



Str. Condorilor, nr.9, Bacău 600302; Cod EUID: ROONRC.J04/1137/1991-R.C.Bacău;
Cod Unic de Inregistrare: RO 950531; Capital social: 48.728.784 lei
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Administrative Board

Following the written requests of the shareholder Evergent Investments S.A. with the numbers 5463/04.12.2024 and 5464/04.12.2024 by which a series of questions are formulated both for the Ordinary General Meeting of Shareholders (OGMS) and for the Extraordinary General Meeting of Shareholders (EGMS) convened for 12.12.2024, pursuant to art. 198 of the ASF Regulation no. 5/2018 on the issuers of financial instruments and market operations and art. 1172 para. (3) of Law no. 31/1990 on Companies, we present below for each general meeting, the answers requested in "question" format.

In formulating the answers, the legal provisions indicated above were taken into account, namely the protection of confidentiality and commercial interests of the Company.

OGMS

Question:	Answer:
1. How does the Company ensure that the shareholders are informed and have access to relevant information related to the current activity of the Company and its corporate bodies, in particular on the occasion of a General Meeting of Shareholders which has on its agenda the approval of the Budget of income and expenditure? What are the means and procedures used to provide information? What are the reasons why the company is proposing a BVC without an Activity Program and without any correlation with the development strategy?	1. The company shall provide information to the shareholders in a non-discriminatory manner in compliance with the provisions of Regulation no. 5/2018 and in particular with the provisions of chap. III Periodic and continuous information. The methods of communication are the regulated ones, namely: publication at the BVB, ASF, company website, newspaper, official monitor, direct meetings at the company's headquarters. The detailed elements of the BVC are indicated in the related draft resolution and the 3 annexes to it.

2. What are the Company's reasons for using its equity to finance investments instead of leveraging? What is the Company's cost of capital? What are management's solutions for allocating capital to investments that can bring greater returns than the cost of capital?	2. The company uses its own capital in accordance with the provisions of the articles of association and the mandate granted by the GMS.
3. Is there a strategy for the use of reserves, including financing growth through strategic acquisitions and return of capital to shareholders (e.g. special dividends, other)?	3. The company strictly follows the decisions of the GMS in all aspects of its activity, including the use of reserves.
4. In the report dated 30.09.2024 reference is made to the Company's 5-year development strategy. Was this strategy necessary for the shareholders to evaluate the Company's activity, presented to the shareholders? If so, how and on what date? Was the strategy approved by the Board of Directors of the Company? In case this strategy has not been published yet, we ask you to make it available to the shareholders before the date of the OGMS, in order to allow for proper analysis and an informed vote of the shareholders at the OGMS.	4. The strategy mentioned in the report dated 30.09.2024 represents an exclusive working tool of the executive management created by it in order to ensure the fulfillment of the economic indicators approved by the GMS.
5. What are and where are presented: the Company's strategic objectives and the key performance indicators (KPIs) designed to assess the achievement of the strategic objectives?	5. The company's strategic objectives and performance indicators are those set out in the BVC and approved by the GMS.
6. What are the Company's main lines of business and the estimated evolution of revenues on each line over the next 5 years?	6. The company's business lines are presented on the company's website and in every BOD report. The revenue evolution is estimated annually, through the BVC submitted for approval to the GMS.
7. What are (i) the major projects in which the Company is involved, both in the civil and military segments and in the Company's other areas of activity, in terms of both aircraft manufacturing and aircraft repair and maintenance; (ii) the contribution of each project in the development strategy, with a presentation of the cost/benefit analysis, IRR indicators, NPV (Net Present Value), physical program, budget allocated by years and the deadlines for the completion of each project in	7. There are no major projects, we are in the stage of organic development, and when there will be, they will be presented to the governing bodies according to the legal provisions.

relation to the project decision on the approval of the BVC?	
8. How does the Company intend to improve the ROI (return on investment) of capital projects, given the discrepancies between high costs and reported benefits?	8. The activity of the company is reflected by its position both at national (country) and international level in the industry, according to the information note attached to this document.
9. What are the reasons for the estimated decrease in EBITDA (-31%) and net profit (-34%) in 2025 compared to the annualized 9-month 2024 result? How is worsening of market multiplies justified (PER: from 15 to 23; EV/EBITDA: from 10 to 13)? What options are being considered for using the excess cash to generate shareholder value?	9. The deterioration in the global economic context compared to previous years, particularly in the industry, leads us to propose to the General Meeting of Shareholders, through the 2025 Income and Expenditure Budget, a set of indicators that reflect the difficult market context in which the company operates. The Company uses cash to achieve the indicators set out in the Income and Expenditure Budget.
10. How do you explain the lack of consistent profit growth between 2018 and 2023, given that 2023 profit is close to that of 2018, even though turnover has increased substantially? How does the Company's management justify the increase in operating expenses in the context of declining margins?	10. The answer to this question can be found in the global context of the evolution of the aeronautical industry, the price increases generated by the global geopolitical context (pandemics, war, embargo, restructuring of the supplier chains, etc.). For each financial year, the details are included in the Board of Directors' reports approved by the GMS.
11. What are the financial developments and trends of the Company, presented on the basis of comparisons for the last 3 years and the next 5 years?	11. For the last 3 years the financial evolutions are included in the periodical reports of the Board of Directors approved and published, and for the next 5 years they will be in accordance with the GMS's decisions.
12. When will the Company make available to the shareholders the 5-year development strategy of the Company and the strategy on the improvement of the Company's capital structure, which are on the updated agenda of the OGMS? We mention that it is essential that these are analyzed by the shareholders before the date of the OGMS, in order to have a more informed vote and to allow for constructive debates at the meeting.	12. The company will fully comply with the GMS's decision on this issue.

Question:	Answer:
1. How does the Company ensure the dissemination of information to the shareholders and their access to relevant information related to the current activity of the Company and its bodies, especially on the occasion of a general meeting of the shareholders and what are the means and procedures used for the realization of the information?	1. The company shall provide information to the shareholders in a non-discriminatory manner in compliance with the provisions of Regulation no. 5/2018 and in particular with the provisions of chap. III Periodic and continuous information. The methods of communication are the regulated ones, namely: publication at the BVB, ASF, company website, newspaper, official monitor, direct meetings at the company's headquarters. The detailed elements of the BVC are indicated in the related draft resolution and the 3 annexes to it.
2. Is the company concerned about transferring its shares to the BVB Premium category? What steps have been taken for promotion to this category, given the interest of investors in companies that meet the criteria, with the effect of market value appreciation?	2. The transfer of shares to the BVB Premium category can only be approved by the GMS. The company may only take action within the limits of the mandate granted by the GMS.
3. What are the reasons why the level of the VEKTOR indicator (published on the Bucharest Stock Exchange (BVB) website) is very low (1/10), an indicator that reflects the openness of the listed companies in terms of communication with investors?	3. The company has consistently aimed at complying with all legal requirements in terms of communication with investors.
4. What measures is the Company taking to improve communication with investors and increase interest in the ARS shares?	4. In a regulated market, the company's aim was to comply with all applicable legal provisions.
5. What mechanisms are in place to assess the performance of the Company's Board of Directors and executive team to ensure alignment with the shareholders' interests?	5. Annual preparation of the Board of Directors' report and its submission for approval by the GMS along with the annual financial statements
6. Is the company considering a strategy to attract institutional and individual investors, considering the stagnating share price?	6. The Company is committed to the constant growth of its operational and financial business performance. The Company's management does not act to influence the share price in the market except through the Company's economic performance.
7. When will the Company make available to the shareholders the strategy for stock market development	7. The company will fully comply with the GMS's decision on this matter.

and corporate governance, as well as for the improvement of the VEKTOR stock market indicator, which is on the agenda of the EGMS update? We mention that it is essential for the shareholders to analyze it before the date of the EGMS, in order to have a more informed vote and to allow constructive debates at the meeting.	
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President of the Board of Directors

Eng, Grigore FILIP



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December 9, 2024
AEROSTAR S.A.

Approved
Chief Executive Officer
Eng. Alexandru Filip

INFORMATION NOTE

regarding the position of AEROSTAR S.A. in relation to other companies in the sector in terms of turnover and profitability

AEROSTAR belongs to the category of large enterprises according to national and international regulations. In 2024, the company occupies the following positions:

I. At national level

in the NATIONAL TOP OF COMPANIES by the Romanian Chamber of Commerce and Industry, 31st edition 2024:

First place In the industry, in the category of very large enterprises, the field of activity Manufacture of Aircraft and Spacecraft.

1. By Turnover – among the top companies with CAEN code 3030

AEROSTAR S.A ranked 2nd place, with 506 293 615 lei

2. After Net profit - among the top companies with CAEN code 3030

AEROSTAR S.A ranked 1st place, with 93 027 905 lei

II. At county level

in the TOP COMPANIES IN BACAU COUNTY

3. By Turnover

AEROSTAR S.A ranked 16th place

4. After net profit

AEROSTAR S-A ranked 5th place

5. By Turnover- among the top companies with CAEN code 3030

AEROSTAR S-A ranked 1st place

6. After net profit - among the top companies with CAEN code 3030

AEROSTAR S-A ranked 1st place





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III. On the international aerospace & defense industry market- according to the Plimsoll report which analyzes the 842 largest companies in the industry in which we operate:

7. By Turnover

AEROSTAR S.A ranked 382nd out of 842 companies analyzed

8. After net profit

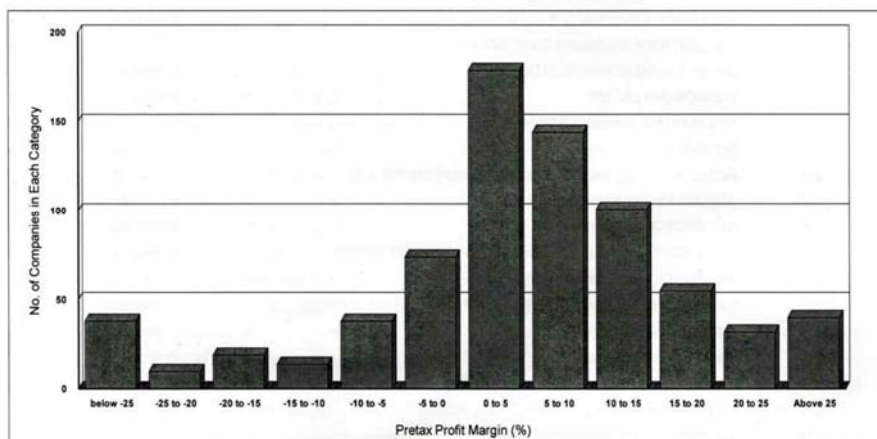
AEROSTAR S.A ranked 187th out of 842 companies analyzed

IV. In terms of profitability

Analyzing the industry in which we operate, the average pre-tax profit margin is between 5.0 and 7.5%. There are many factors that affect the pre-tax profit margin, for example, high interest payments can often represent a large proportion of the profit available. In the analyzed period 41% of the companies reported a decrease in profit margin and 27% of the companies reported losses.

Distribution of the pre-tax profit margin(%)

Distribution of Pretax Profit Margin % in the latest year



V. In terms of profitability

The most recent industry ratio for gross profit reinvested on total assets is 3.4%, up from an ratio of 2.9%. A typical example can be found in a company that is expanding/ growing well, where both sales and investments are increasing. As in the profitability case, if additional loans are taken out to finance expansion/development through interest payments, the return of investment is further reduced. An investor would normally aim for a 10% rate of return on investment. For a typical company in the field, the rate of return on investment is around 3.4%.

In general, larger companies have higher-ranking performances than similar





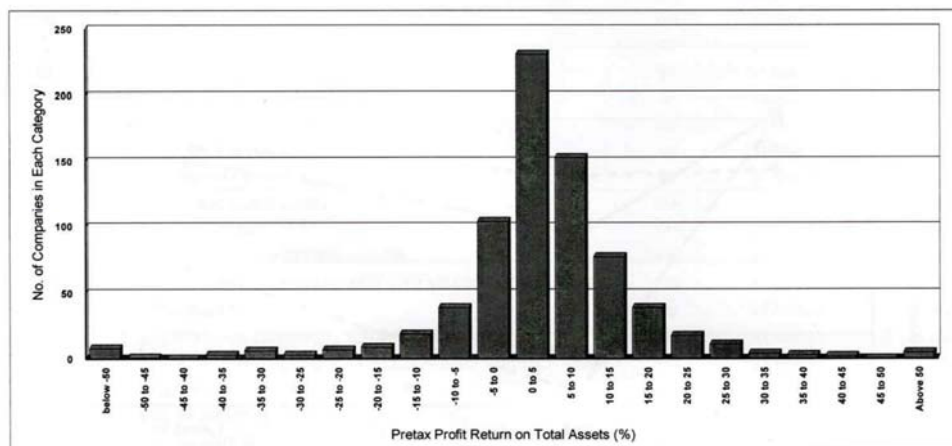
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smaller companies. The gross profit reinvested on total assets of a large company is 3.6%, which is higher than that of similar smaller companies, that achieve 1.8%.

Distribution of pre-tax profit return on total assets % in the last year year

Distribution of Pretax Profit Return on Total Assets % in the latest year



VI. *D2P-Detail Parts Partner analysis made by Airbus company for all its suppliers, Aerostar was awarded as a partner/supplier - "challenger" for performance in the Airbus programs.*

Conclusions:

Analyzing Aerostar's position on the national and regional market the following can be observed:

Aerostar does not occupy the top places in terms of turnover, but it has a good position in the top companies ranked by net profit, which denotes a solid strategy and actions applied correctly and consistently.

Analyzing Aerostar's position on the international market of the aerospace & defense industry:

Aerostar is ranked 187th out of 842 large international companies in terms of net profit, which means it is in the top 25%, rated "Strong" and is financially in a good position.

In most cases, companies that do not adapt to industry requirements, are not prepared for free market competition, do not have the necessary resources to maintain their market share and will be in decline in the years to come.

Analyzing the awards obtained for operational performance and support among Airbus suppliers, Aerostar has a strategic, efficient and stable positioning.

Prepared

Head of Marketing and Development, Elena Costache

