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ANNUAL REPORT

OF THE BOARD OF DIRECTORS

FOR THE 2020 FINANCIAL YEAR

prepared according to Law no. 24/2017 regarding the issuers of financial instruments and market operations and FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations

Company

ROMPETROL WELL SERVICES S.A.

Registered office:	Ploieşti - str. Clopoţei no. 2 bis
Telephone no.:	0244/544321, 0244/544101
Fax no.:	0244/522913
Tax identity code:	RO 1346607
Trade Registry no.:	J29/110/March 05, 1991
Trading market:	BUCHAREST STOCK EXCHANGE
Subscribed and paid in share capital:	RON 27,819,090

Main characteristics of the securities issued by the company

No. of shares:	278,190,900
Nominal value (RON/share):	RON 0.10
Class and type of securities:	“A” nominative

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1. Analysis of the company's activity

Rompetrol Well Services S.A. (RWS) is one of the most important companies in the specific Romanian market segment. RWS offers a wide range of specialized services for crude oil and natural gas wells including cementing, stimulations, nitrogen services, tubular running operations and rentals of equipment and tools.

The regional market and demand for well services registered during 2020 a significant drop on the background of effects generated by COVID-19 pandemic, as well as due to a negative trend, registered by the petroleum industry.
The upstream sector was directly impacted by the crude dynamics, quotations volatility for oil products, production reduction measures or suspension of some major exploration and production projects. Additionally, count geopolitical tensions (USA, Russia, Saudi Arabia, Iran) and OPEC decisions for limiting or reducing the crude production, Brent quotation in year 2020 being at a level of 42 USD / barrel, 35% down in comparison with 64 USD/barrel recorded in year 2019.
Within the COVID-19 pandemic context, measures for limiting virus spreading and population mobility were reflected in a dramatic and sudden drop of demand for oil products, decreased refining margins, generating overstocks of raw materials and products.
This market context has determined big upstream sector companies to change their strategies and development plans, reduce investments and take other actions like postponing or cancelling of some exploration projects, reduction of crude oil production, implementing of programs for cutting costs and staff, measures for maintaining economic sustainability.
Company managed to implement in 2020 some measures and programs for optimizing costs, improving current activities and employees' protection. All these significantly contributed towards the registered financial results, including a positive net result.

-RON

	2018	2019	2020
Operating income, of which:	64,282,224	66,981,161	48,595,858
Services rendered	62,745,136	65,678,479	47,249,182
Operating expenses, of which:	(48,758,777)	(57,844,704)	(47,713,575)
Depreciation	(5,278,281)	(4,883,457)	(4,895,712)
Provision adjustments, net	7,830,317	631,085	(157,129)
Net financial income	3,930,846	4,518,132	3,747,231
EBIT	**19,454,293**	**13,654,589**	**4,629,514**
Net Profit	**16,886,640**	**12,170,108**	**4,362,952**
Available funds in cash pooling system	50,967,016	96,010,188	82,419,445
Number of employees	170	172	158

1.1. a) Description of the company's core activity

Benefiting from almost 70 years of experience, Rompetrol Well Services SA is a competitive, solid and reliable partner, offering a wide range of services in the oil and gas industry.

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The Company's core activities are: supply of services for oil and gas wells, rental of well tools and equipment, and other services. The offered services include: cementing, stimulations, tubular running operations performed in the oil fields in Romania and abroad.

On an annual basis, the Company cements an average of 250 strings and liners, with a depth varying from 50 to 5,500 meters, supplies tubular running services for casings and liners to all Romanian clients. The company also offers rental services for drilling tools.

b) Specification of the company's incorporation date

Rompetrol Well Services S.A. was established in 1951 and in the 69 years of activity, although it operated with various structures and under various names, the main profile was the performance of special operations at Romanian oil and gas wells.

Government Decision no. 1213, from November 1990 decided that the company to be transformed in a joint-stock company, according to Law no. 15/1990, under the name of PETROS S.A., name under which it operated until September 2001, when it changed its name into ROMPETROL WELL SERVICES S.A.

c) Description of any merger or signification reorganization of the company, of its subsidiaries or of controlled companies, during the financial year

During 2020 and respectively 2019, the Company did not participate to any merger or reorganization.

d) Description of purchases and/or disposals of assets

During 2020, the acquisitions performed by the Company were represented mainly by special equipment needed for the normal operating activity. The Company did not dispose fixed assets with significant net book value.

e) Description of the main results of the evaluation of the company's activity.

1.1.1. General assessment elements:

a) Profit;
At the end of 2020, Rompetrol Well Services registered a positive result (profit) of RON 4,362,952.

b) Turnover;

In 2020, the turnover was RON 47,667,818, 28% lower than in 2019, respectively 32% lower than the budgeted turnover. The impact is generated by the market reaction to the sudden drop in oil prices, as well as to the effect generated by the Covid pandemic.

c) Export;

In 2020, due to the restrictions imposed as a result of the Covid pandemic, no services were provided outside Romania.

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d) Costs;

In 2020, the operating expenses adjusted with provisions were RON 47,556,446, 19% lower than those registered in the previous year, their evolution being directly influenced by the decrease of the activity volume, as presented under item b).

e) Market percentage;

In Romania the Company holds between 15% and 70% of market shares for various types of special services rendered.

f) Liquidity (available funds in the account, etc.).

In terms of liquidity, the Company maintained the capacity to cover current debts from current assets, the current liquidity indicator reaching a level of 10.68 at December 31st, 2020.

1.1.2. Assessment of the company's technical level

Description of the main rendered services

The main services performed by ROMPETROL WELL SERVICES S.A. are the following:

- **Cementing and various pumping services such as**:

casing cementing, primary cementing, remedial cementing (plug cementing and squeeze cementing), killing of wells, well circulations, millings and fluids displacements, interventions on damaged wells, miscellaneous pumping, pressure tests of eruption heads, tubular material, manifold, blow out preventer, etc..

- **Sand-control services**:

transport and handling of powder materials, operations at the well site.

- **Stimulation services**:

tensio-active treatments, acidizing, handling and transport of fluids (acid solutions and emulsions, field water etc.), aquifers layers isolation, operations for pumping enzymes.

- **Liquid Nitrogen services**:

putting in production, nitrogen fracturing, foam acidizing;

- **Tubular running services;**
- **Rentals of tools and equipment for various drilling-extraction works or the solving of well technical accidents;**
- **Cement analysis at the well site or in the lab;**
- **Cementing solutions preparation according to recipes;**

a) main markets for each product or service and distribution methods;

ROMPETROL WELL SERVICES SA maintained its position on the internal market being permanently concerned with improving the quality of performed services. With production capacities spread throughout the territory of the country and qualified labour force, well prepared in the field of supplies of special services at crude oil and gas wells, ROMPETROL WELL SERVICES promptly ensures the services requested by their beneficiaries irrespective of the location.

The main markets for the services of Rompetrol Well Services are in Central and Eastern Europe.

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b) weight of each category of products or services in the income and in the total turnover of the company for the last three years;

The situation of the weight of each category of services in the 2018, 2019, 2020 turnover is presented in Annex no. 1.

c) new products envisaged to which a large volume of assets will be allocated during the next financial year, and products' development stage.

The equipment modernization program in the last years focused on updating technologies for cementing and well stimulation services, respectively tubing and acidizing services. The endowment of cementing pump trucks with new high pressure lines is in accordance to the current safety requirements of the industry. The Company continues to develop and implement efficient cementing and well stimulation technologies to meet the operational requirements of customers.

1.1.3. Assessment of the technical and material supply activity (domestic sources, import sources)

Information on the safety of supply sources and the prices of raw materials and the dimension of raw materials and materials stocks.

The main types of materials necessary to perform the company's activity are: cement and additives, fuels and lubricants, car spare parts and technological equipment, ensured based on annually concluded firm agreements, which ensures stability and safety to the company's operation under optimum conditions. The levels of stocks of raw materials and spare parts vary depending on the volume of activity forecast in the immediately next period. Purchase prices are the market prices.

1.1.4. Assessment of the selling activity

a) Description of the sales evolution sequentially on the internal and/or external market and of sales perspectives on a medium and long-term basis;

The income evolution is presented in the table below:

- RON

	2018	2019	2020
Sales by activities, of which:	**62,760,538**	**66,135,769**	**47,667,818**
▪ Income from rendered services	62,745,136	66,100,810	47,597,837
▪ Income from the sale of merchandise	15,402	34,959	69,981

In 2020, the Company's activity felt a decrease in orders for the provision of well services, especially in the first 10 months. From an operational point of view, the Company has implemented measures to ensure the availability of labor in order to honor all orders (such as periodic testing, reduced physical contact between teams). From a commercial point of view, the Company participated in all publicly announced auctions in order to ensure the activity for the next period.
Given the upward trend in the price of a barrel and the start of the vaccination campaign against COVID-19 in the last quarter, as well as the experience of similar episodes of sharp decline in oil prices in the past, we expect that in the medium and long term the market will return to normal .

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b) Description of the competitive situation in the company's activity field, of the weight on the market of the products or services of the company and of the main competitors;

Given the conditions of a competitive environment and the maintenance at a prudent level of the activity in the oil and gas industry, the Company succeeded in maintaining the market share for most services supplied in Romania, while increasing the complexity of supplied services. A share varying between 15% and 70% of the specific service market is held by the company.

The Company's main competitors are: SCHLUMBERGER LOGELCO, HALLIBURTON ROMANIA, S.M.A.P.E. and TACROM SERVICES.

c) description of any significant dependence of the company on a single client or a group of clients whose loss would have a negative impact on the company's income.

We can say that ROMPETROL WELL SERVICES depends on the position of OMV - PETROM BUCUREŞTI S.A., client which represents approx. 74% of the company's sales. To reduce this risk of dependence, the company targets the increase of the proportion of well special services supplied to other E&P players on the domestic market and the extension of the activity on the external market.

1.1.5. Assessment of the aspects related to the company's employees/personnel

a) Specification of the number and training level of the company's employees and of the labour force syndication degree;

The Company ensured training for employees, mainly through in-house training programs, to ensure the achievement of the maximum benefits from the operation of existing equipment, continuously raising the skills level of employees and to create a safe work environment.

The structure of employees as at December 31, 2020 was as follows:

Total employees, out of which:	158
- with higher education	67
- with secondary education	12
- qualified workers	79

The labour force syndication degree is 85.44%.

b) Description of the relationships between the manager and the employees, and of any conflictual elements characterizing such reports.

The relationships between the manager and employees are based on collaboration, according with "Collective labour agreement" at a company level, there being no conflictual elements which could characterize such relationships.

1.1.6. Assessment of the aspects related to the impact of the issuer's basic activity on the environment

The synthetic description of the impact of the issuer's basic activities on the environment and of any existing or envisaged litigation regarding the breach of the environmental protection legislation.

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The activity performed in the company, both at the Ploieşti headquarters and at all the sections and work points in the country strictly pursues the observance of the environmental legislation in force and thus any litigation which may appear regarding the breach of environmental protection laws is avoided.

Our Company makes periodical verifications of the compliance with environmental requirements to avoid penalties or fines which may be applied for the failure to observe the obligations in this field, but also for the relationship with our suppliers and clients, which are lately more and more strict as to environmental aspects and concerned with identifying solutions leading to the reduction of ecological print.

The verification of environmental compliance is a complex process through which our company makes a detailed assessment of the activities impacting the environment, of the manner to observe the environmental legislation both for the technological processes made on site and of the held documents, identifying the non-compliances and proposing solutions for compliance, prevention or reduction of the effects of the impact generated by company on the environment.

In July 2018 the audit for the recertification of the Integrated Management System (environment, quality, labour security and health), made by DNV GL Business Assurance, was performed, further to which Rompetrol Well Services S.A. was certified for the next 3 years, with the new ISO 9001:2015, ISO 14001:2015 and OHSAS 18001:2007 standards. In 2020, the Company adhered to the new OHSAS 45001: 2018 standard, which replaced the old OHSAS 18001: 2007 standard. To verify and maintain the compliance with these standards, our company annually performs environmental, quality and safety audits of all its bases and inspections of the operations we perform on our clients' locations.

Rompetrol Well Services aimed at achieving several environmental objectives, of which:

- Training and monitoring subcontractors on the observance of environmental requirements. We perform audits of our subcontractors on an annual basis.
- Information of suppliers and clients of the policy and actions of the company in the environmental protection field
- Monitoring and reduction of the consumption of resources (water, natural gas, electricity, lubricants and fuels);
- Optimizing the consumption of electricity and gas by using LED lamps and using new thermal power plants with low consumption;
- Reducing paper consumption by electronic archiving;
- Periodic monitoring of the spaces arranged for waste collection and their safe storage;
- Monitoring of the activity in the bulk cement loading and unloading station and related to blend performance;
- Reuse of the packages used for liquid additives, in order to reduce the quantity of packages introduced on the internal market;
- Continuation of the process related to the renew of the car fleet with new generation trucks equipped with Euro 6 engines, thus contributing to the reduction of the emissions eliminated in the atmosphere.
- Training of the entire personnel regarding: the selective collection of waste, the reduction of specific consumptions and especially the responsibility to put in practice the environmental policy which the company declared and the environmental objectives it has set itself to perform.

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According to Law no. 105/2006 and Emergency Ordinance no. 196/2005, regarding the obligations to the Environmental fund, Rompetrol Well Sevices S.A. pays monthly taxes for pollutant emissions in the atmosphere, coming from fixed sources and annually the tax for the packages introduced on the market, according to the Statements regarding the obligations to the Environmental fund.

1.1.7. Assessment of the research and development activity

Specification of the expenses in the financial year and of those anticipated in the next financial year for the research and development activity.

In 2020 the Company did not registered research and development expenses.

1.1.8. Assessment of the company's risk management activity

Description of the Company's exposure to the price, credit, liquidity and cash flow risk. Description of the company's risk management policies and objectives.

The activity performed by the Company implies its exposure to:
- *price risk:* the Company has a flexible price policy, which enables it to react and adapt to the potential price fluctuations which could appear on the market;
- *credit risk:* the Company's activity is financed from own sources, but the credit risk could not be totally eliminated. The Company approached client crediting in a procedural, flexible manner, through the contracting strategy established as an essential risk distribution mechanism. The company's management permanently monitors the receivables and their collection;
- *interest rate risk:* the Company did not contract bank loans, not having any effect of the interest rate on expenses. For the available funds placed in cash pooling system, the interest income is variable by reference to ROBOR evolution;
- *liquidity risk:* until present the liquidity risk was estimated as low, because the company succeeded in obtaining a stable balance between the due date of receivables generated by sales and the chargeability of the debts for the operational and investment activity.;
- *exchange rate risk:* most income achieved by the Company is referred to RON and EUR. The time difference between the recognition of amounts in foreign currency and their collection cannot generate significant effects over the Company's financial position.

1.1.9. Elements of perspective regarding the company's activity

a) Presentation and analysis of trends, elements or factors of uncertainty which affect or could affect the liquidity of the company as compared to the same period of the previous year.

The activity performed by the company did not determine malfunctions of the cash flows, being compensated by the efficiency of the management of existing liquidities. The commitments to suppliers were rhythmically paid. The registered overdue amounts do not have the risk of significant penalties. As at December 31st, 2020 the company is not involved in any litigation for the payment of outstanding debts. The company ensured permanent promptness in honouring the agreements throughout the country.
The perspectives of extending service activities on external markets however impose rational decisions in prudently engaging liquidities upon the conclusion of new agreements.

Main objectives for 2021

To continue offering high quality services in all the main activities performed by the Company.

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Taking into account the current market trend, the Company is analyzing the possibility of expanding on the services market in the Middle East region. In this sense, the Company started discussions with possible local partners, including the opening of an operational base in the area.

b) Presentation and analysis of the effects of capital expenses, current or anticipated, on the company's financial situation as compared to the same period of last year.

The company operated through the use of its own financing sources, without engaging credits from banking institutions or other legal persons.

The debt category does not include overdue debts such as interest or other credits engaged from banking institutions, but only the effect of applying the new leasing standard.

The permanent trend for the constructive and functional improvement of drilling installations imposed by the necessity to obtain a technical and economic efficiency of extraction wells led to the necessity to perform investments in order to satisfy market requirements.

A weight of 88% of the increase registered in tangible assets, of RON 4.2 million, is represented by the purchase and/or modernization of installations, machinery and tools used in the operations made at drilling wells and at other associated operations.

Approximately 12% of the total investments made by the Company in 2020 targeted works made to rehabilitate and modernize the administrative buildings and the replacement of equipment such as IT equipment.

The Company ensured its own financial resources to fully achieve the 2020 capital expenditure budget.

c) Presentation and analysis of events, transactions, economic changes significantly affecting the income from the basic activity.

The turnover for 2020 decreased by 28% compared to 2019, due to the reduction of well services demand. This decrease was limited to level mentioned above due to the solid position of the Company on the specific market.

2. Company's tangible assets

2.1. Specification of the location and of the characteristics of the main production capacities owned by the company.

The patrimonial assets such as tangible assets enable a flexible organization in the territory to operatively honour beneficiary's orders.

The place of service supply is identified at the beneficiaries, not in the organizational perimeter of the company, the use of production capacities depending on the orders received from beneficiaries.

The location of plots of land and constructions on the geographic area is identified in the following localities: Ploieşti (Prahova County), Câmpina (Prahova County), Boldeşti - Scăieni (Prahova County), Răzvad (Dâmboviţa County), Leordeni (Argeş County), Mihăeşti – Stupărei (Vâlcea County), Potcoava (Olt County), Craiova (Dolj County), Tg. Cărbuneşti (Gorj County), Slobozia – Conachi (Galaţi County), Ianca (Brăila County), Timişoara (Timiş County), Tg. Mureş (Mureş County), Mediaş (Sibiu County), Moineşti (Bacău County), Tecuci (Galaţi County), Videle (Teleorman County).

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The main production capacities are represented by the existence of fixed assets in the patrimony, such as: cementing units, bulk trucks, tank trucks, cement laboratory equipment and other types of utility vehicles and drilling tools.

2.2. Description and analysis of the degree of wear and tear of the company's properties.
The work in open air at wells, the circulation on difficult to access roads and the use of corrosive materials imply a high degree of wear and tear – compensated through the investments in the last years. The car specific nature of production capacities implies the recognition of maintenance costs resulted from the adaptation and recognition of the imperative normative documents specific to European integration and of environmental protection problems: DGT transport licenses, vignettes, tachographs, environmental taxes, first registration taxes, local taxes, etc.

2.3. Specification of the potential problems related to the ownership right over the company's tangible assets.
For all tangible assets, the ownership right is recognized, according to the held documents and the regulations in force.

3. Market of the securities issued by "ROMPETROL WELL SERVICES" S.A.

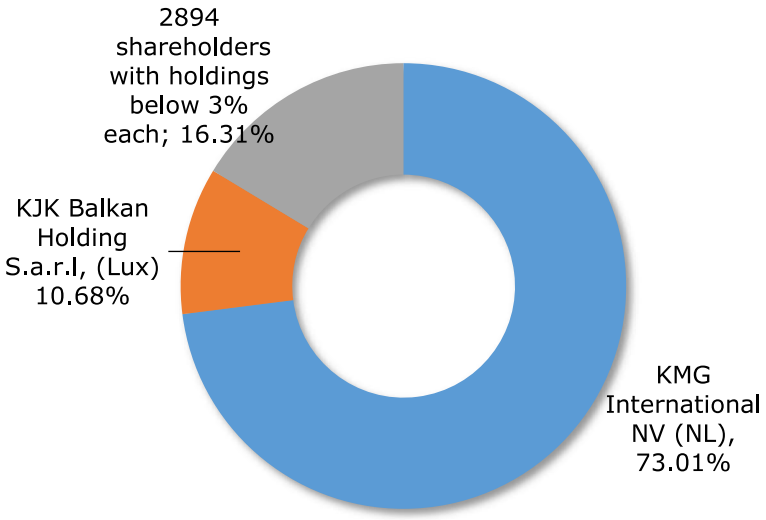
3.1. Specification of the markets in Romania and in other countries on which the securities issued by the company are negotiated.
The securities issued by ROMPETROL WELL SERVICES S.A. are admitted to the listing of the Bucharest Stock Exchange through decision no. 133 / March 26, 1998 and are traded on such market under the STANDARD category in the sector of the securities issued by Romanian legal persons, starting with June 18, 1998, under the PTR symbol. The securities issued by the company are in class A – nominative shares.
The share capital as at December 31, 2020 is RON 27,819,090 equivalent to 278,190,900 shares with a nominal value of RON 0.10 /share and is distributed by holders as follows:

1. KMG INTERNATIONAL N.V. The Netherlands	RON 20,311,015 (73.0111 %)
2. KJK BALKAN HOLDING S.a.r.l Luxembourg	RON 2,970,995 (10.6797 %)
3. Other shareholders (2894 shareholders)	RON 4,537,080 (16.3092 %)

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Shareholding structure



3.2. Description of the company's dividend policy. Specification of the dividends due/paid/accumulated in the last 3 years and, if applicable, of the reasons for the potential decrease of dividends over the last 3 years.

The decision to declare and pay dividends is made in the Annual Ordinary General Meeting of Shareholders at the recommendation of the Board of Directors. The recommendations on the dividend value and payment manner are adopted in the meeting of the Board of Directors proposing the profit distribution based on end-of-year results.

The policy provides a differentiated approach in determining the volume of dividends in respect of the Company, depending on:

- The nature and profitability of the commercial activity of the Company and its share capital needs;
- The expected own equity requirements for performance of the activity plans and the investment projects.
- The actual dividend volume shall take into account own equity financing needs for:
  - Financing of capital investments in existing assets;
  - Financing of investment projects in respect of the part which requires the allocation of own funds according to the agreed structure of project financing;
  - Debt reimbursement;
  - Other relevant factors that influence the company's cash flows.

The Board of Directors drafts proposals for the amount of dividends actually distributed for the reporting period.
The dividends distribution rate, subject to the other provisions of this Policy, is set at a minimum of 30% as long as there is sufficient cash availability computed as following:
Cash balance N + Cash Pooling net balance N + Cash from operations N+1 + Cash from Investing N+1 + Finance cost paid N+1 + Mandatory loan repayments N+1

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Where N is represented by the year for which the distribution is made while N+1 is represented by the next year. For N+1 computation is prepared based on the budget.
The Dividends are distributed to the Company's shareholders pro rata with their shareholdings in the Company.
The final decision shall be taken by the appropriate corporate bodies of the Company.
Amount of dividends shall be identified when decision is made to declare and disburse dividends.

The GMS decision on declaring and paying dividends shall reflect the following:
- the value of the dividend per share;
- the registration date and the adequate ex date, identifying the shareholders entitled to the dividend;
- the dividend payment date;
- any other legal requirements mentioned in the legal provisions in force.

For the year ended December 31st, 2018, the OGMS approved on April 24, 2019 the distribution of the net profit of RON 16,886,640, with the following destinations:
(i) dividends in amount of RON 5,007,436, respectively RON 0.018 gross /share
(ii) other reserves in amount of RON 11,879,204.

For the year ended December 31st, 2019, the OGMS approved on April 27, 2020 the distribution of the net profit as dividends of RON 12,170,108, respectively RON 0.0437 gross/share.

For the year ended December 31st, 2020, the OGMS, scheduled for April 26(27), 2021 shall decide on the profit distribution manner. The proposal of the Board of Directors is to distribute net profit as dividends the amount of RON 4,362,951, respectively RON 0.0156833 gross/share.

Until December 31st, 2020, the following dividends were paid:
- 93 % of the gross dividend approved for the 2017 financial year;
- 93 % of the gross dividend approved for the 2018 financial year;
- 93 % of the gross dividend approved for the 2019 financial year

3.3. Description of any activities of the company related to the purchase of its own shares.

The Company did not perform any activities related to the purchase of its own shares.

3.4. If the company has subsidiaries, specification of the number and nominal value of the shares issued by the parent company held by subsidiaries.

Not applicable.

3.5. If the company issued bonds and/or other debt securities, presentation of the manner in which the company pays its obligations to the holders of such securities.

Not applicable.

4. Management of ROMPETROL WELL SERVICES S.A.

According to the Articles of Incorporation, the Company's activity is managed by a Board of Directors formed of 5 members, appointed by the Ordinary General Meeting, who may also be

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shareholders of the company, natural or legal persons, of Romanian or foreign citizenship, respectively nationality.

At the beginning of 2020, the Board of Directors consisted of the following members: Saduokhas Meraliyev, Felix Crudu Tesloveanu, Timur Zhetpisbayev , Olga Turcanu, Eugeniu Moby Henke.
During 2020, there were three changes in the membership of the Board of Directors.
Following Felix Crudu Tesloveanu's waiver of his mandate as member of the Board of Directors, Laurentiu Madalin Coltanel was appointed as interim member of the Board of Directors, effective as of February 1, 2020 until the next GMS. In the GMS from April 27,.2020 he was elected permanent administrator until April 29,2022. Moreover, following the waiver of Timur Zhetpisbayev's mandate as member of the Board of Directors, Abzal Doszhanov was appointed as interim member of the Board of Directors, effective starting with September 09, 2020 and until the next GMS. Moreover, following the waiver of Saduokhas Meraliyev's mandate as member of the Board of Directors, Yedil Utekov was appointed as interim member of the Board of Directors, effective starting with October 01, 2020 and until the next GMS.

Therefore, at the end of 2020, the Board of Directors has the following structure:

Yedil Utekov – Chairman of the Board of Directors
Abzal Doszhanov – Member/General Manager
Olga Turcanu - Member
Laurentiu Madalin Coltanel - Member
Eugeniu – Moby Henke - Member

4.1. Presentation of the list of company's directors and of the following information for each director:

a) CV (forename, surname, age, qualification, professional experience, position and seniority;

• Saduokhas Meraliyev – Kazakh citizen, born in 1959;
Member of the Board of Directors between January 01, 2020 and October 01, 2020.
Chairman of the Board of Directors starting with April 29, 2018.
Term of mandate: 4 years, starting with April 29, 2018.
He studied between 1976 and 1981 the chemical technology to process oil and gas in the Moscow Oil and Gas University, and then he specialized in business management at the California University.
He has solid professional experience in the oil and gas industry, holding management positions in various fields thereof, working in various companies such as: Atyrau and Pavlodar refineries, Kazakhoil and KazMunayGas.

• Yedil Utekov - Kazakh citizen, born in 1976
Member of the Board of Directors between October 01, 2020 and December 31, 2020.
Chairman of the Board of Directors starting with October 01, 2020.
Term of mandate: until April 29, 2022.
Mr. Yedil Utekov is a graduate of the Faculty of Resources and Hydrocarbons Chemical Technology of Astrakhan State Technical University in Russia, and started his career in the oil and gas industry back in 2001, as a process operator with Akasaraisky Gas Processing Plant in Russia; then in the months September 2001 – June 2002, he worked as operator for ZAO Intergaz Central Asia, Kazakhstan. Starting with June 2002, he gradually advanced from the position of engineer with Atyrau Refinery, to that of Ecology, Technology, Health and Safety Manager. During April 2005 – April 2010, he worked for Agip KCO, in Atyrau, Kazakhstan, the

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last position held in this company being that of Group Coordinator for Technical Control and Inspection in August 2008 – April 2010.
He has solid professional experience in the oil and gas industry, holding management positions in various fields thereof, working in various companies such as: Atyrau refinery, Agip KCO and KazMunayGas.

• Timur Zhetpisbayev – Kazakh citizen, born in 1982;
Member of the Board of Directors between January 01, 2020 and September 09, 2020.
Term of mandate: 4 years, starting with April 29, 2018.
He is an economist, graduate of the Faculty of Business Administration Sciences and Accounting in KIMEP and has a Master's degree in banking and entrepreneurship in Conegliano, Italy.
He has a special professional experience working in various companies such as: K&K Group Kazakhstan, ATF Bank Kazakhstan, Samruk Kazyna Invest, KazMunayGas.

• Abzal Doszhanov – Kazakh citizen, born in 1984;
Member of the Board of Directors between September 09, 2020 and December 31, 2020.
Term of mandate: until April 29, 2022.
Mr. Abzal Doszhanov graduated from Atyrau Institute of oil and gas and IFP School.
Mr. Abzal Doszhanov joined Rompetrol in 2010, successfully accomplishing various roles – initially on an operational level, holding key positions as Process improvement manager and then at management level, gradually holding positions such as Deputy Production manager and General Manager.

• Olga Turcanu – Romanian citizen, born in 1979;
Member of the Board of Directors between January 01, 2020 and December 31, 2020.
Term of mandate: 4 years starting with April 29, 2018.
Mrs. Olga Turcanu studied international economic relationships and economic law in the Moldova Academy of Economic Sciences both at a license and master's degree level. In 2013 Mrs. Olga Turcanu was accepted as a Member of the Association of Chartered Certified Accountants (ACCA), and starting with 2018 she has a Fellow ACCA status.
She has professional experience in fiscal consultancy, financial audit in the oil and gas industry, economic analysis, budgeting, business planning, taxation, analysis of investment projects, corporate financing.
She worked in various companies such as: PriceWaterhouseCoopers, Mechel Trade House, Bluehouse Capital Group, Rominserv.

• Felix Crudu Tesloveanu – Romanian citizen, born in 1970;
Member of the Board of Directors between January 01, 2020 and February 01, 2020.
Term of mandate: temporary until the next Ordinary General Meeting.
Mr. Crudu-Tesloveanu has graduated from the Commercial Management Faculty within the "Dimitrie Cantemir" University in Constanta. Mr. Crudu-Tesloveanu has joined Rompetrol ever since 1988, successfully accomplishing various roles – initially at the operational level, passing through Gas Station Manager, Regional Coordinator, Regional Sales Coordinator and then at the management level, gradually occupying the positions of Regional Sales Manager, Sales Director, Operations Director and General Manager.

• Laurentiu Madalin Coltanel – Romanian citizen, born in 1977;
Member of the Board of Directors between February 01, 2020- December 31, 2020.
Term of mandate: until 29.04.2022.

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Mr. Laurentiu Madalin Coltanel holding the position of Production Engineer, later, he has held the positions of Project Manager and Operations Director within the Rompetrol Rafinare company, the Head of COO Office.

• Eugeniu – Moby Henke – Romanian citizen, born in 1973;
Member of the Board of Directors between January 01, 2020 and December 31, 2020.
Term of mandate: 4 years starting with April 29, 2018.
He is a lawyer, graduate of the Law Faculty of the Bucharest University (1992-1996) and has a Master's Degree in Administrative Sciences (1997-1999) in the Bucharest National School of Political and Administrative Studies.
He has professional experience in the following fields:
- consultancy for public and private companies (organizations), governmental agencies and natural persons;
- development and preparation of corporate systems, legal analysis of transactions, projects;
- protection of clients' rights in general jurisdiction courts at all levels;
- preparation, negotiation and legal support in performing contracts, agreements and other legal documents;
- experience as a Manager of the legal department of the KMG International Group, in work teams for a series of projects (commercial, legislative, etc.).

b) any agreement, understanding or family connection between such director and another person due to whom such person was appointed director;

As far as directors are aware, there was no agreement, understanding or family connection between the company's directors and another person due to whom they were appointed directors.

c) director's participation in the company's capital;

As per the company's Shareholders' Register, consolidated on December 31, 2020, issued by the Central Depository, none of the directors participates in the company's share capital.

d) list of the persons affiliated to the company.

None of the members of the Company's Board of Directors is affiliated to Rompetrol Well Services S.A. as provided by FSA Regulation no. 5/2018.

4.2. Presentation of the list of the members of the company's executive management. For each of them, the presentation of the following information:
a) the term for which the person is part of the executive management;

During 2020, Management's structure was as following:

No.	Position	Forename and surname	Period
1.	*GENERAL MANAGER*	*ZHETPISBAYEV TIMUR*	*January 01, 2020- September 09, 2020*
2.	*GENERAL MANAGER*	*DOSZHANOV ABZAL*	*September 09, 2020 - December 31, 2020*
3.	*FINANCE MANAGER*	*MOISE LUIZA ROXANA*	*January 01, 2020-December 31, 2020*

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b) any agreement, understanding or family connection between such person and another person due to whom such person was appointed as member of the executive management;

We are not aware of cases of understandings, agreements or family connections between the members of the executive management and other persons due to whom they were appointed in such position.

c) participation of such person in the company's capital.

According to the Company's shareholders' register, consolidated on December 31, 2020, issued by the Central Depository, no member of the executive management participates in the company's share capital.

4.3. For all the persons presented under 4.1. and 4.2., specification of the potential litigation or administrative procedures they were involved in, in the last 5 years, regarding their activity at the issuer and those regarding the capacity of such person to perform their duties at the issuer.

None of the persons in the company's management was involved in the last 5 years in litigation or administrative procedures.

5. Financial Statements

Presentation of an analysis of the current economic and financial situation as compared to the last 3 years, referring at least to:

a) balance sheet items: assets representing at least 10% of total assets; cash and other liquid available funds; reinvested profits; total current assets; total current liabilities;

Starting with the year ended as at December 31, 2012, the Company's individual financial statements were prepared according to the provisions of Order of the minister of public finances no. 1286/2012 approving the accounting regulations according to International Financial Reporting Standards applicable to the companies whose securities are approved for trading on a regulated market, Order of the Minister of Public Finances no. 2844/2016 with all subsequent amendments and supplementations.
In order to prepare such financial statements, according to Romanian legislative requirements, the company's functional currency is deemed to be the Romanian leu (RON).

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Synthesis of patrimonial items:

- RON

	2018	2019	2020
Total assets, of which:	**151,956,012**	**164,278,951**	**151,868,575**
Fixed assets	34,204,656	41,094,485	41,958,743
Current assets	117,751,356	123,184,466	109,909,833
Total liabilities, of which:	**151,956,012**	**164,278,951**	**151,868,575**
Share capital, of which:	28,557,446	28,557,446	28,557,446
Subscribed paid in share capital	27,819,090	27,819,090	27,819,090
Legal reserves	5,563,818	5,563,818	5,563,818
Other equities	87,242,326	102,412,242	99,452,458
Current profit/loss	16,886,640	12,170,108	4,362,952
Current liabilities	11,015,675	13,114,817	10,291,496
Long term liabilities	2,690,107	2,460,521	3,640,405

b) Statement of profit and loss account

Summary of Statement of profit or loss:

- RON

	2018	2019	2020
Total revenues, of which:	**68,492,568**	**71,661,673**	**52,695,218**
Operating income	64,282,224	66,981,161	48,595,858
Financial income	4,210,344	4,680,512	4,099,360
Total expenses	**49,038,275**	**58,007,084**	**48,065,704**
Operating expenses, of which:	48,758,777	57,844,704	47,713,575
- consumable material expenses	18,275,133	16,784,640	10,853,051
- staff costs	18,891,536	19,653,427	17,484,748
- fixed asset depreciation expenses	5,278,281	4,883,457	4,895,712
- other expenses	6,313,827	16,523,180	14,480,064
Financial expenses	279,498	162,380	352,129
Gross profit/loss – profit	**19,454,293**	**13,654,589**	**4,629,514**
Income tax and deferred tax	2,567,653	1,484,481	266,562
Net profit/loss – profit	**16,886,640**	**12,170,108**	**4,362,952**

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Synthesis of budget indicator achievement:

- RON

	Achievements – previous year	2020	
		Budget forecasts	Achievements
Total revenues, of which:	71,661,673	75,143,900	52,695,218
Operating income	66,981,161	70,861,100	48,595,858
Financial income	4,680,512	4,262,800	4,099,360
Total expenses, of which:	58,007,084	61,919,100	48,065,704
Operating expenses	57,844,704	61,762,000	47,713,575
Financial expenses	162,380	157,100	352,129
Gross profit	13,654,589	13,224,800	4,629,514
Income tax and deferred tax	1,484,481	1,700,200	266,562
Net profit	12,170,108	11,524,600	4,362,952

c) cash flow: all the changes occurred in the cash level in the basic activity, investments and financial activity, cash level at the beginning and end of the period.

Statement of cash flows, synthesis - indirect method

- RON

	2018	2019	2020
Net profit/loss before taxation and extraordinary items	19,454,293	13,654,589	4,629,517
Operating profit before changes in the working capital	14,214,068	13,305,339	5,004,516
Net cash from operating activities	6,907,034	16,718,776	1,333,417
Net cash from investment activities	(6,981,638)	(11,572,624)	12,845,549
Net cash from financing activities	(143,036)	(5,374,941)	(14,184,794)
Net variation of cash and cash equivalents	(202,836)	(230,621)	(5,065)
Unrealized forex expenses	14,803	1,832	(762)
Cash and cash equivalents at the beginning of the financial year	603,372	385,733	156,944
Cash and cash equivalents at the end of the financial year	**385,733**	**156,944**	**151,117**

In 2020 both the performance of agreements with clients and suppliers and the assurance of all cash available funds to pay fully and timely the salary rights, budgetary debts and dividends were managed under financial balance conditions. All investment projects were financed from its own sources. In addition to the cash recorded at the end of the financial year, the available cash in the main account, in the cash-pooling system of RON 82,419,445 as at December 31, 2020 may be used without restrictions.

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Indicator	2018	2019	2020
Current liquidity ratio	10,69	9,39	10,68
Receivable turnover	118	112	129
Asset turnover	1,83	1,61	1,14
Gearing ratio	-	0.3%	0.6%

The gearing ratio is influenced by the application starting with January 1, 2019 of the new Leasing standard, respectively the recognition in the balance sheet positions of the debt related to the existing leasing contracts.

6. Corporate governance

ROMPETROL WELL SERVICES S.A. is a company listed on the Bucharest Stock Exchange – main segment, Standard share category, under symbol << PTR >>, as of **June 18, 1998**, according to decision of the Listing registration commission no. 133/March 26, 1998.

The company submits to the current legislation applicable to companies and the capital market: Company Law no. 31/1990 – as subsequently amended, Accounting Law no. 82/1991 – as subsequently amended, Law no. 297/2004 regarding the capital market – as subsequently amended, Law no. 24/2017 regarding the issuers of financial instruments and market operations, FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations.

The company's management adopted in a voluntary, self-imposed manner part of the provisions of the Corporate governance code of the Bucharest Stock Exchange (CGC-BSE).

The Corporate governance code of the Bucharest Stock Exchange is a set of principles and recommendations for the companies whose shares are admitted for trading on the regulated market in order to create in Romania a capital market attractive at an international level, based on the best practices, transparency and trust. The code encourages companies to build a strong relationship with their shareholders and other stakeholders, to communicate in an efficient and transparent manner and show openness to all potential investors.

The objective of the Corporate governance code of the Bucharest Stock Exchange is to raise trust in the listed companies by promoting standards of improved corporate governance in these companies.

A good corporate governance is a strong instrument to strengthen market competitiveness.
The central elements of this Code are the investors' access to information and the protection of shareholders' rights. Each listed company must pursue the observance of all Code provisions. The role of a good governance is to facilitate a good and efficient entrepreneurial management, which can ensure the company's long-term success.

The stage of Rompetrol Well Services S.A. compliance with the new Corporate governance Code is presented in Annex no. 2.

According to constitutive documents, **Rompetrol Well Services S.A. is managed in a unitary system** through which the administration is provided by a board of directors formed of 5 members, elected by the ordinary general meeting of shareholders, with a term of mandate of 4 years.
The Board of Directors has full powers in making any administration and management decisions besides those that law expressly gives to the General Meeting of Shareholders.

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By way of exception, the Board of Directors shall exercise the duties of the General Meeting of Shareholders provided by Art.113 letters b, c and f of Law 31/1990, as republished.
The decisions of the Board of Directors are valid if made with the vote of the majority of present members. In case of a tie, the chairman shall have a decisive vote.

Duties and competences of the board of directors and of the chairman of the board of directors

The Board of Directors has the duties established by Law no. 31/1990 updated, the company's Articles of Incorporation and other duties established by the general meetings of shareholders as its tasks, respectively, mainly, the following:

a) establish the main directions of activity and development of the company;
b) name and revoke the Company's managers and supervise their activity;
c) prepare the annual activity report;
d) perform the decisions of general meetings;
e) except for the legal deeds for whose adoption/conclusion the approval of the general assembly of shareholders is necessary, according to the imperative provisions of law, approve the adoption/conclusion on behalf of the company of the legal deeds whose object has a value comprised between USD 500,001 – USD 10,000,000; the approval is necessary if it is about a single commercial transaction made through one and/or several separate agreements, if the cumulated value of such agreements exceeds such amount;
f) approve the Company's organizational structure;
g) designate and/or revoke the persons acting as company's representatives in the relationships with banks, with a first signature right, respectively with a second signature right; joint signature rules shall apply adequately to make any payment made for and on behalf of the company;
h) approve the conditions to contract any types of loans from a bank and/or financial institution, and from any other legal person;
i) approve the company's intermediary financial statements, prepared according to law;
j) approve the marketing strategy and the investment plan of the company, and the annual budget (investment expenses and operational expenses), at the common proposal made by the general manager and economic manager;
k) file the application to open the company's insolvency procedure according to law no. 85/2014 regarding the insolvency procedure.

During 2020, the membership of the Board of Directors was the following:

- Saduokhas MERALIYEV - Chairman between January 01, 2020 - October 01, 2020;
- Yedil UTEKOV - Chairman between October 01, 2020 – December 31, 2020;
- Eugeniu Moby HENKE - Member between January 01, 2020 – December 31, 2020;
- Timur ZHETPISBAYEV - Member between January 01, 2020 – September 09, 2020;
- Abzal DOSZHANOV - Member between September 09, 2020 – December 31, 2020;
- Olga TURCANU - Member between January 01, 2020 – December 31, 2020;
- Felix CRUDU TESLOVEANU - Member between January 01, 2020 – February 01, 2020;
- Laurentiu Madalin COLTANEL - Member between February 01, 2020 – December 31, 2020;

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6.1. Information on the members of the Board of Directors

The CVs of the members of the Board of Directors of Rompetrol Well Services SA are available on the company's website at http://www.petros.ro. In addition, you can also find additional information in section 4.1 hereof.
According to the criteria assessing the independence of non-executive members of the Board of Directors, on December 31, 2020, none of the directors meets the independence criteria provided by the Code principles and recommendations.

In 2020 there were 14 meetings of the Board of Directors and 32 decisions were adopted, the directors' participation in such meetings being as follows: Saduokhas Meraliyev – 11 meetings, Yedil Utekov- 2 meetings , Eugeniu-Moby Henke – 14 meetings, Timur Zhetpisbayev – 10 meetings, Olga Turcanu – 14 meetings, , Felix Crudu Tesloveanu – 2 meetings, Laurentiu Madalin Coltanel – 11 meetings .

All the meetings of the Board of Directors were chaired by the Chairman. Subjects and projects relevant for the Company's activity were subject to debates. Decisions were adopted, considering legal provisions, regulations, articles of incorporation and internal incidental procedures. The decisions were made with the vote „in favour" of the majority of those present, according to the provisions of the Articles of incorporation.

For the financial year ended at December 31st, 2020, according to the legal provisions, the directors' remuneration was approved by the Ordinary General Meeting of Shareholders of April 27, 2020.

The information on the expenses related to directors' and managers' remuneration is presented in the annual financial statements.

The company has a financial auditor which performed its activity according to the applicable legal provisions and the agreements concluded in this respect. Starting with 2008, the financial auditor is "Ernst & Young Assurance Services SRL". The financial auditor audited the annual financial statements.

Information on other commitments and relatively permanent professional obligations of the members of the Board of Directors

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Name	Company	Position	Period
Saduokhas Meraliyev	Rompetrol Downstream S.R.L.*	*Chairman BoD*	01.04.2019 – 01.10.2020
	Rominserv S.R.L.*	*Chairman BoD*	01.04.2018 – 01.10.2020
	Rompetrol Energy S.A.*	*Chairman BoD*	12.04.2019 – 01.10.2020
	KazMunayGas Engineering BV*	*Chairman BoD*	03.09.2018 – 01.10.2020
	Rompetrol Rafinare SA *	*Chairman BoD*	24.04.2019-01.10.2020
Yedil Utekov	Rompetrol Rafinare SA *	*Chairman BoD*	01.05.2018- GMS
	Rominserv S.R.L.*	*Member BoD*	15.09.2020-14.09.2024
	Rompetrol Petrochemicals *	*Sole administrator*	01.03.2014 – 14.03.2021
	Palplast SA*	*Chairman BoD*	19.10.2020 -31.03.2021
	Rompetrol Energy S.A. *	*Chairman BoD*	01.10.2020 – 31.01.2022
Olga Turcanu	Palplast SA*	*Member BoD*	*15.10.2018 – 31.03.2021*
	KMG Rompetrol SRL*	*Finance Manager*	07.07.2019 - indetermined
	Rominserv Iaifo Zalau SRL*	*Member BoD*	15.09.2018– 14.09.2022
Felix Crudu Tesloveanu	Rominserv Iaifo Zalau SRL*	*Chairman BoD*	15.04.2019 - 14.09.2022
	Rompetrol Rafinare SA *	*General Manager and Member BoD*	01.01.2020-30.04.2022 General Manager 01.10.2020 – 30.04.2022 *Member BoD*
Laurenţiu Mădălin Colţănel	Rominserv S.R.L.*	*Member BoD*	15.09.2020 – 14.09.2024
	Global Security Sistem S.A. *	*Member BoD*	12.05.2020 – 16.05.2022
	Rominserv Iaifo Zalau SRL*	*Member BoD*	07.09.2020 – 07.09.2024

** Company member of KMG International Group*

Consultative Committees

In its activity, the Board of Directors is supported by an consultative committee, namely the Audit Committee, being entrusted with concluding analysis and preparing recommendations for the Board of Directors, in the specific areas of activity, having the obligation of submitting periodic activity reports to the members of the Board of Directors.

The Audit Committee has been established based on the Decision No.4 of the Board of Directors as of April 29, 2018.

A detailed description of the tasks and responsibilities of the Advisory Committees is found in the Organizational and Operational Guidelines approved by the Board of Directors, regulations published on the company's webpage www.petros.ro, section "Relationship with investors – Corporate Governance – Corporate Governance Documents".

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The Audit Committee fulfils its legal duties provided under Art. 65 of Law No. 162/2017 consisting mainly in monitoring the financial reporting process, the internal audit process, the risk management process within the Company and compliance assurance, as well as in supervising the activity of statutory audit of the annual financial statements and in the management of the relationship with the external auditor.

During 2020, the structure of the Audit Committee was as follows:

- Dan Alexandru Iancu - Chairman in the period 01.01.2020 – 31.12.2020
- Meraliyev Saduokhas - Member in the period 01.01.2020 – 01.10.2020
- Yedil Utekov - Member in the period 01.10.2020 – 31.12.2020
- Olga Turcanu - Member in the period 01.01.2020 – 31.12.2020

Information about the meetings of the Audit Committee during 2020

In 2020 there were 7 meetings of the Audit Committee and 5 decisions were adopted, the members' participation in such meetings being as follows: Dan Alexandru Iancu - 7 meetings, Meraliyev Saduokhas - 5 meetings, Olga Turcanu - 7 meetings, Yedil Utekov – 1 meeting.

6.2. Executive management

The Company's management prerogatives are delegated by the shareholders through the Articles of Incorporation to the General Manager and the Finance Manager.

In 2020, the company's executive management was provided by the following managers:

- Mr. Timur ZHETPISBAYEV - General Manager between January 01, 2020 – September 09, 2020
- Mrs. Abzal DOSZHANOV - General Manager between September 09, 2020 – December 31, 2020
- Mrs. Luiza Roxana MOISE - Finance Manager between January 01, 2020 – December 31, 2020

The term of mandate for the General Manager and the Finance Manager ends on April 29, 2022.

6.3. Shareholders' rights

ROMPETROL WELL SERVICES S.A. ensures an equitable treatment to all shareholders, including minority and foreign shareholders, according to the legal provisions and the provisions of the Company's Articles of Incorporation.
The company makes all diligences to facilitate the shareholders' participation in the proceedings of the general meeting of shareholders (GMS). ROMPETROL WELL SERVICES shareholders have the possibility to participate in the GMS directly, through a representative based on a special power of attorney or may vote by correspondence (by sending the correspondence vote form through any form of currier service or by e-mail with extended electronic signature incorporated according to Law no. 455/2001 regarding electronic signature).
According to article 11 of the Company's Articles of Incorporation, corroborated with the legal applicable provisions, the **Ordinary General Meeting** meets at least once a year within the imperative term provided by law, and has the following main duties:
a) to discuss, approve or amend the annual financial statements, based on the reports submitted by the board of directors and the financial auditor, and to set the dividend;
b) to elect and revoke the company's directors;

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c) to name and set the minimum term of the financial audit agreement, and to revoke the financial auditor;
d) to set for each year in progress the remuneration due to directors;
e) to decide on the directors' management;
f) to analyse the activity of the board of directors and decide to prosecute the directors for the damages caused to the company, also designating the person in charge with exercising such prosecution;
g) to establish the income and expense budget and as the case may be the activity program, over the next financial year;
h) to decide the pledging, lease or dissolution of one or more units of the company;
i) to approve the maximum limits of remuneration of the persons occupying/exercising management positions, when law so provides.

The Extraordinary General Meeting has the following duties:
a) change the company's legal form;
b) move the company's headquarters;
c) change the company's object of activity;
d) establish or dissolve secondary headquarters: branches, agencies, representative offices or other such units devoid of legal status unless otherwise provided through the articles of incorporation;
e) extend the company's duration;
f) increase the share capital;
g) decrease the share capital or replenish it through an issuance of new shares;
h) merge with other companies or divide the company;
i) early dissolute the company;
j) convert shares from one category to another;
k) convert a category of bonds in another category or in shares;
l) issue bonds;
m) approve the adoption/conclusion on behalf of the company of the legal deeds whose object has a value higher than USD 10,000,000;
n) any other amendment of the articles of incorporation or any other decision for which the approval of the extraordinary general meeting is required.
The extraordinary general meeting delegates to the board of directors the exercise of the duties provided under letters b) and c) of the above paragraph.
The extraordinary general meeting may delegate to the board of directors the share capital increase according to the provisions of Law no.24/2017.

Performance of the General Meeting of Shareholders

The general meeting of shareholders is called by the directors whenever necessary, by publishing an announcement in the Official Gazette of Romania, Part IV, and in one of the local or national wide circulation newspapers in the locality where the company's headquarters are located. The call shall include: the place, date and time of the meeting, the agenda, explicitly specifying all the problems to be subject to the meeting debate, a clear and precise description of the procedures that must be observed by the shareholders to be able to participate and vote in the general meeting and any other mentions provided by the legislation specific to the capital market.
When proposals to amend the articles of incorporation are mentioned on the agenda, the call shall include the full text of proposals.

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When the directors' election is mentioned on the agenda, the call shall include the specification that the list regarding the name, domicile locality and professional qualification of the persons proposed for the director position is at the shareholders' disposal, and may be consulted and supplemented by them.

The general meeting may assemble at the Company's headquarters or in other places established by directors through the call. Shareholders may also be represented in the general meeting by persons not having the capacity as the Company's shareholder.

The general meeting is chaired by the Chairman of the Board of Directors or a person appointed by them, designating, from among the members of the general meeting or from among the company's shareholders, one to three secretaries, plus one technical secretary from among the employees. They shall draft the shareholders' attendance list, verifying the following:
- the identity documents of the persons coming to the meeting of the General Meeting as shareholders or proxies thereof;
- the special/general power of attorney presented by the lawyers' proxies;
- the correspondence vote forms.
The meeting secretary shall also verify the performance of the legal conditions regarding the presence quorum of shareholders for the validity of general meetings.

If the ordinary or extraordinary general meeting cannot work because of the failure to meet the attendance legal conditions, the meeting will assembly on a second call may debate on the items on the agenda of the first assembly, irrespective of the met quorum, making decisions with the majority of expressed votes.
After the presentation of the materials related to the agenda, the matters subject to the shareholders' debate are subject to vote by the Meeting Chairman.

The decisions of the general meeting are made by open vote, except for the cases when the general meeting decides that the vote is secret or law imposes the secret vote.

Each action entitles to one vote in the General Meeting sessions. The person representing several shareholders based on special powers of attorney expresses the votes of the represented persons by totalizing the number of votes "in favour", "against" and "abstention" without compensating them (for instance "under item x on the agenda I represent „a" votes „in favour", „b" votes „against" and „c" „abstentions"). The votes so expressed are validated or, as the case may be, invalidated, based on counterpart three of special powers of attorney, by the secretary of the general meeting. The votes mentioned in the special power of attorney are exercised only in the manner wished by the shareholder.

The meeting secretary or secretaries, based on the vote freely expressed by the shareholders, shall draft the minutes of the general meeting.

Decisions adopted by the general meetings of shareholders during the year 2020:

The Extraordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of **January 27, 2020** decided as follows:

• approved ratification of the execution by the Company with OMV Petrom of the " Framework Agreement and Subsequent Contract for Cementing services for wells drilled with Onshore Medium Capacity Rigs, for Lot no.2.

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• approved, setting the dates February,12th 2020 as Registration Date, according to art. 86 (1) of the Law no. 24/2017;
• approved setting the date February,11th 2020 as the "ex-date", according to art. 2, para. 2, letter l) of Regulation no. 5/2018.
• approved the authorize Mr. Timur Zhetpisbayev, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this EGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.
• approved the authorize of the General Manager and Finance Manager of the Company is approved, in order to sign the legal documents approved in the previous article of this decision. For each of the two aforementioned representatives of the Company, the possibility to sub-empower third parties is approved.

The Ordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of **April 27, 2020** decided as follows:

• the approval of the annual financial statements related to the 2019 financial year, based on the directors' report and the financial auditor's report.
• rejectes the distribution of Company net profit achieved in 2019 amounting RON 12,170,108 according to the proposal of the majority shareholder KMGI as follows:
(i) dividends – RON 8,345,727 respective 0.03 lei gross value/share and
(ii) other reserves– RON 3,824,381; approval the date of payment of dividends as of July 9th 2020.
• approves the distribution of Company net profit achieved in 2019 amounting RON 12,170,108 according to the proposal of the minority shareholder KJK, as dividends respective 0.0437 lei gross value/share and approval the date of payment of dividends as of July 9th 2020;
• rejectes the change of the destination of the reserves constituted from the net profit of the company obtained in the previous years in the amount of 27,498,620 lei and the distribution of this amount as dividends to shareholders, respectively 0.099 lei gross / share and approval the date of payment of dividends as of July 9th 2020.
• rejectes the change of the result carried over from the net profit of the company obtained by the company in the previous years amounting to 56,882,245 lei and distributing this amount as dividends to shareholders, respectively 0.204 gross lei / share and approval the date of payment of dividends as of July 9th 2020.
• the approval the directors' discharge from management for the 2019 financial year.
• the approval of the 2020 Income and Expense Budget and the 2020 Investment program.
• the approval of the appointment of "Ernst & Young Assurance Services SRL" as the company's financial auditor for the 2020, 2021 financial years, the term of the audit agreement being 2 years.
• the approval the monthly gross remuneration of the members of the Board of Directors for the financial year 2020, respectevly: Chairman of the Board of Directors – 2,564 USD/gross/month , payable at the exchange rate communicated by BNR from the last working day of the month for which the payment is made , Members of the Board of Directors – 1,709 USD/gross/month, payable at the exchange rate communicated by BNR from the last working day of the month for which the payment is made. The tax and social contributions afferent to this remuneration, due to the members of the Board of Directors, being retained and paid by to the state budget as per the provisions of the fiscal law, approves the general limit of the additional remuneration of the

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members of committee established by the Board of Directors, respectively: Chairman of the Audit Committee RON 1,500 net/month, Members of the Audit Committee - RON 1,000 net/month.
• the approval of the termination of Mr. Arin Meirembayev's mandate as a member of the Board of Directors following his request starting with the 1st of July 2019..
• the approval of the electing Mr. Laurentiu Madalin Coltanel, as a member of the Board of Directors, for a mandate starting with the date of this Ordinary General Meeting of Shareholders, which will expire on 29.04.2022 (the date of the termination of current members' mandates).
• the approval empowering Mr. Timur Zhetpisbayev, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this OGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.
• the approval of the date of June 19, 2020 as a registration date, according to Art. 238 para. (1) of Law no. 297/2004 regarding the capital market, as subsequently amended and supplemented.
• the approval the date of June 18, 2020 as ex–date, according to Art.2 letter f of Regulation of the National Securities Commission no.6/2009.

The Extraordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of April 27, 2020 decided as follows:
• the approval the setting up a working point with headquarters in Mihaesti Commune, Stuparei Village, no.68, Principala street, Valcea county.
• the approval of the date of June 19, 2020 as a registration date, according to Art. 238 para. (1) of Law no. 297/2004 regarding the capital market, as subsequently amended and supplemented.
• the approval the date of June 18, 2020 as ex–date, according to Art.2 letter f of Regulation of the National Securities Commission no.6/2009.
• the approval empowering Mr. Timur Zhetpisbayev, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this EGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.

Shareholders' right to dividends

If the General Meeting of Shareholders approves the distribution of dividends from the net profit achieved by the company, all the shareholders registered in the shareholders' register on the registration date decided by the General Meeting, who approve the value of dividends and the date they are paid to shareholders, are entitled to receive dividends.

6.4. Transparency, communication, financial reporting

Rompetrol Well Services gives special importance to transparency in communication. Considering that public trust is essential for the company's operation, the Company makes of its communication policy an explicit and mutual commitment between the company and its

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interlocutors. The performance of reporting obligations and communication transparency are manners by which investors' trust is gained.
The company considers to ensure continuous and periodical reporting in an objective and honest manner comprising all the important aspects of the company's activity, the financial statements, the applied accounting policies, the registered performances.
In 2020 reports and press releases regarding the financial results, the GMS call and decision, the periodical reporting (monthly, quarterly, bi-annual, annual) etc were prepared. The information which made the object of mandatory reporting – current and periodical reporting was communicated to the market operator, the Bucharest Stock Exchange, the Financial Supervision Authority and was available by posting on the Company's website, www.petros.ro in the Relationships with Investors Section.
To ensure the investors' equal access to information, the posting on the Company's web site of the reports and releases addressed to market participants is made after they were posted on the web site of the market operator, the Bucharest Stock Exchange.
According to legal provisions, financial and accounting situations and those regarding Rompetrol Well Services operations are audited by Ernst & Young Assurance Services SRL, independent financial auditor, appointed by the general meeting of shareholders of April 27, 2020 for a period of 2 year.

Contact for the relationship with investors

The annual, bi-annual and quarterly reports are provided to shareholders, at their request.
Requests may also be made in electronic format, by e-mail to:
investor.relations.rws@rompetrol.com and office.rws@rompetrol.com.

Internal control and risk management systems in relation to financial reporting procedures

The company continuously adapted the internal control mechanism as an ensemble of work procedures and methods to prevent facts contrary to the Company's economic interests and the regulated framework to perform the activity, identify deficiencies and establish the necessary measures to re-establish the regulated framework. It mainly targets the financial relations, phenomena and processes, in order to ensure a good operation of the economic activity. Also, aspects related to the opportunity, necessity and economy of the operations performed by the company are analysed. In terms of financial reporting procedures, both procedures for internal reporting at the company's level and for external reporting outside the company are developed. Procedures are reviewed periodically by the company's functional departments. Financial reporting systems are based on principles, rules and legal regulations in force.

6.5. Social responsibility

Rompetrol Well Services S.A., a Group member of the KMG International, directly supports social responsibility initiatives initiated at Group level and is actively involved in social projects in the communities close to its operations. Our efforts to improve the livelihood of local communities cover all aspects of human life, closely aligned with sustainable development principles.

Community involvement

KMG International is an important investor in the Romanian economy, at the same time being a responsible corporate citizen. All companies that are part of the Group have a holistic approach on sustainability, which is why our efforts to improve the quality of life for local communities target

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all aspects of human life, from environmental protection or social involvement, to health and well-being, culture and education, development of professional and leadership skill.

Social responsibility and sustainability are core principles that guide us in our strategic development and operational management. We strive to become one of the most sustainable players in the national and regional energy market, while being constantly involved in the communities in which we operate.

Our commitment to environmental protection, economic development and social involvement is deeply rooted in our global and local operations, as we understand our important role and our valuable contribution to achieving the Sustainable Development Goals (SDGs) included in the United Nations 2030 Agenda for Sustainable Development. KMG International is a signatory of UNGC and a founding member of its branch in Romania, acting as an active supporter in achieving the Sustainable Development Goals.

We actively contribute to the development of the communities where we carry out our activity by using local providers, employing local labour force and at the same time implementing relevant social responsibility projects. Our involvement is based on consulting relevant stakeholders, so that we can identify the projects with the highest added value for our communities.

Community and corporate partnerships

Over the years, Rompetrol Well Services S.A. has developed strong partnerships with representatives from academia and civil society, aimed at strengthening social responsibility projects developed for the communities in which we operate. Through dialogue with various stakeholders, including NGOs, local authorities and communities, government or actors from academia and civil society, we believe we can identify the right sustainable development opportunities.

Education is an important pillar for our social responsibility strategy. We have collaborated with universities and high schools with technical profile from all over the country (eg. the Petroleum-Gas University of Ploiești, the Lazăr Edeleanu Technological High School), who have supported us in our various educational investment projects. In 2020, Rompetrol Well Services continued the Internship program, offering the possibiliry to young students to consolidate their technical knowledge. The Company intends to start a collaboration with the Liceul de Transporturi Ploiesti in order to facilitate the transfer of knowledge to students interested in a professional career in the field.

This pandemic changed the plans that we had set out at the beginning of the year, part of the funds being directed to the current, urgent needs of the medical system and its staff. As such, Câmpina Municipal Hospital, designated COVID-19 medical unit in Prahova county, received support from Rompetrol Well Services, in the form of a COVID-19 testing, a biosafety cabinet (a ventilated laboratory workspace for safely working with materials contaminated with pathogens requiring a defined biosafety level) and protective equipment for the staff – face masks, gloves, jumpsuits, disinfectants.

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7. Annexes

a) the company's incorporation documents if they were amended in the year the reporting is made for;
Not applicable.

b) resignation/demission documents, if such situations existed among administration members, executive management, censors;
In the reporting year, the request of Mr. Timur Zhatpisbayev to give up the director capacity starting with September 09, 2020, intervened and of Mr. Meraliyev Saduokhas to give up the director capacity starting with October 01, 2020, intervened.

c) list of the company's subsidiaries and of the companies controlled by it;
Rompetrol Well Services S.A. has no subsidiaries or companies controlled by it.

d) list of the persons affiliated to the company

Rompetrol Well Services S.A. is part of KMG International Group.
The Group is registered at the Financial Supervisory Authority.

The parent companies of Rompetrol Well Services S.A. are the national company Welfare Fund "Samruk-Kazyna" (90%) and the National Bank of the Republic of Kazakhstan (10%), companies based in Kazakhstan, wholly owned by the State of Kazakhstan.

The affiliated parties are presented bellow:

1. Companies with headquarter in Romania

- Oilfield Exploration Business Solutions S.A.
- Rompetrol Downstream S.R.L.
- Rompetrol Rafinare S.A.
- Palplast S.A.
- Rompetrol Logistics S.R.L.
- Rominserv S.R.L.
- Rom Oil S.A.
- Global Security Sistem S.A.
- Uzina Termoelectrică Midia S.A.
- Rompetrol Petrochemicals S.R.L.
- Rompetrol Quality Control S.R.L.
- Rompetrol Financial Group S.R.L.
- Rompetrol Gas S.R.L.
- Midia Marine Terminal S.R.L.
- KMG Rompetrol S.R.L.
- Byron Shipping S.R.L.
- Rominserv Valves Iaifo S.R.L.
- Rompetrol Energy S.A.
- KMG ROMPETROL DEVELOPMENT S.R.L.
- Fondul de Investitii in Energie Kazah-Roman S.A.
- KMG Rompetrol Services Center SRL

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- Rompetrol Drilling S.R.L. - suspended activity

2. Companies with headquarter abroad

- KMG International N.V.
- Byron Shipping LTD
- Intreprinderea Mixtă “Rompetrol Moldova” S.A.
- Rompetrol Georgia LTD
- Rompetrol France SAS
- Dyneff SAS
- Rompetrol Ukraine LLC - liquidated
- AGAT LTD. - in liquidation
- KazMunayGas-Engineering LLP
- TRG PETROL TICARET ANONIM ŞIRKETI
- Rompetrol Bulgaria JSC
- KazMunayGaz Trading A.G.
- Rompetrol Albania Downstream Sh.A - in liquidation
- Rompetrol Albania Wholesale Sh.A - in liquidation
- Rompetrol Albania ShA - in liquidation
- Rompetrol Distribution Albania Sh.A. - in liquidation
- KazMunayGas Engineering B.V.

Note: there are also 11 branches and representative offices ale KMG International Group

CHAIRMAN OF THE BOARD OF DIRECTORS,

Mr. Yedil UTEKOV

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UTEKOV YEDIL
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GENERAL MANAGER,

Mr. Abzal DOSZHANOV

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Doszhanov Abzal
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FINANCE MANAGER,

Mrs. Luiza Roxana MOISE

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Luiza Moise
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Annex no. 1

Turnover by type of services
For periods ending at 2018, 2019 and 2020

Type of service	2018		2019		2020	
	Actual Value (RON)	%	Actual Value (RON)	%	Actual Value (RON)	%
1	2	3	4	5	6	7
Cementing-Pumping services	44.942.523	72.1%	42.242.753	63.9%	27.361.114	57.4%
Stimulation services	10.788.627	17.3%	15.606.617	23.6%	15.243.166	32.0%
Nitrogen services	2.926.992	4.7%	5.362.406	8.1%	2.817.566	5.9%
Casing Running services	1.915.189	3.1%	926.174	1.4%	638.161	1.3%
Tools Rental services	1.034.593	1.7%	350.358	0.5%	33.127	0.1%
Sand Control Services	198.101	0.3%	298.269	0.5%	43.086	0.1%
Other services	954.513	0.8%	1.349.192	2.0%	1.531.598	3.2%
TOTAL	**62.760.538**	**100%**	**66.135.769**	**100%**	**47.667.818**	**100%**

PRESIDENT OF THE BOARD OF DIRECTORS,

Mr. Yedil Utekov

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UTEKOV YEDIL
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GENERAL MANAGER,

Mr. Abzal Doszhanov

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Doszhanov Abzal
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FINANCE MANAGER,

Mrs. Luiza Roxana Moise

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Luiza Moise
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Appendix no.2

Status of compliance of the BSE Corporate Governance Code
as of December 31th, 2020

Corporate Governance Code	Compliance	Not compliant or partial compliant	Reason for the non-compliance
A.1. All companies should have internal regulation of the Board which includes terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A.	YES		
A.2. Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	YES		
A.3. The Board of Directors or the Supervisory Board should have at least five members.	YES		
A.4. The majority of the members of the Board of Directors should be non-executive. At least one member of the Board of Directors or Supervisory Board should be independent, in the case of Standard Tier companies. Not less than two non-executive members of the Board of Directors or Supervisory Board should be independent, in the case of Premium Tier Companies. Each member of the Board of Directors or Supervisory Board, as the case may be, should submit a declaration that he/she is independent at the moment of his/her nomination for election or re-election as well as when any change in his/her status arises, by demonstrating the ground on which he/she is considered independent in character and judgement in practice.		Partial compliance	The majority of the members of the Board are non-executive members. Currently there are no independent directors.
A.5. A Board member's other relatively permanent professional commitments and engagements, including executive and nonexecutive Board positions in companies and not-for-profit institutions, should be	YES		

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disclosed to shareholders and to potential investors before appointment and during his/her mandate.			
A.6. Any member of the Board should submit to the Board, information on any relationship with a shareholder who holds directly or indirectly, shares representing more than 5% of all voting rights. This obligation concerns any kind of relationship which may affect the position of the member on issues decided by the Board.	YES		
A.7. The company should appoint a Board secretary responsible for supporting the work of the Board.	YES		
A.8. The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.		NOT	The company is in process of developing a policy / guidance concerning the Board's evaluation, including the purpose, criteria and frequency of the evaluation process.
A.9. The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	YES		
A.10. The corporate governance statement should contain information on the precise number of the independent members of the Board of Directors or of the Supervisory Board	YES		
A.11. The Board of Premium Tier companies should set up a nomination committee formed of nonexecutives, which will lead the process for Board appointments and make recommendations to the Board. The majority of the members of the nomination committee should be independent.		N/A	The company is included in the Standard Category.
B.1. The Board should set up an audit committee, and at least one member should be an independent non-executive. The majority of members, including the chairman, should have proven an adequate qualification relevant to the functions and responsibilities of the committee. At least one member of the audit committee should have proven and adequate auditing or accounting experience. In the case of Premium Tier companies, the audit committee should be composed of at least three members and the majority of the audit committee should be independent.	YES		
B.2. The audit committee should be chaired by an independent nonexecutive member.	YES		

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B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.		Partial compliance	See comments presented at B.6.
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.		Partial compliance	See comments presented at B.6.
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.		Partial compliance	The Regulation of the Audit Committee approved contains provisions in relation to this obligation. The Regulation of the Audit Committee will be revised to include provisions on the evaluation of conflict of interest in connection with the Company's transactions with the affiliated parties. The updated Regulation will be submitted for approval of BoD in a meeting subsequent to this declaration.
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.		Partial compliance	The responsibility to monitor the efficiency of internal control systems, internal audit and risk management of the company is stipulated in the Regulation of the Audit Committee. Audit Committee evaluates on a continous bases components of the internal control system.
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	YES		
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by periodical (at least annual), or ad-hoc reports to be submitted to the Board afterwards.	YES		
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	YES		
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the		Partial compliance	According to the Articles of Incorporation art. 15 alin. 1 letter k, all transactions that respect the mentioned criteria are approved by the Board.

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shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.			
B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	YES		
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	YES		
C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review. Any essential change of the remuneration policy should be published on the corporate website in a timely fashion.		NOT	This request will be implemented according to national legislation.
D.1. The company should have an Investor Relations function - indicated, by person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:	YES		
• **D.1.1.** Principal corporate regulations: the articles of association, general shareholders' meeting procedures;	YES		
• **D.1.2.** Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and nonexecutive Board positions in companies and not-for-profit institutions;		Partial Compliance	The recommendation is not implemented as concerns other professional commitments of the Board's members, including executive and non-executive positions in the boards of administration of other companies or non-profit institution. It will be implemented.
• **D.1.3.** Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 – including current reports with detailed information related to non-compliance with the present Code	YES		
• **D.1.4.** Information related to general meetings of shareholders: the agenda and supporting materials; the procedure approved for the election of Board members; the rationale for the proposal of	YES		

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24. MAR. 2021
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rompetrol well services

ROMPETROL WELL SERVICES
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candidates for the election to the Board, together with their professional CVs; shareholders' questions related to the agenda and the company's answers, including the decisions taken;			
• **D.1.5.** Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions;	YES		
• **D.1.6.** The name and contact data of a person who should be able to provide knowledgeable information on request;	YES		
• **D.1.7.** Corporate presentations (e.g. IR presentations, quarterly results presentations, etc.), financial statements (quarterly, semiannual, annual), auditor reports and annual reports.	YES		
D.2. A company should have an annual cash distribution or dividend policy, proposed by the CEO or the Management Board and adopted by the Board, as a set of directions the company intends to follow regarding the distribution of net profit. The annual cash distribution or dividend policy principles should be published on the corporate website.	YES		
D.3. A company should have adopted a policy with respect to forecasts, whether they are distributed or not. Forecasts means the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.		NOT	The requirement will be implemented.
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	YES		
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	YES		

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D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	YES		
D.7. Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairman of the Board. Accredited journalists may also participate in the general meeting of shareholders, unless the Chairman of the Board decides otherwise.	YES		
D.8. The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	YES		
D.9. A company should organize at least two meetings /conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the company website at the time of the meetings/conference calls.		Partial Compliance	The regular reports prepared by the company to disclose its financial items are complete, highly transparent and relevant in terms of information necessary for making investment decisions. The organization of such events will be established depending on the requests from investors.
D.10. If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area.	YES		

CHAIRMAN OF THE BOARD OF DIRECTORS,

Mr. Yedil Utekov

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UTEKOV YEDIL
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GENERAL MANAGER,

Mr. Abzal Doszhanov

DocuSigned by:
Doszhanov Abzal
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FINANCE MANAGER,

Mrs. Luiza Roxana Moise

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Luiza Moise
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AFFIDAVIT

The undersigned, **Yedil Utekov,** in capacity of Chairman of the Board, **Abzal Doszhanov,** in capacity of General Manager and Roxana Luiza Moise in capacity of Finance Manager , in consideration of the provision of art. 63 of Law no.24/2017 regarding issuers of financial instruments an market operations and of the provision of Regulation no. 5/2018 regarding on issuers of financial instruments and market operations,hereby declare that, to the best of our knowledge, the annual financial accounting statements on December 31, 2020 prepared in compliance with the applicable accounting standards offer an accurate and true image of the assets, liabilities, financial standing, profit and loss account of the Company and, the Report of the Board of Directors comprise a correct analysis of the Company's development and performance, as well as a description of the main risks and uncertainties specific to the performed activity.

Chairman of the Board of Directors,

Yedil Utekov

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General Manager

Abzal Doszhanov

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Doszhanov Abzal
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Finance Manager,

Roxana Luiza Moise

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Luiza Moise
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