53.287**
Current income tax expense	**14.654**	**6.776**
Income tax on the gain from the sale of securities	**-**	**46**

Reconciliation between accounting profit and taxable profit as at 30 June 2026				Differences
Accounting revenue	418.457	Taxable revenue	388.511	-29.946
Accounting expenses	316.517	Tax-deductible expenses	292.342	-24.175
Gross accounting profit	101.940	Taxable profit	96.169	-5.771
Accounting tax (16%)	16.310	Income tax at statutory rate (16%)	15.387	-923
Tax deductions	-	*Tax deductions*, of which:	733	+733
		• related to investments under Art. 22 of the Fiscal Code	577	+577
		• sponsorships	156	+156
Final income tax expense	16.310	Final income tax expense	14.654	-1.656
Applicable statutory rate	16,00%	Applicable statutory rate	16,00%	
Effective average tax rate, calculated on gross accounting profit	14,38 %			

Comparative figures	30 June 2025
Gross accounting profit	**53.287**
Current income tax expense	**6.776**
Income tax on the gain from the sale of securities	**46**

Reconciliation between accounting profit and taxable profit				Differences
Accounting revenue	334.763	Taxable revenue	306.600	-28.163
Accounting expenses	281.476	Tax-deductible expenses	257.157	-24.319
Gross accounting profit	53.287	Taxable profit	49.443	-3.844
Accounting tax (16%)	8.526	Income tax at statutory rate (16%)	7.911	-615
Tax deductions	-	*Tax deductions*, of which:	1.089	+1.089
		• related to investments under Art.22 of the Fiscal Code	1.018	+1.018
		• sponsorships	71	+71
Final income tax expense	8.526	Final income tax expense	6.822	-1.704
Applicable statutory rate	16,00%	Applicable statutory rate	16,00%	
Effective average tax rate, calculated on gross accounting profit	12,80 %			

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 23 - INCOME TAX (continued)

Key factors affecting the effective tax rate:

- tax incentives representing the corporate income tax exemption related to investments made under Art.22 of the Fiscal Code.
- non-deductible expenses for tax purposes (expenses related to the recognition or increase of provisions and value adjustments for current assets that are non-deductible for tax purposes, accounting depreciation that is non-deductible for tax purposes, etc.).
- non-taxable income resulting from the recovery of non-deductible expenses.

Financial performance in 2026 is influenced by current and deferred income tax as follows:

	30 June 2026	30 June 2025
Current income tax expense	(14.654)	(6.776)
Deferred tax expense	(3.414)	(3.410)
Deferred tax income	2.846	3.046
Current and deferred income tax	**(15.222)**	**(7.140)**

NOTE 24 - EARNINGS PER SHARE

The calculation of basic earnings per share was based on the profit attributable to ordinary shareholders and the number of ordinary shares.

Diluted earnings per share is equal to basic earnings per share as the Company did not register any potential ordinary shares.

IN RON	**30.06.2026**	**30.06.2025**
Profit attributable to ordinary shareholders	86.717.437	46.147.380
Number of ordinary shares	152.277.450	152.277.450
Earnings per share	**0,569**	**0,303**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 25 - AVERAGE NUMBER OF EMPLOYEES

Total number of employees* as at:	**30.06.2026**	**30.06.2025**
	1.909	1.825

Average number of own employees as at:	**6 months 2026**	**6 months 2025**
	1.739	1.690

Actual headcount of own employees as at:	**30.06.2026**	**30.06.2025**
	1.778	1.722

Note*)
As at 30 June 2026, the total headcount of the Company is 1.909, of which 1.778 are own employees and 131 are temporary agency workers.

As at 30 June 2025, the total headcount of the Company was 1.825, of which 1.722 were own employees and 103 were temporary agency workers.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 26 - RELATED PARTY TRANSACTIONS

Purchases of goods and services	6 months 2026	6 months 2025
Airpro Consult SRL Bacău	6.864	6.870
Foar SRL Bacău	37	129
TOTAL	**6.901**	**6.999**

Sales of goods and services	6 months 2026	6 months 2025
Airpro Consult SRL Bacău	-	-
Foar SRL Bacău	1	1
TOTAL	**1**	**1**

Payables	Balance as at 30.06.2026	Balance as at 30.06.2025
Airpro Consult SRL Bacău	1.271	1.020
Foar SRL Bacău	-	17
TOTAL	**1.271**	**1.037**

Dividends received by Aerostar	6 months 2026	6 months 2025
Airpro Consult SRL Bacău	-	521
Foar SRL Bacău	458	-
TOTAL	**458**	**521**

Related party transactions for the period 01.01.2026 - 30.06.2026 consisted of:

- Provision by Airpro Consult SRL Bacău to Aerostar S.A. of temporary workforce services;
- Provision by Foar SRL Bacău to Aerostar S.A. of equipment rental services;
- Provision by Aerostar S.A. to Foar SRL Bacău of premises rental services;
- Dividends received, distributed in March by FOAR S.R.L., amounting to 458 thousand RON.
- In February 2026, the Board of Directors of Aerostar S.A. approved the initiation of procedures for the voluntary dissolution and liquidation of S.C. FOAR S.R.L., which are currently ongoing.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 27 - CASH FLOW INFORMATION

The method used in presenting the Statement of Cash Flows is the direct method.
The Statement of Cash Flows presents cash flows and cash equivalents classified by operating, investing and financing activities, thus highlighting the manner in which AEROSTAR generates and uses cash and cash equivalents.

For the purpose of preparing the Statement of Cash Flows:
- cash flows represent receipts and payments of cash and cash equivalents;
- cash comprises cash on hand (cash in the company's cash office) and demand deposits held with banks (balances in current bank accounts);
- cash equivalents comprise term deposits held with banks.

Cash flows arising from transactions in foreign currencies are recorded in the functional currency (RON) by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the cash flow (the date of receipt or payment).
Gains and losses arising from changes in foreign exchange rates are not cash flows. However, the effect of changes in foreign exchange rates on cash and cash equivalents held in foreign currency is reported in the Statement of Cash Flows separately from cash flows from operating, investing and financing activities, in order to reconcile cash and cash equivalents at the beginning and at the end of the reporting period.

The summary statement of cash flows for the first half of 2026 is presented in the table below:

Cash flows	**Amount**	**%**
Total receipts, of which:	**428.879**	**100%**
Receipts from operating activities	415.417	97%
Receipts from investing activities	13.462	3%
Receipts from financing activities	-	-
Total payments, of which:	**(397.109)**	**100%**
Payments for operating activities	(339.340)	85%
Payments for investing activities	(7.735)	2%
Payments for financing activities	(50.034)	13%
Net increase in cash and cash equivalents	**31.770**	
Cash and cash equivalents at the end of the period	**346.926**	

Operating activities are the main cash-generating activities of AEROSTAR.
- cash receipts from customers amounted to 407.467 thousand RON;
- cash receipts from the State Budget amounted to 7.950 thousand RON, of which 6.512 thousand RON represent VAT, 1.434 thousand RON other social contribution receivables, and 4 thousand RON represent operating grants;
- payments to suppliers amounted to 216.725 thousand RON, an increase of 26% compared to the first half of 2025;
- payments to employees amounted to 66.007 thousand RON, an increase of 8% compared to the first half of 2025;
- payments of taxes and duties to the State Budget amounted to 56.608 thousand RON, of which 43.142 thousand RON were payroll taxes and contributions, 7.435 thousand RON corporate income tax, 3.086 thousand RON represent VAT, 2.945 thousand RON local taxes and duties.

NOTE 27 - CASH FLOW INFORMATION (continued)

Operating activities generated a net cash inflow of 76.077 thousand RON, an increase of 13.135 thousand RON compared to the same period of the previous year.

Investing activities include:
- interest received from bank deposits that reached maturity, amounting to 9.706 thousand RON;
- dividend receipts from other entities and affiliates amounting to 3.756 thousand RON, and
- payments for the acquisition of property, plant and equipment and intangible assets amounting to 7.735 thousand RON.

The amount of cash flows allocated for the increase of operating capacity represents 2% of the aggregate amount of cash used in operating, investing, and financing activities.

Under financing activities, the amount of 50.034 thousand RON was paid, representing dividends due to AEROSTAR's shareholders.

The level of cash and cash equivalents as at 30.06.2026 amounted to 346.926 thousand RON, an increase of 33.574 thousand RON compared to the beginning of the year.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 28 - COMMITMENTS AND OTHER OFF-BALANCE SHEET ITEMS

AEROSTAR S.A. records in off-balance sheet accounts rights, obligations and assets that are not recognised in the Company's assets and liabilities, as follows:

	30 June 2026	31 December 2025
• **Commitments**, of which:	**9.247**	**88.330**
o guarantees granted to partners – in the form of bank guarantees and letters of credit	4	-
o guarantees received from partners – in the form of bank guarantees and letters of credit	9.243	87.830
o mortgage guarantee received	-	500
• **Assets**, of which:	**76.913**	**77.337**
o inventories of other materials provided for use (tools, fixtures, gauges, protective equipment, measurement and control equipment, technical library, etc.)	59.957	56.652
o materials received in custody	2.233	2.237
o finished goods received in custody	2	2
o materials – customer owned	41	41
o property, plant, and equipment and intangible assets – obtained or acquired as a result of co-financed activities	554	539
o products received for processing/repair	6.647	10.553
o materials received for processing/repair	4.494	4.540
o underlying assets related to concession contracts – Iași Hangar	2.624	2.552
o fixed assets proposed for scrapping	361	221
• **Other off-balance sheet items,** of which:	**2.981**	**3.256**
o material guarantees established for the liability of inventory managers regarding asset management	266	258
o commitments for covering certain obligations to A.J.O.F.M. under Report No. 9624/12.12.2011	1.624	1.944
o debtors written off, still under collection	248	211
o creditors	12	12
o de minimis aid for participation in trade fairs and exhibitions	831	831
• **Greenhouse gas emission certificates**	**1.679**	**3.116**

As at 30 June 2026, Aerostar held a total of 4.045 greenhouse gas emission certificates.
The market price as at the last trading day of a GHG certificate was 79,15 EUR, as published on the European Energy Exchange website (in December 2025: 85,12 EUR), based on a revaluation exchange rate of 5,2438 RON/EUR.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 29 - REMUNERATION OF DIRECTORS

The Board of Directors of AEROSTAR S.A. as at 30.06.2026 has the following structure:

	Surname and First Name	Position	Profession
▪	FILIP GRIGORE	President of the Board of Directors	Aeronautical Engineer
▪	DAMASCHIN DORU	Vice-President of the Board of Directors and Financial Director	Economist
▪	FILIP ALEXANDRU	Member of the Board of Directors and Chief Executive Officer	Aeronautical Engineer
▪	TONCEA RADU TUDOR	Member of the Board of Directors	Aeronautical Engineer
▪	DOROŞ LIVIU-CLAUDIU	Member of the Board of Directors	Economist

In 2026, Aerostar S.A. did not grant any advances or loans to members of the Board of Directors, nor did it assume any commitments on their behalf in the form of guarantees of any kind.

At the Ordinary General Meeting of Shareholders held on 12 December 2024, the shareholders of Aerostar S.A. approved for the term of office starting on 11.07.2024 that the remuneration of directors holding executive positions consists of the fixed remuneration plus an additional fixed net monthly remuneration of up to ten (10) times the remuneration granted to a member of the Board of Directors.

At the Ordinary General Meeting of Shareholders held on 22 April 2026, the shareholders of Aerostar S.A. approved the establishment of the directors’ remuneration, at a fixed net amount of 5.000 RON per month;

The total gross remuneration granted to the members of the Board of Directors and the executive management during January–June 2026, in accordance with the resolutions of the AGA (General Meeting of Shareholders) and by virtues of their responsibilities, amounted to 959 thousand RON.

NOTE 30 - RISK MANAGEMENT

AEROSTAR is exposed to a variety of risks and uncertainties that may affect its financial performance. AEROSTAR's business lines, its operational results, or financial position could be impacted by the occurrence of the risks described below.
AEROSTAR aims to secure medium- and long-term sustainability and to reduce the uncertainty associated with its strategic and financial objectives.
Risk management processes ensure the identification, analysis, evaluation, and mitigation of risks in order to minimise their effects to an agreed level.
However, in addition to the risks described below, other currently unknown or insignificant risks and uncertainties may arise that could affect AEROSTAR's business lines in the future.

Operational Risk
Operational risk is the risk of incurring losses or failing to achieve expected sales and profits, resulting from:

- the use of inadequate processes, systems, or human resources, or those that do not perform their intended function properly;
- external events and actions, including deterioration of global economic conditions, natural disasters, or other events that may affect AEROSTAR's assets.

Given the current global political turbulence, new types of risks may arise in the future, and AEROSTAR closely monitors the main conflict areas.

Legal risk is also considered a component of Operational Risk and is defined as the risk of loss arising both from fines, penalties and sanctions that AEROSTAR may incur due to non-compliance with, or improper application of legal, regulatory or contractual provisions, as well as from contractual rights and obligations of AEROSTAR and/or its business partners that are not properly established.
The monitoring and mitigation of the effects of legal risk are achieved through a permanent information system regarding legislative changes, as well as through the establishment of a system for the analysis, review and approval of the terms and conditions included in commercial contracts.

AEROSTAR allocates, and will continue to allocate, funds for investments and other operating expenses to prevent and manage operational risk.
In addition, AEROSTAR aims to maintain, through the establishment of provisions for risks and related expenses, its own funds to cover the risks to which it is exposed.
Furthermore, to mitigate operational risk, AEROSTAR annually renews, with top-tier insurance and reinsurance companies, a civil liability insurance policy covering its main business lines (manufacture of aeronautical products and commercial aircraft maintenance).

Credit risk is the risk that AEROSTAR may incur a financial loss as a result of a counterparty's failure to fulfil its contractual obligations, and is mainly determined by demand and term deposits held with banks and trade receivables.
Deposits held with banks are placed only with top-tier banking institutions (the top five banks by total assets), which are considered to have a high level of creditworthiness.
Credit risk, including the country risk associated with the jurisdiction in which the customer operates, is managed individually for each business partner. Where considered necessary, specific instruments are requested to mitigate credit risk (such as advance payments, bank payment guarantees, or confirmed export letters of credit).

AEROSTAR has no significant exposure to any single business partner and does not have a significant concentration of turnover in any single geographical area.
However, the Company remains exposed to the global Airbus programmes, as a significant proportion of its products is incorporated into Airbus aircraft.

Quantitative information regarding AEROSTAR's exposure to credit risk is presented in detail in Note 18 (Financial Instruments) to the Financial Statements.

Liquidity risk is the risk that AEROSTAR may encounter difficulties in meeting obligations associated with its liabilities as they fall due.
For liquidity risk management purposes, cash flows are monitored and analysed on a weekly, monthly, quarterly and annual basis in order to determine the estimated level of net changes in liquidity. The analysis provides the basis for financing decisions and capital commitments.
In order to mitigate liquidity risk, AEROSTAR maintains an annual liquidity reserve in the form of a Line of Credit available as an overdraft facility granted by banks, amounting to 2.500 thousand USD. During the reporting period, AEROSTAR did not use the Line of Credit, all activities being financed from its own sources.

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market prices.
Market risk comprises price risk, foreign currency risk and interest rate risk.
AEROSTAR is mainly exposed to price risk arising from fluctuations in the prices of raw materials and materials used in production processes, caused by exceptional events, the imposition of international sanctions with consequences on the availability of parts and materials, and increased costs related to specific duties for the import/export of metal products to and from the USA.
This risk is managed through:
- diversification of the supplier portfolio, which may provide increased negotiation leverage if raw material prices increase with certain suppliers.
- entering into long-term contracts with fixed-price clauses.

AEROSTAR is exposed to foreign currency risk, as 84% of its turnover is denominated in USD and EUR, while a significant portion of operating expenses is denominated in RON. Therefore, AEROSTAR is exposed to the risk that fluctuations in foreign exchange rates will affect both its net revenues and its financial position, as expressed in RON.
AEROSTAR has decided not to use foreign exchange hedging instruments (options, forwards) due to the relatively high initial costs and the possibility of losing opportunities in the event of the depreciation of the RON against the main currencies (USD, EUR).

A sensitivity analysis of AEROSTAR's exposure to changes in foreign exchange rates is presented in detail in Note 18 (Financial Instruments) to the Financial Statements.

Regarding interest rate risk, due to the fact that AEROSTAR did not use the contracted Line of Credit during the reporting period, its income and cash flows are independent of fluctuations in interest rates on the banking market.

Other aspects of risk management are presented in the section RISK AND OPPORTUNITY MANAGEMENT within the Board of Directors' Report.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 31 - PREPAID EXPENSES AND DEFERRED INCOME

	30 June 2026	30 June 2025
Prepaid expenses (short-term)	**2.089**	**1.738**
Deferred income (short-term)	**4.507**	**1.355**

Expenses incurred and income recognised during the current period, but relating to future periods or financial years, are recorded separately in the accounting records, as prepaid expenses or deferred income, as appropriate.

As at 30 June 2026 **prepaid expenses** include amounts to be recognised within one year representing, among others, local taxes and duties, subscriptions, insurance policies, commissions, participation in trade fairs and conferences, online services, and IT system maintenance.

As at 30 June 2026, Aerostar has not recognised any long-term **deferred income**. The short-term **deferred income** includes amounts relating to the delivery of goods and the provision of services for which the criteria for revenue recognition under IFRS 15 have not yet been met (the customers have not yet obtained control over the goods or services).

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 32 - RIGHT-OF-USE ASSETS RELATED TO ASSETS HELD UNDER CONCESSION PURSUANT TO CONCESSION CONTRACT NO. 25074/07.09.2017

Reporting period 30 June 2026

	Carrying amount as at 30 June 2026			Carrying amount as at 01 January 2026		
	Gross carrying amount	**Accumulated depreciation**	**Net carrying amount**	**Gross carrying amount**	**Accumulated depreciation**	**Net carrying amount**
Right-of-use asset for the MRO hangar land in Iași	2.069	(299)	1.770	2.022	(277)	1.745
Total	**2.069**	**(299)**	**1.770**	**2.022**	**(277)**	**1.745**

Net carrying amount as at 30.06.2026:

	Net carrying amount as at 1 January 2026	Revaluations in the first half of 2026	Depreciation for the period	Net carrying amount as at 30 June 2026
Right-of-use asset for the MRO hangar land in Iași	**1.745**	46	(21)	**1.770**

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 32 - RIGHT-OF-USE ASSETS RELATED TO ASSETS HELD UNDER CONCESSION

PURSUANT TO CONCESSION CONTRACT NO. 25074/07.09.2017 (continued)

COMPARATIVE FIGURES - reporting period 30 June 2025

	Carrying amount as at 30 June 2025			Carrying amount as at 01 January 2025		
	Gross carrying amount	Accumulated depreciation	Net carrying amount	Gross carrying amount	Accumulated depreciation	Net carrying amount
Right-of-use asset for the MRO hangar land in Iași	1.992	(256)	1.736	1.959	(236)	1.723
Total	**1.992**	**(256)**	**1.736**	**1.959**	**(236)**	**1.723**

Net carrying amount as at 30.06.2025:

	Net carrying amount as at 1 January 2025	Revaluations in the first half of 2025	Depreciation for the period	Net carrying amount as at 30 June 2025
Right-of-use asset for the MRO hangar land in Iași	**1.723**	33	(20)	**1.736**

According to IFRS 16, the right-of-use of the land for the MRO Hangar land in Iasi concessioned under Concession Contract No. 25074/2017, is recognised as a lease contract. A lease is a contract that conveys the right to use an asset for a period of time in exchange for consideration.

Upon initial measurement of the right-of-use asset, and in accordance with the contractual provisions, the lessee shall estimate the costs to be incurred for dismantling and removing the underlying asset and for restoring the site on which it is located.

NOTE 32 - RIGHT-OF-USE ASSETS RELATED TO ASSETS HELD UNDER CONCESSION

PURSUANT TO CONCESSION CONTRACT NO. 25074/07.09.2017 (continued)

Obligations for such costs shall be recognised and measured as provisions in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The estimated cost of dismantling and site restoration is updated annually.

The right-of-use of the land for the MRO Hangar in Iasi has been revalued at the market exchange rate communicated by the National Bank of Romania on the last banking day of each reporting period.

(unless specified otherwise, all amounts are stated in thousands of RON)

NOTE 33 – SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

On 06 May 2026, AEROSTAR informed the company shareholders, via a **press release**, of the payment details regarding the dividends due to shareholders, distributed from the profit of the financial year 2025, namely:

a) the gross dividend per share is 0,35 RON, an amount from which dividend tax shall be withheld at source, at the rates provided by the legislation in force on the payment date; the costs related to the payment shall be borne from the net dividend value;

b) the "ex-date" was set for 14 May 2026 in accordance with A.G.O.A. (the Ordinary General Meeting of Shareholders) held on 22.04.2026;

c) the shareholders entitled to receive the dividends distributed from the net profit achieved in the financial year 2025 are those registered in the consolidated shareholders' register on 15 May 2026 – the Record Date (approved by A.G.O.A. on 22.04.2026);

d) the dividends distributed from the profit achieved in the financial year 2025 **were paid to the shareholders starting from 05 June 2026**.

EVENTS AFTER THE REPORTING PERIOD

The Company financial statements as at 30 June 2026, comprising the statement of financial position, the statement of profit or loss, other comprehensive income, the statement of changes in equity, the statement of cash flows and the explanatory notes to the financial statements, shall be approved by the Board of Directors on 13 August 2026 and signed on its behalf by:

Financial Calendar 2026 – upcoming event:

Presentation of the financial results as at 30 September 2026	06.11.2026

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

DECLARATION

The undersigned ALEXANDRU FILIP, acting as General Director of AEROSTAR S.A. and DORU DAMASCHIN, as Financial Director of AEROSTAR S.A., assume responsibility for the preparation of the individual financial statements as of 30.06.2026 and confirm that:

a) **The financial and accounting statement for the first semester of 2026, which was prepared according to the applicable accounting regulations, provides a fair and consistent view of the assets, liabilities, financial position, profit and loss account of Aerostar S.A. Bacău;**

b) **The Report of the Board of Directors on the first semester of 2026, prepared according to the provisions of the Regulation no. 5/ 2018 issued by the Financial Supervisory Authority – ANNEX no. 14, presents correctly and completely the information regarding Aerostar S.A. Bacău.**

General Director,	**Financial Director,**
Alexandru Filip	**Doru Damaschin**

Bacău, Str. Vadul Bistriței 29/C/4 Mobil: 0744 / 381.993 E-mail: dascalumaric@gmail.com
Nr. Înregistrare Registrul Comerțului J04/1836/2008 CUI: RO 24600940 Capital social: 200 lei
Intesa Sanpaolo România sucursala Bacău RO64 WBAN 0204 1V03 7508 R001
TREZORERIA BACĂU RO84 TREZ 0615 069X XX00 5679

REVIEW REPORT
To the shareholders of AEROSTAR SA

Introduction

1. I reviewed the attached interim financial statements of **AEROSTAR S.A. Bacău** ("the Company"), with headquarters in Bacău, no. 9, Condorilor Street which include the interim statement of the financial position as of 30.06.2026, the individual statement of the profit and loss account and comprehensive income, the individual statement of changes in equity and the individual statement of cash flows for the six-month period ended at this date, as well as a summary of significant accounting policies and other explanatory notes.

Management's responsibility for the preparation of interim statutory financial statements

2. The Company's management is responsible for the preparation and faithful presentation of these interim financial statements in accordance with the provisions of the Order of the Minister of Public Finance no. 2844/2016 for the approval of the accounting regulations in accordance with the International Financial Reporting Standards, with subsequent amendments ("OMFP 2844/2016") and IAS 34 - "Interim financial reporting", and for a certain level of internal control that the management considers relevant for preparation and presentation of interim financial statements that do not contain significant distortions due to either fraud or error.

Auditor's responsibility

3. Our responsibility is to express a conclusion on the interim financial statements based on the review activity.

Scope of the review

4. We performed the review in accordance with International Standard for Review Engagements 2410 - "Review of interim financial information performed by the entity's independent auditor" (ISRE 2410). This standard requires that we plan and we perform the review so as to obtain reasonable assurance about whether the financial statements are free from material misstatement, analytical procedures applied to financial data, and therefore

provide less assurance than an audit. The scope of a review is significantly less than that of an audit conducted in accordance with Auditing Standards, and therefore we cannot obtain the assurance that we will notify all significant aspects that could be identified in an audit. Therefore, we do not express an audit opinion.

Conclusions

5. Based on the review carried out, nothing has come to our attention that would make us believe that the attached interim individual financial statements of AEROSTAR S.A. on 30.06.2026, are not drawn up, in all significant aspects, in accordance with OMFP no. 2844/2016 for the approval of the accounting regulations in accordance with the International Financial Reporting Standards, with subsequent amendments.

Other aspects

6. This review report of the independent auditor has been issued and is addressed exclusively for the information and use of the Company's shareholders. To the fullest extent permitted by law, we do not accept or assume responsibility to any other person to whom this report may come.

Our review engagement was conducted with the objective of reporting those items that are intended to be addressed in a Financial Review Report and not for other purposes. We do not assume responsibility for it for any other purposes.

Bacău, August 10,2026

In the name of AUDITEVAL CONSULTING SRL
Registered with the Public Supervisory Authority of the Statutory Audit Activity (ASPAAS) in the electronic Public Register of financial auditors and audit firms with number FA865

Autoritatea pentru Supravegherea Publică a Activităţii de Audit Statutar (ASPAAS)
Firma de Audit: Societatea
AUDITEVAL CONSULTING S.R.L.
Registrul Public Electronic: FA865

Through
Audit partner: financial auditor Maricel Dascălu
Registered with the Public Supervisory Authority of the Statutory Audit Activity (ASPAAS) in the electronic Public Register of financial auditors and audit firms with number AF2229

Autoritatea pentru Supravegherea Publică a Activităţii de Audit Statutar (ASPAAS)
Auditor financiar:
MARICEL DASCALU
Registrul Public Electronic: AF2229