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**INDEPENDENT LIMITED ASSURANCE REPORT ON THE INFORMATION INCLUDED
IN THE CURRENT REPORTS DRAWN UP BY THE COMPANY IN ACCORDANCE
WITH THE PROVISIONS OF LAW NO. 24/2017 AND OF THE REGULATION NO. 5/2018**

**To the Board of Directors,
Vrancart S.A.**

1. We have been employed by the Board of Directors of Vrancart S.A. („the Company”) to report on the information included in the enclosed Current Reports dated February 15th, 2019, March 15th, 2019, March 28th, 2019, April 15th, 2019, May 15th, 2019, June 14th, 2019 and July 15th, 2019 drawn up by the Company, comprising the juridical deeds concluded during the period between January 1st, 2019 – June 30th, 2019 by the Company, in accordance with the provisions of article 82 of Law no. 24/2017 on issuers of financial instruments and market operations („Law no. 24/2017”) and of the Regulation no. 5/2018 of the Financial Supervisory Authority („ASF”) on issuers and securities operations, with the subsequent amendments („Regulation no. 5/2018”) (hereinafter referred to as Reported transactions included in the “Current Reports”), in the form of an independent limited assurance conclusion if, based on the procedures conducted, we have not taken note of any aspects that would lead us to believe that the price of the Reported Transactions included in the Current Reports does not meet, in all material aspects, the criteria defined in paragraph 10 of this independent limited assurance report.

Responsibilities of the Company’s management

2. The Company’s Management is responsible to draft and submit the Current reports that are free from material misstatements, in accordance with art. 82 of Law no. 24/2017 and with Regulation no. 5/2018, for their completeness and for the information presented therein, for the correctness of the price of the Reported transactions included in the Current reports by reference to the other offers available on the market, as well as for the fulfilment of the criteria defined in paragraph 10 of this report. This responsibility includes: designing, implementing and maintaining a relevant internal control for the drafting and submission of the Current reports that are free from material misstatements, whether due to fraud or error and for the conclusion of Reported transactions included in the Current reports at a fair price by reference to the other offers available on the market and for the fulfilment of the criteria defined in paragraph 10 of this report. This responsibility also includes assuring the compliance with the requirements of art. 82 of Law no. 24/2017 and of the Regulation no. 5/2018, the compliance of the Reported transactions included in the Current reports with the supporting documents and the maintenance of adequate records in relation to the Reported transactions and the Current reports. The company’s management is responsible to prevent and identify fraud and to assure the Company’s compliance with the legislation and the regulations in force. The Company’s management is responsible to make sure that the personnel involved in the conclusion of the Reported transactions included in the Current reports and the drafting of the Current reports is adequately trained and the computer systems are adequately updated.

Auditor’s responsibilities

3. Our responsibility is to examine the Reported transactions included in the Current reports submitted by the Company and to report in the form of an independent limited assurance conclusion, based on the evidence obtained. We have conducted our engagement in accordance with the International Standard for Assurance Engagements („ISAE”) 3000 *Assurance engagements, other than audits or reviews of historical financial information* issued by the Council for International audit and assurance Standards. This standard requires that we plan and conduct our procedures in such manner, so as to obtain an adequate assurance level if the price of the Reported transactions included in the Current reports meets, in all material aspects, the criteria defined in paragraph 10 of this independent limited assurance report as a basis for our independent limited assurance conclusion.
4. We apply the International Standard on Quality Control 1 and, therefore, we have a complex quality control system, including documented policies and procedures related to the compliance with the ethical requirements, professional standards and legal provisions and of the applicable regulatory bodies.
5. We have met the independence requirements and other ethical requirements provided by the Code of Ethics of the Professional Accountant issued by the Council for International Ethics Standards for Accountants that are based on the fundamental principles of integrity, objectiveness, professional competence and diligence, confidentiality and professionalism.
6. The selected procedures depend on our understanding of the Reported transactions included in the Current reports and of other circumstances of the engagement, as well as on our considerations related to the areas where material misstatements might occur. In obtaining an understanding of the Reported transactions included in the Current reports, we have taken into consideration the process used by the Company to conclude the transactions and to draft and submit the Current reports in accordance with the requirements of art. 82 of Law no. 24/2017 and of Regulation no. 5/2018 in order to determine the relevant assurance procedures under the given circumstances, but not for the purpose of stating a conclusion on the effectiveness of the process or of the Company’s internal control for the conclusion of the Reported transactions included in the Current reports and for the drafting and submission of the Current reports.

The procedures conducted consisted mainly of taking interviews of the management and of other employees of the Company, of correlating the price of the transactions reported in the Current reports with the criteria used by the Management to evaluate it, as well as of evaluating the evidence obtained.

7. The procedures conducted to obtain evidences within a limited assurance engagement are different in terms of nature and timing and are more restricted, in terms of scope, than the procedures conducted within a reasonable assurance engagement. Therefore, the assurance level that is obtained within a limited assurance engagement is considerably lower than the assurance level that would have been obtained if a reasonable assurance engagement had been conducted.
8. As part of this engagement, we have not conducted any procedures for the auditing, reviewing or verification of the Reported transactions included in the Current reports in accordance with the International Audit Standards or the International Standards on Reviewing Engagements or of the sources from which the transactions included in the Current reports originate, nor did we conduct any procedures related to the completeness of the Reported transactions included in the Current reports.
9. Our procedures were only applied to the Additional documents no. 14/2018 for the tariff changes applicable for the reporting period and no. 15/2019 to the electricity supply agreement



no. CO.FZ.-354/2016 dated June 28th, 2016 concluded with Industrial Energy S.A. and to the Finished products sales agreement no. 30732/January 3rd, 2019 concluded with Rom Paper S.R.L. We did not conduct any procedures to check whether the Current reports include all the transactions and details on the transactions that the Company must report in accordance with the requirements of art. 82 of Law no. 24/2017 and with Regulation no. 5/2018 for the period between January 1st, 2019 – June 30th, 2019.

Criteria

10. The criteria used within this engagement were as follows:
 - for the current reports related to the conclusion of the Additional documents no. 14 and no. 15 to the electricity supply agreement no. CO.FZ.-354/2016 dated June 28th, 2016: the selection of the lowest price from among the offers received from the suppliers within the purchase procedures conducted by the Company, having the “lowest price” awarding criterion;
 - for the current reports related to the finished products sales agreement no. 30732/January 3rd, 2019: the comparison of the applicable sale prices with the affiliated company to the sale prices applicable to other customers within the normal course of business.

Conclusion

11. Our conclusion was formed based on and considering the aspects presented in this report.
12. We believe that the evidence obtained is sufficient and adequate to provide a basis for our conclusion.
13. Based on the procedures conducted and the evidences obtained, we have not taken note of any aspects that would make us believe that the price related to the Reported transactions included in the Current reports does not meet, in all material aspects, the criteria defined in paragraph 10 of this independent limited assurance report.
14. In accordance with the engagement terms, our independent limited assurance report on the information included in the enclosed Current reports dated February 15th, 2019, March 15th, 2019, March 28th, 2019, April 15th, 2019, May 15th, 2019, June 14th, 2019 and July 15th, 2019 drafted by the Company’s Management to report to the Financial Supervisory Authority in accordance with the requirements of art. 82 of Law no. 24/2017 and of the Regulation no. 5/2018, was drafted for the Company’s Board of Directors in relation to the requirements of these regulations and for no other purpose or in any other context.
15. The price of the Reported transactions included in the Current reports was assessed based on the criteria defined in paragraph 10 of this independent limited assurance report. The criteria were developed only for the purpose of this engagement and should not be considered adequate for any other purpose.

Restrictions on the use of our report

16. Our report must not be considered adequate for use by other parties that want to acquire rights against us, other than the Company, for any purpose or in any context. Any party, other than the Company, that gains access to our report or to a copy thereof and chooses to rely on our report (or on any part thereof) shall do this at its own responsibility. To the extent permitted by law, we do not accept and do not assume responsibility to any parties other than to the Company’s Board of Directors, as a whole, for our engagement, for this report or for the conclusion reached.



17. This report is addressed to the Company's Board of Directors, as a whole, assuming that it will not be copied, mentioned or presented, in its entirety (except for the Company's internal purposes) or in part, without our prior written consent. A copy of this independent limited assurance report may be submitted to the Financial Supervisory Authority.

On behalf of BDO Audit S.R.L.

Registered in the Electronic Public Registry of financial auditors and audit firms
under no. FA18

The Authority for Public Supervision of the
Statutory Audit Activity (ASPAAS)
Audit firm: BDO AUDIT S.R.L.
The Electronic Public Registry: FA18

Partner's name: Cristian Iliescu

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Registered in the Electronic Public Registry of financial auditors and audit firms
under no. AF1530

The Authority for Public Supervision of the
Statutory Audit Activity (ASPAAS)
Financial auditor: CRISTIAN ILIESCU
The Electronic Public Registry: AF1530

July 26th, 2019

Bucharest, Romania