



Board of Directors Report

1 January - 30 September 2025

9, Condorilor Street
Bacău 600302, România
Web www.aerostar.ro
e-mail: aerostar@aerostar.ro

Telephone/ Fax number:
+40 234 575070/ +40 234 572023

AEROSTAR S.A. Board of Directors' Report
Reporting Period: 1 January – 30 September 2025

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Company Financial Statements as at 30 September 2025

1. General Information and Current Context

AEROSTAR is a company with over 70 years of experience in the aviation and defence industry.

The company is the successor of the URA enterprise, established in 1953. It subsequently operated under the names IRAv (Aircraft Repair Enterprise) – 1970 and IAv (Aircraft Enterprise) – 1978.

In 1991, it was registered as a joint-stock company with the Bacău Trade Register under the name Aerostar S.A.

Over the years, the company has established a global footprint, focusing on fulfilling its mission, meeting customer requirements and expectations, and pursuing continuous improvement at all levels.

○ Reporting Period and Compliance

The reporting period is: 1 January – 30 September 2025.

This report has been prepared in accordance with the provisions of Law 24/2017 on issuers of financial instruments and market operations and ASF Regulation No. 5/2018 of the Financial Supervisory Authority, regarding issuers of financial instruments and market operations, respectively Annex 13, applicable reporting requirements, and the guidance described in the European Commission Communication.

The company financial statements prepared as at 30 September 2025 are not accompanied by the statutory auditor's report; they have been audited internally by the company's internal auditor;

Applicable Accounting Standards: The company financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) adopted by the European Union, Order 2844/2016 for the approval of accounting regulations compliant with the International Financial Reporting Standards, Accounting Law No. 82/1991, republished with subsequent amendments, and are presented in accordance with the requirements of IAS 1 (Note 3);

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

○ Unique Identification Codes and Share Capital

European Unique Identifier (EUID) of the company: ROONRC.J1991001137040

Legal Entity Identifier (LEI): 315700G9KRN3B7XDBB73;

Subscribed and Paid-Up Share Capital: RON 48.728.784;

Unique Registration Code: 950531, ISIN code ROAEROACNOR5.

○ Field of Activity

The company's main field of activity is production. The main object of activity is "Manufacture of civil aircraft and spacecraft" – CAEN code 3031;

○ Registered Office and Operating Facilities

The company's registered office is located at 9 Condorilor Street, 600302 Bacău, Romania, where its main facilities and production capacities are situated.

A secondary facility without legal personality operates in Iași, at 25B Aeroportului Street, dedicated to civil aircraft maintenance activities.

Another secondary operating facility, also without legal personality, is located in Fetești.

- **Total Number of Employees**

At the end of the reporting period, the total number of employees was 1.879.

The purpose of this report is to inform investors regarding the changes in the company's position and performance that occurred during the reporting period January–September 2025, as well as to provide insight into foreseeable developments in the aerospace and defence industry and into the company's development opportunities.

During the period January–September 2025, the aerospace industry continued to be affected by economic volatility, geopolitical pressures, and operational constraints, despite a growing global demand for air transport and military equipment. The pace of recovery remains uneven, and companies within the sector are required to adapt swiftly to new market realities.

In this context, Aerostar S.A. has maintained its strategic focus on strengthening its position in the global market and on pursuing sustainable growth.

- **Evolution of the Market and Trends in the Aerospace Sector**

Market Evolution - Persistent Gaps

The major aircraft manufacturers – Airbus and Boeing – have reported that delivery rates remained below projected levels, despite rising global demand. According to official data, Airbus continued to produce in line with its plans; however, deliveries were backloaded – concentrated toward the end of the scheduled period – due to ongoing engine supply issues for the A320 program.

Boeing also reported difficulties in its supply chain and production capacity, particularly for the 787 and 777 models.

These delays have put additional pressure on airline operators, who rely on modernized fleets for operational efficiency and compliance with environmental regulations. Moreover, maintenance and aviation component suppliers have been affected by rescheduled delivery timelines and the lack of predictability in supply flows.

Supply Chain Disruptions

Supply chains in the aerospace industry remain under strain, with difficulties in the delivery of critical components – especially engines, electronic systems, composite materials, and industrial materials (aluminium, titanium, and bronze) – whose prices have fluctuated significantly due to global demand and high energy costs. Instability in international transport has also contributed to delays in deliveries to integrators and subcontractors.

In this context, aerospace companies have been compelled to revise contractual schedules, adopt preventive stock management strategies, and invest in diversifying supply sources to reduce dependence on vulnerable global supply chains.

Additionally, a shortage of skilled personnel in maintenance and production continues to constrain the companies' capacity to respond effectively.

Green Transition – Challenges and Constraints

The adoption of sustainable technologies in aviation remains a strategic priority, yet implementation continues to be hindered by the high costs of sustainable aviation fuels (SAF) and insufficient infrastructure.

European regulations set ambitious emission reduction targets, compelling companies in the industry to accelerate investments in environmentally friendly solutions and operational efficiency.

International Demand Volatility

International demand has been affected by regional conflicts, geopolitical instability, and shifts in consumer behaviour, particularly in the Black Sea region and the Middle East. The closure of certain airspaces and the reconfiguration of commercial routes have led to additional costs and planning uncertainties.

Emerging markets play an increasingly important role; nevertheless, demand volatility requires flexible planning and investments in additional production capacities.

Human Resources – Challenges in Recruitment and Retention

Demand for certified technicians and specialised engineers has increased, while the slow pace of vocational and professional training continues to create difficulties in meeting workforce needs.

Companies are compelled to adopt proactive retention policies and establish educational partnerships to ensure business continuity.

Conversion of Civil Aviation Companies to the Military Segment

Amid the apparent increase in defence budgets and NATO interoperability requirements, an increasing number of aerospace companies are diversifying their activities into the military segment.

This strategic reorientation has intensified competition within the defence sector, leading to greater competitive pressure in tenders and strategic partnerships, as well as to the need for strengthened production capabilities and military certifications in order to remain relevant within the supply chains of major integrators.

Geopolitical and Economic Context

During the reporting period, international instability persisted, with regional conflicts and reconfigured trade routes generating planning uncertainties.

Despite inflationary pressures, Aerostar S.A. demonstrated adaptability, maintaining positive turnover growth and consolidating its position in foreign markets.

Climate Change

Climate change did not have any direct impact on the company's assets during the reporting period. Aerostar continues to monitor environmental risks and opportunities associated with its operations.

Internal Environment and Workforce

The shortage of skilled personnel remains a major challenge in the aerospace industry. High competency and experience requirements, combined with workforce migration to better-paying markets, increase pressure on recruitment and retention.

AEROSTAR continues to invest in professional training for organizational development and talent acquisition. Collaborative initiatives with educational institutions and programs for integrating young professionals contribute to strengthening human capital and maintaining competitiveness.

AEROSTAR OPERATES IN THE GLOBAL AEROSPACE AND DEFENSE PRODUCTS AND SERVICES MARKET AS AN INDEPENDENT COMPANY.

TODAY, WE ARE A NATIONAL MARKET LEADER AND AN INTEGRATED SUPPLIER IN THE GLOBAL SUPPLY CHAINS OF MAJOR COMPANIES IN THE AEROSPACE INDUSTRY.

○ Significant Events in the Period 1 January – 30 September 2025

The following major events occurred during the period 1 January – 30 September 2025:

MARCH 2025

AEROSTAR completed the annual negotiations between the company's Top Management and the Employees' Committee. As part of the Collective Labour Agreement for 2025-2026 the main employee benefit packages adopted were as follows:

- ☐ Salary increases of 9,9% in 2025;
- ☐ Granting of annual holiday vouchers;
- ☐ End-of-financial-year, end-of-production-year, and performance bonuses;
- ☐ Partial reimbursement of intercity transportation expenses for commuting employees;
- ☐ Annual leave of 20 to 28 working days, depending on seniority;

The provisions of the Collective Labour Agreement were applied starting with the salary entitlements for April 2025.

APRIL 2025

AEROSTAR S.A. celebrated its 72nd anniversary of uninterrupted activity on 17 April !

On the same day, the company hosted the first edition of Investor Day, an event attended by investors and analysts, members of the press, members of the Board of Directors, the executive management, and a significant part of the operational management.

On 24 April, the **General Meeting of Shareholders** was held to approve the annual financial results for 2024.

During the Ordinary General Meeting, AEROSTAR's shareholders approved the following:

- ☐ The Directors' Report and the financial statements for the year 2024;
- ☐ The auditor's report on the audit of the financial statements;
- ☐ The discharge of liability for the members of the Board of Directors and the executive management;
- ☐ The allocation of the net profit for the financial year 2024 (profit), amounting to 95.724.563,92 lei to the following destinations:

allocation to the legal reserve and to reinvested profit	18.730.570,38 lei;
allocation to other reserves	40.447.405,54 lei
allocation as dividends	36.546.588,00 lei

- ☐ Gross dividend per share: 0,24 lei;
- ☐ Dividend payment date for the 2024 financial year: **5 June 2025.**

MAY 2025

Aerostar celebrated a quarter of a century of collaboration with Safran Landing Systems, a partnership built on shared commitment, product quality and safety, and on-time delivery.

Over the 25 years of partnership, Aerostar has delivered hundreds of thousands of machined parts and hydraulic systems made from aluminium, steel, bronze, and titanium alloys; fully equipped landing gear assemblies and retraction mechanisms for the Daher TBM 960; part kits for the Airbus A320 family, Super Puma, and Falcon 7X; as well as kits for Boeing 787, Airbus 330/340, and Airbus 350, including retraction, locking, and steering actuators.

Aerostar has obtained the required certifications following rigorous audit processes conducted jointly with Safran Landing Systems and certification bodies. These certifications reflect Aerostar's sustained effort to meet the highest standards of the aerospace industry.

SEPTEMBRIE 2025

Aerostar marked five years of activity at its hangar in Iași, consolidating its position as a strategic maintenance centre for regional civil aviation.

In September 2025, the company celebrated the fifth anniversary of the inauguration of the civil aircraft maintenance hangar, located near Iași International Airport. This anniversary marks a moment of reflection and reaffirmation of the company's commitment to technological excellence, regional development, and professional training in the aeronautical field.

The company has over 20 years of experience in civil aviation maintenance, built through strong partnerships with international airline operators and by implementing the highest technical and safety standards.

This expertise has been essential to the development and efficient operation of the Iași hangar.

AEROSTAR has obtained certification according to the SR EN ISO/IEC 27001:2023 standard, which thereby certifies the implementation of its Information Security Management System (SMSI).

○ Events After the Reporting Date

No events have occurred after the reporting date.

2. Financial Performance and Position

○ Performance for the Reporting Period Compared to the Same Period in 2024

During January–September 2025, Aerostar S.A. recorded a positive evolution in key financial indicators, despite challenges in the economic and industrial environment. Turnover increased compared to the same period in 2024, supported by the consolidation of manufacturing activities.

KEY FIGURES	UM	30.09.2025	30.09.2024
Share Capital	K lei	48.729	48.729
Turnover	K lei	438.986	419.510
○ Export sales	K lei	381.298	340.334
○ Export share of turnover	%	87%	81%
Number of Employees	no.	1.879	1.876
Gross Profit (before tax)	K lei	82.437	67.166
Net Profit	K lei	70.820	58.814
Investment Financed from Own Funds	K lei	9.743	22.168

ECONOMIC AND FINANCIAL INDICATORS	30.09.2025	30.09.2024
Net Profit Margin	16,13%	14,02%
EBITDA	19,20%	19,31%
Cash and Cash Equivalents	300.835 K lei	259.289 K lei
Net Cash Position	147.466 K lei	81.394 K lei
Debt-to-Equity Ratio	0	0
Current Ratio	9,90	8,11
Receivables Turnover - Customers	9,90	8,11
Fixed Assets Turnover Period (days)	54 days	47 days

Financial Statement – Summary – 9 months 2025

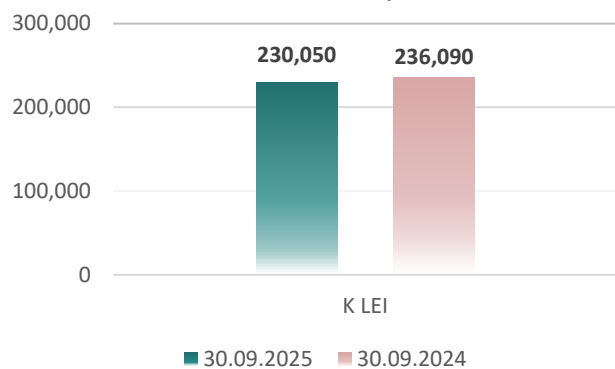
AEROSTAR prepares its company financial statements in accordance with International Financial Reporting Standards (IFRS).

○ Financial Performance

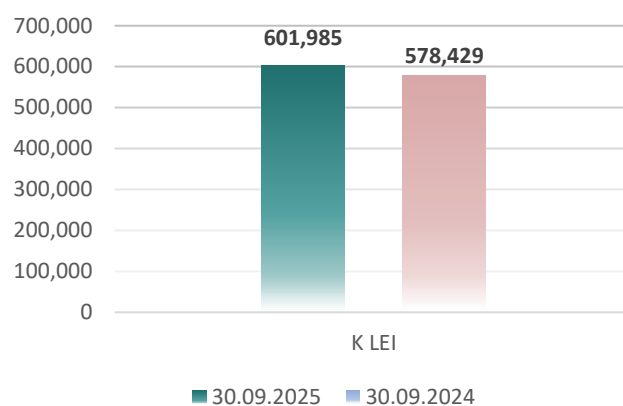


○ Financial Position

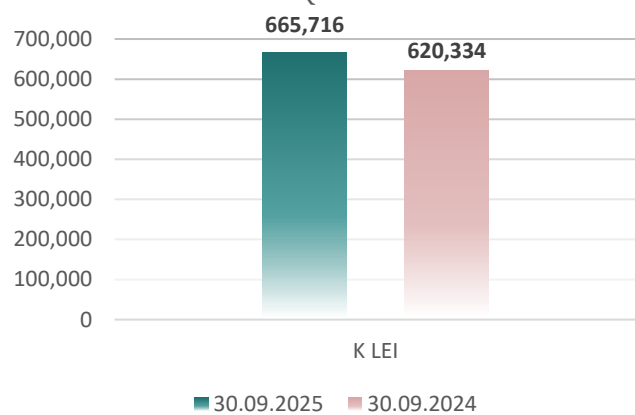
NON - CURRENT ASSETS (NET BOOK VALUE)



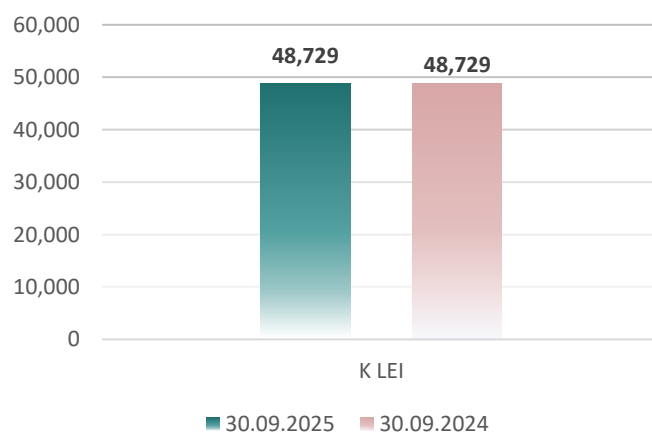
CURRENT ASSETS



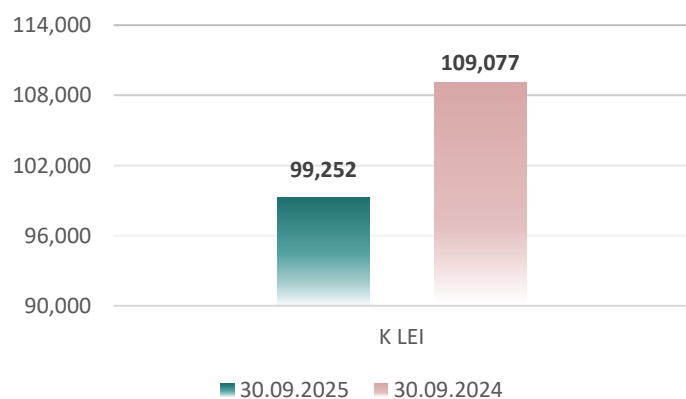
EQUITY



SHARE CAPITAL



TOTAL LIABILITIES



During the analysed period, the company's sales reached 438 thousand lei (88 million euro), up 4,6% compared to the same period last year. The positive growth was driven by a 13,85% increase in sales of manufactured products.

Sales of commercial aircraft maintenance services remained roughly at the same level as last year, while sales of defence systems services declined by 5,4%, contrary to statements issued by European policymakers.

○ **Financial Performance and Position**

Although the company's sales increased by 4,6%, operating revenues remained approximately at the same level as in 2024.

A stronger growth in operating revenues is expected in the fourth quarter of this year.

Operating expenses decreased by approximately 4%, resulting in an operating profit of 73,913 thousand lei, up 33,6% compared to the same period last year.

It is noteworthy that, although material expenses and employee benefits increased by 1% and 5% respectively, these increases were fully offset by a corresponding decrease in external service expenses. The increase in operating profit is almost entirely attributable to net gains from provisions and adjustments on current assets.

Financial activities generated a profit of 8,5 million lei, down by approximately 30% compared to last year, primarily due to the impact of the dollar depreciation and lower interest rates.

The net result for the period (profit) was 70,8 million lei, an increase of 20% compared to 2024.

Comparative analysis indicates a positive trend in key financial indicators compared to the same period last year.

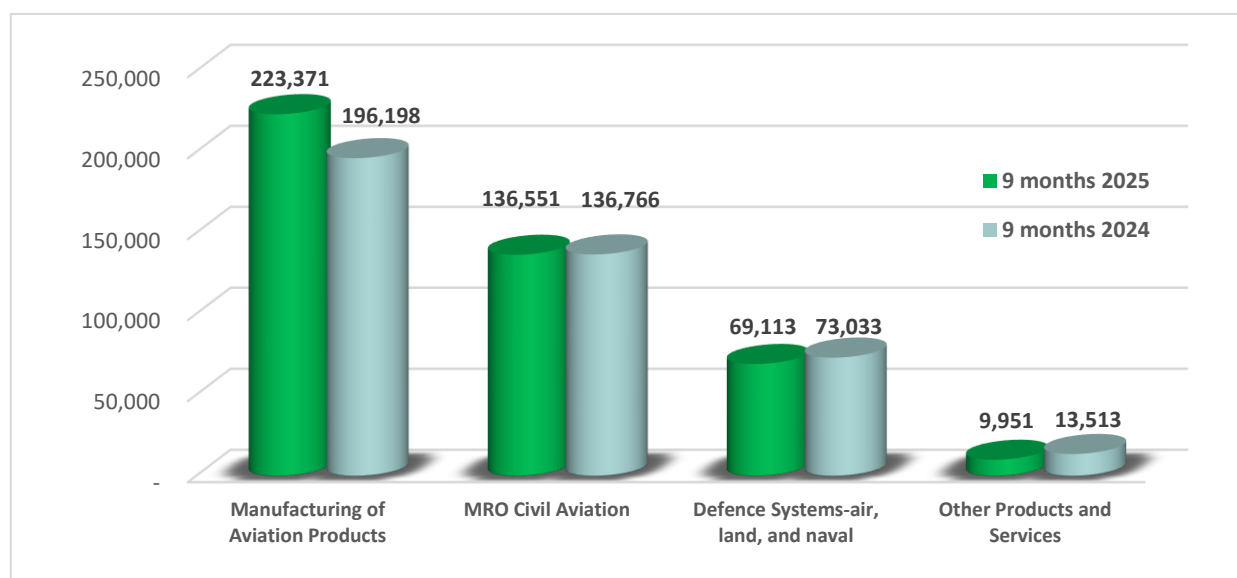
The increase in turnover, financial profitability, and in the returns on resources EBITDA, EBIT, and net profit, as well as the improvement in liquidity and solvency, reflect a consolidated financial performance.

Total asset and liability turnover ratios remained relatively stable, suggesting stable capital management.

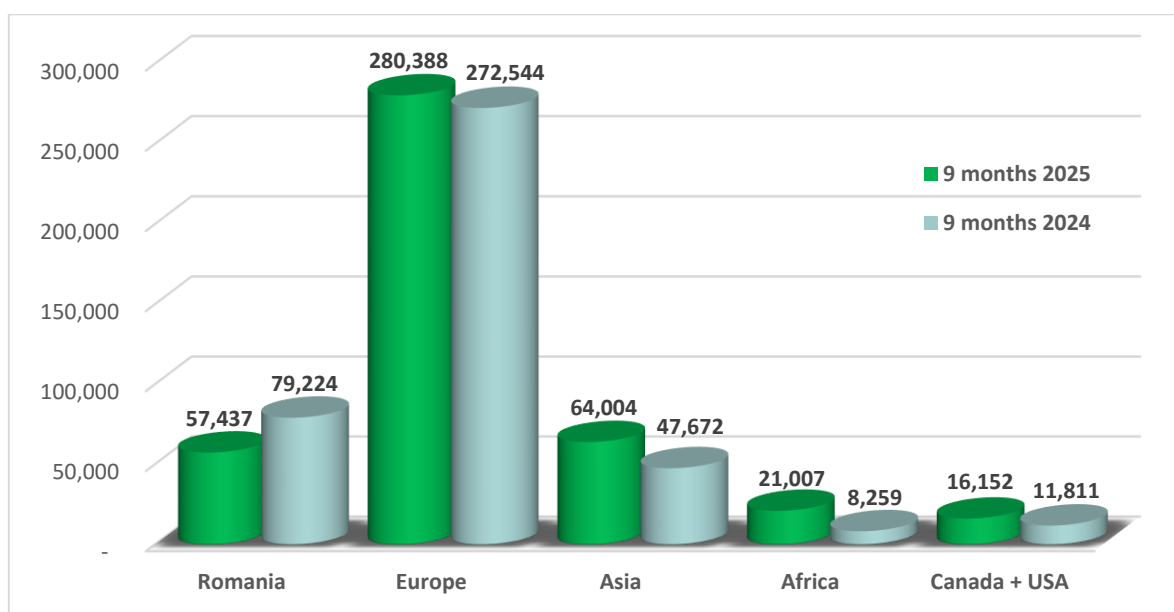
Thus, the company's financial position has strengthened compared to the previous year, remaining solid with growing equity, meeting the expectations of over 6500 shareholders. At the end of the reporting period, the Price-to-Earnings ratio stood at 15,11.

Total revenues for the period amounted to 469,4 million lei, while total expenses were 386,9 million lei, resulting in a net profit margin of 15%, compared to 12, 6% in the previous year.

○ Comparative Sales Evolution by Business Lines (K lei)



○ Comparative Sales Evolution by Markets (K lei)



For the analysed period, sales evolved differently across the three business lines, as follows:

○ Aeronautical Products Manufacturing Business Line

In the analysed period, sales increased by approximately 14%, supported by growing demand for aeronautical products, the adoption of new production programs, and maintaining an efficient operational flow by adhering to delivery deadlines and quality requirements.

○ Civil Aircraft Maintenance Business Line

Activity in this business line remained stable, supported by a dynamic operational pace in the maintenance centres, as well as the strengthening commercial relationships with existing partners and attracting new customers.

- Defence Systems Business Line

Activity in this business line recorded a decrease of 5,4%, influenced by the completion of projects that were ongoing in the previous period. At the same time, ongoing programs, such as maintenance for F-16 aircraft or Black Hawk helicopters, are at an early stage, with a low frequency of work, which contributed to the reduction of operational volume.

3. Aerostar's Presence in the Domestic Market, Foreign Markets, and Sustainable Development

In the first nine months of 2025, Aerostar S.A. consolidated its position in foreign markets, with export sales accounting for 87% of total turnover, an increase compared to the same period last year, supported by an expanded customer portfolio and a high level of competitiveness ensured through compliance with technical and quality standards.

- AEROSTAR Activity on Global Market and Export Sales Share

AEROSTAR's customers are located in Europe, Asia, Africa, the USA, and Canada. Our company operates on the global market for aerospace and defence products and services as an independent company.

In Canada and the USA, we supply aviation products, while in Asia and Africa we provide civil aviation maintenance services. In Europe, we provide civil aviation maintenance services, aviation products (landing gear systems, mechanical parts, assemblies, and subassemblies), electronic equipment, and ground support equipment.

In Romania, we provide repair services for military aircraft and state helicopters, repair of parts and electronic components for military aircraft, modernization, integration, and maintenance of military aviation systems, repair services for systems and launchers, and civil aviation products.

Out of the total turnover of 438.986 thousand lei achieved in the first nine months of 2025, products and services sold in the domestic market accounted for 57.688 thousand lei, while export sales accounted for 381.298 thousand lei.

Export Sales Share	
Global Region	Share %
Europe	63,87
Asia	14,58
Africa	4,79
USA and Canada	3,68

- Product and Services Portfolio

MANUFACTURING OF AERONAUTICAL PRODUCTS

The equipment, assemblies, and parts produced by AEROSTAR are integrated into a large number of commercial aircraft, including: Airbus A320, A321, A330, A350; Boeing B737, B787, B767; Gulfstream G650; Dassault F7X; Bombardier Challenger 600 series and Global 5000/6000 series. Through continuous adaptation to new market demands regarding production structures, as well as evolving quality and

environmental protection requirements, AEROSTAR maintains its leading position in Romania for the manufacturing of aeronautical products and strengthens its role in the supply chains of major global aerospace companies. Meeting high standards of quality and efficiency requires the adoption of advanced technological solutions.

CIVIL AVIATION MAINTENANCE

AEROSTAR has a significant business footprint in the Civil Aviation MRO sector, acting as an independent provider of maintenance services at industrial level for commercial aircraft including the Airbus A320 family ceo & neo and Boeing B737 300–900 series. AEROSTAR is EASA Part-145 certified, with an extensive range of authorizations granted by civil aviation authorities.

DEFENCE SYSTEMS

In the defence systems business line, AEROSTAR is a top-tier supplier to the Romanian Ministry of National Defence.

AEROSTAR has constantly developed the capabilities required to strengthen its position as a supplier, increasing its expertise in the maintenance and modernization of military aircraft, in ground-to-ground launch systems and in radar communication systems, which form part of command-and-control systems.

AEROSTAR is an F-16 AIRCRAFT MAINTENANCE CENTRE for the Romanian Armed Forces, nominated by the Romanian Government and authorized by the National Military Aviation Authority

AEROSTAR also serves as a MAINTENANCE CENTRE FOR BLACK HAWK S-70 HELICOPTERS, a centre authorized both by the manufacturer – Sikorsky (part of the Lockheed Martin group) – and by the National Military Aviation Authority.

○ Investments for Sustainable Development

AEROSTAR's investment policy continues to reflect the company's firm commitment to sustainable development through a strategic approach that combines economic performance with environmental responsibility. Investments are based on rigorous criteria of necessity, opportunity, profitability, and sustainability, and are approved solely on the basis of detailed analyses.

The total value of investments made during the reporting period amounted to 9.743 thousand lei, being directed mainly towards strengthening technological capabilities and improving the efficiency of operational processes. These investments contribute to maintaining competitiveness within the aerospace industry.

Investment expenditures are structured as follows:

Category	%
Development expenditures	~82
Replacement expenditures	~18
TOTAL	100
Equipment	~62
Constructions	~20
Measuring and control instruments and installations	~8

By applying a prudent, value-driven investment policy, the company maintains its commitment to performance.

WE BELIEVE THAT BY ACTING RESPONSIBLY, WE CONTRIBUTE TO LONG-TERM ECONOMIC SUCCESS. WITH A FOCUS ON SUSTAINABLE DEVELOPMENT, WE ARE COMMITTED TO BUILDING A SAFER FUTURE.

○ **Business Model**

We strive to align with both global requirements and trends by channelling our efforts towards achieving the primary goal of increasing sustainability - through the integration of profitability with responsibility, enhancing value in the short, medium, and long term, and thereby improving the company's overall performance. Relevant data and performance indicators are disclosed in both annual and periodic reports, in line with best practices, the company's internal procedures and policies, and in compliance with applicable legislation.

Strategic priorities:

- enhancing performance through continuous improvement of activities, processes, products, and services;
- maintaining continuous compliance with environmental protection standards, quality requirements, and national and international regulations;
- supporting employees' professional development in the spirit of integrity, innovation, and initiative, while maintaining a thriving social dialogue;
- ensuring a qualified workforce in line with the company's needs;
- increasing efficiency while reducing costs;
- maintaining our status as a top employer;
- meeting customer requirements and ensuring full safety for our employees;
- creating value for the community and strengthening collaborative relationships.

The company's management policy focuses on maintaining a strong capital base to support continuous development in the context of the global market and competitive advantage through quality, capabilities, and high-level technologies, thereby supporting sustainable and organized growth and achieving strategic objectives.

The company's business model has not been modified due to the international context; however, the way activities are carried out has been adapted to the specific nature of operational flows.

Key Areas of Corporate Responsibility



WE PROTECT THE ENVIRONMENT

Reducing greenhouse gas emissions and emissions of volatile organic compounds;

Minimizing environmental impact by increasing waste recovery and educating all employees in the spirit of minimizing waste generation in order to improve environmental performance;

Partially supplying the energy required for company processes from green sources through our own photovoltaic parks;

We respect the environment, nature and natural 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 enabling the evolution of tomorrow's professions;

Improving quality of life in the workplace, ensuring employee health and safety of our employees, and maintaining a thriving social dialogue; Promoting a culture of occupational health and safety.

Continuing training and professional development programs.

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



INVOLVEMENT IN THE COMMUNITY AND ITS DEVELOPMENT

Maintaining a constant dialogue with local communities in line with our goal to have a positive impact on the community.

Developing partnerships to attract young people for internships and study opportunities;

Continuing scholarship programs 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.

Keeping a strong focus on customers and end-users.

We uphold the highest standard of professional ethics!

○ Quality, Environment, and Certifications

We manage, evaluate, and monitor activities with environmental impact responsibly and effectively! Through the Environmental Management System, we have clearly defined responsibilities and the necessary actions to track and comply with the authorized conditions according to the REACH regulation.

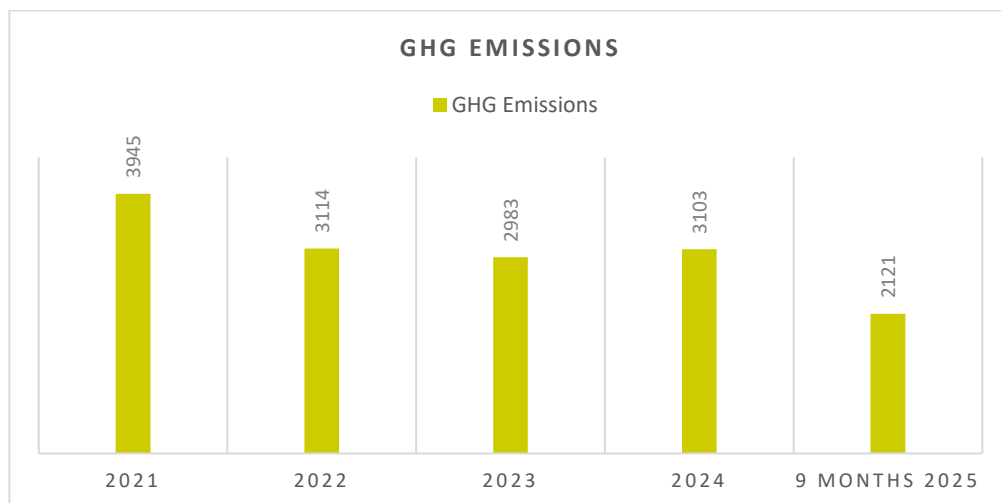
In the first nine months of 2025, monitoring of emissions into water, air, and noise was conducted. Reports requested by APM Bacău were submitted through the Integrated Environmental System, along with the Annual Environmental Report for activities in Bacău and for those at the MRO Centre in Iași. During this period, three inspections were carried out by the Environmental Guard, resulting in two general measures with permanent applicability.

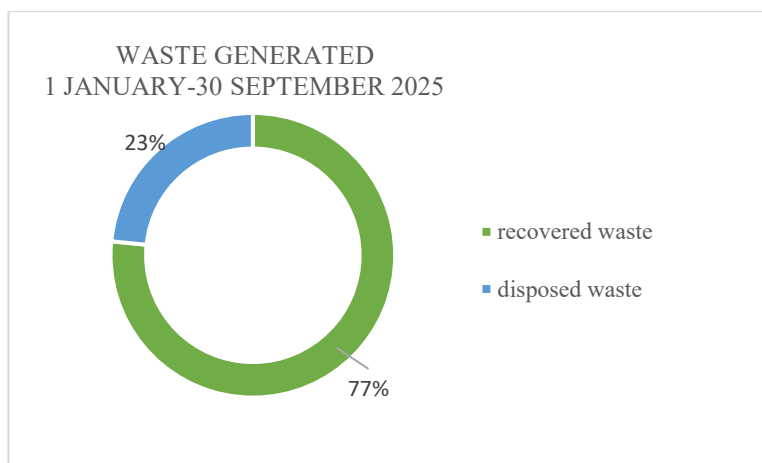
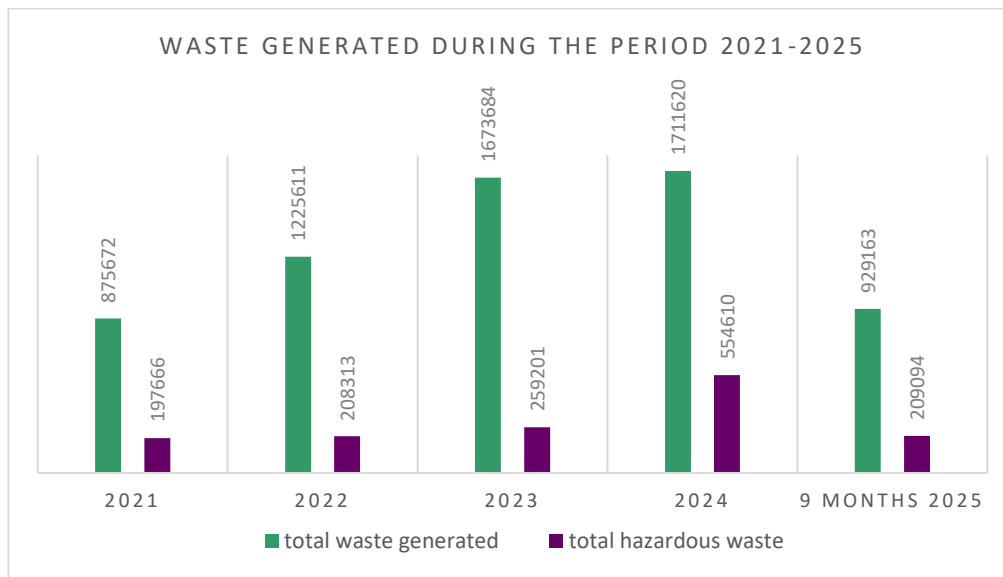
In June 2025, a surveillance audit of the environmental management system in accordance with ISO 14001:2015 was performed by the DQS team. The audit concluded with no non-conformities. Recommendations for improvement were reviewed, and the actions planned for their implementation were approved and communicated.

Employee training to raise awareness of compliance with environmental requirements remains a continuous priority within the company.

All waste generated from the company's activities is stored selectively in appropriate containers and subsequently handed over to authorized operators for collection, recovery, or disposal.

During the reporting period, the amount of waste generated was 32,15% lower than in the same period of 2024, and hazardous waste was 51,45% lower. Additionally, recoverable waste accounted for approximately 77% of the total waste generated.





We are certified in accordance with the requirements of ISO 9001, the ISO 14001 environmental management standard, and the ISO 45001 standard for occupational health and safety.

We are also authorized as a Part 145 Maintenance Organization, a Part 21G Production Organization, and a Part 21J Design Organization. Our partnerships in the defence sector have prompted us to implement a quality management system aligned with NATO quality assurance standards AQAP 2110 and AQAP 2210.

During the reporting period, AEROSTAR maintained all its certifications and authorizations, demonstrating ongoing compliance with applicable international standards in the aerospace sector. These certifications reflect the company's commitment to quality, safety, environmental protection, and information security.

Additionally, during the reporting period, AEROSTAR obtained certification according to the SR EN ISO/IEC 27001:2023 standard, attesting to the implementation of the Information Security Management System (SMSI).

○ Risk Management

AEROSTAR operates in a complex, regulated, and competitive environment specific to the aerospace and defence industry. Risk management is integrated into both decision-making and operational processes, in accordance with international standards.

Compliance also represents a strong commitment by the company to adhere to applicable legislation, international regulations, and the highest standards of business ethics and integrity. AEROSTAR continuously monitors changes in legislation and regulatory frameworks, ensuring the adaptation of internal processes and the proper training of personnel.

AEROSTAR aims to ensure the sustainable continuity of its operations over the medium and long term and to reduce the uncertainty associated with its strategic and financial objectives.

The risk management processes carried out ensure the identification, analysis, evaluation, and management of risks in order to minimize their effects to an agreed level.

The company is exposed to a wide range of risks and uncertainties that may affect its financial performance. There may be additional risks and uncertainties beyond those presented below, which are currently unknown or considered insignificant, but which could impact AEROSTAR's business lines in the future.

Operational Risk

Operational risk refers to the risk of incurring losses or failing to achieve estimated sales and profits, arising from:

- the use of inadequate processes, systems, or human resources, or their failure to properly perform their functions;
- external events and actions, such as the deterioration of global economic conditions, natural disasters, or other occurrences that may affect AEROSTAR's assets.

Amid ongoing global political unrest, the potential for new categories of risk is increasing. AEROSTAR is proactively observing critical conflict regions to assess any developments that could impact its operations or assets.

Legal Risk is also considered a component of Operational Risk, defined as the risk of loss resulting both from fines, penalties, and sanctions that AEROSTAR may incur due to non-compliance or improper application of legal or contractual provisions, as well as from improperly defined contractual rights and obligations of AEROSTAR and/or its business partners.

Monitoring and eliminating the effects of legal risk is carried out through a continuous system of information regarding legislative changes, as well as through the organization of a system for analysing, reviewing, and approving the terms and conditions included in commercial contracts.

AEROSTAR allocates and will continue to allocate funds for investments and other operational expenses aimed at preventing and managing operational risk.

In addition, AEROSTAR seeks to maintain internal funding to cover its exposure to risks by establishing provisions for such risks and related expenses.

Furthermore, in order to mitigate operational risk, AEROSTAR annually renews, with top-tier insurance and reinsurance companies, a civil liability insurance policy covering its main lines of business (aerospace product manufacturing and commercial aircraft maintenance).

Credit Risk refers to the risk that AEROSTAR may incur a financial loss due to a business partner's failure to meet contractual obligations, and is mainly determined by sight and term deposits held with banks and trade receivables.

Deposits are placed only with top-tier banking institutions (top 5 by asset size), which are considered to have high solvency.

Credit risk, including the country risk associated with the client's operating location, is managed on a per-partner basis. When considered necessary, specific instruments are requested to mitigate credit risk (such as advance payments, bank payment guarantees, or confirmed export letters of credit).

AEROSTAR does not have significant exposure to any single business partner and does not record a significant concentration of revenue in any single geographic region.

However, there is some exposure to the global Airbus program market, as a large proportion of the company's products are integrated into Airbus aircraft.

A detailed presentation of the quantitative information regarding AEROSTAR's exposure to credit risk can be found in Note 18 (Financial Instruments) of the Financial Statements.

Liquidity Risk refers to the risk that AEROSTAR may encounter difficulties in meeting its debt obligations as they become due.

To manage liquidity risk, cash flows are monitored and analysed on a weekly, monthly, quarterly, and annual basis to assess the estimated level of net liquidity changes. This analysis forms the basis for financing decisions and capital commitments.

To mitigate liquidity risk, AEROSTAR maintains an annual liquidity reserve in the form of a Credit Line structured as an overdraft facility granted by banks, amounting to USD 2.500 thousand.

During the reporting period, AEROSTAR did not utilize this Credit Line, as all operations were financed from internal resources.

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 includes price risk, currency risk, and interest rate risk.

AEROSTAR is primarily exposed to price risk, driven by fluctuations in the prices of raw materials and supplies used in the production processes, caused by exceptional events, the imposition of international sanctions that limit the ability to secure parts and materials, or increased costs related to specific import/export tariffs for metal products to and from the United States.

This risk is managed through:

- diversification of the supplier portfolio, which provides greater negotiation leverage in the event of price increases from certain suppliers.
- signing long-term contracts that include fixed-price clauses.

AEROSTAR is exposed to foreign exchange risk, as 87% of its revenue is denominated in USD and EUR, while a significant portion of its operating expenses is in LEI. Consequently, the company is exposed to

the risk that exchange rate fluctuations may impact both its net income and financial position as reported in LEI.

AEROSTAR has opted not to engage in foreign exchange hedging instruments (such as options or forward contracts), due to their relatively high upfront costs and the potential opportunity loss in the event of a RON depreciation against major currencies (USD, EUR).

A detailed analysis of AEROSTAR's sensitivity to foreign exchange rate fluctuations is provided in Note 18 (Financial Instruments) of the Financial Statements.

As for interest rate risk, since AEROSTAR did not use the contracted Credit Line during the reporting period, its revenues and cash flows were not impacted by fluctuations in market interest rates.

4. Corporate Governance and Human Resources

○ Executive and Operational Management Structure

The executive management is ensured by the Chief Executive Officer and the Financial Director.

The executive-operational management structure is complemented by the other directors of divisions and directorates.

The Executive and Operational Management consists of the following members:	
Name	Position
Filip Alexandru	Chief Executive Officer (CEO)
Damaschin Doru	Financial-Accounting Director
Rogoz Vasile Laurențiu	Quality Director
Vîrnă Daniel	Director of the 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	MRO Civil Aviation Division Director
Branche Cătălin Bogdan	Utilities and Infrastructure Division Director

○ Board of Directors – Members

The Board of Directors of AEROSTAR S.A. was elected for a four-year term during the General Meeting of Shareholders held on 4 July 2024. The election was conducted by secret ballot, with the new mandate running for four years, from 11.07.2024 to 10. 07.2028.

The Board of Directors consists of the following members:	
Name	Position
Filip Grigore	President
Damaschin Doru	Vice President
Filip Alexandru	Member
Toncea Radu Tudor	Member
Doroș Liviu- Claudiu	Member

○ Human Resources – Aerostar Employees

Within AEROSTAR S.A., the rights and responsibilities of employees, as established in the Collective Labour Agreement (CCM) and in the Organization and Functioning Regulations, are formulated in compliance with human rights and labour rights, in accordance with the principles set out in the International Bill of Human Rights and in the International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work. These principles are transposed into labour relations legislation and are governed by the principles of consensuality and good faith, which form the foundation of interactions within employment relations.

Human resources represent an essential factor in the performance, efficiency, evolution, and development of the company. We support the professional development of our employees by including them in training and professional development programs.

In the first nine months of 2025, AEROSTAR had a total of 1.879 employees. The voluntary employee turnover rate was **6,75%**, which is lower compared to the same period in 2024 (**8,87%**).

	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
9 months 2025	1879	29%	71%	25%	22%	43%	35%
9 months 2024	1876	29%	71%	26%	22%	43%	35%

At AEROSTAR, there have been no incidents of workplace discrimination based on gender, race or ethnic origin, nationality, religion or beliefs, disability, age, sexual orientation, or any other relevant forms of discrimination or harassment.

AEROSTAR fully respects and guarantees equal and non-discriminatory treatment in its relationships with employees, partners, collaborators, suppliers, and customers. Within the company's employment relations, the principle of equal treatment applies to all employees. Any direct or indirect discrimination aimed at denying, restricting, or removing the recognition, use, or exercise of rights provided by labour legislation and the Collective Labour Agreement is strictly prohibited. This includes discrimination based on gender, sexual orientation, age, race, ethnicity, religion, political preference, social background, disability, family situation or responsibilities, or trade union membership or activity.

The company continuously maintains transparent relations with its social dialogue partner (the representative trade union). The Collective Labour Agreement signed with this partner ensures compliance with human resources policies as well.

	Average unionization rate	Employee turnover rate	Fatal work accidents
9 months 2025	58,36%	6,75%	0
9 months 2024	58,44%	8,87%	0

○ Recruitment, Retention, and Professional Training Policies

Accessing a diverse pool of candidates is part of AEROSTAR's human resources policy, contributing to faster recruitment processes and improved selection quality. Through this approach, the company aims to build balanced teams that embody the principles of diversity and inclusion, essential for a high-performance workplace.

Participation in various workshops represents an effective way to connect with relevant candidates.

Traineeships at AEROSTAR represent a real first step towards a career in aviation. The objectives of the traineeship programs include familiarizing trainees with the production environment, applying theoretical knowledge, and identifying potential future employees. This year, Aerostar's summer traineeship program brought together 74 students from aerospace engineering and other technical specializations.

AEROSTAR has established a PROFESSIONAL SKILLS ASSESSMENT CENTER for competencies acquired through non-formal means. The company is authorized by the Ministry of Labour and the Ministry of Education to organize qualification courses in four professions specific to the aviation industry.

AEROSTAR is committed to supporting employees, fostering their professional development, attracting and retaining talent within the organization through initiatives embedded in the development strategy and performance evaluation.

We continue to invest in employee training, offering opportunities for growth and career advancement.

Consequently, every employee benefits from training programs designed to contribute to their professional development.

	Unit of measure	30.09.2025	30.09.2024
Number of participations in training programs	no.	3.686	2.454
Number of employees included in training programs	no.	1.172	1.159
Average number of training hours / employee	hours	30	21,7

Up to 30 September 2025 professional training courses were organized for AEROSTAR employees, prioritizing the coverage of training needs in areas relevant to production activities.

○ EMPLOYEE BENEFITS

Starting from 1 April 2025, a new benefits package was implemented for Aerostar employees, which includes, among other things, a 9,9% increase in the salary package.

This increase reflects the company's commitment to maintaining competitiveness in the labour market, rewarding performance, and supporting employee well-being in a dynamic economic context, as well as the company's focus on motivating and retaining personnel within the organization.

5. Shareholding Structure, Stock Market Performance, and Assets of Aerostar

○ AEROSTAR Shareholders

The significant shareholders of AEROSTAR S.A. are IAROM S.A. Bucharest and EVERGENT Investments S.A. Bacău. The summarized shareholder structure is as follows:

Shareholders	Number of Shares	Percentage
IAROM S.A.	108,900,118	71,5143%
Evergent Investments S.A	23,053,957	15,1394%
Other shareholders	20,323,375	13,3463%
Total	152,277,450	100%

Shareholders can obtain information about AEROSTAR S.A. and the main events on the website of the company www.aerostar.ro.

○ Relationship with Shareholders and the Capital Market

In its relationship with shareholders, Aerostar has focused on protecting and ensuring shareholders' rights, namely:

- the right to participate in General Meetings either directly or by representation – through the provision of special proxies, postal voting ballots, and other relevant information;
- the right to fair treatment, regardless of the number of shares held;
- the right to receive dividends in proportion to each shareholder's holdings.

In its relationship with the capital market, Aerostar has complied with all reporting obligations arising from legal provisions by publishing the mandatory continuous and periodic reports through the electronic 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, continuous and periodic information has been disseminated simultaneously in both Romanian and English.

Shareholders can obtain information about Aerostar and the main events on the website www.aerostar.ro.

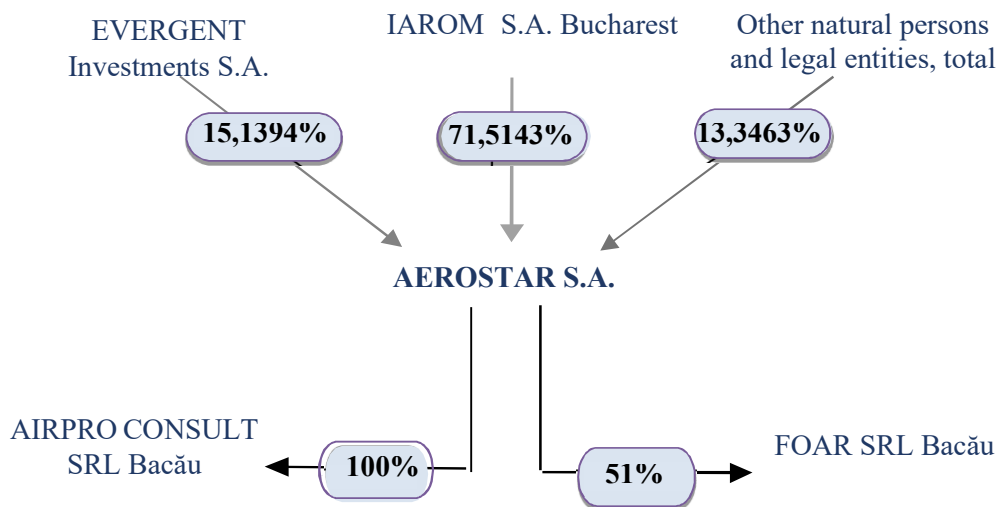
Additionally, annual and semi-annual reports for the past ten years, quarterly reports for the past five years, current reports, as well as other useful information for shareholders, are made available for download.

There have been no changes regarding shareholders' rights. No major transactions were concluded by the company with persons acting in concert or involving such persons during the relevant period.

- **Aspects Concerning the Company's Equity and Management**

There have been no changes affecting the capital or management of Aerostar S.A. The company has not experienced any inability to meet its financial obligations during the analysed period.

Aerostar's relationship with the parent company, other shareholders, and companies in which it holds equity interests.



Aerostar is a subsidiary of IAROM S.A. and, therefore, the parent company consolidating the group's financial statements is IAROM S.A., with the unique identification code 1555301 and registered office in Bucharest, 39 Aerogării Boulevard. 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 applicable accounting regulations for the financial year ending 31.12.2025.

Aerostar holds a participation worth 2.500 lei in the Cluster for Education for Sustainable Development (C-EDD), supporting strategic collaboration initiatives in the field of education. Founding members of this Cluster, alongside Aerostar, include: the "Vasile Alecsandri" University, the Bacău County Council, the Bacău Local Council, the Bacău County School Inspectorate, the Bacău County Association of Small and Medium-Sized Enterprises, Barleta Srl, and Barrier Srl.

- **Evolution of Aerostar (ARS) Shares**

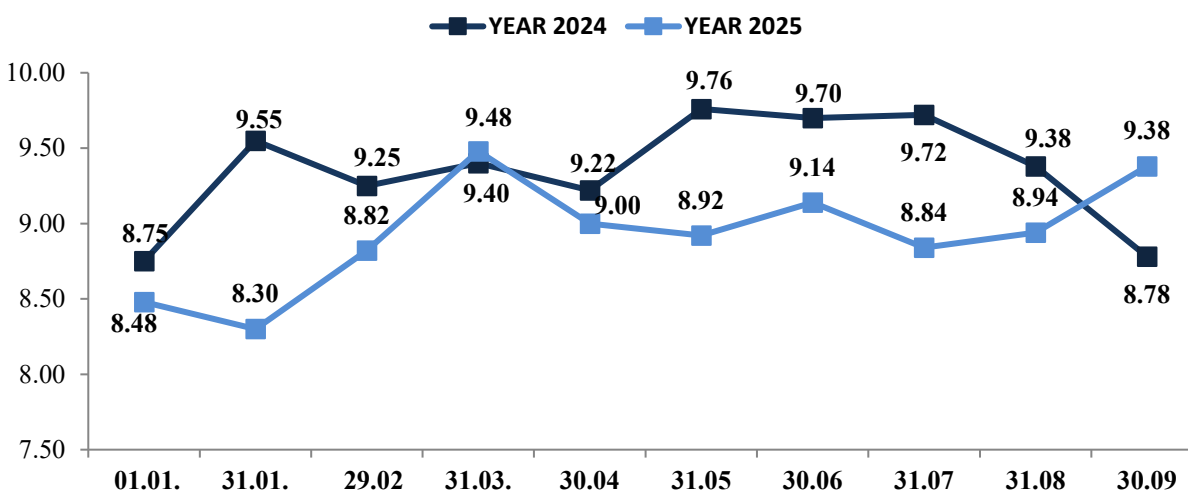
The shares of Aerostar S.A. Bacău have been traded since 1998 on the regulated market managed by the Bucharest Stock Exchange.

The main characteristics of the issued securities are: 152.277.450 nominative, ordinary shares, with equal value, fully paid, issued in dematerialized 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, stock symbol ARS, with all issued shares classified under the Standard category.

Aerostar Shares in Figures:	30.09.2025	30.09.2024	30.09.2023
Number of shares	152.277.450	152.277.450	152.277.450
Nominal value per share (lei)	0,32	0,32	0,32
End-of-Period Price (lei)*	9.38	8.78	8.60
Market capitalization (lei)*	1.428.362.481	1.336.996.011	1.309.586.070
Maximum Price (lei)*	9.90	10.30	9.50
Minimum Price (lei)*	8.18	8.25	7.00
Earnings per share (lei)	0.465	0.386	0.401

Source: Monthly Bulletin issued by the Bucharest Stock Exchange

Over the past three years, it can be observed that the market price has been above the book value per share, reflecting investors' expectations regarding future performance, growth prospects, profitability, risks, as well as market demand and supply.



Monthly evolution of the reference price of ARS shares in 2025 compared to the same period in 2024 (lei/share)

During the year 2025:

- Aerostar S.A. did not issue any bonds or other similar securities;
- no subscriptions for new shares, participation certificates, convertible bonds, options, or similar rights were registered;
- there was no share buyback program in place.

○ Related Parties

As at 30.09.2025, AEROSTAR S.A.'s shareholdings in other companies are as follows:

Name of branch / subsidiary	Main activity	No. of shares held by Aerostar	Voting rights	Value of Aerostar's share-holding (thousand lei)	Financial information for the last financial year (2024) for which the financial statements of the related companies were approved		
					Sales (thousand lei)	Equity (thousand lei)	Net profit (thousand lei)
Airpro Consult S.R.L. Bacău	CAEN code 7820	100	100%	10	18.800	1.036	721
Foar S.R.L. Bacău	CAEN code 7739	408	51%	4	306	556	124
TOTAL				14	19.106	1.592	845

Aerostar's shareholdings in these companies are recorded at cost.

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

Transactions with related parties are presented in the Financial Statements under Note 26.

○ Tangible Assets

The production facilities and capacities of Aerostar S.A. are located at the company's headquarters in Bacău, Romania, which is also the registered office, at 9 Condorilor Street, postal code 600302, as well as at the secondary facility without legal personality in Iași, at 25B Aeroportului Street, and the secondary facility without legal personality in Fetești, at 2 Carpați Street, apartment 7. The company owns land totalling 49,17 hectares, with access to the European route E85.

Aerostar has direct access to the runway of "George Enescu" Airport in Bacău. The registered office and the Iași operating facility include all types of facilities necessary for the smooth running of production activities, in line with the company's field of activity.

The production spaces include hangars, industrial halls, technological test benches, and areas for administrative and social activities. Additionally, the company owns office spaces dedicated to technical and economic activities.

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

Aerostar S.A.'s tangible assets comply with the provisions established in the company's health, safety, and environmental management system, and fully adhere to applicable occupational safety legislation and regulations, as well as property protection and security standards.

As at 30 September 2025, Aerostar S.A. Bacău owns tangible assets for conducting its activities with a gross value of 409.391 thousand lei, represented by land, buildings, special constructions, installations, technological equipment, and means of transport:

Category of Tangible Assets	Gross Value (K lei)	Depreciation Rate (%)	Estimated Useful Life (years)
Land	31.171	N/A	N/A
Constructions	102.647	54,46%	30-50 years
Investment Property	12.964	53,09%	25-50 years
Technical Installations, of which:	258.663	73,97%	
• technological equipment	248.299	73,96%	4-25 years
• means of transport	10.364	74,19%	4-18 years
Other Tangible Assets	3.946	67,64%	2-18 years
TOTAL	409.391	62,73%	N/A

No risks related to ownership of tangible assets were identified during the first nine months of 2025.

AEROSTAR S.A. BACĂU
COMPANY FINANCIAL STATEMENTS
AS AT 30 SEPTEMBER 2025

UNAUDITED

The financial statements as at 30.09.2025 were audited by the internal auditor of Aerostar.

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AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF PROFIT OR LOSS
FOR 30 SEPTEMBER 2025
(unless specified otherwise, all amounts are stated in thousands of lei)

	Note	30 September 2025	30 September 2024
Operating revenues			
Revenue from sales	19	438.986	419.510
Other revenues	19	923	1.364
Revenues related to inventories of finished goods and work in progress	19	9.179	25.754
Revenues from production of fixed assets	19	1.053	948
Government subsidies related to operating activities	19	369	158
Total revenue from operations		450.510	447.734
Operating expenses			
Material expenses	20	(180.909)	(178.501)
Employee benefits expenses	20	(153.667)	(146.264)
Depreciation and amortisation expense	5;6;20	(22.076)	(19.974)
Net gains/(losses) from adjustments regarding current assets	20	(6.339)	(12.902)
Net gains/(losses) from adjustments regarding provisions	20	18.041	7.188
Expenses for external services	20	(28.081)	(37.954)
Other expenses	20	(3.566)	(4.006)
Total operating expenses		(376.597)	(392.413)
Profit/loss from operating activity		73.913	55.321
Financial income	21	18.858	17.206
Financial expenses	22	(10.334)	(5.361)
Financial profit/loss		8.524	11.845
Profit before tax		82.437	67.166
Current and deferred income tax	17;23	(11.617)	(8.352)
Net profit for the period		70.820	58.814

**Chief Executive Officer,
Alexandru Filip**

**Financial Director,
Doru Damaschin**

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME
FOR 30 SEPTEMBER 2025
(unless specified otherwise, all amounts are stated in thousands of lei)

	30 September 2025	30 September 2024
Net profit for the period	70.820	58.814
Deferred income tax recognized in equity	(3.250)	(2.976)
Revaluation at fair value of equity instruments through other comprehensive income	(138)	186
Gain reclassified to retained earnings on disposal of equity instruments through other comprehensive income	14.498	9.020
Other comprehensive income	11.110	6.230
Total comprehensive income for the period	81.930	65.044

**Chief Executive Officer,
Alexandru Filip**

**Financial Director,
Doru Damaschin**

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF FINANCIAL POSITION
FOR 30 SEPTEMBER 2025
(unless specified otherwise, all amounts are stated in thousands of lei)

	Note	30 September 2025	31 December 2024
ASSETS			
Non-current assets			
Property, plant and equipment	6	148.147	159.745
Intangible assets	5	1.600	1.788
Investment property	6	6.082	6.598
Right-of-use assets under leases	32	1.726	1.723
Financial assets	7	54.340	46.133
Deferred income tax receivables	17	18.155	20.103
Total non-current assets		230.050	236.090
Current assets			
Inventories	10	200.765	206.205
Trade and other receivables	8;9;18	98.852	110.772
Current income tax receivables	23	-	-
Prepaid expenses – short-term	31	1.533	1.049
Cash and cash equivalents	11	300.835	260.403
Total current assets		601.985	578.429
Total assets		832.035	814.519
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	12	48.729	48.729
Current result	12	70.820	95.725
Retained earnings	12	55.643	54.374
Reserves	12	529.164	467.681
Deferred income tax recognized in equity	17	(30.889)	(27.444)
Profit allocation to legal reserves	12	(7.751)	(18.731)
Total equity	12	665.716	620.334
Long-term liabilities			
Deferred income tax liabilities	17	32.005	28.834
Long-term investment grants	14	521	724
Other long-term liabilities	16	1.475	1.467
Total long-term liabilities		34.001	31.025
Long-term provisions	13	43.941	43.866
Current liabilities			
Trade liabilities	15;18	39.307	59.246
Current income tax liability	23	3.130	7
Deferred income	31	4.040	3.448
Short-term investment subsidies	14	413	828
Other current liabilities	16	18.361	14.523
Total current liabilities		65.251	78.052
Short-term provisions	13	23.126	41.242
Total provisions		67.067	85.108
Total liabilities		99.252	109.077
Total equity, liabilities and provisions		832.035	814.519

Chief Executive Officer,

Alexandru Filip

Financial Director,

Doru Damaschin

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF CASH FLOWS
(DIRECT METHOD)
FOR 30 SEPTEMBER 2025

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

	Note	30.09.2025	30.09.2024
CASH FLOWS FROM OPERATING ACTIVITIES			
receipts from customers		457.128	452.769
recoveries of taxes from the State Budget		2.936	11.718
receipts of subsidies from the State Budget		393	196
payments to suppliers		(230.559)	(263.364)
payments to employees		(92.850)	(87.472)
payment of taxes and duties to the State Budget		(64.670)	(58.278)
payments of income tax to the State Budget		(6.997)	(7.480)
NET CASH FROM OPERATING ACTIVITIES	27	65.381	48.089
CASH FLOWS FROM INVESTING ACTIVITIES			
interest income from bank deposits		13.210	8.798
proceeds from sale of financial fixed assets	27	6.443	7.024
dividends received from other entities		2.989	3.498
dividends received from affiliated entities		585	516
payments for acquisition of financial fixed assets	7, 27	(105)	-
payments for acquisition of property, plant and equipment and intangible assets		(9.697)	(23.023)
NET CASH FROM INVESTING ACTIVITIES	27	13.425	(3.187)
CASH FLOWS FROM FINANCING ACTIVITIES			
gross dividends paid		(35.100)	(30.736)
NET CASH FROM FINANCING ACTIVITIES	27	(35.100)	(30.736)
Net increase in cash and cash equivalents		43.706	14.166
Cash and cash equivalents at the beginning of the period		260.403	245.792
Effect of foreign exchange rate variation on cash and cash equivalents	27	(3.274)	(669)
Cash and cash equivalents at the end of the period	11	300.835	259.289

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

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

	Share capital	Reserves	Reserves from revaluation of financial assets through other comprehensive income	Deferred income tax recognized on equity	Retained earnings	Result 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						70.820	70.820
Other comprehensive income							
Recognition of deferred income tax in equity				(3.444)	194		(3.250)
Allocation of profit for the financial year 2024 as approved by the shareholders at the OGMS on 24 April 2025 (Note 12)					76.994	(76.994)	-
Allocation of profit for the first 9 months of 2025 to reserves from tax incentives, in gross amounts		7.751				(7.751)	-
Gain transferred to retained earnings related to the sale of equity instruments recognized through other comprehensive income			(1.213)		1.075		(138)
Revaluation at fair value of equity instruments through other comprehensive income			14.498				14.498
Total comprehensive income of the period	-	7.751	13.285	(3.444)	78.263	(13.925)	81.930
Reserves allocated from the 2024 profit		40.447			(40.447)		-
Dividends distributed related to the year 2024					(36.547)		(36.547)
Transactions with shareholders recognised directly in equity	-	40.447	-	-	(76.994)	-	(36.547)
B. Balance as at 30 September 2025	48.729	507.769	21.395	(30.889)	55.643	63.069**	665.716
C. Changes in equity (Note 12)	-	48.198	13.285	(3.444)	1.269	(13.925)	45.383

* The result of 95.725 thousand lei as at 31.12.2024 is impacted by the allocation of profit to other reserves from tax incentives in the amount of 18.731 thousand lei;

** The result of 70.820 thousand lei as at 30.09.2025 is impacted by the allocation of profit to other reserves from tax incentives in the amount of 7.751 thousand lei;

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

AEROSTAR S.A. BACĂU
COMPANY STATEMENT OF CHANGES IN EQUITY
FOR 30 SEPTEMBER 2024
(unless specified otherwise, all amounts are stated in thousands of lei)

	Share capital	Reserves	Reserves from revaluation of financial assets through other comprehensive income	Deferred income tax recognized on equity	Retained earnings	Result for the period	Total equity
Comprehensive income							
A. Balance as at 1 January 2024	48.729	407.359	2.669	(23.481)	51.577	65.104*	551.957
Profit for the period						58.814	58.814
Other comprehensive income							
Recognition of deferred income tax in equity				(3.123)	147		(2.976)
Allocation of profit for the financial year 2023 as approved by the shareholders at the OGMS on 18 April 2024 (Note 12)					65.104	(65.104)	-
Allocation of profit for the first nine months of 2024 to reserves from tax incentives, in gross amounts		10.691				(10.691)	-
Gain transferred to retained earnings related to the sale of equity instruments recognized through other comprehensive income			(630)		816		186
Revaluation at fair value of equity instruments through other comprehensive income			9.020				9.020
Total comprehensive income of the period	-	10.691	8.390	(3.123)	66.067	(16.981)	65.044
Reserves allocated from the 2023 profit		33.125			(33.125)		-
Dividends distributed related to the year 2023					(31.979)		(31.979)
Transactions with shareholders recognised directly in equity	-	33.125	-	-	(65.104)	-	(31.979)
B. Balance as at 30 September 2024	48.729	451.175	11.059	(26.604)	52.540	48.123**	585.022
C. Changes in equity (Note 12)	-	43.816	8.390	(3.123)	963	(16.981)	33.065

* * The result of 93.028 thousand lei as at 31.12.2023 is impacted by the allocation of profit to other reserves from tax incentives in the amount of 27.924 thousand lei;

** The result of 58.814 thousand lei as at 30.09.2024 is impacted by the allocation of profit to other reserves from tax incentives in the amount of 10.691 thousand lei;

Chief Executive Officer,
Alexandru Filip

Financial Director,
Doru Damaschin

AEROSTAR S.A. BACĂU
NOTES TO THE COMPANY FINANCIAL STATEMENTS
FOR 30 SEPTEMBER 2025
(unless specified otherwise, all amounts are stated in thousands of lei)

NOTE 1 - COMPANY DESCRIPTION

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

AEROSTAR S.A. conducts its activity at its registered office in Bacău, 9 Condorilor Street, postal code 600302. In accordance with Resolution no. 2/14.12.2017 of the Board of Directors, the opening of a secondary facility without legal personality (operating facility) located at 25B Aeroportului Street, Iași, was approved. Furthermore, in accordance with Resolution no. 1/02.06.2023 of the Board of Directors, the opening of another secondary facility without legal personality (operating facility) at 2 Carpați Street, ap. 7, Fetești, was approved.

The main field of activity of AEROSTAR S.A. is production.

The company's main object of activity is "Manufacture of civil aircraft and spacecraft" – CAEN code 3031.

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

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

During 2025, no subscriptions of new shares, participation certificates, convertible bonds, warrants, options, or similar rights were recorded.

For accounting regulation purposes, AEROSTAR S.A. is a subsidiary of IAROM S.A., and therefore the parent company consolidating the group's financial statements is IAROM S.A., with unique identification code 1555301. 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 31.12.2025.

The company has a single operating segment in accordance with IFRS 8. The activities carried out by AEROSTAR S.A. are not organized into separate operating components with distinct financial information, but operate as an integrated system in which resources are allocated based on a medium- and long-term integrated vision, and the nature of the products and services offered exhibits similar economic characteristics. The company operates across three main business lines, structured to meet specific market requirements while aiming to maximize sales. Information regarding sales by business line and by market is presented in detail in the Directors' Report.

The company's management policy focuses on maintaining a solid capital base in order to support the company's ongoing development and achieve its strategic objectives.

The company will continue to act decisively to ensure the sustainability of investments and the preservation of its production capabilities. Furthermore, leveraging the experience accumulated within its workforce, the company strives to identify the most appropriate solutions to new economic challenges.

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NOTE 2 - ESTIMATES, ASSUMPTIONS AND ACCOUNTING JUDGMENTS

2.1. Estimates

The preparation and presentation of the company financial statements in accordance with IFRS requires the use of estimates, judgments, and assumptions that affect the application of accounting policies as well as the reported amounts of assets, liabilities, income, and expenses.

Estimates and judgments are made based on historical experience, as well as factors deemed appropriate and reasonable. Accounting estimates and judgments are continuously updated and take into account reasonable expectations regarding probable future events. The reported carrying amounts of assets and liabilities that cannot be determined or obtained from other sources are based on these estimates, which are considered appropriate by the company's management.

Estimates, as well as the judgments and assumptions underlying them, are reviewed periodically, and the results of these reviews are recognized in the period in which the estimate is revised.

Any changes in accounting estimates are recognized prospectively by including them in the results of:

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

The company uses estimates to determine:

- uncertain customers and impairment allowances for trade receivables;
- the value of the provisions for risks and expenses to be recognized at the end of the period (month, quarter, year) for litigation, decommissioning of property, plant and equipment, warranties granted to customers, employee obligations, and other obligations;
- the impairment adjustments for 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 exist, the recoverable amount of the asset is estimated to determine the amount 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 appropriateness;
- inventories of raw materials and supplies that require creation of impairment adjustments;
- deferred taxes.

Presentation of Information

To the extent possible, the company discloses the nature and amount of a change in an accounting estimate that has an impact on the current period and/or future periods.

2.2. Errors

Errors may occur in relation to the recognition, evaluation, presentation, or disclosure of items in the financial statements.

The company retroactively corrects material prior period errors in the first set of financial statements approved for issue after their identification, by:

- restating the comparative amounts for the prior period 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 the earliest prior period presented.

When an error is identified, the company discloses the following information:

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

- the nature of the prior period error;
- for each prior period presented, to the extent possible, the amount of the correction:
 - for each affected item-line in the financial statements;
 - for basic and diluted earnings per share.
- the value of the correction at the beginning of the earliest prior period presented;
- if retrospective restatement is not possible for a particular prior period, the circumstances that led to the existence of that condition and a description of how and from when the error has been corrected.

2.3. Change in Accounting Policies

A change in accounting policies is permitted only if it is required by IFRS or if it results in financial information that is more relevant or more reliable in relation to 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 resulting from the initial application of an IFRS in accordance with the specific transitional provisions, if any, of that IFRS; and
- When the initial application of an IFRS 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 discloses in the explanatory notes the following:

- the title of the IFRS;
- the nature of the change in accounting policy;
- when applicable, the fact that the change has been made in accordance with transitional provisions and a description of those provisions;
- for the current period and each prior period presented, the amount of the adjustment for each affected item in the statement of financial position, to the extent possible.

When it is impossible 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 any prior period, the company discloses in the explanatory notes the following:

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

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NOTE 3 - ACCOUNTING AND EVALUATION PRINCIPLES

3.1. Basis for the preparation and presentation of financial statements

The company financial statements of AEROSTAR S.A. have been prepared in accordance with the following provisions:

- The International Financial Reporting Standards (IFRS) as adopted by the European Union;
- The Accounting Law no. 82/1991, republished, as subsequently amended and supplemented;
- O.M.F.P. no. 881/2012 on the application by companies whose securities are admitted to trading on a regulated market of the International Financial Reporting Standards;
- O.M.F.P. no. 2.844/2016 approving the Accounting Regulations compliant with International Financial Reporting Standards, as subsequently amended and supplemented;
- O.M.F.P. no. 2.861/2009 approving the Rules on the organization and performance of the inventory of assets, liabilities and equity items;
- O.M.F.P. no. 1.826/2003 approving the Explanatory Notes regarding certain measures on the organization and conduct of management accounting;
- O.M.F.P. no. 2.634/2015 on financial and accounting documents, as subsequently amended and supplemented;
- Law no. 24/2017, republished, on issuers of financial instruments and market operations.

The accounting records are maintained in the Romanian language and in the national currency.

The accounting records of transactions carried out in foreign currencies are maintained both in the national currency and in the respective foreign currency.

The financial year is the calendar year.

The financial statements are prepared and presented in thousands of Romanian lei, and all amounts are rounded to the nearest thousand lei. Due to rounding, figures presented may not always precisely sum to the totals provided, and percentages may not accurately reflect absolute figures.

The financial statements are prepared based on historical cost.

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

3.2. Applied Accounting Policies

AEROSTAR S.A. discloses the accounting policies applied in the notes to the company financial statements and avoids repeating the text of the standards, except where such repetition is considered relevant for understanding the content of the note. Compared to the disclosures at the end of the 2024 financial year, there are no changes in the accounting principles, methods, policies, or procedures applied.

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NOTE 4 - FOREIGN CURRENCY TRANSACTIONS

AEROSTAR considers the Romanian leu as its functional currency, and the financial statements are presented in thousands of lei.

Transactions in foreign currencies are recorded at the exchange rate of the functional currency on the transaction date.

At the Statement of Financial Position date, financial assets and liabilities denominated in foreign currencies are evaluated in the functional currency using the market exchange rate published by the National Bank of Romania, valid at the end of the reporting period:

Currency	30.09.2025	Average rate 9 months 2025	31.12.2024
1 EUR	5,0811 lei	5,0259 lei	4,9741 lei
1 USD	4,3247 lei	4,5029 lei	4,7768 lei
1 GBP	5,8159 lei	5,9101 lei	5,9951 lei

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

Given that 87% 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 foreign 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 exchange exposure, resulting from the difference between the inflows from financial assets and the outflows for financial liabilities denominated in foreign currencies, is presented as follows:

January - September 2025	K EUR	K USD	K GBP
Inflows from Financial Assets	22.129	57.603	-
Outflows of Financial Liabilities	(10.372)	(25.255)	(255)
Net Foreign Exchange Exposure	11.757	32.348	(255)

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

The revaluation of financial assets and liabilities denominated in foreign currencies as of 30.09.2025 resulted in the recognition of a financial loss from negative foreign exchange differences amounting to 5.280 thousand lei.

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NOTE 5 - INTANGIBLE ASSETS: reporting period 30 September 2025

	Values as at 30 September 2025			Values as at 01 January 2025		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Licences	9.292	(7.962)	1.330	8.620	(7.299)	1.321
Other intangible assets (software)	1.404	(1.134)	270	1.340	(873)	467
Total	10.696	(9.096)	1.600	9.960	(8.172)	1.788

Net book value

	Net value as at 1 January 2025	Gross value entries	Depreciation for the period	Net value as at 30 September 2025
Licenses	1.321	777	(767)	1.330
Other intangible assets	467	63	(261)	270
Total	1.788	840	(1.028)	1.600

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NOTA 5 - INTANGIBLE ASSETS: reporting period 30 September 2025 (continued)

COMPARATIVE FIGURES - INTANGIBLE ASSETS: reporting period 30 September 2024

	Values as at 30 September 2024			Values as at 01 January 2024		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Licences	8.465	(7.081)	1.384	7.754	(6.527)	1.227
Other intangible assets (software)	1.322	(791)	531	1.194	(613)	581
Total	9.787	(7.872)	1.915	8.948	(7.140)	1.808

Net book value

	Net value as at 1 January 2024	Gross value entries	Depreciation for the period	Net value as at 30 September 2024
Licences	1.227	730	(573)	1.384
Other intangible assets	581	128	(178)	531
Total	1.808	858	(751)	1.915

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NOTE 5 - INTANGIBLE ASSETS: reporting period 30 September 2025 (continued)

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

- Licences
- Other intangible assets

Software programs are included under other intangible assets.

The useful lives of intangible assets are determined in years, based on the contractual period or on the expected period of use, as applicable. The useful lives of acquired or internally generated software programs is three years.

Amortization expenses are recognized in the statement of profit or loss using the straight-line method.

Intangible assets held in the balance sheet as at 30.09.2025 are not impaired and no adjustments have been made for their impairment.

When determining the gross book value of intangible assets, the company uses the historical cost method.

The value of fully amortized software licenses that are still in use as at 30 September 2025 amounts to 6.044 thousand lei.

All intangible assets held in the balance sheet as at 30 September 2025 are the property of Aerostar S.A.

The entries of intangible assets were made by:

	<u>840 thousand lei</u>
• development of the production management IT system	63 thousand lei
• acquisition of software licenses	777 thousand lei

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

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

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NOTE 6 - PROPERTY, PLANT AND EQUIPMENT: reporting period 30 September 2025

	Values as at 30 September 2025			Values as at 01 January 2025		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Land	31.171	-	31.171	31.171	-	31.171
Constructions	102.647	(55.897)	46.750	101.423	(51.316)	50.107
Technological equipment and vehicles	258.663	(191.343)	67.320	251.321	(175.987)	75.334
Other equipment and office equipment	3.947	(2.670)	1.277	3.886	(2.433)	1.453
Property, plant and equipment under construction	1.629	-	1.629	1.680	-	1.680
Total property, plant and equipment	398.057	(249.910)	148.147	389.481	(229.736)	159.745
Investment property	12.964	(6.882)	6.082	12.954	(6.356)	6.598
Grand Total	411.021	(256.792)	154.229	402.435	(236.092)	166.343

Net book value as at 30.09.2025 and transactions for the period:

	Net value as at 1 January 2025	Inflows (reclassifications)at gross value	Outflows (reclassifications)at gross value	Depreciation for the period	Net value as at 30 September 2025
Land	31.171	-	-	-	31.171
Constructions	50.107	1.224	-	(4.581)	46.750
Technological equipment and vehicles	75.334	7.663	(321)	(15.356)	67.320
Other equipment and office equipment	1.453	67	(7)	(236)	1.277
Property, plant and equipment under construction	1.680	8.902	(8.953)	-	1.629
Total property, plant and equipment	159.745	17.856	(9.281)	(20.173)	148.147
Investment property	6.598	10	-	(526)	6.082
Grand Total	166.343	17.866	17 (9.281)	(20.699)	154.229

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NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (continued): reporting period 30 September 2025

COMPARATIVE FIGURES - PROPERTY, PLANT AND EQUIPMENT

	Values as at 30 September 2024			Values as at 01 January 2024		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Land	31.171	-	31.171	30.894	-	30.894
Constructions	100.623	(49.814)	50.809	98.349	(45.607)	52.742
Technological equipment and vehicles	242.595	(171.331)	71.264	231.120	(157.716)	73.404
Other equipment and office equipment	3.850	(2.354)	1.496	3.835	(2.115)	1.720
Property, plant and equipment under construction	7.373	-	7.373	727	-	727
Total property, plant and equipment	385.612	(223.499)	162.113	364.925	(205.438)	159.487
Investment property	12.954	(6.182)	6.772	12.749	(5.453)	7.296
Grand Total	398.566	(229.681)	168.885	377.674	(210.891)	166.783

Net book value as at 30.09.2024 and transactions for the period:

	Net value as at 1 January 2024	Inflows (reclassifications) at gross value	Outflows (reclassifications) at gross value	Depreciation for the period	Net value as at 30 September 2024
Land	30.894	277	-	-	31.171
Constructions	52.742	2.479	(205)	(4.207)	50.809
Technological equipment and vehicles	73.404	11.892	(417)	(13.615)	71.264
Other equipment and office equipment	1.720	15	-	(239)	1.496
Property, plant and equipment under construction	727	21.309	(14.663)	-	7.373
Total property, plant and equipment	159.487	35.972	(15.285)	(18.061)	162.113
Investment property	7.296	205	-	(729)	6.772
Grand Total	166.783	36.177	(15.285)	(18.790)	168.885

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NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (continued)

Property, plant and equipment are measured at acquisition or production cost, minus accumulated depreciation and impairment losses.

The depreciation method applied to property, plant and equipment is the straight-line method.

Depreciation expenses are recognized in the profit or loss account.

The following useful lives are assumed for property, plant and equipment:

- constructions	30-50 years
- technological equipment	2-25 years
- vehicles	4-18 years
- other property, plant and equipment	2-18 years
- investment property	25-50 years

Useful lives are determined by committees consisting of the company's specialists. Fiscal depreciation periods of the property, plant and equipment are regulated by 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 assets – buildings leased to third parties under lease agreements.

The value of rental income for this category of assets amounted to 2.432 thousand lei.

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

These costs are reflected through the recognition of a provision, which is recognized in profit or loss over the life of the related assets, by inclusion in depreciation expense. This expense is not deductible for tax purposes.

Depreciation of an asset begins when it is available for use and ceases when the asset is reclassified to another category or derecognized.

Depreciation does not cease 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 indefinite useful life and, therefore, is not depreciated.

The value of land in Aerostar S.A.'s assets is presented at acquisition cost, or at the assumed cost recorded at the date of transition to IFRS.

In accordance with IAS 36 "Impairment of Assets", the company has identified indicators of impairment of property, plant and equipment, considering both internal and external sources of information.

Internal sources of information:

The economic performance of assets is good, and all assets in use provide benefits to the company.

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NOTE 6 - PROPERTY, PLANT AND EQUIPMENT (continued)

External Source of Information:

The indicator that provides information on investor interest in companies listed on the capital market is the market capitalization-to-equity ratio (MBR).

<u>indicator MBR-Market to book ratio</u>	<u>30.09.2025</u>
market capitalization/ equity	2,15

A value of the MBR ratio above one is achieved by performing companies on the capital market that attract investor interest.

Property, plant and equipment held in the balance sheet as at 30.09.2025 are not impaired, and no significant indicators of impairment have been identified.

The gross accounting value of fully depreciated property, plant and equipment still in use as at 30 Septembrie 2025 is 105.982 thousand lei.

As at 30.09.2025, no mortgages have been established on the real estate assets owned by Aerostar S.A.

Inflows of Property, Plant and Equipment:	<u>17.866 K lei</u>
• commissioning of technological equipment, hardware, and measurement & control equipment	7.730 k lei
• modernization works on constructions	1.224 k lei
• property, plant and equipment under construction completed during the period	8.902 k lei
• reclassification of a building to investment property	10 k lei
Outflows of Property, Plant and Equipment:	<u>9.281 k lei</u>
• transfer of assets under construction to property, plant and equipment upon commissioning	8.953 k lei
• derecognition of certain property, plant and equipment (constructions and technological equipment) as the company no longer expects future economic benefits from their use.	328 k lei

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NOTE 7 – FINANCIAL ASSETS

	Shares/equity holdings held in affiliated entities	Other non- current financial assets – shares	Other non- current financial assets - contribution to share capital	Other non- current receivables – supplier guarantees	Total
As at 1 January 2025	14	46.075	2	42	46.133
Increases / (Decreases)	-	8.207	-	-	8.207
As at 30 September 2025	14	54.282	2	42	54.340

As at 30.09.2025 the increase in value of other non-current financial assets - shares amounts to 8.207 thousand lei and consists of:

Revaluation at fair value of Evergent Investments S.A. shares.	Value of shares sold during the period January – September 2025	Value of shares purchased during the period January – September 2025	Total net increases in value
14.498	(6.395)	104	8.207

A) Investments in affiliated entities recorded at cost:

Subsidiary name / Registered office	CAEN Code	No. of shares/ equity holdings issued	Voting rights (%)	Value of Aerostar's holding (k lei)	Company's share capital (k lei)	Financial information related to 2024			
						Reserves (k lei)	Net profit (k lei)	Nominal value/ Share (k lei)	Net asset/ Share (k lei)
Airpro Consult SRL Bacău 9, Condorilor Street	- main activity according to CAEN code 7820	100	100%	10	10	305	721	0,10	10,36
Foar SRL Bacău 9, Condorilor Street	- main activity according to CAEN code 7739	408	51%	4	8	424	124	0,01	1,4
TOTAL	x	x	x	14	x	x	x	x	x

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NOTE 7 – FINANCIAL ASSETS (continued)

Aerostar's shareholdings in affiliated companies are recorded at historical cost.

As at 30.09.2025, the company did not record any increases/decreases in the percentage of shareholdings, maintaining the same level of control as in 2024 over the entities in its shareholding portfolio.

Both companies in which Aerostar holds investments are registered in Romania.

B) Investments in equity instruments through other comprehensive income:

Issuer's Name Registered office	CAEN Code	No. of shares	Symbol	Price per share as at 30.09.2025 (lei)	Portfolio value at market price (k lei)	Portfolio value at acquisition cost (k lei)
Evergent Investments S.A.	- main activity according to CAEN code 6499	27.140.923	EVER	2,0000	54.282	32.887
94 C, Pictor Aman Street , Bacău						

As at 30 September 2025, the company held 27.140.923 shares of Evergent Investments S.A., listed on the Bucharest Stock Exchange. Aerostar accounts for its shareholdings at fair value through 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 through other comprehensive income, as these financial assets are held both to collect dividends and for potential gains on sale, and not for trading purposes. Gains or losses on these equity instruments are recognized in other comprehensive income, except for dividend income.

C) Cash contribution to the initial capital of the "Cluster for Education for Sustainable Development C-EDD" association

The association was voluntarily established by its founding members, operating as a Romanian private legal entity without patrimonial purpose. The association is non-governmental, apolitical, non-profit, and independent, not subordinated to any other legal entity.

The purpose of the association is to develop and implement effective public-private dialogue mechanisms in the educational field, to act as a space for dialogue and collaboration among the main stakeholders involved in education, to enhance the quality of educational processes, and to connect continuing education with the economic environment to provide qualified human resources for sustainable development. The value of AEROSTAR's contribution to the endowment of the "Cluster for Education for Sustainable Development C-EDD" association amounts to 2.500 lei.

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NOTE 8 - TRADE RECEIVABLES

	30 September 2025	31 December 2024
TRADE RECEIVABLES OF WHICH:		
Customers:	88.158	96.855
Customers from Romania	15.815	31.782
Customers from outside Romania	72.343	65.073
Uncertain customers	5.469	219
 Adjustments for impairment of receivables - customers	 (2.778)	 (197)
 Suppliers – debtors	 3.991	 5.926
 Adjustments for impairment of advances to suppliers	 (87)	 -
 TOTAL TRADE RECEIVABLES	 94.753	 102.803

In accordance with the provisions of the Accounting Policies Manual, to cover the risk of non-recovery of doubtful trade receivables, the company registers adjustments for the depreciation of the uncertain customers as follows:

- 50% of overdue receivables if the delay is between 30 and 180 days. As at 30 September 2025, the company recorded impairment adjustments of this nature amounting to 2.691 thousand lei;
- 100% of overdue receivables if the delay exceeds 180 days. As at 30 September 2025, the company recorded impairment adjustments of this nature amounting to 87 thousand lei.

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

Outstanding supplier balances as at 30 September 2025, amounting to 3.991 thousand lei, are due for settlement in 2025.

Receivables denominated in foreign currency were evaluated at the market exchange rate provided by the National Bank of Romania for the closing of September 2025.

Foreign exchange gains and losses arising from differences between the market exchange rate at which foreign currency receivables are recorded and the market exchange rate provided by the National Bank of Romania for the closing of September 2025 were recorded in the corresponding income or expense accounts

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NOTE 9 - OTHER RECEIVABLES

	30 September 2025	31 December 2024
Receivables related to personnel and similar accounts	53	63
Receivables related to the social security budget and the state budget, of which:	3.334	2.945
– Recoverable VAT	138	380
– Non-due VAT	83	109
– Amounts recoverable from the Health Insurance House (sick leave indemnities)	2.991	2.360
– Subsidy-related amounts	41	64
– Recoverable excise duties for fuel used	22	10
– Other receivables related to the local budget	44	8
– Other receivables related to the social security budget and the state budget	15	14
Interest receivable on bank deposits	383	3.665
Various debtors	819	1.699
Impairment adjustments for receivables - various debtors	(490)	(403)
TOTAL OTHER RECEIVABLES	4.099	7.969

Note:

- Other receivables related to the social security, state, and local budgets 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.
- Of the total other receivables, 73%, amounting to 2.991 thousand lei, represents amounts settled but not yet collected from the Health Insurance House.

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NOTE 10 - INVENTORIES	30 September 2025	31 December 2024
of which:		
Raw materials	59.354	70.654
Consumables	92.230	93.135
Other materials	47	37
Semi-finished goods	-	4
Packaging materials	101	36
Finished goods	46.822	44.580
Work in progress (goods and services)	84.251	76.215
Gross carrying amount of inventories	282.805	284.661
Impairment adjustments	82.040	78.456
Net carrying amount of inventories	200.765	206.205

ADJUSTMENTS FOR IMPAIRMENT OF INVENTORIES

	30 September 2025	Increases/ Recognitions/	Decreases/ Reversals/	31 December 2024
Total adjustments	82.040	16.199	12.615	78.456
Adjustments for impairment of raw material	39.686	2.397	4.448	41.737
Adjustments for impairment of consumables	39.269	9.216	1.447	31.500
Adjustments for impairment of semi-finished goods	-	-	4	4
Adjustments for impairment of finished goods	128	7	217	338
Adjustments for impairment of production in progress	2.957	4.579	6.499	4.877

Inventories are measured at the lower of cost and net realisable value.

Net realisable value is the estimated selling price of inventories, less all estimated costs of completion and the estimated costs necessary to make the sale.

The cost of inventories includes acquisition costs, conversion costs, and other costs incurred to bring the inventories to their present condition and location.

Impairment adjustments are made periodically, based on the findings of the inventory committees and/or the 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 storage period exceeds the time limits set by an internal decision of the Board of Directors.

According to the Accounting Policies Manual, at Aerostar SA, impairment adjustments for inventories are established as follows:

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NOTE 10 – INVENTORIES (continued)

- For raw material, consumable materials, semi-finished goods and spare parts, different storage periods are established for each profit centre;
- For inventories of finished goods and work in progress, impairment adjustments are recognized at each reporting period, as follows:
 - a) 100% of their value for inventories of this type that are not covered by customer contracts;
 - b) variable percentages, agreed with the relevant profit centres, for inventories of finished goods not delivered within contractual deadlines.

The value of material expenses recognized as an expense during the period amounts to 180.909 thousand lei, consisting of:

- 170.914 thousand lei representing expenses related to inventory materials;
- 9.179 thousand lei representing expenses related to water, gas, and electricity consumption;
- 816 thousand lei representing expenses related to non-inventoried materials.

Aerostar S.A. holds inventories of finished goods (safety stock) at the levels agreed upon in contracts with customers.

Aerostar S.A. does not have pledged inventories.

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NOTE 11 - CASH AND CASH EQUIVALENTS

Cash includes:

- cash on hand (cash held at Aerostar's cashier);
- demand deposits held with banks (current bank accounts).

Cash equivalents include:

- term deposits held with banks;
- cheques deposited with banks for collection.

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

	30.09.2025	31.12.2024	30.09.2024
Cash in the cashier	28	30	41
Demand deposits held with banks	27.037	31.170	66.128
Term deposits held with banks	273.670	229.203	193.020
Cheques deposited with banks for collection	100	-	100
Cash and cash equivalents	300.835	260.403	259.289

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

The value of the credit line available in the form of an overdraft facility, available for future operating activity, is USD 2.500 thousand (equivalent to 10.812 thousand lei).

The Credit Line was not used during the reporting period.

AEROSTAR's policy is to deposit cash corresponding to the amount of provisions recognised. The balance of provisions as at 30.09.2025 is 67.067 thousand lei.

Term deposits are made for short maturities (up to 6 months), as AEROSTAR prefers to maintain easy access to liquidity. Consequently, alternative options for saving surplus cash, such as investments in mutual funds, are not pursued due to the investment risks involved. Such placements may experience significant short-term fluctuations driven by various conjunctural factors.

AEROSTAR's choice to rely exclusively on short-term bank deposits is primarily influenced by global political and economic uncertainties, as well as the deterioration of supply chains. Unexpected events may arise at any moment, requiring the prompt purchase of raw materials and other inputs to secure safety stocks.

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NOTE 12 – COMPANY’S EQUITY

The company’s equity as at 30 September 2025 is 665.716 thousand lei. The company’s equity increased by 45.383 thousand lei in 2025 compared to the end of 2024.

The evolution of the company's equity elements in 2025 compared to the end of 2024 :

- **The share capital remained unchanged:**

As at 30 September 2025, the share capital of AEROSTAR SA Bacau is 48.728.784 lei, divided into 152.277.450 shares having each a nominal value of 0,32 lei.

- **The reserves increased by 61.483 thousand lei:**

- an increase of 40.447 thousand lei as a result of the allocation of the 2024 profit to the destinations approved by the shareholders at the OGMS of 24 April 2025;
- an increase of 7.751 thousand lei from the allocation during 2025 of the reserves related to the tax facilities received;
- an increase of 14.498 thousand lei from the fair value revaluation of the shares held in Evergent Investments S.A.;
- a decrease of 1.213 thousand lei resulting from the transfer to retained earnings of the fair value revaluation differences of equity instruments recognised in other comprehensive income, following their sale.

- **Other equity elements decreased by 3.444 thousand lei** as a result of the deferred tax recognised in equity.

- **The retained earnings increased by 1.269 thousand lei, as follows:**

- an increase of 194 thousand lei from the deferred income tax recognised in equity;
- an increase of 1.075 thousand lei representing the net gain realised from the sale of equity instruments recognised in other comprehensive income.

- **The balance of the retained earnings as at 30 September 2025 is 55.643 thousand lei, comprising:**

- the retained earnings resulted from the use, at the date of transition to IFRS, of fair value as presumed cost = 26.432 thousand lei;
- the retained earnings representing the net realised gain from revaluation reserves, capitalised progressively as the tangible fixed assets are depreciated = 24.408 thousand lei;
- the net gain realised from the sale of equity instruments recognised in other comprehensive income = 4.803 thousand lei.

- **The result for the period was a profit in the amount of 70.820 thousand lei.**

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NOTE 13 - PROVISIONS

	31 December 2024	Increases/ Recognition/ Reclassifications of provisions	Reductions/ Reversals/ Reclassifications of provisions	Differences from Revaluation	30 September 2025
Total provisions	85.108	11.665	30.309	603	67.067
Provisions for customer guarantees	34.726	11.665	21.019	128	25.500
Provisions for decommissioning property, plant and equipment	16.466	-	-	-	16.466
Employee benefits provisions	9.246	-	8.799	-	447
Other provisions	24.670	-	491	475	24.654
Long-term provisions	43.866	3.977	4.269	367	43.941
Provisions for customer guarantees	7.726	3.977	3.778	-	7.925
Provisions for decommissioning property, plant and equipment	16.466	-	-	-	16.466
Other provisions	19.674	-	491	367	19.550
Short-term provisions	41.242	7.688	26.040	236	23.126
Provisions for customer guarantees	27.000	7.688	17.241	128	17.575
Employee benefits provisions	9.246	-	8.799	-	447
Other provisions	4.996	-	-	108	5.104

Provisions for customer guarantees

Provisions for customer guarantees are set up to cover the risk of non-conformity during the warranty period of products sold and services rendered, in accordance with contractual provisions. The warranty period is usually 24 months.

Provisions for decommissioning of property, plant and equipment

Provisions for the decommissioning of property, plant and equipment, mainly buildings, are established to cover the costs of dismantling, removing items and restoring 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%.

Employee benefits provisions

Provisions for employee benefits relate to unused leave carried over from the previous year.

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NOTE 13 – PROVISIONS (continued)

Other provisions

The category Other provisions includes provisions recognised for:

- covering risks specific to the aviation industry, such as the risk of hidden defects and the risk of quality incidents that may lead to damages.
- covering certain expenses related to the Company's obligations towards A.J.O.F.M., pursuant to the Government Emergency Ordinance (O.U.G.) no. 95/2002;

During the period January – September 2025, the company recorded expenses for the recognition of provisions in the amount of 12.268 thousand lei and income from the reversal/reduction of provisions in the amount of 30.309 thousand lei, resulting in net income from provision adjustments of 18.041 thousand lei.

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NOTE 14 – SUBSIDIES FOR INVESTMENT IN ASSETS

AEROSTAR recognizes subsidies related to assets as deferred income.

	30.09.2025	30.09.2024
Balance as at 1 January, of which:	1.552	2.380
Short-term	828	830
Long-term	724	1.550
Subsidies received	-	-
Subsidies recognised as income corresponding to the calculated depreciation	(618)	(621)
Balance as at 30 September, of which:	934	1.759
Short-term	413	828
Long-term	521	931

The balance recorded as at 30 September 2025 represents subsidies related to investments in fixed assets to be recognised over the useful life of the related assets, as depreciation is recorded in costs.

Subsidies received in previous years to finance assets related to the implementation of 4 investment projects under 4 non-reimbursable financing agreements:

1. Contract no. 210304/22.04.2010: 'Expansion of aerostructures manufacturing and assembly capacities for civil aviation', executed between April 2010 and October 2012, the value of the subsidy received from the Ministry of Economy, Trade and Business Environment (MECMA) being 5.468 thousand lei, with 434 thousand lei remaining to be recorded as income;
2. Contract no. 229226/14.06.2012: 'Creating a new manufacturing capacity to diversify production and export growth', executed between June 2012 and May 2014, the value of the subsidy received from the Ministry of Economy, Trade and Business Environment (MECMA) being 6.011 thousand lei, with 30 thousand lei remaining to be recorded as income;
3. Contract no. 5IM/013/24.03.2015: 'Strengthening and sustainable development of the machining and painting sectors through high-performance investments', executed between March and December 2015, the value of the subsidy received from the Ministry of European Funds (MFE) being 8.299 thousand lei, with 171 thousand lei remaining to be recorded as income.
4. Financing contract no. 10/28.02.2023: "Equipping the AEROSTAR Testing Laboratory with NDT testing equipment", executed between March 2023 and December 2023, the amount of the subsidy received from the Ministry of Economy being 381 thousand lei, with 289 thousand lei remaining to be recorded as income.

All investment projects in immobilized assets were implemented and finalized in accordance with the contractual provisions assumed.

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NOTE 15 - TRADE LIABILITIES

	30 September 2025	31 December 2024
Prepaid amounts collected on customers' account, of which:	11.764	9.593
Customers with credit balances - Romania	420	19
Customers with credit balances - outside Romania	11.344	9.574
 Suppliers, of which:	 27.543	 49.653
Suppliers of materials and services - Romania	8.584	10.863
Suppliers of materials and services - outside Romania	15.309	30.561
Suppliers – invoices not arrived	2.148	6.024
Suppliers of non-current assets	1.502	2.205
 Total trade liabilities	 39.307	 59.246

Prepayments received from external customers are for aircraft maintenance and repair services (80,78%) and other services provided (19,22%).

No mortgages have been established for the reported liabilities.

Gains and losses arising from differences between the foreign exchange rate at which foreign currency liabilities are recorded and the exchange rate published by the National Bank of Romania applicable for the closing of September 2025 have been recognized in the corresponding income or expense accounts.

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NOTE 16 - OTHER LIABILITIES

	30 September 2025	31 December 2024
Other current liabilities, of which:	18.361	14.523
• <i>Liabilities related to personnel and related accounts</i>	4.960	4.295
• <i>Liabilities related to social security budget and state budget, of which:</i>	7.391	6.828
– VAT payable	271	626
– social insurance	5.392	4.631
– employment insurance contribution	335	287
– income tax on salaries	1.077	906
– contribution for non-employment of persons with disabilities	197	207
– other taxes	58	116
– other social liabilities	61	55
• <i>Other liabilities, of which:</i>	6.010	3.400
– dividends	4.673	3.125
– various creditors	210	252
– guarantees received	1.127	23
Other long-term liabilities	1.475	1.467

Within the category “Other long-term liabilities” is included the liability related to the right-of-use of the concessioned land for the MRO Hangar in Iași.

The dividends outstanding as at 30 September 2025, amounting to 4.673 thousand lei, represent the amounts remaining payable to shareholders who did not present themselves at the counters of the paying agent, CEC Bank SA (the paying agent appointed by AEROSTAR), and which are not statute-barred.

The Company has no outstanding liabilities to the state budget, the social security budget, or the local budgets.

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NOTE 17 - DEFERRED INCOME TAX

The deferred tax is determined based on temporary differences occurring between the tax base of the assets and liabilities and their accounting base. The deferred tax is calculated at a tax rate of 16% applicable to the temporary differences.

The Company has estimated and registered deferred tax liabilities related to fixed assets (arising from differences between accounting and tax values, differing useful lives, etc.) and provisions, and has recognized deferred tax assets related to investment securities (shares), inventories, and trade receivables that have been subject to impairment adjustments, warranties provisions granted to customers, and other provisions.

Structure of the deferred tax registered as at 30.09.2025:

Deferred tax liabilities

1. Deferred tax liabilities generated from differences between higher accounting bases (higher) and the fiscal ones (lower) of non-current assets	715
2. Deferred tax liabilities related to legal reserves	1.559
3. Deferred tax liabilities related to reserves from fiscal facilities	26.247
4. Deferred tax liabilities related to retained earnings representing realised surplus from revaluation reserves	61
5. Deferred tax liabilities related to non-current equity investments (shares)	3.423
Total deferred tax liabilities	32.005

Deferred Tax Assets

1. Deferred tax assets related to other provisions	340
2. Deferred tax assets related to provisions for warranties granted to customers	4.079
3. Deferred tax assets related to provisions for employee benefits	72
4. Deferred tax assets related to inventory impairment adjustments	13.127
5. Deferred tax assets related to impairment adjustments of trade receivables	537
Total Deferred Tax Assets	18.155

Balance – Net Deferred Tax Liabilities	13.850
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The Company did not recognize deferred tax assets related to other provisions for industry-specific aviation risks, as there is uncertainty regarding the tax deductibility of expenses that may arise from the settlement of obligations in future periods. Therefore, the differences between the tax base and the accounting base would be considered nil.

During the period 1 January 2025 - 30 September 2025, the Company recognized deferred tax income in the amount of 4.240 thousand lei and deferred tax expense in the amount of 6.110 thousand lei, resulting in a net impact on financial performance of (1.870) thousand lei.

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NOTE 17 - DEFERRED INCOME TAX (continued)

Deferred income tax recognised in equity, amounting to 30.889 thousand lei, comprises deferred tax liabilities in the amount of 31.229 thousand lei and deferred tax assets of 340 thousand lei.

The deferred tax liabilities consist of:

- deferred tax liabilities related to legal reserves: 1.559 thousand lei
- deferred tax liabilities related to tax incentive reserves: 26.247 thousand lei
- deferred tax liabilities related to equity investments (shares): 3.423 thousand lei;

Deferred tax assets, in the amount of 340 thousand lei, relate to provisions for risks and charges established prior to the date of transition to IFRS.

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NOTE 18 - FINANCIAL INSTRUMENTS

A financial instrument is any contract generating simultaneously a financial asset of one entity and a financial liability or an equity instrument of another entity.

Financial assets and financial liabilities are recognized when AEROSTAR becomes a party to the contractual provisions of the instrument.

AEROSTAR's financial assets include:

- sight and term deposits held with banks;
- trade receivables;
- Evergent Investments S.A. shares (stock symbol: EVER);
- non-current receivables (guarantees lodged with third parties)

AEROSTAR's financial liabilities include:

- trade liabilities;

As at the reporting date, AEROSTAR has no financial liabilities related to bank overdrafts or long-term bank loans.

The main types of risks generated by the financial instruments held, to which AEROSTAR is exposed, are:

- a) credit risk;
- b) liquidity risk;
- c) foreign exchange risk;
- d) interest rate risk;
- e) market risk.

a) Credit Risk

The credit risk is the risk that one party involved in a financial instrument will cause a financial loss to the other party by failing to fulfil a contractual obligation, related mainly to:

- sight and term deposits held with banks
- trade receivables;

Sight and term deposits are held exclusively with top-tier banking institutions (top 5 by assets level), with credit ratings that indicate the lowest level of risk.

In certain cases, specific trade credit risk mitigation instruments are required (advance payments, bank payment guarantees, and confirmed export letters of credit).

AEROSTAR has no significant exposure to any single partner and does not record a significant concentration of receivables in any single geographical area.

Credit Risk Exposure

The accounting value of the financial assets, net of impairment adjustments, represents the maximum exposure to credit risk.

The maximum credit risk exposure as at the reporting date is presented in the table below:

	30.09.2025	30.09.2024
Sight and term deposits held with banks	300.707	259.148
Trade receivables, net of impairment adjustments	85.335	55.108
Non-current receivables	42	42
Total	386.084	314.298

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NOTE 18 - FINANCIAL INSTRUMENTS (continued)

The maximum credit risk exposure by geographic region for trade receivables, net of impairment adjustments, is presented in the table below:

	30.09.2025	30.09.2024
Domestic market	16.607	5.215
Eurozone countries	33.997	23.016
United Kingdom	18.853	19.051
Other European countries	8.196	2.070
Other regions	7.682	5.756
Total	85.335	55.108

Impairment adjustments

The aging structure of gross trade receivables as at the reporting date is presented in the table below:

	Gross amount 30.09.2025	Impairment adjustments 30.09.2025	Gross amount 30.09.2024	Impairment adjustments 30.09.2024
In due time	82.643		54.536	
Past due, total, of which:	5.470		1.219	
31-60 days	53	26	766	382
61-90 days	1.257	629	325	162
91-120 days	2.894	1.446	50	25
Over 120 days	1.266	677	78	78
Total	88.113	2.778	55.755	647

The movement in impairment adjustments for trade receivables during the year is presented in the table below:

	30.09.2025	30.09.2024
Balance as at January 1	110	267
Impairment adjustments recognized	4.145	1.460
Impairment adjustments reversed to income	(1.477)	(1.080)
Balance as at 30 September	2.778	647

As at 30.09.2025, 94% of the balance of trade receivables as related 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 by delivering cash.

AEROSTAR's policy regarding liquidity risk is to maintain an optimal level of liquidity in order to meet its obligations as they fall due.

To assess liquidity risk, the treasury cash flows from operating, investments and financing activities are monitored and analysed on a weekly, monthly, quarterly, and annual basis to determine the estimated level of net liquidity modifications.

Additionally, specific liquidity indicators (current ratio, quick ratio, and overall solvency ratio) are analysed monthly and compared to budgeted levels.

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NOTE 18 - FINANCIAL INSTRUMENTS (continued)

Additionally, to reduce liquidity risk, AEROSTAR maintains an annual liquidity buffer through a Credit Facility (available as an overdraft) granted by banks up to a limit of USD 2.500 thousand.

The time intervals used for the analysis of the contractual due dates of financial liabilities, in order to present the timing of cash flows, are shown in the table below:

	Liabilities	Accounting value	Contractual cash flows	0-30 days	31-60 days	over 60 days
30.09.2025	Trade liabilities	25.395	(25.395)	(22.385)	(2.363)	(647)
30.09.2024	Trade liabilities	26.673	(26.673)	(23.005)	(3.138)	(530)

The cash flows included the analysis of the due dates are not expected to take place earlier or at significantly different amounts.

As at 30.09.2025, AEROSTAR did not record any overdue liabilities.

c) Foreign Currency Risk

The 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.

Exposure to Foreign Currency Risk

AEROSTAR is exposed to foreign currency risk as 87% of the turnover recorded during the reporting period is denominated in USD and EUR, while a significant portion of its operating expenses is denominated in lei.

As a result, AEROSTAR is exposed to the risk that fluctuations in exchange rates may affect both its net income and financial position as expressed in lei.

However, AEROSTAR has decided not to access foreign currency hedging instruments (options or forward contracts), due to the relatively high initial costs and the potential loss of opportunities in the event of a depreciation of the RON against major currencies (USD, EUR).

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

30.09.2025	k EUR	k USD	k GBP
Sight and term deposits held with banks	1.812	3.583	53
Trade receivables	3.471	11.813	-
Trade liabilities	(1.016)	(2.549)	(32)
Net exposure, in original currency	4.267	12.847	21

Sensitivity Analysis

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

Taking into account the evolution of the USD/LEU and EUR/LEU exchange rates in recent years, a high volatility of $\pm 10\%$ has been observed for the USD/LEU rate and a low volatility of $\pm 2\%$ for the EUR/LEU rate. Accordingly, a reasonably possible variation of $\pm 10\%$ for USD/LEU and $\pm 2\%$ for EUR/LEU as at the reporting date is considered.

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NOTE 18 - FINANCIAL INSTRUMENTS (continued)

The effect of the reasonably possible variation in the EUR/LEU and USD/LEU exchange rates on AEROSTAR's financial result is presented in the following table:

30.09.2025	EUR/LEU	USD/LEU
Net exposure, in original currency	4.267 k EUR	12.847 k USD
Exchange rate	5,0811	4,3247
Net exposure, in functional currency	21.681 k LEI	55.559 k LEI
Reasonably possible variation in exchange rate	+/- 2%	+/- 10%
Effect of the variation on financial result	+/- 434 k LEI	+/- 5.556 k LEI

d) Interest Rate Risk

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

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

Bank interest is charged only on the overdraft.

Since the overdraft facility was not utilized during the reporting period, revenues and cash flows are not affected by fluctuations in market interest rates.

As at 30.09.2025, the level of guarantees granted under commercial contracts through bank guarantees and import letters of credit amounts to 4.396 thousand lei (equivalent to USD 1.016 thousand).

As at 30.09.2025, no mortgages have been established on 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 following table:

	30.09.2025	30.09.2024
Evergent Investments S.A. Shares	54.282	59.992

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NOTE 19 - OPERATING REVENUE

	30 September 2025	30 September 2024
Sales revenue, of which:	438.986	419.510
Revenue from sale of goods manufactured	250.772	230.991
Revenue from services rendered	184.775	185.809
Revenue from sale of merchandise	334	17
Rental income	2.482	2.208
Trade discounts granted		(28)
Revenue from other activities	623	513
Revenue related to changes in inventories of finished goods and work in progress	9.179	25.754
Revenue from internally generated non-current assets	1.053	948
Operating subsidies received	369	158
Investment subsidies revenue	616	620
Other operating revenue	307	744
Total operating revenue	450.510	447.734

During the first nine months of 2025, the company recorded operating subsidies amounting to 369 thousand lei. Most of these amounts were granted for the permanent employment of graduates from educational institutions, in accordance with Law no. 76/2002 on the unemployment insurance system and the stimulation of employment.

Other operating revenue, totalling 307 thousand lei includes, among others, income from the recovery of receivables from former employees (training expenses and other receivables), compensation and recovered fees, as well as income from the sale to individuals of assets proposed for scrapping but still recoverable.

AEROSTAR S.A. BACĂU
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(unless specified otherwise, all amounts are stated in thousands of lei)

NOTE 20 – OPERATING EXPENSES

	30 September 2025	30 September 2024
Employee benefits expenses, of which:	153.667	146.264
Salaries and allowances	135.163	127.570
Employee meal vouchers	10.378	11.225
Insurance and social protection expenses	8.126	7.469
Expenses for raw materials and other materials	159.917	158.672
Energy, water, and gas	9.179	9.401
Other material expenses, of which:	11.813	10.428
Expenses for non-inventory materials	816	1.142
Expenses related to goods	408	13
Packaging expenses	495	570
Expenses for other materials	10.094	8.703
External service expenses, of which:	28.081	37.954
Repairs	10.005	14.245
Transportation costs	3.458	6.509
Commissions and fees	1.804	1.771
Travel and secondments	799	783
Royalties and rent expenses	604	621
Other expenses for services provided by third parties	11.411	14.025
Trade discounts received	(307)	(102)
Depreciation	22.076	19.974
Net expenses (income) from adjustments for provisions	(18.041)	(7.188)
Net expenses (income) from adjustments for current assets	6.339	12.902
Other operating expenses	3.873	4.108
Total operating expenses:	376.597	392.413

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

In the first nine months of 2025, the company granted meal vouchers to employees amounting to 10.378 thousand lei.

Other operating expenses, totalling 3.873 thousand lei, include, among others: local taxes, sponsorships, scholarships for students enrolled in the dual education programs, and environmental protection expenses.

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NOTE 20 – OPERATING EXPENSES (continued)

In the first nine months of 2025, AEROSTAR recorded increases/recognitions and decreases/reversals of adjustments, as follows:

Adjustments for provisions	30 September 2025	30 September 2024
Increases/recognitions	12.268	13.822
Decreases/reversals	(30.309)	(21.010)
Net expenses/(income) from adjustments for provisions	(18.041)	(7.188)

In the first nine months of 2025, the impact of adjustments for provisions resulted in a decrease in operating expenses amounting to 18.041 thousand lei.

Adjustments for impairment of current assets	30 September 2025	30 September 2024
Increases/recognitions of adjustments		
Adjustments for inventory impairment	16.199	19.819
Adjustments for receivables impairment	4.243	1.520
Losses from receivables and sundry debtors	-	-
Total increases/recognitions of adjustments	20.442	21.339
Decreases/reversals of adjustments		
Adjustments for inventory impairment	(12.615)	(7.292)
Adjustments for receivables impairment	(1.488)	(1.145)
Total decreases/reversals of adjustments	(14.103)	(8.437)
Net expenses/(income) from adjustments for impairment of current assets	6.339	12.902

In the first nine months of 2025, the impact of adjustments for impairment of current assets resulted in an increase in operating expenses amounting to 6.339 thousand lei.

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NOTE 21 - FINANCIAL INCOME

	30 September 2025	30 September 2024
Gains from foreign exchange differences	5.024	4.594
Interest income	9.928	8.294
Income from equity investments in subsidiaries	585	516
Income from financial assets measured at fair value	3.321	3.802
Total financial income	18.858	17.206

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

Income from financial assets measured at fair value represents dividends from equity investments in Evergent Investments S.A.

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NOTE 22 - FINANCIAL EXPENSES

	30 September 2025	30 September 2024
Losses from foreign exchange differences	10.305	5.331
Interest expenses related to lease contracts	29	30
Total financial expenses	10.334	5.361

In 2025, the company recorded the following items under financial expenses:

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

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NOTE 23 - INCOME TAX

Income tax is recognized in the statement of profit or loss.

Income tax represents the tax payable on the profit earned during the current period, determined based on the tax regulations applicable at the reporting date.

The applicable income tax rate as of 30 September 2025 was 16% (the same rate applied for the 2024 financial year).

	<u>30 September 2025</u>	<u>30 September 2024</u>
Gross accounting profit	82.437	67.165
Current income tax expenses	9.748	9.363
Income tax on gains from sale of held securities	204	155

Reconciliation of accounting profit to taxable profit as at 30 September 2025				Differences
Accounting revenues	469.368	Taxable revenues	422.565	-46.803
Accounting expenses	386.931	Tax-deductible expenses	351.921	-35.010
Accounting gross profit	82.437	Taxable profit	70.644	-11.793
Accounting tax (16%)	13.190	Income tax (16%)	11.303	-1.887
Tax deductions	-	<i>Tax deductions</i> , of which:	1.351	+1.351
		• related to investments under Art. 22 Fiscal Code	1.240	+1.240
		• sponsorships	111	+111
Final income tax	13.190	Final income tax	9.952	-3.238
Applicable legal rate	16,00%	Applicable legal rate	16,00%	
Average effective tax rate, calculated on accounting gross profit		12,07 %		

Comparative Figures

30 September 2024

Gross accounting profit	67.165
Current income tax expense	9.363
Income tax on gains from sale of held securities	155

Reconciliation of accounting profit to taxable profit as at 30 September 2024				Differences
Accounting revenues	464.940	Taxable revenues	432.423	-32.517
Accounting expenses	397.775	Tax-deductible expenses	360.833	-36.942
Accounting gross profit	67.165	Taxable profit	71.590	+4.425
Accounting tax (16%)	10.746	Income tax (16%)	11.454	+708
Tax deductions	-	<i>Tax deductions</i> , of which:	1.936	+1.936
		• related to investments under Art. 22 Fiscal Code	1.710	+1.710
		• sponsorships	226	+226
Final income tax	10.746	Final income tax	9.518	-1.228
Applicable legal rate	16,00%	Applicable legal rate	16,00%	
Average effective tax rate, calculated on accounting gross profit		14,17 %		

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NOTES TO THE COMPANY FINANCIAL STATEMENTS
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NOTE 23 - INCOME TAX (continued)

Main factors affecting the effective tax rate:

- tax incentives, representing the income tax exemption related to investments made in accordance with Article 22 of the Fiscal Code, and sponsorship expenses;
- non-deductible expenses for tax purposes (such as expenses related to the establishment or increase of provisions and value adjustments for current assets that are not tax-deductible, accounting depreciation that is not tax-deductible, etc.);
- non-taxable income resulting from the recovery of non-deductible expenses.

As at 30.09.2025, the Company recorded a current income tax liability of 3.130 thousand lei, related to the third quarter of 2025.

AEROSTAR S.A. BACĂU
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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 are equal to basic earnings per share, as the Company did not record any potential ordinary shares.

IN LEI	<u>30.09.2025</u>	<u>30.09.2024</u>
Profit attributable to ordinary shareholders	70.820.145	58.813.671
Number of ordinary shares	152.277.450	152.277.450
Earnings per Share	0,465	0,386

AEROSTAR S.A. BACĂU
NOTES TO THE COMPANY FINANCIAL STATEMENTS
FOR 30 SEPTEMBER 2025
(unless specified otherwise, all amounts are stated in thousands of lei)

NOTE 25 - AVERAGE NUMBER OF EMPLOYEES

Average number of employees	9 months 2025	9 months 2024
Own employees	1.689	1.697

Employee headcount	30.09.2025	30.09.2024
Own employees	1.746	1.747

As at 30 September 2025, the total employee headcount within the Company was 1.879, of which 1.746 were own employees and 133 were temporary workers hired through a labour agency.

As at 30 September 2024, the total headcount was 1.876, of which 1.747 were own employees and 129 were temporary workers hired through a labour agency.

AEROSTAR S.A. BACĂU
NOTES TO THE COMPANY FINANCIAL STATEMENTS
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NOTE 26 - TRANSACTIONS WITH RELATED PARTIES

Acquisitions of goods and services	9 months 2025	9 months 2024
Airpro Consult SRL Bacău	9.718	9.083
Foar SRL Bacău	186	296
TOTAL	9.904	9.379
Sales of goods and services	9 months 2025	9 months 2024
Airpro Consult SRL Bacău	-	-
Foar SRL Bacău	1	1
TOTAL	1	1
Liabilities	Balance as at 30.09.2025	Balance as at 30.09.2024
Airpro Consult SRL Bacău	1.121	1.015
Foar SRL Bacău	25	35
TOTAL	1.146	1.050
Dividends received by Aerostar	9 months 2025	9 months 2024
Airpro Consult SRL Bacău	521	456
Foar SRL Bacău	63	60
TOTAL	584	516

Transactions with related parties during the period 01.01.2025 – 30.09.2025 consisted of:

- Provision of temporary workforce services by Airpro Consult SRL Bacău to Aerostar S.A.;
- Provision of machinery rental services by Foar SRL Bacău to Aerostar S.A.;
- Provision of space rental services by Aerostar S.A. to Foar SRL Bacău;
- Dividends received by Aerostar S.A. from Airpro Consult SRL;
- Dividends received by Aerostar S.A. from Foar SRL.

AEROSTAR S.A. BACĂU
NOTES TO THE COMPANY FINANCIAL STATEMENTS
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NOTE 27 - INFORMATION REGARDING THE CASH FLOW

The method used for presenting the Cash Flow Statement is the direct method. The Cash Flow Statement presents cash and cash equivalent movements classified by operating, investing, and financing activities, thus highlighting how AEROSTAR generates and uses cash and cash equivalents.

In the context of preparing the Cash Flow Statement:

- cash flows represent receipts and payments of cash and cash equivalents;
- cash includes cash on hand and sight deposits held with banks (i.e., balances in current bank accounts);
- cash equivalents comprise term deposits held with banks.

Cash flows arising from transactions conducted in foreign currencies are recorded in the functional currency (LEU) by applying the exchange rate between the functional currency and the foreign currency at the date the cash flow occurs (i.e., the date of payment or receipt). Gains and losses resulting from changes in foreign exchange rates are not classified as cash flows. However, the effect of exchange rate fluctuations on cash and cash equivalents held in foreign currency is reported separately in the Cash Flow Statement, apart from cash flows arising from operating, investing, and financing activities, to reconcile cash and cash equivalents at the beginning and end of the reporting period.

A summary of cash flows for the period January–September 2025 is presented in the table below:

Cash Flows	Value	%
Total receipts, of which:	483.684	100%
Receipts from operating activities	460.457	95%
Receipts from investing activities	23.227	5%
Receipts from financing activities	-	0%
Total payments, of which:	(439.978)	100%
Payments from operating activities	(395.076)	90%
Payments from investing activities	(9.802)	2%
Payments from financing activities	(35.100)	8%
Net increase in cash and cash equivalents	43.706	
Cash and cash equivalents at the end of the period	300.835	

The operating activity is AEROSTAR's main cash-generating activity:

- cash receipts from customers amounted to 457.128 thousand lei;
- cash receipts from the State Budget totalled 3.329 thousand lei, of which 2.936 thousand lei represented recoveries of VAT, excise duties, and other social receivables, and 393 thousand lei were operating subsidies;
- payments to suppliers and employees amounted to 323.409 thousand lei, of which 230.559 thousand lei were payments to suppliers and 92.850 thousand lei were salary payments to employees;
- payments of taxes and duties to the State Budget amounted to 71.667 thousand lei, of which 60.377 thousand lei were payroll taxes, 6.997 thousand lei were profit tax, 1.900 thousand lei VAT, and 2.393 thousand lei local taxes and duties.

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NOTE 27 - INFORMATION REGARDING THE CASH FLOW (continued)

The operating activity generated a net cash of 65.381 thousand lei, representing an increase of 17.292 thousand lei compared to the same period of the previous year.

Investing activity includes:

- interest income from bank deposits amounting to 13.210 thousand lei;
- dividends received from Evergent Investments S.A. amounting to 2.989 thousand lei;
- proceeds from the sale of Evergent shares (stock ticker: EVER) totalling 6.443 thousand lei.
The purchased shares are held both for the purpose of collecting dividends and for gains from their sale. As at 30.09.2025, the sale of EVER shares generated a gross gain of 1.279 thousand lei;
- dividends received from affiliated entities (Airpro Consult SRL, Foar SRL) totalling 585 thousand lei;
- payments for the acquisition of tangible and intangible fixed assets amounting to 9.697 thousand lei;
- payments for the acquisition of financial assets (Evergent shares) amounting to 105 thousand lei.

The value of cash flow allocated to increase operating capacity represents 2% of the total aggregate cash used in operating, investing, and financing activities.

Within financing activity, an amount of 35.100 thousand lei was paid, representing dividends due to AEROSTAR's shareholders.

The level of cash and cash equivalents as at 30.09.2025 was 300.835 thousand lei, representing an increase of 40.432 thousand lei compared to the beginning of the year.

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NOTE 28 - COMMITMENTS AND OTHER OFF-BALANCE SHEET ITEMS

AEROSTAR S.A. records off-balance sheet items representing rights, obligations, and assets that are not recognized among the company's assets and liabilities, namely:

	30 September 2025	31 December 2024
• Commitments:		
o Guarantees issued to partners, in the form of bank guarantees and letters of credit	-	1.246
o Guarantees received from partners, in the form of bank guarantees and letters of credit	3.895	46.866
o Mortgage guarantee received	500	500
• Goods, including:		
o Inventories of other materials in use (tools, jigs, fixtures, protective equipment, measuring and control instruments, technical library, etc.)	55.631	51.095
o Materials received in custody	2.237	3.468
o Finished goods received in custody	2	2
o Customer-supplied materials	41	41
o Tangible and intangible fixed assets – acquired or purchased as a result of co-financed activities	539	554
o Products received for processing/repair	13.272	21.132
o Materials received for processing/repair	4.532	4.420
o Underlying assets related to concession contracts – Iași Hangar	2.542	2.490
o Fixed assets proposed for disposal	290	448
• Other off-balance sheet items, including:		
o Material guarantees established to ensure custodians' liability for asset management	242	244
o Commitments for covering obligations to the A.J.O.F.M., based on Report No. 9624/12.12.2011	2.126	2.616
o Debtors written off but still under collection	218	218
o Creditors	14	14
o De minimis aid for participation in trade fairs and exhibitions	831	787
• Greenhouse gas emission certificates	2.754	3.346

As at 30 September 2025, AEROSTAR S.A. held 7.179 greenhouse gas emission certificates (GHG certificates).

The market price on the last trading day for one GHG certificate was EUR 75,50, according to the European Energy Exchange website (compared to EUR 66,96 in December 2024), based on a revaluation exchange rate of 5,0811 LEI/EUR.

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NOTES TO THE COMPANY FINANCIAL STATEMENTS
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NOTE 29 - DIRECTORS' REMUNERATION

The Board of Directors of AEROSTAR S.A. as at 30.09.2025:

	Surname and First Name	Position	Profession
▪	FILIP GRIGORE	President of the Board of Directors	Aviation 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	Engineer
▪	TONCEA RADU TUDOR	Member of the Board of Directors	Aviation Engineer
▪	DOROȘ LIVIU-CLAUDIU	Member of the Board of Directors	Economist

In 2025, Aerostar did not grant 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 held on 12 December 2024, Aerostar shareholders approved:

- setting the directors' indemnity for the financial year 2025 at a fixed net amount of 5.000 lei per month;
- for the mandate period starting on 11.07.2024, the indemnity for directors who also hold specific executive positions shall consist of the fixed remuneration plus an additional fixed net monthly remuneration of up to (and including) ten (10) times the remuneration granted to a member of the Board of Directors.

The total gross amount of indemnities granted to the members of the Board of Directors and the executive management during the period January–September 2025, pursuant to the resolutions of the General Meeting of Shareholders and in accordance with their responsibilities, amounted to 1.438 thousand lei.

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NOTE 30 - RISK MANAGEMENT

AEROSTAR is exposed to a wide range of risks and uncertainties that may affect its financial performance. The business lines operated by AEROSTAR, its operational results, or financial position could be impacted by the materialisation of the risks described below.

AEROSTAR seeks to ensure the medium- and long-term sustainability of its operations and to reduce the uncertainty associated with its strategic and financial objectives.

The risk management processes ensure the identification, analysis, evaluation, and mitigation of risks in order to minimise their effects to an agreed level.

However, there may be additional risks and uncertainties beyond those described below which are currently unknown or considered insignificant, but which could, in the future, affect AEROSTAR's business lines.

Operational Risk

Operational risk refers to the risk of incurring losses or failing to achieve estimated sales and profits, arising from:

- the use of inadequate processes, systems, or human resources, or their failure to perform their functions properly;
- external events and actions, such as the deterioration of global economic conditions, natural disasters, or other occurrences that may affect AEROSTAR's assets.

In view of the current global political instability, there is potential for new categories of risks to emerge. AEROSTAR closely monitors major conflict areas to assess any developments that could impact its operations or assets.

Legal Risk is considered a component of operational risk and is defined as the risk of loss arising from fines, penalties, or sanctions AEROSTAR may face due to non-compliance or improper application of legal or contractual provisions, as well as from inadequately defined contractual rights and obligations of AEROSTAR and/or its business partners.

The monitoring and mitigation of legal risk are ensured through a permanent system for tracking legislative changes, as well as through the implementation of a structured process for analysing, endorsing, and approving the terms and conditions included in commercial contracts.

AEROSTAR allocates, and will continue to allocate, funds for investments and other operating expenses aimed at preventing and managing operational risk.

In addition, AEROSTAR seeks to ensure the availability of its own funds to cover exposure to risks by establishing provisions for such risks and related expenses.

Furthermore, to mitigate operational risk, AEROSTAR annually renews, with top-tier insurance and reinsurance companies, a civil liability insurance policy covering its main lines of business (aerospace product manufacturing and commercial aircraft maintenance).

Credit risk represents the risk that AEROSTAR may incur a financial loss as a result of a business partner's failure to fulfil its contractual obligations, and it mainly arises from sight and term deposits held with banks as well as from trade receivables.

Deposits are placed only with top-tier banking institutions (top five by total assets), which are considered to have a high degree of solvency.

Credit risk, including the country risk associated with the customer's operating location, is managed individually for each business partner. When deemed necessary, specific instruments are requested to mitigate credit risk, such as advance payments, bank payment guarantees, or confirmed export letters of credit.

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NOTE 30 - RISK MANAGEMENT(continued)

AEROSTAR does not have significant exposure to any single business partner, nor does it record a significant concentration of revenue in any single geographic region.

However, the company has some exposure to the global Airbus program market, as a large proportion of its products are incorporated into Airbus aircraft.

A detailed presentation of quantitative information regarding AEROSTAR's exposure to credit risk is provided in Note 18 (Financial Instruments) of the Financial Statements.

Liquidity risk refers to the risk that AEROSTAR may experience difficulties in meeting its debt obligations as they fall due.

To manage liquidity risk, cash flows are monitored and analysed on a weekly, monthly, quarterly, and annual basis to assess the estimated net changes in liquidity. This analysis provides the basis for financing decisions and capital commitments.

To mitigate liquidity risk, AEROSTAR maintains an annual liquidity reserve in the form of a credit line structured as an overdraft facility granted by banks, amounting to USD 2.500 thousand. During the reporting period, AEROSTAR did not utilise this credit line, as all activities were financed from its own resources.

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, currency risk, and interest rate risk.

AEROSTAR is primarily exposed to price risk, arising from fluctuations in the prices of raw materials and supplies used in production, caused by exceptional events, the imposition of international sanctions that restrict the supply of parts and materials, or increased costs related to specific import/export tariffs on metal products to and from the United States.

This risk is managed through:

- diversification of the supplier portfolio, providing greater negotiation leverage in the event of price increases from certain suppliers.
- signing long-term contracts that include fixed-price clauses.

AEROSTAR is exposed to foreign exchange risk, as 87% of its revenue is denominated in USD and EUR, while a significant portion of its operating expenses is in LEI. Consequently, the company is exposed to the risk that exchange rate fluctuations may affect both its net income and financial position as reported in LEI.

AEROSTAR has opted not to utilise foreign exchange hedging instruments (such as options or forward contracts) due to their relatively high upfront costs and the potential opportunity loss in the event of a RON depreciation against major currencies (USD, EUR).

A detailed analysis of AEROSTAR's sensitivity to foreign exchange rate fluctuations is provided in Note 18 (Financial Instruments) of the Financial Statements.

Regarding interest rate risk, since AEROSTAR did not utilise the contracted Credit Line during the reporting period, its revenues and cash flows were unaffected by fluctuations in market interest rates.

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

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NOTE 31 - PREPAID EXPENSES AND DEFERRED INCOME

	30 September 2025	31 December 2024
Short-term prepaid expenses	1.533	1.049
Short-term deferred income	4.040	3.448

Expenses incurred and income earned during the current period, but related to subsequent periods or financial years, are recorded separately in the accounting records as prepaid expenses or deferred income, as applicable.

As at 30 September 2025, **prepaid expenses** include amounts to be recognized within a period of up to one year representing, among others, taxes and fees, subscriptions, insurance policies, commissions, participation in fairs and conferences, on-line services, maintenance of IT systems.

As at 30 September 2025, Aerostar had not recognized any long-term **deferred income**. The category of **short-term deferred income** includes the value of goods delivered and services rendered, for which the income recognition criteria under IFRS 15 have not yet been met (i.e. control over the goods/services has not yet been transferred to the customer).

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NOTE 32 - RIGHT-OF-USE ASSETS UNDER LEASES:

Reporting period 30 September 2025

	Values as at 30 September 2025			Values as at 01 January 2025		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Right-of-use asset for the MRO hangar land in Iași	1.993	(267)	1.726	1.959	(236)	1.723
Total	1.993	(267)	1.726	1.959	(236)	1.723

Net book value as at 30.09.2025:

	Net value as at 1 January 2025	Revaluations 9 months 2025	Depreciation during the period	Net value as at 30 September 2025
Right-of-use asset for the MRO hangar land in Iași	1.723	34	(31)	1.726

AEROSTAR S.A. BACĂU
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NOTE 32 - RIGHT-OF-USE ASSETS UNDER LEASES (continued)

COMPARATIVE FIGURES - RIGHT-OF-USE ASSETS UNDER LEASES

Reporting period 30 June 2024

	Values as at 30 September 2024			Values as at 01 January 2024		
	Gross value	Accumulated depreciation	Net value	Gross value	Accumulated depreciation	Net value
Right-of-use asset for the MRO hangar land in Iași	1.937	(225)	1.712	1.940	(194)	1.746
Total	1.937	(225)	1.712	1.940	(194)	1.746

Net book value as at 30.09.2024:

	Net value as at 1 January 2024	Revaluations during January–September 2024	Depreciation for the period	Net value as at 30 September 2024
Right-of-use asset for the MRO hangar land in Iași	1.746	(4)	(30)	1.712

The right of use for the MRO Hangar land in Iasi was revalued at the foreign exchange rate published by the National Bank of Romania on the last banking day of each reporting period.

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NOTE 33 - EVENTS AFTER THE REPORTING PERIOD

AEROSTAR S.A. has not identified any events subsequent to the reporting date that could impact on the financial statements for the first nine months of 2025.

These individual financial statements, comprising the statement of financial position, the statement of profit or loss, the statement of other comprehensive income, the statement of changes in equity, the statement of cash flows, and the explanatory notes to the financial statements, will be approved by the Board of Directors on 6 November 2025 and signed on its behalf by:

Alexandru FILIP
Chief Executive Officer

Doru DAMASCHIN
Financial Director



AEROSTAR S.A.

9, Condorilor's Street, Bacău 600302; EUID Code: ROONRC.J1991001137040 -R.C.Bacău;
Unique Registration Code: RO 950531; Share capital: 48.728.784 lei
Tel.+40 234575070; Fax +40 234572023 / +40 234572259
e-mail: aerostar@aerostar.ro; website: www.aerostar.ro

DECLARATION

We, the undersigned, ALEXANDRU FILIP, acting as the Chief Executive Officer of AEROSTAR S.A., and DORU DAMASCHIN, acting as the Financial Director of AEROSTAR S.A., hereby assume responsibility for the preparation of the individual financial statements as at 30.09.2025, and confirm that:

- a) The financial statements for the first nine months of 2025, prepared in accordance with the applicable accounting standards, provide a true and fair view of the assets, liabilities, financial position, and profit and loss account of AEROSTAR S.A. Bacău;**
- b) The Report of the Board of Directors for the first nine months of 2025, prepared in accordance with the provisions of Regulation No. 5/2018 issued by the Financial Supervisory Authority (ANNEX No. 13), accurately and completely presents the information regarding AEROSTAR S.A. Bacău.**

CHIEF EXECUTIVE OFFICER,

ALEXANDRU FILIP

FINANCIAL DIRECTOR,

DORU DAMASCHIN

