

**ANNUAL REPORT
OF THE BOARD OF DIRECTORS
FOR THE 2025 FINANCIAL YEAR**

drawn up in accordance with Law no. 24/2017 regarding issuers of financial instruments and market operations and FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations

**Company
ROMPETROL WELL SERVICES S.A.**

Headoffice:	Ploiesti - str. Clopotei nr. 2 bis
Phone no.:	0244/544321, 0244/544101
Fax:	0244/522913
Fiscal Identification Code:	RO 1346607
No. in the Trade Register:	J1991000110297
Transaction market:	BUCHAREST STOCK EXCHANGE
The subscribed and paid-up capital:	27.819.090 lei

The main characteristics of securities issued by the company

No. of shares:	278.190.900
Nominal value (lei/share):	0,10 lei
Grade and type of securities:	"A" nominative

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1. Analysis of the company's activity

Rompetro Well Services S.A. ("RWS") is one of the most important well services companies in Romania, with the ability to provide a wide range of services for oil and gas wells in Romania and Eastern Europe (cementing, stimulation, various pumping, pressure testing, instrumentation, well casing operations, etc.).

During 2025, the activity was influenced by several factors independent of the company's current activity - the impact of applicable fiscal measures, which reduced the forecasted level of investments on the market, the implementation of restructuring programs in the industry, which led to the postponement of the launch of orders related to ongoing contracts.

Rompetro Well Services (RWS) adapted to the volatile market context and maintained its profitability, through a business strategy focused on identifying new opportunities and partnerships. The company continues to analyze opportunities for involvement in projects specific to the upstream market, as well as cementing projects in areas with geothermal potential in Europe.

	-RON		
	2023	2024	2025
Operational income, out of which:	73.487.511	77.024.291	66.453.513
Rendered services	72.067.998	74.196.791	62.829.476
Operational expenses, out of which:	(62.682.833)	(68.415.726)	(64,676,491)
Depreciation and Amortization	(5.921.961)	(4.806.037)	(5.225.998)
Adjustments on provisions, net	(47.250)	456.985	(17.413)
Net financial income	3.050.169	3.168.160	2.987.894
EBIT	13.854.847	11.776.725	4,764,916
Net result	11.767.863	10.237.307	3,862,301
Availability in the cash-pooling system	50.730.823	47.109.341	43.379.232
Number of employees (average)	135	138	134

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

Having over 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.

The object of the Company's activity consists in: provision of services for oil and gas wells, rental of well tools and equipment and other services. The services offered: cementing, stimulations, tubular running services, that are performed in the oil fields in Romania and abroad.

b) Specifying the date of establishment of the company

Company Rompetrol Well Services S.A. was established in 1951 and in the more than 70 years of activity, although it operated with different structures and under different names, the main profile was the execution of special operations at oil and gas wells in Romania.

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

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

During 2025 and 2024, respectively, there were no mergers or reorganizations of the company.

d) Description of acquisitions and/or disposals of assets

The Company's purchases were mainly represented by equipment necessary for the current activity. Thus, the equipment modernization program continued in 2025, focusing on updating technologies for cementing and well stimulation services. The company has not disposed of assets with significant accounting value.

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

1.1.1. Elements of general assessment:

a) profit:

At the end of 2025, Rompetrol Well Services records a positive result (profit) of 3,862,301 lei, 62% lower than the level of profit recorded in the previous year, being influenced by the low level of activity in the upstream market in Romania.

b) turnover:

In 2025, the turnover was 63,297,288 lei, 15% lower than the one recorded at the end of 2024, respectively 24% lower than the budgeted one. The impact was generated by a decrease recorded in the area of primary and secondary cementing services.

c) export:

In 2025, the Company didn't provided services outside Romania.

d) costs:

In 2025, the operating expenses adjusted with elements of the nature of provisions were in the amount of 64,676,491 lei, 5% lower than those registered in the previous year, their evolution being influenced mainly by the direct costs related to the basic activity (cement, additives, equipment maintenance and repairs).

e) own market share %;

In Romania, the company holds market shares up to 70% for different types of special services provided.

f) liquidity (available in the account, etc.).

From the point of view of liquidity, the Company maintained the ability to cover current liabilities from current assets, the current liquidity indicator reaching a level of 3.38 on December 31, 2025.

1.1.2. Evaluation of the technical level of the company

Description of the main rendered services

The main works performed by the company ROMPETROL WELL SERVICES are the following:

- **Cementing and pumping services of various kinds:**
casing cementing, primary cementing, secondary cementing (plug cementing and squeeze cementing), well kills, circulations, milling and replacement of fluids, interventions in damaged wells, various pumping, etc.
- **Stimulation services:**
surfactant treatment, acid pumping, transport of fluids (acid solutions, emulsions and enzymes, etc.), water shut-off.
- **Special operations with liquid nitrogen:**
lift-off operation, foam acidizing, pressure integrity testing;
- **Operations with mechanical tongs for well casing;**
- **Rental of tools and equipment for various drilling-extraction works or resolving well technological accidents;**
- **Analyzes in our own laboratory for cements and well fluids;**
- **Preparation of cement slurry according to the recipes;**
- **Operations with cement retainers.**

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

The company ROMPETROL WELL SERVICES has maintained its position on the domestic market, being constantly concerned with improving the quality of the services provided. Having production capacities throughout the country as well as a qualified and well-trained workforce in the field of providing special services to oil and gas wells, ROMPETROL WELL SERVICES promptly provides the services required by their beneficiaries, regardless of the location. The main markets for Rompetrol Well Services are in Central and Eastern Europe.

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

The share of each category of services in the turnover for the years 2023, 2024, 2025 is presented as follows:

Type of service	2023		2024		2025	
	Actual value (RON)	%	Actual value (RON)	%	Actual value (RON)	%
1	2	3	4	5	6	7
Cementing-Pumping services	57.540.957	79.3%	54.185.748	72.6%	42.080.431	66.5%
Stimulation services	10.661.775	14.7%	15.499.577	20.8%	17.000.451	26.9%
Nitrogen services	2.537.335	3.5%	3.026.895	4.1%	3.023.372	4.8%
Casing Running services	742.348	1.0%	846.203	1.1%	92.918	0.1%
Tools Rental services	75.642	0.1%	212.001	0.3%	215.801	0.3%
Other services	1.005.617	1.4%	904.025	1.2%	884.315	1.4%
TOTAL	72.563.673	100%	74.674.449	100%	63.297.288	100%

c) the new products considered for which a substantial volume of assets will be affected in the future financial year as well as the stage of development of these products.

The equipment modernization program of recent years focused on updating technologies for cementing and well stimulation services, respectively tubular running and acidizing services. The high-pressure pumping equipment is in accordance with the current safety requirements of the industry. The company continues to implement effective cementing and well stimulation technologies, meeting the operational requirements of customers.

1.1.3. Evaluation of the technical-material supply activity (indigenous sources, import sources)

Information on security of supply sources, prices of raw materials and stock sizes of raw materials and supplies.

The main types of materials needed to carry out the activity are: class G cement and specific additives, fuels and lubricants, auto spare parts and technological equipment, secured on the basis of firm contracts concluded annually, which ensures stability and safety of the company's operation in optimal conditions. The levels of stocks of raw materials and spare parts vary

depending on the volume of activity expected for the next period. The purchase prices are the prices applied on the market.

1.1.4. Evaluation of the selling activity

a) Description of sequential sales evolution on the domestic and/or foreign market and medium- and long-term sales prospects;

The evolution of revenues is presented in the following table:

	2023	2024	- RON 2025
Sales by activities, out of which:	72.563.673	74.674.449	63.297.288
Income from services provided	72.067.998	74.196.791	62.829.476
Income from sale of goods	495.675	477.658	467.812

Despite the constantly changing market conditions, the Company has managed to secure its leading position on the specific market segment through diversity and flexibility in offering specialized services tailored for each individual client. From an operational point of view, the Company implemented measures to ensure the availability of labor in order to fulfill all orders. From a commercial point of view, the Company participated in all publicly announced tenders in order to ensure the activity for the next period.

It is estimated that during 2026 the Company will record an increasing level of sales compared to the level of 2025. As before, the Company's flexibility in terms of the type of services provided, together with a strong financial position, including cash availability, will allow it to maintain a high level of activity.

b) Description of the competitive situation in the field of activity of the company, of the market share of the products or services of the commercial company and of the main competitors;

In the conditions of an increasingly competitive environment and a cautious level of activity in the oil and gas industry, the Company managed to maintain the market share for most of the services provided in Romania, while at the same time increasing the complexity of the services provided. The company has a market share up to 70% of the specific services market.

The main competitors of the Company in terms of main activities are: Schlumberger, Halliburton, Tacrom.

c) description of any significant dependence of the company on a single customer or on a group of customers whose loss would have a negative impact on the company's revenues.

It can be stated that ROMPETROL WELL SERVICES depends on the position of OMV - PETROM BUCUREȘTI S.A., a customer that represents over 70% of the company's sales. To reduce this risk of dependence, the company aims to increase the share of special well services provided to other E&P players on the local market and expand the activity on the foreign market.

1.1.5. Evaluation of aspects related to the company's employees/staff

a) Specifying the number and level of training of the company's employees as well as the degree of unionization of the workforce;

The company carried out training of employees, mainly through internal training programs, to ensure obtaining the maximum benefits from the exploitation of existing equipment, the continuous raising of the level of competence of employees and to create a safe work environment.

The staff structure as of December 31, 2025 is as follows:

Total number of staff, of which:	129
- high education	57
- with secondary education	7
- skilled workers	65

The degree of labor unionization is 86.04%.

b) Description of the relations between the manager and the employees, as well as any conflicting elements that characterize these relations.

The relations between the manager and employees are based on collaboration and are carried out on the basis of the "Collective Labor Agreement", existing at the company level, without identifying conflicting elements.

c) Assessment of issues related to the impact of the issuer's core activity on the health and safety of workers

The QHSE Management System of Rompetrol Well Services reflects the provisions of a comprehensive set of applicable legal requirements, based on detailed internal procedures and risk assessments. All Company employees are covered by the current QHSE management system.

To improve the company's health and safety performance, the following specific measures were implemented during the 2025 reporting period:

- Quarterly meetings of the Health and Safety Committee
- Safety audits, as well as the implementation of the electronic hazard reporting system (HOC Platform);
- The 2025 internal audit plan;
- Job Safety Analysis (JSA) and risk assessment for all operations
- Mandatory training and professional training according to the annual training plan

As part of its QHSE management system, the company provides road safety awareness campaigns, "lessons learned" sessions regarding incidents that have occurred in the industry,

GPS fleet monitoring, and defensive driving programs to ensure transportation safety (the indicators are reported during the weekly management meetings).

Throughout 2025, the company monitored the driving-parameter tracking system installed on all vehicles in its fleet. This system generates comprehensive reports (speed and route monitoring via GPS, harsh acceleration and braking, seatbelt use, use of headlights, driving times). Complex reports are issued for each company driver, who are periodically informed about their defensive driving performance.

Risk assessments are carried out in accordance with Romanian legislation and are subject to periodic review and updates whenever a process is modified or new risks are identified. The risk register is updated quarterly. Employees are encouraged to report such risks during regular trainings. They can do this directly or communicate them anonymously through the Health & Safety mailbox available in each facility. In the event of incidents, the company applies its QHSE responsibility policy, which is a best practice “stop work” policy that avoids placing blame on employees.

Occupational health and safety trainings are provided regularly, in line with current legislation:

- Training on legal requirements (monthly)
- Training and practical demonstrations regarding “Life Saving Rules”;
- Professional training matrix;
- Other professional training aimed at skills development (forklift drivers, professional drivers, IWCF, Bosiet, Occupational Risk Assessor, etc.) included in the Annual Training Plan;
- Road safety and defensive driving training.

The OHS hazards of products and the associated risk controls for employees and contractors are communicated through trainings based on Safety Data Sheets. Furthermore, to monitor, track, assess, and manage product related incidents, the company applies procedures, simulations, and trainings such as:

- Hazardous Substances Policy;
- Chemical hazard communication;
- Chemical handling;
- Chemical storage and disposal;
- Chemical exposure.

All training expenses are covered by the company. Communications and audits are also extended to contractors, along with communications on various OHS topics.

With 230,817 hours worked in 2025 and 1,226,985 km driven, Rompetrol Well Services recorded no fatalities, no occupational accidents, and no cases of occupational illness.

One Medical Treatment Case (MTC) was recorded, in which an operator sustained a minor head injury but returned to work the same day after receiving medical care. The incident was investigated by a joint committee, which resulted in both technical measures to improve worker safety during operations and organizational measures through the revision of the work procedure and the training of the personnel involved.

1.1.6. Evaluation of aspects related to the impact of the issuer's core activity on the environment

The synthetic description of the impact of the issuer's core activities on the environment as well as any existing or anticipated litigation regarding the violation of environmental protection legislation.

The activities carried out within the Company, both at the headquarters in Ploiești and at all branches and operational sites across the country, strictly follow the applicable environmental legislation, thereby avoiding any litigation that could arise from non-compliance with current regulations.

The Company conducts periodic inspections to verify compliance with environmental requirements according to the environmental permits issued for its operational sites nationwide. These controls help prevent penalties or fines that could result from failing to meet obligations in this area, but also support relationships with our suppliers and customers, who have become increasingly focused on environmental considerations and on identifying sustainable solutions to reduce ecological footprints.

Compliance verification with environmental provisions is a complex process through which the Company performs a detailed evaluation of activities with environmental impact, the manner in which legislation is applied both to on-site technological processes and to relevant documentation, identifying potential non-conformities and proposing corrective, preventive, or impact reduction measures.

In July 2025, a surveillance audit of the Integrated Management System (environment, quality, and occupational health & safety), conducted by DNV Business Assurance, confirmed that Rompetrol Well Services S.A. continues to operate in full compliance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018. To maintain compliance with these standards, the Company performs annual internal audits for environment, quality, and health & safety across all bases, as well as inspections at client locations where operations are carried out.

Throughout 2025, Rompetrol Well Services S.A. obtained annual environmental visa for all five Environmental Permits it holds. Following inspections conducted by environmental authorities on-site, no corrective measures or sanctions were imposed.

Rompetrol Well Services has set several environmental objectives, including:

Reducing greenhouse gas emissions intensity, according to GRI 305-4.
Target: 1% reduction compared to 2024

Reducing the "Third-party water" indicator according to GRI 303
Target: 0.5% reduction compared to 2024

Preventing any accidental pollution according to GRI 306;
Target: 0 accidental pollutions caused by Rompetrol Well Services employees

Eliminating plastic waste within the Company;
Target: 100% recovery

Monitoring and implementing environmental aspects required within environmental permits;
Target: 100% completed

Environmental protection training for all personnel;
Target: 100% completed

The management of ROMPETROL WELL SERVICES ensures the necessary resources and framework for implementing established environmental objectives, actively involving itself in all projects aimed at continuous improvement of environmental protection through the services provided.

In accordance with Law No. 105/2006 and Emergency Government Ordinance No. 196/2005 on obligations related to the Environmental Fund, Rompetrol Well Services S.A. pays monthly taxes for air pollutant emissions from stationary sources and annually pays the tax for packaging introduced on the market, according to the Environmental Fund requirements.

1.1.7. Evaluation of the research and development activity

Specifying the expenses in the financial year as well as those anticipated in the next financial year for the research and development activity.

In 2025, the Company did not record research and development expenses.

1.1.8. Evaluation of the company's activity regarding risk management

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

The activity carried out by the Company implies its exposure to the following risks:

- *price risk*: the Company has a flexible pricing policy, which allows it to react and adapt to any price fluctuations that may appear in the market;
- *credit risk*: the Company's activity is financed from its own sources, but the impact of commercial credit could not be completely eliminated. The company manages customer credit in a procedural, flexible manner, through the contracting strategy established as an essential risk distribution mechanism. The Company's management constantly monitors receivables and their collection;
- *interest rate risk*: the company has not contracted bank loans, thus not being influenced by interest rate volatility. For the availabilities placed in the cash pooling system, the interest income is variable in relation to the ROBOR evolution;
- *liquidity risk*: until now the liquidity risk has been estimated as low, as the Company has managed to achieve a stable balance between the maturity of receivables generated by sales and the enforceability of debts for operational and investment activity.
- *the risk of exchange rate variations*: most of the Company's revenues are reported in RON and EUR. The gap between the registration of amounts in foreign currency and their settlement cannot generate significant patrimonial effects as a result of the exchange rate variation.

More details regarding risks faced by the Company are presented in the Financial Statements for the year 2025, in Note 23.

1.1.9. Elements of perspective regarding the company's activity

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

The activity carried out by the Company did not cause dysfunctional cash flows, being compensated by the efficiency of the management of existing liquidity. Commitments to suppliers were paid rhythmically. The registered arrears do not present the risk of significant penalties. As of December 31, 2025, the Company is not involved in litigation regarding the payment of outstanding debts. The company ensured permanent efficiency in honoring contracts throughout the country.

The prospects of expanding service activities on foreign markets, however, require rational decisions in the careful use of liquidity when concluding new contracts.

The main objectives for 2026

Continuation of offering high quality services in all the main activities carried out by the Company. Taking into account the current market context, the Company is analyzing the possibility of expansion on the service market in the Middle East region, as well as the expansion of the activity in Central and Western Europe. In this sense, the Company continued discussions with possible local partners, including considering the opening of an operational base in the area.

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

The operation of the Company's activity was financed from its own sources, without requiring the contracting of loans from banking institutions or other legal entities.

In the category of debts, there are no outstanding debts of interest or other loans committed from banking institutions, but only the effect of the application of the new leasing standard.

The permanent trend for the constructive and functional improvement of the drilling installations, imposed by the need to obtain a technical-economic efficiency of the extraction wells, led to the need to make investments in order to be able to respond to the market requirements.

A share of 91% of the increase recorded in tangible assets, in the amount of 3.2 million RON, is represented by the purchase and/or modernization of the installations and equipment used in the operations carried out at the drilling wells and other ancillary operations.

Approximately 9% of the total investments made by the Company in 2025 concerned works carried out in order to rehabilitate and modernize operational bases.

The company secured its own financial resources for the full implementation of the investment budget for 2025.

c) Presentation and analysis of events, transactions, economic changes that significantly affect the income from the core activity.

Despite the constantly changing market conditions, the Company has managed to secure its leading position in the specific market segment through diversity and flexibility in offering specialized services tailored for each individual client. It provides a wide range of services for oil and natural gas wells (cementing, stimulation, well casing operations, etc.).

Last year, Rompetrol Well Services performed 69 primary cementing operations, 163 secondary cementing operations, and 425 stimulation operations, with a total number of works lower than the company's forecasts.

2. The tangible assets of the company

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

The patrimonial assets of tangible type allow a flexible organization in the territory to promptly fulfill the orders of the beneficiaries.

The place of service provision is identified at the beneficiaries, not in the organizational perimeter of the Company, the use of the production capacities being dependent on the orders received from the beneficiaries.

The location of the land and buildings on the geographical area is identified in the following localities: Ploiesti (Prahova County), Campina (Prahova County), Razvad (Dâmbovița County), Leordeni (Arges County), Mihaesti – Stuparei (Valcea County), Potcoava (Olt County), Craiova (Dolj County), Tg. Carbunesti (Gorj County), Slobozia - Conachi (Galati County), Ianca (Braila County), Timișoara (Timis County), Medias (Sibiu County), Moinesti (Bacau County), Videle (Teleorman County).

The main production capacities are represented by: cementing aggregates, containers, tanks, cementing laboratory equipment and other types of vans and drilling tools.

2.2. Description and analysis of the degree of wear and tear of the Company's assets.

Working outdoors at wells, traveling on hard-to-reach roads and using corrosive materials implies a high degree of wear and tear, compensated by the investments of recent years. The automotive specifics of the production capacities imply, the recognition of some maintenance costs resulting from the adaptation and implementation of the imperative normative acts specific to European integration and environmental protection issues: ADR transport licenses, rovignetes, tachographs, environmental taxes, taxes for first registration, local taxes, etc.

2.3. Specifying the potential issues related to the right of ownership of the tangible assets of the company.

For all tangible assets, the right of ownership is recognized, according to the documents held and the regulations in force.

3. The market of securities issued by the company "ROMPETROL WELL SERVICES" S.A.

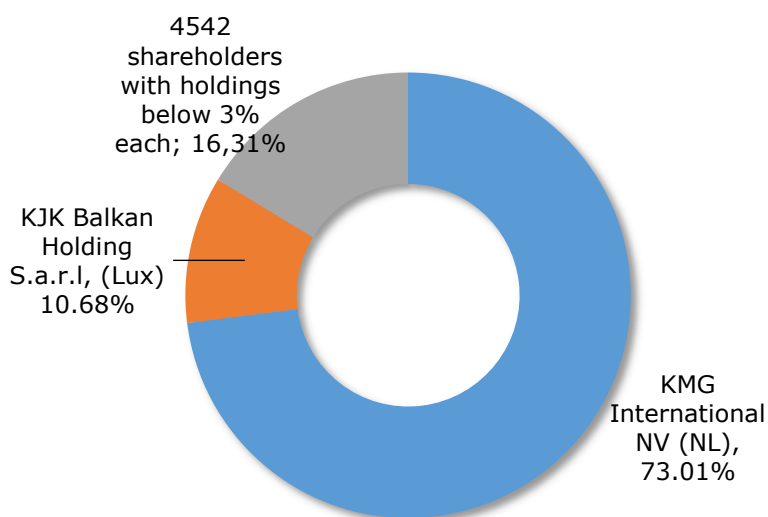
3.1. Specifying the markets in Romania and other countries where the securities issued by the company are traded.

Securities issued by ROMPETROL WELL SERVICES S.A. are admitted to the rate of the Bucharest Stock Exchange by decision no. 133/ 26.03.1998 and are traded on this market in the STANDARD category in the sector of securities issued by Romanian legal entities, from 18.06.1998, under the symbol PTR. The securities issued by the company are category A - registered shares.

As of 31.12.2025 the share capital is 27,819,090 lei, equivalent to 278,190,900 shares with a nominal value of 0.10 lei/share and is distributed among the holders as follows:

1. KMG INTERNATIONAL N.V. Netherlands	20.311.015 lei (73,0111 %)
2. KJK BALKAN HOLDING S.a.r.l Luxembourg	2.970.995 lei (10,6797 %)
3. Other shareholders (4542 shareholders)	4.537.080 lei (16,3092 %)

Shareholder structure



3.2. Description of the company's policy regarding dividends. Specifying the dividends due/paid/accumulated in the last 3 years and, if applicable, the reasons for the eventual reduction of dividends during the last 3 years.

The decision to declare and pay dividends is taken during the Ordinary Annual General Meeting of Shareholders upon the recommendation of the Board of Directors. The recommendations regarding the amount of the dividend and the method of payment are adopted during the meeting of the Board of Directors to propose the distribution of the profit based on the year-end results.

The policy provides a differentiated approach to determining the volume of dividends with regard to the Company, depending on:

- The nature and profitability of the commercial activity carried out by the Company and its capital needs;

- Anticipated equity capital needs for the fulfillment of activity plans and investment projects;
- The effective volume of dividends will take into account the financing needs with equity capital for:
 - Financing capital investments in existing assets;
 - Financing of investment projects regarding the part that requires the allocation of own funds according to the agreed project financing structure;
 - Debt repayment;
 - Other relevant factors influencing the company's cash flows.

The Board of Directors prepares proposals regarding the effective volume of dividends distributed for the reporting period.

The dividend distribution rate, subject to the other provisions of this Policy, is set at a minimum of 30%, as long as there are sufficient cash availability, calculated as follows:

Cash balance N + Net cash pooling balance N + Cash from operations N +1 + Cash from investments N + 1 + Financial costs N + 1 + Mandatory loan repayments N + 1

where N is represented by the year for which the distribution is made, while N+1 represents the following year. For N+1, the calculation is prepared based on the budget.

Dividends are distributed to the Company's shareholders in proportion to their holdings in the Company.

The final decision will be taken by the appropriate corporate bodies of the Company.

The value of the dividends is identified when the decision to declare and pay the Dividends is taken.

The GMS decision regarding the declaration and payment of dividends reflects the following:

- dividend value per share;
- the registration date and the corresponding ex date, which identify the shareholders entitled to the dividend;
- dividend payment date;
- any other legal requirements mentioned in the legal provisions in force.

For the financial year ended on December 31, 2023, EGMS from 25.04.2024 approved the allocation of the profit, computed according to applicable legislation, as well as the distribution of dividends for the financial year 2023, in the amount of 11,767,863 RON, respectively 0.042301 gross lei/share.

For the financial year ended on December 31, 2024, EGMS from 28.04.2025 approved the allocation of the profit, computed according to applicable legislation, as well as the distribution of dividends for the financial year 2024, in the amount of 10,237,307 RON, respectively 0.036799 gross lei/share.

For the financial year ended on December 31, 2025, EGMS from 28(29).04.2026 is to decide on the way to distribute the profit. The proposal of the Board of Directors is to distribute the net profit as dividends in the amount of 3,862,301 RON, respectively 0.0138836 gross lei/share.

Until December 31, 2025, the Company paid the following dividends:

- 94% of the gross dividend approved for the 2022 financial year;
- 94% of the gross dividend approved for the 2023 financial year;
- 94% of the gross dividend approved for the 2024 financial year

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

The company did not carry out activities for the purchase of its own shares.

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

Not applicable.

3.5. If the company has issued bonds and/or other debt securities, the presentation of how the commercial 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 is managed by a Board of Directors composed of 5 members, appointed by the Ordinary General Meeting. The members may also be shareholders of the Company, either individuals or legal entities, of Romanian or foreign citizenship/nationality.

At the beginning of 2025, the Board of Directors was composed of:

- Pavel Romanenko – temporarily appointed as member and Chairman of the Board of Directors by Board Decision no. 1/30.09.2024, for a mandate starting on 01.10.2024, valid until the Ordinary General Meeting is convened;
- Ștefan Georgian Florea, Vasile Gabriel Manole, Olga Turcanu and Eugeniu Moby Henke – elected by the Resolution of the General Meeting of Shareholders dated 27.04.2022, for a 4-year mandate starting on 30.04.2022.

On 16.01.2025, Mr. Pavel Romanenko notified his resignation from the positions of Chairman and member of the Board of Directors, effective as of 20.01.2025, his last day of mandate being 19.01.2025.

By Board Decisions no. 1 and no. 2 dated 20.01.2025, Mr. Yedil Utekov was appointed as interim director and Chairman of the Board of Directors, starting on 20.01.2025, until the Ordinary General Meeting is convened.

By the Resolution of the Ordinary General Meeting of Shareholders dated 28.02.2025, Mr. Yedil Utekov was elected as member of the Board of Directors for a mandate covering the period between 28.04.2025 and 30.04.2026.

By Board Decision no. 1 dated 05.05.2025, Mr. Yedil Utekov was designated Chairman of the Board of Directors, starting from the same date.

On 15.05.2025, Mr. Eugeniu Moby Henke notified his resignation from the position of director, effective as of 01.06.2025, his last day of mandate being 31.05.2025.

By Board Decision no. 1 dated 28.05.2025, Mr. Turlybekov Nurdaulet was appointed as interim director, starting on 01.06.2025, until the Ordinary General Meeting is convened.

By Board Decision no. 1 dated 03.12.2025, Mr. Turlybekov Nurdaulet was revoked from the position of interim director due to the express non-acceptance of the mandate, and Mr. Sorin Graure was appointed as interim director starting on 03.12.2025, until the Ordinary General Meeting is convened.

Thus, as of the end of 2025, the composition of the Board of Directors is as follows:

Yedil Utekov – the Chairman of the Board of Directors
Georgian Stefan Florea – Member / General Manager
Olga Turcanu – Member
Vasile Gabriel Manole – Member
Sorin Graure – Member

4.1. Presentation of the list of company administrators and the following information for each administrator:

a) CV (name, surname, age, qualification, professional experience, position and length of service;

- Pavel Romanenko - Kazakh citizen, born in 1985
Chairman of the Board of Directors for the period 01.10.2024 – 20.01.2025.
Term of office: starting with 01.10.2024 until 20.01.2025.
Mr. Pavel Romanenko has a bachelor's degree in geophysics, but also a master's degree in petroleum engineering obtained at the Kazakh-British Technical University in Almaty. He also holds several certifications in drilling, geomechanics or hydraulic fracturing.
- Yedil Utekov - Kazakh citizen, born in 1976
Chairman of the Board of Directors for the period 20.01.2025 – 31.12.2025
Term of office: starting with 20.01.2025 until 31.12.2025
Mr. Yedil Utekov graduated from the Faculty of Chemical Engineering of Natural Resources and Hydrocarbons within Astrakhan State Technical University from Russia.
Previously, Mr. Yedil Utekov held key positions within the KMG International Group, including Chief Executive Officer of Rompetrol Rafinare, Managing Director – Refining and Petrochemicals, and Director of the Production and Industrial Services Division.
- Georgian Stefan Florea- Romanian citizen, born in 1982
Member of the Board of Directors during the period 30.04.2022 – 31.12.2025
Term of office: 4 years starting on 30.04.2022
He graduated from the Ploiesti University of Oil and Gas. Mr. Florea holds a Master's degree in reservoir engineering obtained at the Ploiesti University of Petroleum and Gas.
Georgian Stefan Florea has been with Rompetrol Well Services since 2007, successfully fulfilling his duties in such roles as - initially at the operational level, holding the positions of petroleum engineer DST division, field engineer at the cementing division, petroleum engineer technical department, representative of Rompetrol Well Services & Rompetrol SA in Kurdistan, Sales Coordinator and up to management level, Deputy General Manager of Rompetrol Well Services since March 2018 – 18.10.2021 and General Manager starting with 18.10.2021.
- Olga Turcanu - Romanian citizen, born in 1979
Member of the Board of Directors between 30.04.2022 - 31.12.2025.
Term of office: 4 years starting on 30.04.2022.
Olga Turcanu studied international economic relations and economic law at the Academy of Economic Sciences of Moldova having the bachelor and master levels. In 2013, Olga Turcanu was accepted as a Member of the Association of Chartered Certified Accountants (ACCA), and starting from 2018 she has the status of an Fellow ACCA.

She gained professional experience in tax consultancy, financial audit in the oil and gas industry, economic analysis, budgeting, business planning, taxation, investment project analysis, corporate finance.

She worked in various companies such as: PriceWaterhouseCoopers, Mechel Trade House, Bluehouse Capital Group, Rominserv.

• Vasile Gabriel Manole - Romanian citizen, born in 1980

Member of the Board of Directors between 30.04.2022 – 31.12.2025.

Term of office: 4 years starting on 30.04.2022.

Mr. Vasile Gabriel Manole graduated from the Faculty of Economic Sciences, Transilvania University Brasov, majoring in Finance, Banks, Insurance. He also holds a diploma of in-depth postgraduate studies - strategies and financial accounting techniques - at Transilvania University Brasov.

He joined the KMG International Group in 2005, occupying managerial positions in the financial area in several entities within the KMG International Group, including the position of economic director of Rompetrol Rafinare SA between November 2010 - May 2013 and 2016 - 2018.

Vasile Gabriel Manole holds the position of Financial Manager of Rominserv SRL and his main duties are the representation of the company and the financial management of the company. Also, Vasile Gabriel Manole holds the position of the Chairman of the Investment Initiation committee within the Kazakh-Romanian Energy Investment Fund, an entity within the KMG International Group.

• Eugeniu – Moby Henke - Romanian citizen, born in 1973;

Member of the Board of Directors in the period 30.04.2022- 31.05.2025.

Term of office: 30.04.2022 – 31.05.2025.

He is a lawyer, a graduate of the Faculty of Law of the University of Bucharest (1992-1996) and has a Master's degree in Administrative Sciences (1997-1999) from the National School of Political and Administrative Studies in Bucharest.

He has professional experience in the following fields:

- consultancy for public and private companies (organizations), government agencies and individuals;
- development and elaboration of corporate systems, legal analysis of transactions, projects;
- protection of clients' rights in the general courts of jurisdiction at all levels
- elaboration, negotiation and legal support in the execution of contracts, agreements and other legal documents;
- experience as Director of the legal department of the KMG International Group, in the teams for a series of projects (commercial, legislative, etc.);

• Sorin Graure - Romanian citizen, born in 1978

Member of the Board of Directors in the period 03.12.2025 - 31.12.2025

Term of office: starting with 03.12.2025 until the Ordinary General Meeting is convened.

Mr. Sorin Graure graduated from the Faculty of Oil Processing Technology and Petrochemicals within Ovidius University of Constanța, where he obtained his Bachelor's degree.

With 23 years of professional experience, Mr. Sorin Graure has held various positions within the Petromidia refinery. He currently serves as Chief Executive Officer of Rompetrol Rafinare S.A.

b) any agreement, understanding or family relationship between the respective Administrator and another person due to which the respective person was appointed as Administrator;

To the knowledge of the administrators, there was no agreement, understanding or family connection between the administrators of the Company and another person due to which they were appointed administrators.

c) the Administrator's participation in the Company's capital;

According to the Register of shareholders of the company, consolidated on 31.12.2025, issued by the Central Depository, none of the Administrators participates in the share capital of the Company.

d) the list of people affiliated with the company.

None of the members of the Company's Board of Directors is affiliated with Rompetrol Well Services S.A. in the sense of ASF Regulation no. 5/2018.

4.2. Presentation of the list of members of the company's executive management.

For each, the presentation of the following information:

a) the term for which the person is part of the Executive Management;

During 2025, the management of the Company was delegated to the following Managers:

Role	Name and surname	Period
<i>General Manager</i>	<i>FLOREA GEORGIAN STEFAN</i>	<i>01.01.2025 - 31.12.2025</i>
<i>Financial Manager</i>	<i>MOISE LUIZA ROXANA</i>	<i>01.01.2025 - 31.12.2025</i>

b) any agreement, understanding or family relationship between that person and another person due to which that person was appointed as a member of the Executive Management;

We are not aware of any cases of agreements, agreements or family ties between the members of the executive management and other persons due to which they were appointed to the position.

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

According to the Register of shareholders of the company, consolidated on 31.12.2025, issued by the Central Depository, no member of the Executive Management participates in the share capital of the Company.

4.3. For all persons presented in 4.1. and 4.2. specify any disputes or administrative procedures in which they have been involved, in the last 5 years, related to their activity at the issuer, as well as those regarding the capacity of the respective person to fulfill their duties within the issuer.

None of the people in the management of the Company has been involved in litigation or administrative procedures in the last 5 years.

5. The financial-accounting situation

Presentation of an analysis of the current economic-financial situation compared to the last 3 years, with reference at least to:

a) balance sheet elements: assets that represent at least 10% of total assets; cash and others liquid assets; reinvested profits; total current assets; total current liabilities;

Starting with the year ended on December 31, 2012, the individual financial statements of the Company were drawn up in accordance with the provisions of the Order of the Minister of Public Finance no. 1286/2012 for the approval of the accounting regulations in accordance with the International Financial Reporting Standards applicable to companies whose securities are admitted to trading on a regulated market, Order of the Minister of Public Finance no. 2844/2016 with all subsequent amendments and additions.

For the purpose of preparing these financial statements, in accordance with Romanian legislative requirements, the functional currency of the company is considered to be the Romanian leu (RON).

Summary of the patrimonial elements:

	2023	2024	- RON 2025
Total Assets, out of which:	132.751.908	132.135.864	132.966.904
Fixed assets	56.492.638	63.995.957	60.566.229
Current assets	76.259.270	68.139.907	72.400.675
Total Liabilities, out of which:	132.751.908	132.135.864	132.966.904
Share capital, out of which:	28.557.446	28.557.446	28.557.446
Paid-up subscribed capital	27.819.090	27.819.090	27.819.090
Legal reserves	5.563.818	5.563.818	5.563.818
Other equity	61.692.920	67.734.302	67.328.836
Current result	11.767.863	10.237.307	3.862.301
Debts due under one year	15.722.168	15.516.592	21.397.112
Debts due above one year	9.447.693	7.526.399	6.257.391

b) profit and loss account

Summary of income and expenditure elements:

	2023	2024	- RON 2025
Total income, out of which:	77.369.727	80.814.084	70.146.562
Operational income	73.487.511	77.024.291	66.453.513
Financial income	3.882.216	3.789.793	3.693.049
Total expenditure	63.514.880	69.037.359	65.381.646
Operational expenditures, out of which:	62.682.833	68.415.726	64.676.491
- expendable supply	19.654.780	21.349.833	17.641.187
- staff expenses	21.212.561	23.634.538	24.802.284
- assets depreciation expenses	5.921.961	4.806.037	5.225.998
- other expenses	15.893.531	18.119.311	17.007.022
Financial expenses	832.047	621.633	705.155
Gross result - profit	13.854.847	11.776.725	4.764.916
Current and deferred profit tax	2.086.984	1.539.418	902.615
Net result - profit	11.767.863	10.237.307	3.862.301

Summary of the achievement of budget indicators:

	Achieved – previous year	2025	
		Budget provisions	Achieved
Total income, out of which:	80.814.084	89.367.251	70.146.562
Operational income	77.024.291	86.261.904	66.453.513
Financial income	3.789.793	3.105.348	3.693.049
Total expenditure, out of which:	69.037.359	71.403.563	65.381.646
Operational expenditures	68.415.726	71.184.299	64.676.491
Financial expenditures	621.633	219.264	705.155
Gross profit	11.776.725	17.963.689	4.764.916
Current and deferred profit tax	1.539.418	2.874.173	902.615
Net profit	10.237.307	15.089.516	3.862.301

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

Treasury cash flow situation, synthesis - indirect method

	- RON		
	2023	2024	2025
Net result before taxation and extraordinary items	13.854.847	11.776.725	4.764.916
Operational profit before changes in working capital	15.707.518	10.612.099	3.419.331
Net cash from operational activities	7.642.050	9.774.889	5.663.578
Net cash from investing activities	(1.554.398)	3.662.873	9.722.838
Net cash from financing activities	(5.930.827)	(13.788.299)	(12.583.813)
Net variation in cash and cash equivalents	157.075	(350.989)	2.802.960
Unrealized exchange rate differences	(251)	452	(356)
Cash and cash equivalents at the beginning of the financial year	491.717	648.542	298.005
Cash and cash equivalents at the end of the financial year	648.542	298.005	3.100.607

In 2025, both the performance of contracts with customers and suppliers was managed in conditions of financial balance, as well as the provision of all liquidity for the full and timely payment of salary rights, budget debts and dividends. All investment projects were financed from own sources. In addition to the cash highlighted at the end of the financial year, the availability from the main account, from the cash-pooling system, in the amount of 43,379,232 RON, can be used without restrictions.

Name of the indicator	2023	2024	2025
Current liquidity indicator	4,85	4,39	3,38
The speed of rotation of debits-customers	86	74	84
The speed of rotation of fixed assets	1,48	1,17	1,05
The indicator of the degree of indebtedness	8.2%	5.7%	4.7%

The debt level indicator includes only the effect of lease contracts.

6. Corporate Governance

ROMPETROL WELL SERVICES S.A. is a company listed on the Bucharest Stock Exchange - main segment, Standard share category, under the symbol << PTR >>, since **18.06.1998**, according to the decision of the Quota Registration Commission no. 133/26 March 1998.

The company complies with the current legislation applicable to companies and the capital market: Law no. 31 /1990 of commercial companies - with subsequent amendments, Law no. 82/1991 of accounting - with subsequent amendments, Law no. 297 /2004 on the capital market - with subsequent amendments, Law no. 24/2017 regarding issuers of financial instruments and market operations, FSA Regulation no. 5/2018 regarding issuers of financial instruments and market operations.

The Company's management adopted voluntarily, self-imposed part of the provisions of the Corporate Governance Code of the Bucharest Stock Exchange (CGC-BVB).

The Corporate Governance Code of the Bucharest Stock Exchange is a set of principles and recommendations for companies whose shares are admitted to trading on the regulated market in order to create an internationally attractive capital market in Romania, based on the best practices, of transparency and trust. The Code encourages companies to build a strong relationship with their shareholders and other stakeholders, to communicate effectively and transparently and to be open to all potential investors.

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

Good corporate governance is a powerful tool for strengthening market competitiveness. The central elements of this Code are investors' access to information and the protection of shareholders' rights. Each listed company must follow the provisions of the Code. The role of good governance is to facilitate effective entrepreneurial leadership, which can ensure the long-term success of the company.

Details of compliance Rompetrol Well Services S.A. with the new Corporate Governance Code is presented in Annex no. 1.

In accordance with the Articles of Association, **Rompetrol Well Services S.A. is administered in a unitary system**, so that the administration rests with a board of directors composed of 5 members, elected by the ordinary general meeting of shareholders, for a 4-year term. The Board of Directors has full powers to take any administrative and management decisions other than those that the law expressly gives to the General Meeting of Shareholders. By way of exception, the Board of Directors will exercise the powers of the General Meeting of Shareholders provided for by art. 113 letter b, c and f of law 31/1990, republished. The decisions of the Board of Directors are valid if they are taken by the majority of the members present. In case of equality of votes, the Chairman has the decisive vote.

The duties and powers of the Board of Directors and of the Chairman of the Board of Directors

The Board of Directors has the powers established by Law no. 31/1990 updated, the Articles of Incorporation, as well as other duties established by the general meetings of shareholders in its charge, respectively, mainly, the following:

- a) establishes the main directions of activity and development of the Company;
- b) appoints and dismisses the Managers of the Company and supervises their activity;
- c) prepares the annual activity report;
- d) implements the decisions of the general meetings;
- e) with the exception of legal acts for the adoption/conclusion of which is necessary, according to the mandatory provisions of the law, the approval of the general meeting of shareholders, approves the adoption/conclusion on behalf of the Company of legal acts whose object has a value between 500,001 – 10,000,000 USD; approval is required if it is a single commercial transaction carried out through one and/or several separate contracts if the cumulative value of these contracts exceeds the respective amount;
- f) approves the organizational structure of the company;
- g) designates and/or revokes the persons who act as representatives of the Company in relations with the banks, with the right of first signature, respectively with the right of second

signature; the joint signature rules shall apply accordingly to the making of any payment made for and on behalf of the Company;

- h) approves the conditions for contracting any type of loans from a bank and/or financial institution, as well as from any other legal entity;
- i) approves the interim financial statements of the company, drawn up according to the law;
- j) approves the company's marketing strategy and investment plan, as well as the annual budget (investment expenses and operational expenses), upon the joint proposal formulated by the General Manager and the Financial Manager;
- k) submits the application for the opening of the company's insolvency procedure, according to law no. 85/2014 regarding the insolvency procedure;

During 2025 the Board of Directors had the following composition:

- | | |
|--------------------------|--|
| • Pavel ROMANENKO | - Chairman during 01.01.2025 – 20.01.2025; |
| • Yedil UTEKOV | - Chairman during 20.01.2025 – 31.12.2025; |
| • Eugeniu Moby HENKE | - Member during 01.01.2025 – 31.05.2025; |
| • Georgian Stefan FLOREA | - Member during 01.01.2025 – 31.12.2025; |
| • Olga TURCANU | - Member during 01.01.2025 – 31.12.2025; |
| • Vasile Gabriel MANOLE | - Member during 01.01.2025 – 31.12.2025; |
| • Sorin GRAURE | - Member during 03.12.2025 – 31.12.2025; |

6.1. Information about 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 <https://rompetrolwellservices.com/en/investor-relations/corporate-governance/board-of-directors>. Additional information can be found in section 4.1 of this report.

According to the criteria for evaluating the independence of the non-executive members of the Board of Directors, on 31.12.2025, none of the Administrators meets the independence criteria provided by the principles and recommendations of the Code.

During 2025, a number of 14 meetings of the Board of Directors took place and 30 decisions were adopted, the participation of Administrators in these meetings being as follows: Yedil Utekov – 13 meetings, Eugeniu-Moby Henke - 8 meetings, Olga Turcanu – 14 meetings, Georgian Stefan Florea – 14 meetings, Vasile Gabriel Manole - 14 meetings.

The President Yedil Utekov chaired 13 of the meetings of the Board of Directors, and 1 was chaired by the General Director as a member of the Board of Directors. Decisions were adopted, taking into account legal provisions, regulations, constitutive acts and incident internal procedures. The decisions were taken with the "for" vote of the majority of those present, according to the provisions of the Articles of Association.

For the financial year ended on December 31, 2025, in accordance with the legal provisions, the administrators' remuneration was approved by the Ordinary General Meeting of Shareholders on 28.04.2025.

The information regarding the expenses with the remuneration of Administrators and Managers are presented in the annual financial statements, respectively in the Remuneration Report.

The company has a Financial Auditor who carried out his activity in accordance with the applicable legal provisions and the contracts concluded in this regard. Starting with 2025, the financial auditor is " PricewaterhouseCoopers Audit SRL". The financial auditor audited the annual financial statements.

The General Meeting of Shareholders dated 28.04.2025 appointed the audit firm PricewaterhouseCoopers Audit S.R.L. as the financial auditor of the Company for a period of 4 (four) years, respectively for the financial years 2025–2028. The mandate begins on 28.04.2025.

The same General Meeting of Shareholders dated 28.04.2025 appointed the audit firm PricewaterhouseCoopers Audit S.R.L. as auditor for the provision of assurance services regarding sustainability reporting / sustainability statement, establishing the duration of the contract at 4 years, respectively for the financial years 2025–2028. The mandate begins on 28.04.2025.

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

<i>Name</i>	<i>Company</i>	<i>Job position</i>	<i>Period</i>
Yedil Utekov	Rompetrol Rafinare SA *	Chairman BoD	01.02.2025-30.04.2026
	Rompetrol Rafinare SA *	Membru of Strategy Committee	01.02.2025-30.04.2026
	Rominserv SRL*	Member BoD	16.12.2024 – 16.12.2028
	Midia Green Energy SA*	Member BoD	20.01.2025 – 27.11.2025
	Rompetrol Energy SA*	Chairman BoD	27.01.2025 – 31.01.2026
Olga Turcanu	KMG Rompetrol SRL*	Financial Manager	01.07.2019 – 04.07.2025
	Rompetrol Downstream S.R.L.*	Financial Manager	03.07.2025 – 15.12.2026
	Rompetrol Well Services S.A.	Member Audit Committee	02.05.2022 – 30.04.2026
Vasile Gabriel Manole	Rominserv SRL*	Financial Manager	01.07.2019 – indefinite
	Rompetrol Renewable SRL*	Financial Manager	01.02.2023-28.10.2026
	Oilfield Exploration Business Solutions (former Rompetrol SA)*	Financial Manager	01.06.2013 - indefinite
	Fondul de Investitii in Energie Kazah-Roman SA	Member Committee of initiating investments	17.01.2023 – 10.10.2025

	Rompetrol Well Services S.A.	Member Audit Committee	01.10.2024 – 30.04.2026
Sorin Graure	Rompetrol Rafinare SA *	General Manager	08.07.2025 – 30.04.2026
	Midia Green Energy SA*	Member BoD	27.11.2025 – 13.05.2028

* *Company member of KMG International Group*

Advisory Committees

In its activity, the Board of Directors is supported by an Advisory Committee, namely the Audit Committee, which task is to carry out analyzes and to develop recommendations for the Board of Directors, in specific areas, having the obligation to periodically submit activity reports to the members to the Board of Directors.

The Audit Advisory Committee composition was approved by Decision no. 2 of the Board of Directors from May 2, 2023 and updated by Decision no. 3 of the Board of Directors from September 30, 2024.

The general meeting of shareholders dated 27.04.2022 approved the appointment of Dan Alexandru Iancu, Financial Auditor registered with the chamber of financial auditors in Romania, as an independent member of the Audit Committee, for a mandate equal to that of the Board of Directors.

The detailed presentation of the duties and responsibilities of the Advisory Committee can be found in the Organization and Operation Regulation approved by the Board of Directors, regulation published on the Company's website rompetrolwellservices.com, section "Investor Relations - Corporate Governance - Corporate Governance Documents".

The Audit Committee fulfills the legal duties provided in art. 65 of Law no. 162/2017 which mainly consist in monitoring the process of financial reporting, internal audit, risk management within the Company and ensuring compliance, as well as in the supervision of the statutory audit activity of the annual financial statements and in the management of the relationship with the external auditor.

During 2025 the Audit Committee had the following composition:

- Dan Alexandru Iancu - Chairman during 01.01.2025-31.12.2025
- Vasile Gabriel Manole - Member during 01.10.2025 - 31.12.2025
- Olga Turcanu - Member during 01.01.2025 – 31.12.2025

Information on the meetings of the Audit Committee during 2025

In 2025, there were 11 meetings of the Audit Committee and 8 decisions were adopted, the actual participation in these meetings being as follows: Dan Alexandru Iancu - 11 meetings, Olga Turcanu - 10 meetings and Vasile Gabriel Manole – 10 meetings.

6.2. Executive Management

The management prerogatives of the Company are delegated by the shareholders through the Articles of Associations to the General Manager and the Financial Manager.

In 2025, the Executive Management of the Company was carried out by the following Managers:

- Stefan Georgian FLOREA – General Manager during 01.01.2025 - 31.12.2025;
- Luiza Roxana MOISE - Financial Manager during 01.01.2025 – 31.12.2025.

The term of office for the General Manager and the Financial Manager ends on April 30, 2026.

6.3. Shareholders' liabilities

ROMPETROL WELL SERVICES S.A. ensures a fair treatment of all shareholders, including minority and foreign shareholders, in accordance with the legal provisions and the Articles of Association of the Company.

The company makes every effort to facilitate the participation of shareholders in the work of general meetings of shareholders (GMS). ROMPETROL WELL SERVICES shareholders have the opportunity to participate in the GMS directly, through a representative on the basis of a special power of attorney, or they can vote by mail (by sending the voting form by mail by any form of courier or by e-mail with an extended electronic signature incorporated according to Law no. 455/2001 on electronic signature).

According to article 11 of the Articles of Association, in conjunction with the applicable legal provisions, the **Ordinary General Meeting** meets at least once a year, within the mandatory term provided by law, and has the following main duties:

- a) to discuss, approve or modify the annual financial statements, based on the reports presented by the board of directors and the financial auditor, and to fix the dividend;
- b) to elect and revoke the Company's administrators;
- c) appoint and fix the minimum duration of the financial audit contract, as well as revoke the financial auditor;
- d) to establish for each year in progress the remuneration due to Administrators;
- e) to express the opinion on the management activity of the Administrators;
- f) to analyze the activity of the Board of Directors and to decide on the prosecution of the Administrators for the damages caused to the Company, also designating the person entrusted to carry it out;
- g) to establish the income and expenditure budget and, if necessary, the activity program for the next financial year;
- h) to decide on the pledging, renting or liquidation of one or more units of the Company;
- i) to approve the maximum limits of the remuneration of persons occupying/exercising management positions according to the provisions of the law;

The Extraordinary General Meeting has the following duties:

- a) changing the legal form of the Company;
- b) moving the headquarters of the Company;
- c) changing the object of activity of the Company;

- d) the establishment or dissolution of secondary offices: branches, agencies, representative offices or other such units without legal personality, if the Articles of Association does not provide otherwise;
- e) extending the duration of the Company;
- f) increasing the social capital;
- g) reducing the social capital or reuniting it by issuing new shares;
- h) merger with other companies or division of the Company;
- i) early dissolution of the Company;
- j) conversion of shares from one category to another;
- k) conversion of one category of bonds into another category or into shares;
- l) issue of bonds;
- m) approval of the adoption/conclusion on behalf of the Company of legal documents whose object has a value greater than USD 10,000,000;
- n) any other amendment to the Articles of Association 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 fulfillment of the powers provided for in letters b) and c) of the above paragraph.

The Extraordinary General Meeting can delegate to the Board of Directors the increase of the share capital in accordance with the provisions of Law no. 24/2017.

Conducting the General Meeting of Shareholders

The General Meeting of Shareholders is convened by the Administrators whenever necessary, by publishing an announcement in the Official Gazette of Romania, Part IV, and in one of the local or national newspapers of wide circulation in the locality where it is located company headquarters. The summons will include: the place, date and time of the meeting, the agenda with the explicit mention of all the issues that will be the subject of the meeting's debates, a clear and precise description of the procedures that must be followed by the shareholders in order 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 the agenda includes proposals for amending the constitutive act, the convocation will have to include the full text of the proposals.

When the election of Administrators is included in the agenda, the summons will have to include the mention that the list of the names, the place of residence and the professional qualifications of the persons proposed for the position of administrator is available to the shareholders and can be consulted and completed by them.

The General Meeting can be held at the Company's headquarters or in other places determined by the Administrators by convener. The shareholders can be represented in the General Meeting by persons who do not have the status of a shareholder of the Company.

The General Meeting is chaired by the Chairman of the Board of Directors or a person appointed by him, who designates, from among the members of the general meeting or among the company's shareholders, one to three Secretaries, plus a Technical Secretary from among the employees. They will draw up the shareholders' attendance list, verifying the following:

- the identity documents of the persons who present themselves at the General Meeting as shareholders or their proxies;
- special/general power of attorney presented by shareholders' proxies;
- voting forms by mail.

The Secretary of the meeting also verifies the fulfillment of the legal conditions regarding the presence of the quorum of the shareholders for the validity of the General Meetings.

If the ordinary or extraordinary general meeting cannot work due to the failure to fulfill the legal conditions for attendance, the meeting that will meet at a second convocation can deliberate on the items on the agenda of the first meeting, regardless of the quorum met, taking decisions with the majority the votes cast.

After the presentation of the materials related to the agenda, the issues subject to the shareholders' debate are put to a vote by the Chairman of the meeting.

The decisions of the general meeting are taken by open vote, except in cases where the general meeting decides that the vote should be secret or the law requires secret voting.

Each share gives the right to one vote during the General Meetings. The person who represents several shareholders on the basis of special powers of attorney expresses the votes of the persons represented by totaling the number of votes "for", "against" and "abstentions" without compensating them (e.g. "on item x on the agenda I represent " a" votes "for", "b" votes "against" and "c" "abstentions"). The votes expressed in this way are validated or, as the case may be, invalidated, based on the third copy of the special proxies, by the Secretary of the general meeting. The votes registered in the special power of attorney are exercised only in the manner desired by the shareholder.

The Secretary or Secretaries of the meeting, based on the free vote expressed by the shareholders, will draw up the minutes of the general assembly meeting.

Decisions adopted by the general meetings of shareholders during 2025:

Ordinary General Meeting of ROMPETROL WELL SERVICES S.A. Shareholders of **April 28, 2025** decided the following:

- approves of the individual annual financial statements concluded on December 31, 2024, prepared according to the International Financial Reporting Standards, based on the Report of administrators and the Report of financial auditor of the Company;
- approves of the allocation of the profits, determined according to the law, as well as the distribution of dividends for 2024 financial year, respective 0.036799 lei gross value/share;
- approves of the discharge of liability of the Company directors for their activity carried out during the financial year 2024, based on the presented reports;
- approves the Income and Expenditure Budget for 2025;
- approves the Investment plan for 2025;
- approves the monthly gross remuneration of the members of the Board of Directors for the financial year 2025, and the general limit of the additional remuneration of the Board of Directors members to whom specific positions within the Board of Directors, as follows:
 - a monthly gross remuneration of 2.564 USD for the Chairman of the Board of Directors;
 - a monthly gross remuneration of 1.709 USD for the Members of the Board of Directors;
 - a monthly net remuneration of 2.000 RON for the Chairman of the Audit Committee;
 - a monthly net remuneration of 1.000 RON for the Members of the Audit Committee.
- approves the appointment of Mr. Yedil Utekov as a member of the Company's Board of Directors to fill the vacant position, following the resignation of Mr. Batyrzhan Tergeussizov, for a mandate starting on 28.04.2025 and expiring on 30.04.2026;
- rejects the liability of the directors of the company for the damage in the estimated amount of RON 3,152,843.18 caused by them to the company through the execution of the Cash pooling

agreement, without this contract being subject to the approval of the Extraordinary General Meeting of Shareholders, and the appointment of the shareholder KJK Balkan Holding S.a.r.l. to bring legal action against the liable directors of the company;

- rejects the appointment of the directors of the company for a mandate starting with the date of the election of the directors and expiring on 30.04.2026 (the date of expiry of the mandate of the current members of the Board of Directors), in order to replace the administrators against whom the action for liability for damages is initiated;
- rejects the remuneration of the newly elected directors, which shall be equal to the amount previously approved by the general meeting of the company's shareholders;
- approves with the consultative vote of the General Meeting of Shareholders, the Remuneration Report of the Company's management structure for the year 2024;
- approves of the updated Remuneration Policy of the Company's management structure, applicable starting 2025 financial year;
- approves the appointment of Pricewaterhousecoopers Audit SRL, as financial auditor of the Company, for a period of 4 (four) years, respectively the financial years 2025 – 2028 and of the remuneration of the financial auditor, starting on 28.04.2025;
- approves the appointment of Pricewaterhousecoopers Audit SRL, as auditor for the purpose of performing assurance services on the sustainability reporting / sustainability statement, as well as establishing the duration of the sustainability statement audit contract for a period of 4 (four) years, respectively the financial years 2025 - 2028 and the remuneration for this services, starting on 28.04.2025;
- aproves dates:
 - (i) 04.07.2025 as Registration Date, according to art. 87 (1) of the Law no. 24/2017 republished;
 - (ii) 03.07.2025 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018;
 - (iii) 22.07.2025 as the Payment day according to art. 87 (2) of the Law 24/2017, republished
- approves empowering Mr. Stefan Georgian Florea, 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.

Extraordinary General Meeting of ROMPETROL WELL SERVICES S.A. Shareholders of **April 28, 2025** decided the following:

- approves the amendment of the Articles of Association of the Company as proposed in the Annex 1 to the convening notice, as follows:
 1. The data of the Company's shareholders is updated, **Article 1, point 1.1** being amended as follows:

“ 1.1 The company's shareholders are:

A. Significant shareholders;

 - *KMG International N.V., having headquarters in Netherlands, Amsterdam, Strawinskylaan 1571, Tower 10, 17th Floor, 1077XX, owning 73.0111 % of the share capital;*
 - *KJK Balkan Holding S.à r.l. , having headquarters in Luxembourg, Luxembourg, rue du Grünewald, 94, owning 10.6797% of the share capital*

B. Shareholders – list type (natural persons and legal entities), owning 16,3092 % of the share capital.
 2. The scope of activity is narrowed by excluding all scopes of activity, except for the following CAEN REV 3 codes, Article 5 being amended as follows:

“ 5.1 The company’s main business field is "Support activities for petroleum and natural gas extraction" - NACE code 091. and the main activity is "Support activities for petroleum and natural gas extraction" NACE code 0910.

5.2 The company's main activity is supplemented by the following secondary activities:

4619 - Intermediation in the sale of miscellaneous products

4685 - Wholesale of chemical products

4690 - Non-specialized wholesale trade;

4941 - Freight transportation by road;

5210 – Warehousing;

5224 – Handling;

6492 - Other credit granting – this activity will be carried out exclusively within the operations between the Company and affiliated companies which are members of the Rompetrol Group;

6820 - Letting and subletting of own or rented real estate;

7120 - Technical testing and analysis activities;

9531 - Repair and maintenance of motor vehicles”

3. Following the update of Art. 1.1. regarding the significant shareholders of the Company, **Article 6.2** is updated and amended accordingly as follows:

6.2. The share capital is represented by 278, 190, 900 nominal shares, issued as dematerialized, fully covered shares, each share having a nominal value of RON 0.1.

The share capital is distributed amongst shareholders as follows:

- KMG International N.V , holds a number of 203,110,150 shares, having a total nominal value of RON 20,311,015, representing 73.0111 % of the share capital,;
- KJK Balkan Holding S.à r.l. holds a number of 29,709,950 shares, having a total nominal value of RON 2,970,995, representing 10.679 % of the share capital,;
- Shareholders – list type (natural persons and legal entities), hold a number of 45,370,800 shares, having a total nominal value of RON 4,537,080 lei, representing 16.3092 % of the share capital.

4. In accordance with the legal provisions, Art. 22.1. is amended as follows:

“22.1. The Company shall operate for an unlimited period of time.”

- approves the update of the Articles of Association of the Company as per item 1 above.;
- approves empowering Mr. Stefan Georgian Florea, General Manager and member of the Board of Directors, sign for on behalf of the shareholders the amended and updated form of the Articles of Association, and to perform any act or formality required by law for the registration of the amended and updated Articles of Association
- approves dates:
 - (i) 04.07.2025 as Registration Date, according to art. 87 (1) of the Law no. 24/2017 republished;
 - (ii) 03.07.2025 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018;
- approves empowering Mr. Stefan Georgian Florea, 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

In the event that the General Meeting of Shareholders approves the distribution of dividends from the net profit made by the Company, all shareholders registered in the shareholders' register on the date of registration decided by the General Meeting, which also approves the amount of dividends and the date on which they are paid, are entitled to receive dividends.

6.4. Transparency, communication, financial reporting

Rompetrol Well Services S.A. pays great importance to transparency in communication. Considering that public trust is essential for the operation of the company, the Company makes its communication policy an explicit and reciprocal commitment between the company and its interlocutors.

The company intends to ensure a continuous and periodic reporting in an objective and integral manner, which includes all important aspects of the company's activity, the financial situation, the applied accounting policies, the recorded performances.

During 2025, reports and press releases related to the financial results, the convocation and decision of the GMS, periodic reporting (monthly, quarterly, half-yearly, annual), etc., were prepared. The information that was the subject of the mandatory reports - the current and periodic reports were communicated to the market operator, the Bucharest Stock Exchange, the Financial Supervisory Authority and were available by posting on the Company's website, rompetrolwellservices.com in the Investor Relations Section.

In order to ensure equal access to information for investors, the reports and communications addressed to market participants are posted on the Company's website after they have been posted on the website of the market operator, the Bucharest Stock Exchange.

In accordance with the legal provisions, the financial and accounting statements and those regarding the operations of Rompetrol Well Services S.A. are audited by Pricewaterhousecoopers Audit S.R.L., independent financial auditor, appointed by the general meeting of shareholders on 28.04.2025 for a period of 4 years.

Contact for Investor Relations

The annual, half-year and quarterly reports are available in electronic format, on the Company's website, <https://rompetrolwellservices.com/en/investor-relations/financial-results-and-reports> and in written form, upon request, at Company headquarters, in Ploiesti, Clopoșei str. no. 2 bis, Prahova county. Requests can also be made electronically, by e-mail to: investor.relations.rws@rompetrol.com.

Internal Control and Risk Management Systems in relation to financial reporting procedures

The Company has continuously adapted the internal control mechanism as a set of procedures and work methods with the aim of preventing facts contrary to the economic interests of the Company and the regulated framework for carrying out the activity, identifying deficiencies and establishing the necessary measures to restore the framework regulated. It mainly concerns financial relationships, phenomena and processes, with the aim of ensuring a good functioning of the economic activity. Also, the aspects of opportunity, necessity and efficiency of the operations

carried out by the Company are analyzed. In terms of financial reporting procedures, both internal and external reporting procedures are developed at the level of the Company. The procedures are reviewed periodically by the functional departments of the Company. Financial reporting systems are based on principles, rules and legal regulations in force.

6.5. Social responsibility

KMG International is an important investor in the Romanian economy and, at the same time, a responsible corporate citizen. All companies within the Group have a holistic approach to sustainability, which is why efforts to improve the quality of life of local communities cover all aspects, from environmental protection or social involvement to health and well-being, culture and education, the development of professional and leadership.

Social responsibility and sustainability are basic principles that guide us in strategic development and operational management. We are committed to becoming one of the most sustainable operators on the national and regional energy market, being at the same time actively involved in the life of the communities on which we operate.

Rompetrol Well Services S.A., a member company of the KMG International Group, considers social responsibility and sustainability as fundamental components in the development of business strategy and operations. The company's commitment to sustainability, environment, economic progress and social equity is firmly integrated into its operations, with the aim of making a concrete contribution to the United Nations Sustainable Development Goals (SDGs) included in the 2030 Agenda for Sustainable Development of United Nations.

Sustainability

Our organization is dedicated to conducting operations in a manner that emphasizes environmental stewardship and the preservation of natural resources such as air, soil, and water. Our decision-making process is guided by a commitment to adhere to industry-leading standards.

In terms of disclosing ESG performance, Rompetrol Well Services has shown its dedication to transparency in environmental, social, and governance (ESG) matters by releasing sustainability information. The disclosed indicators encompass a range of critical sustainability areas, including greenhouse gas emissions, occupational health and safety, environmental impact, waste management, water usage, energy consumption, fair labor practices, and community engagement. To maintain the accuracy and reliability of the data, the company has adhered to the European Sustainability Reporting Standards (ESRS). Stakeholders can view the comprehensive set of sustainability performance data on the company's webpage:

<https://rompetrolwellservices.com/en/sustainability/sustainability-approach>

In 2025, the company underwent an independent audit in accordance with the Together for Sustainability (TfS) standard, conducted by QIMA on July 24, 2025. The audit assessed the organization's performance in the areas of Environment, Occupational Health and Safety, Human Rights and Working Conditions, Management, and Governance.

The audit result was excellent, with the company achieving the maximum score of 100%, without any major, minor, or critical findings. The audit conclusions confirm that the

management systems implemented (ISO 9001, ISO 14001, ISO 45001) are fully functional and reflect a high level of compliance, operational control, and organizational maturity.

The audit outcome reaffirms the company's continuous commitment to operating responsibly, ethically, and sustainably, as well as its ability to maintain best practices in sustainability management.

Involvement in the communities

Romp petrol Well Services has proven to be a responsible partner, reaffirming its commitments to civil society and sustainable development year after year. Only in Prahova County, it has carried out various actions and partnerships alongside NGOs, local authorities, and other entities. Through effective collaboration, the specific needs of the communities have been identified, and projects have been developed that contribute to enhancing their quality of life.

Because Rompetrol places a special emphasis on investments in education, numerous educational projects have been implemented. One of these is "Chess in Schools," a project that organized both in-person and online chess lessons, visits, open classes, and chess competitions for children in Prahova County.

In fact, the national program "Chess in Schools" has reached 36 counties, benefiting 75,000 students, while the city of Ploiești has hosted two editions of the International Chess Festival, with participation from children across four continents, all supported by Rompetrol.

The development of critical thinking and skills among young people in the communities of Prahova County has been supported this year through the project "Romania Debates." Students from Blejoi and Ploiești are participating in interactive debate courses, which help them develop essential skills such as communication, critical thinking, and collaboration. The project creates a conducive environment for continuous learning and constructive dialogue among young people, thus contributing to the formation of future responsible leaders.

The company has also been involved, alongside local authorities, in tree-planting initiatives in Vest Park in Ploiești, contributing to the improvement of air quality and the well-being of the community.

Regarding vulnerable youth, Rompetrol Well Services, in partnership with the Humanitarian Organization "CONCORDIA," supports activities for children in family-type care homes and young people living in social housing or enrolled in vocational training courses in Prahova County.

Also in 2025 the company became a partner of the Margareta of Romania Royal Foundation in the "Generații" (Generations) program, which promotes intergenerational education. Seniors who wish to lend a helping hand volunteer to support children from disadvantaged families, providing assistance in after-school activities.

Education is an important pillar for our social responsibility strategy. We collaborated with universities and high schools with a technical profile from all over the country (e.g. Petrol-Gaze University in Ploiesti, Lazar Edeleanu Highschool), which supported us in our various educational investment projects.

2025 marked the 25th anniversary of our traditional career-ready internship program, where we have been training future industry professionals for the past 24 years. Trainees enrolled in the

program were given introductory sessions through theoretical modules aimed at helping to better understand the oil and gas industry, the fundamentals of an upstream activity and its economic implications, followed by on-site training provided of mentors on the Rompetrol platforms. The trainees assigned to Rompetrol received, at the end of the two-month program, two certifications: one as a graduate of the Rompetrol "Career Ready" program and one as a graduate of the personal development program, carried out together with partners from the Leaders Foundation.

We actively contribute to the development of the communities in which we operate by using local suppliers, employing local labor and, at the same time, implementing relevant social responsibility projects. Our engagement is based on consulting relevant stakeholders so that we can identify projects with the greatest added value for our communities.

7. Annexes

a) the constitutive documents of the company, if they were modified in the reporting year;

Not applicable.

b) documents of resignation/dismissal, if there were such situations among members of the management, executive management, censors;

On 16.01.2025, Mr. Pavel Romanenko requested to take note of his resignation from the mandates of President and member of the Board of Directors, starting from 20.01.2025, last day of mandate being 19.01.2025.

On 15.05.2025, Mr. Eugeniu Moby Henke requested to take note of his resignation from the mandate of member of the Board of Directors, starting from 01.06.2025, last day of mandate being 31.05.2025.

c) the list of the commercial company's branches and the subsidiaries;
Rompetrol Well Services S.A. does not have branches nor subsidiaries.

d) list of affiliates of the company¹

Rompetrol Well Services S.A. is part of KMG International Group². KMG International NV is 100% owned by "JSC National Company KazMunayGas".

The parent companies of Rompetrol Well Services S.A. (shareholders of National Company "KazMunayGas" JSC) are the national company JSC Sovereign Investment Fund of Kazakhstan "Samruk-Kazyna" (67.81%), the National Bank of the Republic of Kazakhstan (9.58%) and Ministry of Finance of the Republic of Kazakhstan (20%) - being companies based in Kazakhstan, wholly owned by the State of Kazakhstan and listed shareholders (2.61%) - holdings are indicated according to information on <https://kase.kz/en/listing/issuers/KMGZ>.

¹ At this point are listed all the companies within the KMG International Group

² Named Rompetrol Group until March 2014

The affiliated parties are indicated below:

1. Companies with the headquarter in Romania

- Oilfield Exploration Business Solutions S.A.
- Rompetrol Downstream S.R.L.
- Rompetrol Rafinare S.A.
- Rompetrol Logistics S.R.L.
- Rominserv S.R.L.
- Rom Oil S.A.
- Global Security Sistem S.A.
- Global Security Systems – Fire Services S.R.L.
- Midia Green Energy S.A.³
- 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.
- Rompetrol Energy S.A.
- KMG Rompetrol Development S.R.L.
- Fondul de Investitii in Energie Kazah-Roman S.A.
- KMG Rompetrol Services Center SRL⁴
- Rompetrol Renewables S.R.L.⁵

2. Companies with the headquarters abroad

- KMG International N.V.⁶
- Byron Shipping LTD
- Intreprinderea Mixtă “Rompetrol Moldova” S.A.
- Rompetrol Georgia LTD
- Dynergies SAS (previously named Rompetrol France SAS)
- Dyneff SAS
- TRG Petrol Ticaret Anonim Şirketi
- Rompetrol Bulgaria JSC
- KazMunayGaz Trading A.G.
- DPPLN SAS (Depot Petrolier de Port-la-Nouvelle SAS)
- Dyneff Retail SAS
- Dyneff Espagne SL;
- FRANCE HABITAT TECH SAS;
- Dyneff Trading SL;
- EPPLN SAS;
- NATGAS France SAS;
- CPA (Compagnie Parisienne des Asphaltes);
- DP FOS SA;

³ Named Uzina Termoelectrică Midia S.A. until December 2022

⁴ Previously named Rompetrol Exploration & Production S.R.L.

⁵ Named Rompetrol Drilling S.R.L. until 28.10.2022

⁶ Named The Rompetrol Group N.V. until March 2014

- SPR SA;
- ANEO SAS;
- Boissonnade Combustibles SAS;
- “Paul Orriols” Combustibles De Cerdagne SAS;
- ETS Rossignol SAS;
- Plantier SAS;
- Orceyre SAS;
- Aubac SAS;
- TPDt SARL;
- ABC Carburantsallo Beziat Carburants SAS;
- Geraud-Tampier SAS;
- David Recoules SAS;
- Alegri SAS.
- Neel Fraisse SAS
- Travaux Forestiers Zaplotny SAS;
- Bois Energie des Territoires D’auvergne SAS;
- France Habitat ENR SAS;
- Global'ethic Delta

Note: there are also established 7 branches and representative offices and joint ventures of the KMG International Group

CHAIRMAN OF THE BOARD OF DIRECTORS,

Yedil UTEKOV

GENERAL MANAGER,

Georgian Stefan FLOREA

FINANCIAL MANAGER,

Luiza Roxana MOISE

**Status of compliance of the BSE Corporate Governance Code
as of December 31th, 2025**

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES							
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 1	The Board should have an internal regulation that formalises and clearly states its roles and responsibilities. The articles of association, Board's internal regulation and other internal regulations should clearly delineate the roles and competencies among the Board, general meeting of shareholders (GMS) and executive management.	X			Board of Directors Regulations (link)
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 2	Board's internal regulation should include, among others, the Board's responsibilities as well as fiduciary duties of directors to act on a fully informed basis, in good faith, with due diligence and care, and in the best interest of the Company, its shareholders and taking into account the interests of other stakeholders in line with legal requirements.	X			Board of Directors Regulations (link)

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 3	To sustain the Company's long-term viability and success, the Board should: · Oversee the development and approve the Company's strategy and ensure that it also integrates sustainability aspects, including environmental and social (E&S) considerations and climate-related risks and opportunities; · Appoint and dismiss CEO and other executives to whom executive management responsibilities were delegated (called executive management) and ensure their succession planning; · Oversee the management performance, management role in addressing material sustainability risks and opportunities and align the remuneration of executive management with the long-term interests and sustainability of the Company, according to the provisions of the Company's remuneration policy; · Ensure there is a sound framework for internal controls and risk management; · Ensure that the Company has in place procedures to enable effective communication with shareholders and other stakeholders.	X			
A: GOVERNING BODIES	A.1. The Board should ensure the Company's long-term success and sustainability for the best interest of the Company and its shareholders and taking into account the interests of other stakeholders. The Board should clearly define and disclose the full scope of its roles and responsibilities.	A.1., 4	Duration of appointment of Board and executive management should be set clearly and should, to the extent possible, foster stability and predictability.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 1	The Board should have at least five members.	X			
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 2	The Board should have in place a policy on Board and executive management diversity and should ensure that diversity requirements in terms of gender, age, experiences and skills are incorporated in the Nomination Policy.			X	The Company has no legal obligation to apply the provisions of Law no. 24/2017 regarding the strengthening of gender balance among directors. Nevertheless, the Company upholds the principles of diversity and seeks to maintain an appropriate balance in terms of gender, age, professional experience, and competencies within its management structures. These principles are taken into account in the selection and evaluation process of the Board members and executive management, even in the absence of an express legal obligation in this regard.
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 3	The Board should develop a Board profile which specifies the desired characteristics and traits of its members including factors such as independence, diversity, integrity, specific skills and experience, industry knowledge, ability and willingness to devote adequate time and effort to Board responsibilities in the context of the needs of the Board and its committees and their exercise of the Board's strategic and oversight roles. The Board profile can be part of the Nomination Policy.			X	The Company has not adopted a Nomination Policy and, consequently, has not developed a formal profile of the Board. Nevertheless, in the process of selecting and evaluating Board members, the Company takes into account criteria such as professional experience, relevant competencies, integrity, and the availability to dedicate sufficient time to the fulfilment of duties, in line with organizational needs and corporate governance requirements.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 4	The majority of the members of the Board should be non-executives. At least a third of the Board members should be independent. Each independent member of the Board should submit a declaration regarding his/her independence at the time of his/her nomination for election or re-election as well as when any change in his/her status arises, as per the criteria of independence defined in law and in Appendix A to the Code.		X		The majority of the Company's Board of Directors members are non-executive directors. However, the Board currently does not include independent directors. The Company intends, in the future, to further align with corporate governance best practices, including assessing the possibility of appointing one or more directors who meet the independence criteria set out under applicable legislation and the Corporate Governance Code.
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 5	The Nomination and Remuneration Committee (or the entire Board if there is no Nomination and Remuneration Committee) should assess whether the directors can be considered independent under the factors taken into account, by examining whether there are any business or other personal relationships that could materially affect the independence and objectivity of the director and his/her ability to act in the best interests of the Company, its shareholders and stakeholders.			X	The Company has not established a Nomination and Remuneration Committee, and the specific responsibilities of such a committee are exercised by the Board of Directors. Currently, the Board does not include directors who meet the independence criteria set out in the Corporate Governance Code. The Company intends, in the future, in the context of potentially appointing independent directors, to implement a formal independence assessment process, which would include an analysis of relevant professional and personal relationships, as well as the collection of independence statements in accordance with legal requirements and the provisions of the Code.
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 6	The positions of Chairperson and Chief Executive Officer (CEO) are recommended to be held by different individuals.	X			

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.2. The Board should have an appropriate balance of skills, experience, gender diversity, knowledge and independence to enable it to effectively perform its duties and responsibilities.	A.2., 7	If the Chairperson and CEO functions are performed by the same person, it is recommended that the Board appoints an independent Vice-Chairperson.				not applicable
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 1	The Company should develop and disclose a board nomination policy ("Nomination Policy") that should define the processes and procedures for the nomination, election or replacement of a director. The Nomination Policy, approved by the competent governance body, shall describe how the Company receives and evaluates nominations from shareholders (including minority shareholders) or from members of the Board, including in relation to the board profile, independence and diversity.			X	At present, the Company has not adopted a Nomination Policy for the members of the Board of Directors. The procedures regarding the nomination, election, and replacement of Board members are carried out in accordance with the provisions of the Articles of Association and the applicable legislation, without a dedicated internal document detailing these processes. The Company is considering the possibility of adopting a Nomination Policy in the future, in order to align its corporate governance practices with the recommendations of the Code and to ensure a transparent, predictable, and fair framework for the proposal and evaluation of candidates for the position of director.
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 2	The Board, through its Nomination and Remuneration Committee, if established, should monitor the nomination process of candidates for the position of Board member.	X			The Company has not established a Nomination and Remuneration Committee, and its responsibilities are fulfilled by the Board of Directors, which oversees the nomination process of candidates in accordance with legal provisions and the Articles of Association.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.3. The Board should ensure that a formal, rigorous and transparent procedure is put into place regarding the nomination of new members to the Board.	A.3., 3	The Company should disclose to shareholders information on the experiences and CV of the director candidates that they require to make an informed decision on the appointment or reappointment of the directors including the following: · candidates' professional commitments and engagements, including executive and non-executive positions in companies, public authorities, not-for-profit bodies or other organisations; · any existing or potential conflicts of interest including whether they have business, family or other relationships that could affect their performance as directors on the Board; · which shareholder or member of the Board proposed each candidate for the Board positions.	X			The Company provides shareholders with relevant information regarding the candidates proposed for the position of Board member, including their professional experience, any potential conflicts of interest, and the identity of the person or shareholder who submitted the proposal, so that shareholders can make an informed decision at the time of appointment or renewal of the mandate.
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 1	The Board shall establish an Audit Committee to enhance its oversight capability over the financial reporting, internal control framework, internal and external audit processes, and compliance with applicable laws and regulations. Where a separate risk management committee is not required by law or already established, the Audit Committee will also include oversight responsibilities for the efficiency of the risk management framework.	X			The Company has established an Audit Committee, which carries out the responsibilities provided under the applicable legislation. The Audit Committee also fulfils the responsibilities related to overseeing the risk management framework.
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 2	The Audit Committee is recommended to be composed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Audit Committee, as a whole, should have competencies relevant to the Company's area of operations. The Committee and its members should comply with the applicable national and European legislation.		X		The Audit Committee is composed solely of non-executive members of the Board. Currently, only the Chair of the Committee is an independent director. The members of the Audit Committee possess competencies relevant to the Company's activities and perform their duties in accordance with the requirements of the applicable legislation.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 3	The Boards of Premium Tier companies should set up a Nomination and Remuneration Committee formed of non-executive directors. The majority of the Committee members is recommended to be independent, including the Committee chairperson. The Board may also establish a separate Nomination Committee and a separate Remuneration Committee if the Board composition accommodates it and if this is justified given the Company's size and complexity of its business and governance structures.				not applicable
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 4	In addition to its specific responsibilities as provided under this Code, the Nomination and Remuneration Committee should: i. Review and recommend to the Board the size and composition of the Board and lead the development and ongoing review of the Board profile; ii. Identify individuals qualified to become Board members and members of the executive management, if requested; evaluate the candidates for executive management roles; evaluate the candidates proposed by the shareholders or by Board members for a director role and inform the GMS accordingly; iii. Make recommendations to the Board concerning committee appointments (other than the Nomination and Remuneration Committee); iv. Coordinate an annual evaluation of the Board, directors and committees in line with provisions set out in Principle A.5.; v. Assist the Board in fulfilling its responsibilities related to the Company's remuneration policy; vi. Assist the Board in the development of the succession plans for executive management, as well as the emergency succession plans and CEO search process, as required; vii. Oversee the administration of the Company's compensation and benefits plans.			X	The Company has not established a Nomination and Remuneration Committee, and the responsibilities provided by the Code for such a committee are carried out by the Board of Directors. The Board reviews and manages matters related to the size and composition of the Board, the assessment and nomination of candidates, recommendations regarding committees, the annual evaluation of the Board, remuneration matters, as well as succession planning, to the extent that these activities are necessary and applicable.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 5	The role and responsibilities of Board committees should be defined in separate internal regulation (operating regulations) and disclosed on the Company's website. If the Company chooses not to establish any of the Board committees not required by law, the corresponding tasks and responsibilities shall be done by the Board and should be adequately stated in the Board's internal regulation.	X			The Company has established only the Audit Committee, whose roles and responsibilities are defined in a separate internal regulation, published on the Company's website. (link)
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 6	The evaluation of independence for the members of the committees, including when the members of the committees are appointed by the GMS, shall be carried out according to the same procedure applicable to the independent members of the Board.			X	The assessment of the independence of committee members is carried out in accordance with the procedure applicable to independent members of the Board. At present, the Company does not have independent directors; therefore, no formal independence assessment of committee members is performed. The members of the Audit Committee are non-executive, and the Chair of the Committee is independent, as declared.
A: GOVERNING BODIES	A.4. The Board should establish committees which should assist the Board in the performance of its key responsibilities, dealing with strategic challenges and in managing sensitive issues with high potential for conflicts of interest.	A.4., 7	The chairpersons of the Audit Committee and Nomination and Remuneration Committee should not be the Chairperson of the Board or of any other committee, unless this is justified by the size of the Board.	X			The Chairmain of the Audit Committee is not the Chairman of the Board and does not hold the position of chair of any other committee, thereby complying with the Code's recommendations on the separation of responsibilities within governance structures.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 1	The Board Chairperson is primarily responsible for ensuring that the Board functions properly. The Board's internal regulation should contain the role and responsibilities of the Board Chairperson and the Board Chairperson, at a minimum, should: • Determine the agenda of the Board meetings, chair such meetings and ensure that minutes are kept of such meetings; • Ensure the Board receives accurate, timely, useful, succinct information to enable the Board to make sound decisions; • Ensure the Board has sufficient time for consultation and decision-making; • Enable the Committees to function properly and that there is effective communication with Board committees, including actionable, insightful reports of committees back to the full Board; • Ensure the performance of the Board is evaluated and discussed at least once a year and disclosed as per provision D.1.3; • Ensure that the Board has proper working relationship with the executive management. The CEO and the Chairman of the Board (if positions are held by different individuals) shall meet regularly; • Address and manage internal disputes and conflicts of interest concerning Board members.		X		The role and responsibilities of the Chairman of the Board are set out in the Board's internal regulations. The Chairman of the Board ensures the proper functioning of the Board, including by setting the agenda, chairing meetings and ensuring the transmission of necessary information to the Board members. He also facilitates the functioning of the committees and communication with them, maintains an appropriate working relationship with the executive management and manages any conflicts of interest or internal disputes between the Board members. The annual evaluation of the Board is not currently carried out. However, the Company is considering implementing a formal evaluation process of the Board and its members, in accordance with the requirements of the Corporate Governance Code.
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 2	The Board should meet as often as necessary but not less than six (6) times a year.	X			The Board of Directors meets whenever necessary for the proper conduct of the Company's activities. The frequency of meetings complies with legal requirements, and the Board aims to meet the recommended threshold of at least six meetings per year, in line with the Corporate Governance Code.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 3	The Board can request to designate the Corporate Secretary who should assist the Board in complying with its obligations under law, Board internal regulation and other policies. The Corporate Secretary should be a senior officer in the Company tasked with assisting the Board and its committees in organising their activities, in preparing for the meetings, annual Board and committee performance evaluation and director training programs, if the case.	X			The Board has appointed a Secretary who supports the Board in fulfilling its obligations in accordance with the applicable legislation and the Board's internal regulations. The Secretary assists in organizing Board meetings and activities, as well as in ensuring the procedural communication necessary for the exercise of the Board's duties.
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 4	The Board should clearly define the rights and responsibilities, scope of authority and other issues related to the Corporate Secretary.	X			The Board has defined in its internal regulations the rights, responsibilities, and scope of authority of the Board Secretary. These provisions set out the Secretary's role in organizing meetings, ensuring procedural compliance, managing the Board's documentation, and supporting its activities within the limits of the established mandate.
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 5	The Board and its committees should develop and approve an annual internal work plan identifying topics to address during the year before the end of the previous year. The plan should take into account decisions that need to be proposed to the GMS, reporting by management and internal control functions, the required frequency of Board and Committee meetings, and should be reviewed by the Chairperson, assisted by the Corporate Secretary.		X		The Board and its committees do not currently have a formalized annual internal work plan. The Board's activities are organized based on operational needs and legal requirements, and the agenda of the meetings is set by the Chair of the Board with the support of the Board Secretary. The Company is considering the implementation of an annual work plan, in accordance with the recommendations of the Corporate Governance Code.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 6	The Board should conduct an annual evaluation of the composition, activity and dynamics of the Board and its committees, individually and as a whole, and which should be coordinated by the Nomination and the Remuneration Committee.			X	The annual evaluation of the composition, activity, and dynamics of the Board and its committees is not currently performed. Since the Company has not established a Nomination and Remuneration Committee, the responsibilities related to coordinating the evaluation process would fall under the Board of Directors. The Company is considering the implementation of a formal annual evaluation process, in accordance with the provisions of the Corporate Governance Code.
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 7	The Nomination and Remuneration Committee should share the results of the Board evaluation with the whole Board and should then set follow up actions, if any, including professional development and training plans for the Board to fill gaps.			X	The Company has not established a Nomination and Remuneration Committee, and the annual evaluation of the Board is not currently carried out. Consequently, there are no results of such an evaluation to be reported to the Board, nor any subsequent formalized measures. The Company is considering the implementation of an annual evaluation process and, thereafter, the establishment of professional development actions in accordance with the recommendations of the Corporate Governance Code.
A: GOVERNING BODIES	A.5. The Board should set up robust Board operating procedures as well as Board evaluation and continuous development mechanisms to improve directors' skills and their ability to effectively deliver their responsibilities.	A.5., 8	The Board's internal regulation should require Company orientation (induction) programmes for newly appointed directors, ensured by internal staff of the Company. The Board's internal regulation can also include references for ongoing director education program, if needed. The implementation of any orientation and ongoing trainings programmes for directors (as per the Board decision) is made under the oversight of the Nomination and Remuneration Committee, with the support of the Corporate Secretary. Based on the results of the annual board evaluation, the			X	The annual evaluation of the Board is not currently carried out. The Company is considering implementing an annual evaluation process.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
			Nomination and Remuneration Committee jointly with the Board Chairperson shall develop professional development programmes focusing on the areas where capacity should be built among Board members.				
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 1	Executive management should run the Company and be accountable to the Board. Division of responsibilities between the Board and the executive management and between different members of the executive management should be clearly articulated in the Company's by-laws and the internal regulations of the Company.	X			The division of responsibilities between the Board and the executive management, as well as the allocation of duties among the members of the executive management, are defined in the Company's Articles of Association and in the applicable internal regulations. These documents establish the limits of authority and the decision-making framework necessary to ensure effective governance.
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 2	When Board Chairperson and CEO roles are exercised by one individual, the different responsibilities of the Board Chairperson and CEO should be clearly defined and distinguished in the Company by-laws.				not applicable

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 3	The Board should ensure that the executive management is comprised of persons with adequate knowledge, skills, diversity and experience to support successful Company performance and that there are measures in place to provide for the orderly succession of executive management.		X		The Board ensures that the members of the executive management possess the skills, experience, and knowledge necessary for the proper functioning of the Company. At present, there is no formal succession policy at the entity level; however, the Company is considering applying the provisions of the succession policy implemented at Group level.
A: GOVERNING BODIES	A.6. Executive management is responsible for day-to-day management of the Company. The Board should ensure that the executive management is capable of effectively running the Company and that its composition, competence, roles and management incentives support the successful implementation of Company's strategy and plans.	A.6., 4	The Board, with the support of the Nomination and Remuneration Committee, should annually evaluate executive management's performance, the effectiveness of its cooperation with the Board, including the information provided to the Board.			X	The Company has not established a Nomination and Remuneration Committee, and the annual performance evaluation of the executive management is not currently carried out. In the absence of a dedicated committee, the responsibility for conducting the evaluation would fall under the Board of Directors. The Company is considering the implementation of a formal evaluation process, in accordance with the recommendations of the Corporate Governance Code.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK							
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 1	The Board determines the nature and extent of the risks the Company is willing to take necessary for the achievement of Company's strategic objectives (i.e., the Company's risk appetite) and should ensure there are clear structures, policies and procedures in place that identify, evaluate, report, manage and monitor significant and emerging risks, including risks related to sustainability, cybersecurity and the use of digital technologies. The Board should explain in the annual report the mechanisms and processes in place to identify and manage risks.	X			The Board of Directors monitors the main risks to which the Company is exposed and sets the general directions regarding the acceptable level of risk. The Company has implemented internal procedures for identifying, assessing, and managing risks, in accordance with the applicable legal framework.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 2	The Board should adopt a formal risk management policy, to ensure accurate, complete and timely identification, measurement and reporting of risks, adequate and feasible risk control measures as well as integration of an E&S risks into the risk management framework in support of the Company's strategy implementation.		X		At the Rompetrol Group level, a Risk Management Policy has been adopted, which is also applicable to the Company. This policy establishes the framework for identifying, assessing, measuring, and reporting risks, as well as the related control measures, including the integration of environmental and social (E&S) risks into the risk management process, in line with the Group's and the Company's strategy.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 3	The Board and Audit Committee should understand emerging information technology and artificial intelligence-related changes so to mitigate cybersecurity risks. Time should be given to the AI risks and opportunities and cybersecurity on Board agenda to ensure understanding of cyber protection.		X		The Board of Directors and the Audit Committee periodically monitor the risks associated with information technology, cybersecurity, and emerging developments. The Board ensures that the Company has appropriate controls and procedures in place to prevent and mitigate IT and cybersecurity risks.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 4	The Company is recommended to establish a risk management function responsible for ensuring accurate, complete and timely identification of the risks, ensuring that adequate and feasible risk control measures are in place and monitoring the risk management procedures. The risk management function, through the Chief Risk Officer (CRO), where present, should have a direct communication and functional reporting to the Board and Audit Committee (if there is no separate Risk Committee).		X		The Company applies the risk management framework implemented at the Rompetrol Group level, and the responsibilities for identifying, assessing, and monitoring risks are carried out by the competent internal structures.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 5	The Board with the assistance from the Audit Committee should at least annually assess the adequacy and effectiveness of Company's risk management and internal control framework (including operational and compliance controls) and make relevant recommendations. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and compliance, internal control reports, if they are required by applicable legislation, to the Audit Committee, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and submission of relevant reports to the Board.	X			The Board of Directors, assisted by the Audit Committee, periodically monitors the functioning of the Company's risk management framework and internal control system. The Audit Committee reviews the information provided by the relevant structures regarding risks, compliance, and internal controls, and issues recommendations to the Board in accordance with its responsibilities under the applicable legislation.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.1. The Company should have an adequate and effective internal control framework and an enterprise risk management framework, taking into account its strategy, size, complexity of operations and risk profile including potential environmental and social impact of its activities.	B.1., 6	The Company should develop and make available on a free of charge basis on the Company's website a whistle-blowing mechanism which would enable employees and stakeholders to make reports about suspected breaches or wrongdoings as per the applicable legislation in place.	X			The Company applies the whistleblowing mechanism implemented at the Rompetrol Group level, which allows employees and other stakeholders to confidentially report potential breaches or irregularities, in accordance with the applicable legislation. The mechanism is available free of charge and is accessible to the public through the Group's website. (link)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 1	In addition to its responsibilities mentioned in legislation and elsewhere in the Code, the Audit Committee should: · Review the Company's internal controls and risk management frameworks; · Oversee the development and application of the Company's policies on conflicts of interests and related party transactions; · Ensure independence and review the effectiveness of the Company's internal audit function and make a recommendation to the Board; · Oversee the internal audit function; · Oversee the preparation of sustainability-related reports and information included in them, unless this task is assigned to another committee; · Oversee the framework for ensuring the Company's compliance with applicable legal and regulatory requirements and internal regulations of the Company (like the procedures for reporting breaches of the law or the Company's Code of Conduct), unless this task is assigned to another committee.	X			The Audit Committee performs its duties in accordance with the applicable legislation and the Committee's internal regulations. It periodically reviews the internal control system and the risk management framework, monitors the application of policies on conflicts of interest and related-party transactions, and oversees the internal audit function, including the assessment of its independence and effectiveness.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 2	Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by regular (at least annual) or ad-hoc reports to the Board.	X			
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship with the Company's external auditors.	B.2., 3	The Audit Committee should monitor the independence and objectivity of the external auditor. The Committee should approve a policy on the provision of permitted non-audit services by the external auditor in line with legal requirements and enforce implementation of that policy. Committee's findings regarding the independence of the external auditor should be disclosed in the annual report.		X		The Audit Committee monitors the independence and objectivity of the external auditor, in accordance with legal requirements and the Committee's internal regulations. At present, the Company has not adopted a policy regarding the provision of permitted non-audit services by the external auditor. Nevertheless, the Audit Committee assesses the nature and volume of the services provided by the external auditor to ensure that they do not impair its independence. The Committee's findings regarding the independence of the external auditor are reported to the Board and presented in the Company's annual reports.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.2. The Audit Committee should assist the Board with ensuring the integrity of financial and non-financial reporting, establishing an effective risk management and internal control framework and maintaining an appropriate relationship	B.2., 4	The Audit Committee should discuss the annual audit work plan with the external auditor covering the scope and materiality of the activities to be audited. The audit committee should meet the external auditor as needed to discuss issues identified and to monitor the quality of the services provided.	X			The Audit Committee discusses the annual work plan with the external auditor, including the scope and materiality of the audit activities. The Committee also meets with the external auditor whenever necessary to review the matters identified during the audit engagement and to monitor the quality of the services provided.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
	with the Company's external auditors.						
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 1	The Board should ensure that the internal audit has the authority, resources and procedures adequate to assist the Board in ensuring effectiveness and efficiency of the Company's risk management and internal control framework.	X			The activity of the internal audit is monitored by the Audit Committee, in accordance with the responsibilities set out in its internal regulations.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 2	To ensure fulfillment of the core functions of the internal audit function, the head of the function should be appointed by and report functionally directly to the Board via the Audit Committee, who shall be tasked with approving his/her appointment and dismissal. This is without prejudice to administrative reporting to the CEO and sharing information with the Company's executive management, in line with legal requirements and professional standards.	X			The internal auditor reports functionally to the Board of Directors through the Audit Committee. The Audit Committee is responsible for approving the appointment and, where applicable, the dismissal of the internal auditor. Administrative reporting is carried out to the Chief Executive Officer, in accordance with legal requirements and relevant professional standards.
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective	B.3., 3	The internal audit function should be established in line with applicable legal requirements and industry standards (e.g., Institute of Internal Auditors). The internal audit authority, composition, remuneration, annual budget, working procedures and other relevant matters shall be regulated in separate internal audit's internal regulation approved by the			X	The internal audit function is organized in accordance with the applicable legal requirements and relevant professional standards. At present, the company does not have an internal regulation dedicated to the internal audit function.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
	assurance on the effectiveness of risk management framework and internal control framework.		Board, following the recommendation of the Audit Committee.				
B: RISK MANAGEMENT AND INTERNAL CONTROL FRAMEWORK	B.3. The Board should ensure the independence of the internal audit function. Company's internal audit function should provide independent and objective assurance on the effectiveness of risk management framework and internal control framework.	B.3., 4	The Audit Committee should agree an annual internal audit work plan with the internal auditor, receive internal audit reports, updates on key audit issues, monitor implementation of recommendations of the internal audit and provide necessary guidance.	X			
C: PERFORMANCE, MOTIVATION AND REWARD							
C: PERFORMANCE, MOTIVATION AND REWARD	C.1. Members of the Board shall receive remuneration corresponding to the volume and weight of powers and their responsibilities, rather than the performance of management or the Company. The structure and amount of director's remuneration should enable the Company to attract, retain and motivate the competent and qualified directors.	C.1., 1	Board members should receive remuneration, as per the Remuneration Policy of the Company. Members who also serve on Board committees should receive additional remuneration for this work. But in no circumstances should the remuneration be linked to the number of board or committee meetings.	X			The Company has a Remuneration Policy in place. The remuneration of the Board members is granted in accordance with this policy, and members who are part of the Board committees receive additional remuneration for their activity within these committees. The remuneration is not linked to the number of Board or committee meetings, in accordance with the provisions of the Corporate Governance Code. (link)

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 1	The Board should determine the annual remuneration of the executive management, based on the recommendations of the Nomination and Remuneration Committee and in accordance with the Company's remuneration policy. The remuneration policy should be prepared in accordance with the relevant legal requirements.	X			The Board of Directors sets the annual remuneration of the executive management in accordance with the Company's Remuneration Policy, approved by the General Meeting of Shareholders. The Company has not established a Nomination and Remuneration Committee, and the responsibilities of such a committee are exercised by the Board of Directors, in compliance with the relevant legal requirements regarding the development and implementation of the remuneration policy. (link)
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 2	Levels of remuneration for executive management members and key performance indicators taken into account when determining variable (performance-based) part of the remuneration should be set in advance and be measurable and appropriate in relation to the agreed strategy and risk appetite, the economic environment within which the Company operates, and the pay and conditions of employees within the Company. In particular, they should include indicators related to non-financial performance and appropriate sustainability objectives.	X			The remuneration levels for members of the executive management and the key performance indicators (KPIs) used to determine the variable component of remuneration are established in accordance with the Remuneration Policy approved by the General Meeting of Shareholders.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
C: PERFORMANCE, MOTIVATION AND REWARD	C.2. The Board shall ensure there is a formal and transparent policy and procedure for determining the remuneration of executive management that aligns with the long-term interests of the Company and the Company's strategy. This policy shall be presented, subject for approval, to the GMS in line with legal requirements.	C.2., 3	Company's shares and/or share purchase options should represent a significant part (e.g., not less than 10%) of the executive management member's total variable remuneration.			X	The Remuneration Policy does not provide for the inclusion of Company shares or share purchase options as part of variable remuneration and does not establish a minimum threshold in this regard.
D: DISCLOSURE AND INVESTOR RELATIONS							
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 1	The Company should make sure to provide accurate, complete and timely financial and operational information, including quarterly, half-yearly and annual reports, as well as current reports. Companies should ensure all relevant information is easily accessible to investors, including through the Company website and other public information sources, as the case may be.	X			The Company publishes accurate, complete, and timely financial and operational information on the BSE, FSA websites, and on its own website, including quarterly, semi-annual, annual, and current reports, thereby ensuring accessibility for investors. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 2	The Company is recommended to have an Investor Relations (IR) function and should appoint a dedicated person in charge of IR function. The contact details of the person or persons charged of the IR function shall be available on the Company's website. The IR function will report directly to the CEO/CFO, underscoring its significance within the Company's hierarchy and emphasizing its central role in managing and communicating the Company's capital market engagements and status. The Company should organise induction and regular	X			The Company has appointed a person responsible for investor relations (IR), whose contact details are published on the Company's website, thereby ensuring the accessibility of information for investors. (link)

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
			training/courses, if needed, for the IR function, tailored to its specific needs and responsibilities.				
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The Company should include on its corporate website a dedicated Investor Relations section, with all relevant information of interest for investors, available both in Romanian and English.	X			The Company provides on its website a dedicated Investor Relations section, where all information relevant to investors is published. The information is available in both Romanian and English, thereby ensuring the accessibility and transparency required for all interested investors. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: • Main corporate regulations: updated articles of association, GMS procedures, board's internal regulation and board committees' internal regulations.	X			The Investor Relations section on the Company's website includes the main corporate regulations, namely the updated Articles of Association, the procedures of the General Meetings of Shareholders, the internal regulations of the Board of Directors, as well as the internal regulations of its committees, thereby ensuring transparency and easy access for investors to the relevant documents. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: • List of current members of the Board, Board's Committees and executive management, providing an up-to-date information on independence status, professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), other professional commitments, including executive and non-executive Board positions in companies, not-for-profit institutions and state institutions; relationship with shareholders holding at least 5% of the voting rights/shares issued by the Company; the duration	X			The Company publishes on its website the CVs of the directors, which contain relevant information regarding their professional experience, education, and other necessary details. Additionally, the Investor Relations section presents information regarding the current composition of the Board of Directors and its committees. (link)

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
			of the appointment of the members of the Board, the Committees and the executive management, specifying the date from which they were appointed.				
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: • Current reports and periodic reports (quarterly, semi-annual and annual reports).	X			The Company publishes current and periodic reports in the Investor Relations section, including quarterly, semi-annual, and annual reports, thereby ensuring complete and timely information for investors. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: • Information related to GMS: the agenda, supporting materials and the decisions taken; procedure for running the GMS; the Nomination Policy; candidates' professional CVs (containing at least: name, surname, gender, nationality, age; work experience by year, position and Company; studies, field of study and academic or professional institution granting the diploma), as well as any other information presented at A.3.3; communication channel(s) for shareholders to address questions; answers to shareholders' questions related to the agenda; declarations of independence for board candidates and evaluations made by Nomination and Remuneration Committee/Board for candidates, including their compliance with independence criteria.	X			The Company publishes on its website relevant information regarding the conduct of the General Meetings of Shareholders, including the agenda, supporting materials, and the resolutions adopted. The CVs of the directors are also available, containing details regarding their professional experience and education. This information is supplemented by the official channels through which shareholders may submit questions to the Company. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for	D.1., 3	The company should include on its Investor Relations section: • Information on Board evaluation, made as per Provision A.5.7, including evaluation criteria and process, as well as a summary result of the evaluation and actions that have been or will be undertaken as a result of the evaluation.			X	The Company does not currently publish on its website information regarding the evaluation of the Board, the criteria and evaluation process, nor the summary of results or actions undertaken following the evaluation.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
	financial and sustainability reporting.						
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: • 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.	X			The Company publishes in the Investor Relations section information related to corporate events, including details on dividend payments, other distributions to shareholders, and operations affecting their rights, together with the applicable deadlines and principles. The information is communicated within an appropriate time frame that enables investors to properly base their investment decisions (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 3	The company should include on its Investor Relations section: • Corporate policies, among which code of conduct, dividend policy, remuneration policy, forecast policy, policy for communication with investors, the corporate social responsibility (CSR)/sponsorship policy, policy for related parties' transactions, policy for diversity, equity and inclusion, and whistleblowing policy (if not already part of the Code of Conduct).		X		The Company publishes on its website only some of the corporate policies mentioned, which are available in the dedicated Investor Relations section. The remaining policies are to be developed and/or published in order to align with the applicable corporate governance requirements. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 4	The Company should organise 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.			X	The Company will take this provision into consideration in the event of an increase in the volume of shares traded, as well as an increase in the free-float percentage.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 5	The Company should disclose the material and reportable non-financial and sustainability issues with emphasis on the disclosure of environmental, social and governance (ESG) issues of its business and operations in line with the recognized standard of sustainability reporting. The Company's sustainability statements shall be disclosed on its website.	X			The annual report includes financial and non-financial information relevant to the Company's activity, including the audited annual financial statements, the auditor's report, the Board of Directors' report, the corporate governance statements, as well as other information required by the applicable regulatory framework.
D: DISCLOSURE AND INVESTOR RELATIONS	D.1. The Company should ensure adequate communications with shareholders, investors, regulators and other stakeholders and establish adequate systems for financial and sustainability reporting.	D.1., 6	The Company should have a CSR/sponsorship policy to guide the activity in the area of supporting CSR activities and sponsorship.		X		The Company has not developed its own CSR / sponsorship policy; however, such a policy exists at the Rompetrol Group level. The Company applies the procedure and principles established at Group level for CSR and sponsorship activities.
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 1	The Company should have a dividend policy as a set of directions the Company intends to follow regarding the distribution of net profit.	X			The Company has a dividend policy that sets out the principles and guidelines regarding the distribution of net profit. (link)
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 2	The procedure for running the GMS should not restrict the participation of shareholders in GMS and the exercise of their rights. Amendments of the procedure for running the GMS should take effect, at the earliest, as of the next GMS.	X			The procedure for conducting the General Meeting of Shareholders adopted by the Company does not restrict shareholders' participation or the exercise of their rights.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 3	The external auditors should attend the shareholders' meetings where their reports are presented, in order to respond to shareholders' questions.		X		The external auditors participate in the General Meetings of Shareholders at which their reports are presented, and they are available to answer questions raised by shareholders.
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 4	The Board should present to the annual GMS a summary of the assessment of the adequacy and effectiveness of the risk management and internal control framework, as per the related information included in the annual report.		X		If questions on this topic are raised, the Board members are prepared to provide clarifications and additional details, in line with the information included in the annual report.
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 5	The Company should stimulate engagement with shareholders and investors by: • Encouraging active shareholder participation in GMS, like ensuring conditions for virtual participation. • Holding regular briefings and updates for investors, especially during significant corporate events. • Establishing channels for shareholders to provide feedback and ask questions, ensuring responses are timely and comprehensive.		X		The Company has established channels through which shareholders may provide feedback and submit questions, ensuring that responses are provided in a timely and comprehensive manner.
D: DISCLOSURE AND INVESTOR RELATIONS	D.2. The Company should ensure fair and equitable treatment of all its shareholders, as well as availability of all needed tools and information to allow shareholders to exercise their rights in relation to the Company.	D.2., 6	Any professional, consultant, expert or financial analyst may participate in the shareholders' meeting upon prior invitation from the Chairperson of the Board. Accredited journalists may also participate in the GMS, unless the Chairperson decides otherwise.	X			The Company allows the participation of professionals, consultants, experts, or financial analysts in the General Meetings of Shareholders, based on a prior invitation from the Chair of the Board. Accredited journalists may also attend the General Meetings, except in situations where the Chair decides otherwise.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
E: SUSTAINABILITY AND STAKEHOLDERS							
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 1	The Board should ensure that sustainability, environmental and social considerations are integrated in the Company's strategy and operations, risk management and remuneration practices and shall oversee this integration. A specialised sustainability committee or one of the standing committees of the Board shall assist the Board with these tasks.		X		The Board does not currently have a dedicated sustainability committee. However, the integration of sustainability, environmental, and social matters into the Company's strategy and operations is supported by a dedicated Sustainability department within the organization. This department provides expertise and assistance to the Board in assessing non-financial risks and in monitoring the implementation of sustainability objectives.
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 2	The Board should ensure that Company's operations run according to the national and international E&S standards and Company's E&S policies are consistent with its long-term objectives. In particular, the Company shall have internal acts relating to its responsibilities for environmental and social issues and policies and procedures that enable it to identify material factors and assess the impact on the Company's activities.		X		The Company has management systems certified in accordance with the relevant international standards — ISO 9001 (quality), ISO 14001 (environment), and ISO 45001 (occupational health and safety). These certifications confirm the existence of adequate internal processes and controls for managing environmental and social aspects, in line with international best practices. With respect to the sustainability procedural framework, the Company applies the sustainability procedure implemented at the Rompetrol Group level, which is already operational within RWS activities. The Company is currently in the process of adapting and formally implementing this procedure at its own level, so that E&S policies and responsibilities are documented, integrated, and fully aligned with its long-term objectives.

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
E: SUSTAINABILITY AND STAKEHOLDERS	E.1. The Company should integrate sustainability aspects in its strategy and mitigate any material negative environmental and social impacts of its operations, to the possible extent.	E.1., 3	Whenever a decision to be approved by the Board has potential material and negative E&S impact, the Board should receive from the executive management (i) an analysis on how this decision is aligned with the Company's sustainability objectives and E&S policies or (ii) proposal of the measures to mitigate negative E&S impacts.	X			In situations where a decision subject to Board approval may have a significant and negative E&S impact, the executive management provides the Board with an analysis regarding the alignment of the decision with the Company's sustainability objectives and E&S policies or, as applicable, proposes mitigation measures for the identified negative impact, thereby enabling the adoption of an informed and responsible decision.
E: SUSTAINABILITY AND STAKEHOLDERS	E.2. The Company should have in place a process for identifying the stakeholders affected by Company's operations. The Board should take into consideration stakeholders' interests and ensure there is active communication between the Company and its stakeholders.	E.2., 1	The Board should ensure that there is a formal stakeholder identification process for Company's stakeholders including investors, creditors, clients, employees and suppliers, as well as targeted approaches for engaging with its priority stakeholders.		X		The organization has a formal process for identifying stakeholders, through which the relevant stakeholder categories — including creditors, customers, employees, and suppliers — are analyzed and assessed. This process enables the identification of priority stakeholders and the establishment of appropriate engagement approaches, depending on the impact and level of interest each category has on the Company's activities.
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 1	The Board should develop a purpose statement and a vision statement as well as articulate Company's values, so the entire organisation understands the Company's strategic direction.		X		The Board does not currently have a specific purpose and vision statement for the Company. However, the values and overall strategic directions are reflected in existing organizational policies and objectives. The Company will consider developing and formalizing dedicated purpose, vision and values statements to ensure clear and consistent communication across the organization.. (link)

Section	Principle	Prov No.	Provision (detailed)	Yes	Partial	No	Explanation (text and url link if document is on website)
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 2	The Board should adopt a Code of Conduct for Board members, executive management and Company employees, with clear provisions aimed at preventing and sanctioning fraud and bribery. The Board should not permit any waiver of any ethics requirement by any director, executive manager or employee.		X		The Company does not have its own Code of Conduct; however, it applies the Code of Conduct implemented at the Rompetrol Group level, which contains clear provisions regarding the prevention and sanctioning of fraud, bribery, and other unethical behaviour. The Code applies uniformly to all Board members, executive management, and employees, without exceptions, ensuring compliance with the ethical and integrity standards established at Group level. (link)
E: SUSTAINABILITY AND STAKEHOLDERS	E.3. The Board should adopt a Code of Conduct with adequate scope including guiding principles which reflect the Company's commitment to ethics, integrity and quality of performance.	E.3., 3	The Board should ensure that the Code of Conduct policies are integrated into Company's practices and incorporated into the onboarding process for new hires. The Board should ensure the efficient implementation and monitoring of compliance with the Code of Conduct and periodically review it.	X			The policies set out in the Group's Code of Conduct are integrated into the Company's practices and are included in the onboarding process for new employees. The Company ensures the application and compliance with the provisions of the Code, and compliance monitoring is carried out on an ongoing basis. Additionally, the Code of Conduct is periodically reviewed at Group level, and the Company applies the corresponding updates in its operations.

CHAIRMAN OF THE BOARD OF DIRECTORS,

Mr. Yedil Utekov

GENERAL MANAGER,

Mr. Georgian Stefan Florea

FINANCE MANAGER,

Mrs. Luiza Roxana Moise

AFFIDAVIT

The undersigned, **Yedil Utekov**, in capacity of Chairman of the Board, **Georgian Stefan Florea**, in capacity of General Manager and **Roxana Luiza Moise** in capacity of Finance Manager, in consideration of the provision of art. 65 of Law no.24/2017 regarding issuers of financial instruments an market operations and of the provision republished of Regulation no. 5/2018 regarding on issuers of financial instruments and market operations, hereby declare that, from our point of view, the annual financial statements on December 31, 2025 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

General Manager
Georgian Stefan Florea

Finance Manager,
Roxana Luiza Moise

Rompetrol Well Services S.A.

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ROMPETROL WELL SERVICES SA

STANDALONE FINANCIAL STATEMENTS

**Prepared in accordance with
Order of Minister of Public Finance no. 2844/2016**

31 December 2025

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ROMPETROL WELL SERVICES SA
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
For the year ended as at 31 December 2025
(all amounts expressed in Lei ("RON"), unless otherwise specified)

	Notes	2025	2024
Revenue		63,297,288	74,674,449
Revenues from contracts with customers	2	62,829,476	74,196,791
Rental revenues	2.1	467,812	477,658
Other operating income	3.1	3,156,225	2,349,842
OPERATING INCOME – TOTAL		66,453,513	77,024,291
Expenses with consumables		(17,641,187)	(21,349,833)
Power and water expenses		(520,040)	(480,638)
Merchandise expenses		(12,507)	(5,542)
Payroll costs, out of which:	5	(24,802,284)	(23,634,538)
- Salaries		(23,140,941)	(22,325,139)
- Social security contributions		(786,580)	(728,693)
Fixed assets' value adjustments, of which	8,9,10,18	(5,225,998)	(4,297,366)
- Depreciation and amortization		(5,225,998)	(4,806,037)
- Impairment of property, plant and equipment		0	508,671
Allowance for inventories	13	(49,079)	(45,090)
Allowance for expected credit losses	14	31,666	(6,596)
Expenses with third-party services	3.2	(15,079,481)	(17,571,637)
Taxes, duties and similar expenses	3.4	(1,282,202)	(763,325)
Other operating expenses	3.3	(95,379)	(261,161)
OPERATING EXPENSES – TOTAL		(64,676,491)	(68,415,726)
OPERATING PROFIT / (LOSS)		1,777,022	8,608,565
Interest income		3,617,104	3,760,374
- of which, income from related parties		3,600,458	3,746,786
Other financial income		75,945	29,419
FINANCIAL INCOME - TOTAL	4.1	3,693,049	3,789,793
Financial expenses		(705,155)	(621,633)
FINANCIAL EXPENSES - TOTAL	4.2	(705,155)	(621,633)
FINANCIAL PROFIT / (LOSS)		2,987,894	3,168,160
PROFIT / (LOSS) BEFORE TAX		4,764,916	11,776,725
Income tax expense	6	(902,615)	(1,539,418)
PROFIT / (LOSS) FOR THE YEAR		3,862,301	10,237,307
Earnings per share (Basic and Diluted)	7	0.0139	0.0368
Other comprehensive income that will not be reclassified to profit or loss in subsequent periods (net of tax):		2,594,535	3,041,382
Actuarial gain / (losses) relating to retirement benefits		(287,526)	(116,213)
Remeasurement of fair value of equity instruments measured at fair value through other comprehensive income		2,882,061	3,157,595
TOTAL COMPREHENSIVE INCOME FOR THE YEAR, net of tax		6,456,836	13,278,689

The Financial Statements from page 1 to page 56 were approved by the Board of Directors on 26 March 2026 and are signed in his name by:

Administrator,
FLOREA Georgian Stefan

Prepared by,
MOISE Luiza-Roxana
Finance Manager

Signature

Signature

ROMPETROL WELL SERVICES SA
STATEMENT OF FINANCIAL POSITION
For the year ended as at 31 December 2025
(all amounts expressed in Lei ("RON"), unless otherwise specified)

	Notes	31 December 2025	31 December 2024
Assets			
Non-current assets			
Property, Plant & Equipment	8	20,678,492	22,505,869
Right of use assets	18.1	9,867,450	10,143,052
Investment property	9	376,991	395,594
Intangible assets	10	8,290	20,725
Equity instruments at FVOCI	11	23,510,690	20,079,665
Other financial assets	12	6,124,316	10,851,052
Total non-current assets		60,566,229	63,995,957
Current assets			
Inventories, net	13	6,264,948	5,479,481
Trade and other receivables	14	18,393,346	13,031,556
Availabilities in cash pooling system	21	43,379,232	47,109,341
Other current assets	15	881,661	1,018,381
Collateral cash for guarantee letters	16.1	380,880	1,203,143
Cash and deposits	16	3,100,608	298,005
Total current assets		72,400,675	68,139,907
Total assets		132,966,904	132,135,864
Capital and reserves			
Capital			
Share capital, of which:		28,557,446	28,557,446
Subscribed and paid in share capital	17.1	27,819,090	27,819,090
Share capital adjustments	17.2	738,356	738,356
Legal reserves		5,563,818	5,563,818
Other reserves		36,432,514	33,837,979
Retained earnings		12,854,944	12,854,944
Retained earnings Other		18,041,378	18,041,378
Current result		3,862,301	10,237,307
Total equity		105,312,401	109,092,873
Long-term liabilities			
Employee benefits liabilities	19	1,097,956	1,249,466
Deferred tax liabilities	6	3,127,508	2,599,476
Lease liabilities	18.2	1,919,457	3,603,822
Other liabilities		112,470	73,635
Total long-term liabilities		6,257,391	7,526,399
Current liabilities			
Trade and other payables	20	17,694,107	12,073,500
Income tax payable	6	669,819	874,108
Lease liabilities	18.2	3,033,186	2,568,984
Total current liabilities		21,397,112	15,516,592
Total liabilities		27,654,503	23,042,991
Total equity and liabilities		132,966,904	132,135,864

The Financial Statements from page 1 to page 56 were approved by the Board of Directors in 26 March 2026 and are signed in his name by:

Administrator,
FLOREA Georgiana Stefan

Prepared by,
MOISE Luiza-Roxana
Finance Manager

Signature

Signature

ROMPETROL WELL SERVICES SA
STATEMENT OF CHANGES IN EQUITY
For the year ended as at 31 December 2025

(all amounts expressed in Lei ("RON"), unless otherwise specified)

For the year ended as at 31 December 2025	Share capital	Legal reserves	Other reserves	Retained earnings	Retained earnings Other	Current result	Total equity
Balance at 1 January 2025	28,557,446	5,563,818	33,837,979	12,854,944	18,041,378	10,237,307	109,092,873
Profit for the year	-	-	-	-	-	3,862,301	3,862,301
Other comprehensive income	-	-	2,594,535	-	-	-	2,594,535
Remeasurement of fair value of financial assets measured at fair value through other comprehensive income (b)	-	-	2,882,061	-	-	-	2,882,061
Actuarial gain / (losses) relating to retirement benefits (a)	-	-	(287,526)	-	-	-	(287,526)
Total comprehensive income	-	-	2,594,535	-	-	3,862,301	6,456,836
Profit distribution	-	-	-	10,237,307	-	(10,237,307)	-
Dividends	-	-	-	(10,237,307)	-	-	(10,237,307)
Balance at 31 December 2025	28,557,446	5,563,818	36,432,514	12,854,944	18,041,378	3,862,301	105,312,401

For the year ended as at 31 December 2024	Share capital	Legal reserves	Other reserves	Retained earnings	Retained earnings Other	Current result	Total equity
Balance at 1 January 2024	28,557,446	5,563,818	30,796,597	12,854,944	18,041,378	11,767,863	107,582,046
Profit for the year	-	-	-	-	-	10,237,307	10,237,307
Other comprehensive income	-	-	3,041,382	-	-	-	3,041,382
Remeasurement of fair value of financial assets measured at fair value through other comprehensive income (b)	-	-	3,157,595	-	-	-	3,157,595
Actuarial gain / (losses) relating to retirement benefits (a)	-	-	(116,213)	-	-	-	(116,213)
Total comprehensive income	-	-	3,041,382	-	-	10,237,307	13,278,689
Profit distribution	-	-	-	11,767,863	-	(11,767,863)	-
Dividends	-	-	-	(11,767,863)	-	-	(11,767,863)
Balance at 31 December 2024	28,557,446	5,563,818	33,837,979	12,854,944	18,041,378	10,237,307	109,092,873

For details regarding reserves, please see note 17.3.

The Financial Statements from page 1 to page 56 were approved by the Board of Directors in 26 March 2026 and are signed in his name by:

Administrator,
FLOREA Georgian Stefan

Signature

Prepared by,
MOISE Luiza-Roxana
Finance Manager

Signature

ROMPETROL WELL SERVICES SA
STATEMENT OF CASH FLOW
For the year ended as at 31 December 2025
(all amounts expressed in Lei ("RON"), unless otherwise specified)

Indirect method

Name of item	Note	Year ended at 31 december 2025	Year ended at 31 december 2024
<i>Cash flows from operating activities:</i>			
Profit before tax		4,764,916	11,776,725
<i>Adjustments for:</i>			
Depreciation related to tangible assets and investment properties	8, 9	3,443,451	3,170,500
Depreciation related to right of use assets	18.1	1,770,594	1,596,609
Amortization related to intangible assets	10	12,434	38,927
Impairment related to tangible assets and investment properties	8	-	(508,671)
Provisions for post-employment benefits plans and other provisions	19	(574,919)	(143,268)
Provision for inventory	13	49,079	45,090
Allowance for trade and other receivables	14	(31,666)	6,596
Trade receivables and sundry debtors write off	3.3	2,715	-
Earnings from debts write-off (unclaimed dividends)	3.1	(2,974,701)	(2,129,875)
Interest income	4.1	(3,617,104)	(3,760,374)
Interest expense	4.2	398,743	554,057
Net foreign exchange differences		183,530	24,847
Loss / (gain) from disposal of property, plant and equipment		(7,742)	(59,065)
Operating profit before working capital changes		3,419,331	10,612,099
(Increase) / Decrease of guarantees letters		5,548,999	(5,352,211)
(Increase) / Decrease of trade and other receivables		(3,135,328)	5,259,839
(Increase) / Decrease of inventories		(833,928)	(82,529)
Increase / (Decrease) of trade and other payables		2,053,921	899,015
Payments of interest portion of lease liabilities	18.2	(316,347)	(475,419)
Paid income tax		(1,073,069)	(1,085,905)
Net cash flow from operating activities		5,663,578	9,774,889
<i>Cash flows from investing activities:</i>			
Purchase of tangible and intangible assets		(3,664,590)	(3,789,334)
Proceeds from sale of tangible and intangible assets		32,240	70,351
Interim dividends received		6,007,975	-
(Increase) / Decrease of cash pooling balance		3,735,477	3,570,481
Interest received		3,611,736	3,811,374
Net cash from investing activities		9,722,838	3,662,873
<i>Cash flows from financing activities:</i>			
Payments of principal portion of lease liabilities		(2,902,622)	(2,653,610)
Dividends paid to equity holders		(9,681,191)	(11,134,689)
Net cash flows from financing activities		(12,583,813)	(13,788,299)
Net (decrease) / increase of cash and cash equivalents		2,802,960	(350,989)
Net foreign exchange differences		(356)	452
Cash and cash equivalents at the beginning of the financial year		298,005	648,543
Cash and cash equivalents at the end of the financial year		3,100,607	298,005

The Financial Statements from page 1 to page 56 were approved by the Board of Directors in 26 March 2026 and are signed in his name by:

Administrator,
FLOREA Georgiana Stefan

Prepared by,
MOISE Luiza-Roxana
Finance Manager

Signature

Signature

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES

The financial statements of **ROMPETROL WELL SERVICES SA** for the financial year ended as at 31 December 2025 are approved according to the resolution of the Board of Directors dated 26 March 2026.

Rompetro Well Services SA ("the Company") is a stock company, registered office located in Ploiesti, Clopotei Street, No. 2 bis, Romania. The Company is registered with the Trade Register under the number J1991000110297.

It was turned into a joint-stock company named SC PETROS SA based on the Government Decision no. 1213 of November 1990, under the Law 15/1990, and operated under such name until September 2001 when its name was changed into ROMPETROL WELL SERVICES SA.

The Company is part of the KazMunayGas Group. The annual consolidated financial statements are prepared at the level of the parent company, KMG International NV, with the head office located in Strawinskyalaan 1571, Tower Ten, 17th Floor, 1077 XX, Amsterdam, The Netherlands.

The ultimate parent of KMG International NV is the National Wealth Fund JSC "Samruk-Kazyna", an entity based in Kazakhstan, fully owned by the State of Kazakhstan.

The company's scope of business mainly consists of: special well operations, rent of special well tools and devices, other services provision. The Company provides services for both domestic and foreign markets. Its long history in both the domestic and the foreign oil industry makes it a competitive, reliable and serious partner for a large range of services:

- Primary and secondary cementing;
- Acidizing and cracking services;
- Sand-Control services (reinforcement and packing);
- Well nitrogen treatment services;
- Well testing services;
- Well lining services;
- Drilling tools and instrumentation rental services.

These annual stand-alone financial statements are public and available on <https://rompetrolwellservices.com/>, on Investor Relations section.

1.1. BASIS FOR THE PREPARATION OF THE FINANCIAL STATEMENTS

Starting with 31 December 2012, the financial statements of the Company are prepared in accordance with the Order no. 1286/2012 of the Ministry of Public Finance, the latest regulation being Order no. 2844/2016 of the Ministry of Public Finance, approving the accounting regulations compliant with the International Financial Reporting Standards applicable to companies whose securities are admitted to trading on a regulated market. Such provisions are aligned with the requirements of the IFRS accounting standards, as adopted by the European Union, except for the provisions of IAS 21 - The Effects of Changes in Foreign Exchange Rates regarding the functional currency.

In order to prepare these financial statements, pursuant to the Romanian legal requirements, the functional currency of the Company is deemed to be the Romanian Leu (RON).

The financial statements of the Company are based on the historical cost principle, except for equity investments measured as fair value through other comprehensive income. The stand-alone financial statements are presented in RON and all amounts are rounded up in RON unless otherwise specified.

The financial statements provide comparative information in respect of the previous period.

The financial statements of the Company are prepared based on the going concern principle.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

1.2. MATERIAL ACCOUNTING PRINCIPLES, POLICIES AND METHODS

a) The going concern principle

The financial statements of the Company were drawn up based on the principle of continuity of activity. The management of the company considers that there are no material uncertainties that could raise significant doubts about this assumption. The management formed a judgment according to which there is a reasonable expectation that the Company has adequate resources to continue the operational activity for the foreseeable future and not less than 12 months from the date of approval of financial statements.

The current existing regulations on climate changes does not have a direct impact on the activities of the Company. However, the Company considered the global requirements to reduce the level of CO2 emissions, and incorporated this requirements in the investments program. Thus, equipment acquired comply with the latest standards regarding CO2 emissions. The thermal engines used by machines in daily operations are in accordance with the European legislation regarding emissions.

Despite the constantly changing market conditions, the Company has managed to secure its leading position in the specific market segment through diversity and flexibility in offering specialized services tailored for each individual client. It provides a wide range of services for oil and natural gas wells (cementing, stimulation, well casing operations, etc.). From an operational point of view, during 2025, the Company carried out a number of 69 primary cementing operations, 163 secondary cementing operations and 425 stimulation operations. From a commercial point of view, the Company participated in all publicly announced tenders in order to ensure the activity for the next period. It is estimated that during the year 2026 the Company will register a level of sales similar to 2024.

The impact from the change in the macroeconomic environment (i.e. interest rate increase, increased inflation rate) was considered in the approved business plan which shows a constant level of profitability.

The military conflict between Russia and Ukraine as well as the conflict in Middle East, created the base for an inherent risk of supply chain disturbances for the Company and a continuous impact on the European and global economies through financial markets volatility, inflation and exchange rate depreciation pressure. The Company does not have direct exposure to the impacted areas since its main operations and its main customers activate only on the local market. However, the impact on the general economic situation may require revisions of certain assumptions and estimates.

Considering all the above as well as next year cash flow projections based on existing and renewed commercial contracts, the financial statements of the Company were prepared based on the going concern principle.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

b) Foreign Currency Transactions

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rate at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency spot rate of exchange ruling at the reporting date.

Differences arising on settlement or translation of monetary items are recognised in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss resulted from the re-conversion of non-monetary items is treated in line with the recognition of gain or loss upon the change in fair value (i.e., the exchange rate differences on items whose fair value gain or loss is recognised in Other elements of comprehensive income, or the profit or loss are also recognised in Other elements of comprehensive income, profit or loss, respectively).

The exchange rates used to translate the balances denominated in foreign currency as at 31 December 2025 were, for RON:

	31 December 2025	31 December 2024
1 EUR	5.0985	4.9741
1 USD	4.3417	4.7768

c) Financial instruments

A financial instrument is any contract which produces a financial asset for a company and a financial liability or equity instrument for another entity. The Company's financial assets include cash and cash equivalents, trade receivables and other receivables (including loans to related parties) and financial investments. The Company's financial liabilities include trade liabilities and other liabilities. The accounting policies for the recognition and measurement of each item are described in this Note.

Initial and subsequent measurement

Financial assets and liabilities are initially measured at fair value. Transaction costs which are directly attributable to acquisition or issuance of financial assets and liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added at initial recognition or deducted from the fair value of respective financial asset or liability, if applicable.

Financial assets are classified, at initial recognition, as subsequently measured at amortized cost, fair value through other comprehensive income (OCI), or fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Company's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, the Company initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient are measured at the transaction price determined under IFRS 15.

In order for a financial asset to be classified and measured at amortized cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both. The company measures financial assets at amortized cost, except for fair value of equity instruments in relation to investments in Rompetrol Rafinare SA and Rompetrol Logistics SRL which are measured at fair value through other comprehensive income.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial liabilities are classified as subsequently measured at amortized cost.

For purposes of subsequent measurement, the company's specific financial assets and liabilities are classified in three categories:

- Financial asset measured at amortized cost (Receivables and loans granted); and
- Trade payables and other liabilities at amortised cost;
- Financial assets measured at fair value through other comprehensive income (Financial assets, Note 1h).

Receivables and loans

This category is the most relevant to the Company. Receivables and loans are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method, less impairment. Amortized cost is calculated taking into account any discount or premium on acquisition and any fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the statement of profit or loss. The losses arising from impairment are recognized in the statement of profit or loss in finance costs for loans and in cost of sales or other operating expenses for receivables.

Trade payables and other liabilities

Trade payables and other liabilities are subsequently measured at amortized cost, using the effective interest rate. The effective interest method is a method to calculate the amortized cost of a financial liability and to allocate interest expenses from the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash payments over the expected life of the financial liability (including all paid or received commissions which are part of the effective interest rate, transaction costs and other bonuses or discounts) or (if the case) on a shorter period, to the net carrying amount from the initial recognition.

Derecognition

A financial asset is primarily derecognised when:

- The rights to receive cash flows from the asset have expired;
or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The Company participates in a cash pooling arrangement, whereby bank balances of participating entities are regularly swept to or funded from a central account (the "pool leader"). As a result, participating entities recognise intercompany balances with the pool leader. Considering the existing legally enforceable right to set off the recognised amounts, the intention to settle on a net basis, as well as the frequency of transactions and their high value, the Company elected to present cash pooling balances on a net basis.

d) Impairment of financial assets

The Company recognizes an allowance for expected credit losses (ECLs) for debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate.

ECLs are recognised in three stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company analyses if a financial asset is in default when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

e) Property, plant and equipment

Property, plant and equipment are stated at cost less cumulative depreciation and, if the case, less loss from impairment, in the financial statements of the Company.

The initial cost of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditures incurred after the assets have been put to operation, such as repairs and maintenance are charged to the profit and loss statement in the period in which the costs are incurred. In cases where it can be proved that expenses have increased the future economic benefits obtained from the use of tangible assets besides the standard evaluation of its performance, the expenditure is capitalized as additional costs of the property, plant and equipment.

Construction in progress represents plant and properties under construction and is stated at cost, less any impairment loss. This includes the cost of construction and other direct costs. Depreciation of these and other assets is registered starting with the date when they are ready to be used for the activity they are intended for.

Depreciation for property, plant and equipment except land and construction in progress is computed using the straight-line method over the following estimated useful lives:

	Years
Buildings and other constructions	5 - 50
Machinery and other equipment	3 - 27
Vehicles	3 - 15

The useful life and methods of depreciation of tangible assets are revised at each financial year end and adjusted prospectively if the case.

When assets are sold or disposed of, their cost and related accumulated depreciation are removed and any income or loss resulting from their output is included in the profit or loss account.

f) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are measured at their historical cost less the provisions for depreciation and impairment. Depreciation of investment properties is computed using straight-line method through their useful life of between 35 and 40 years.

For the purpose of disclosure of fair values, they are consequently assessed by an accredited external, independent valuator, by applying a valuation model recommended by the International Valuation Standards Committee. The valuation is performed at least every 3 years. For more details, please refer to Note 9.

Investment properties are derecognised when either they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the period of derecognition.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

g) Intangible assets

Intangible assets are measured initially at cost. Intangible assets are recognized if it is probable that the future economic benefits attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. After the initial recognition, intangible assets are measured at cost less the accumulated amortization and any accumulated impairment losses. Intangible assets are amortized on a straight-line basis over the best estimate of their useful lives:

- Intangible assets consist mainly of software and licenses and are amortized on a straight-line basis over 3 to 5 years;
- The carrying amount of each intangible asset is reviewed annually and adjusted for impairment where it is considered necessary. External and internal costs specifically associated with the maintenance of already existing computer software programmers are expensed as incurred.

h) Equity instruments at FVOCI

Equity instruments at FVOCI represent strategic long term investments and are recorded at fair value through other comprehensive income.

Dividends received from entities in which the Company has shares are recognized in profit and loss account of the year when the right of the Company to collect final dividends is established.

The changes in fair value are recognized in other elements of the comprehensive income until the investment is derecognized, moment when the cumulative gain or losses are reclassified from other equity reserves in the retained earnings account for the respective period.

Fair value is the price received from selling an asset or the price paid to transfer a liability in a normal transaction between market participants, at the date of the valuation.

Valuation at fair value implies that the asset is exchanged in a normal transaction for the sale of the asset or transfer of the debt, between market participants, at the valuation date, under current market conditions. In a valuation at fair value it is assumed that the transaction of sale of the asset takes place either:

- on the main market of the asset, or
- in the absence of a main market, on the market most advantageous for the asset.

The valuation at fair value of an asset is based on the assumption that market participants would use when determining the value of the asset, assuming that market participants act to obtain maximum economic benefit.

The Company uses valuation techniques appropriate to the circumstances and for which there are available sufficient data for fair value valuation, using to the maximum the relevant observable input data and minimizing the unobservable input data used.

The financial assets that are the object of valuation at fair value are classified within the fair value hierarchy, based on the input data, which is the necessary basis for selecting and using the necessary approach for its reliable determination. The data entry hierarchy consists of three levels:

- Level 1 - prices quotations (unadjusted) on active markets for identical assets and liabilities, to which the entity has access to at the valuation date;
- Level 2 - entry data, other than the price quotations included in level one, which are observed for assets or liabilities, either directly or indirectly;
- Level 3 - non-observable entry data for assets or liabilities.

Additional details on structure of financial assets, classified according to IFRS 9 in financial assets valued at fair value through other comprehensive income, are presented in Note 11.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

i) Impairment of non-financial assets

At each reporting date, the Company reviews the carrying amounts of its non-financial assets to determine whether there is any indication that those assets have undergone an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the respective asset belongs.

The recoverable amount is the higher of fair value less costs to sell and value in use. In order to determine the recoverable amount of property, plant and equipment, the Company uses value in use, this being assessed based on estimated future cash flows that are discounted to their present value using a pre-tax discount rate. The discount rate reflects current market assessments of time value of money and risks specific to the asset for which the estimates of future cash flows have not been adjusted already.

The current existing legislation on climate changes does not have a direct impact on the activities of the Company. However, the Company considered the global requirements to reduce the level of CO2 emissions, and incorporate these requirements in the investments programs. Thus, equipment acquired comply with the latest standards regarding CO2 emissions. The thermal engines used by machines in daily operations are in accordance with the European legislation regarding emissions.

The company bases its impairment computation on detailed budgets and forecast calculations which cover a period of 7 years considering the average remaining useful life of specialized assets used by the Company. A long-term growth rate is calculated and applied to the future cash flows determined based on the company's budgets and forecasts.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the assets (or cash-generating unit) is reduced to its recoverable amount. Impairment losses are recognized as an expense immediately, unless the relevant asset is stated at its revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss is reversed, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognized for the asset (cash-generating unit) in prior years.

j) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Where the Company expects a provision to be reimbursed partially or totally, the reimbursement is recognized as a separate asset, but only when the reimbursement is certain. The expense related to any provision is presented in the profit and loss statement net of any reimbursement. If the effect of the time value of money is material, the provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as interest cost.

Provisions are not recognized for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the reporting date. The discount rate used to determine the present value reflects current market assessments of the time value of money and the risks specific to the liability.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

k) Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

▶ Machinery	10 years
▶ Other equipment	3 – 5 years

ii) Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

Company as lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

l) Inventories

Inventories are valued at the lower of cost and net realizable value. Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. Cost comprises the acquisition cost and other costs that have been incurred in bringing the inventories to their present location and condition and is determined by weighted average method for all the inventories. The consumption or sale of inventories is recognised using the weighted average cost method.

m) Cash and cash equivalents

Cash includes petty cash, cash at banks and cheques in course of being cashed. Cash equivalents are short-term, highly liquid investments that are readily convertible to known amounts of cash in less than three months to maturity from the date of acquisition and that are subject to an insignificant risk of devaluation.

n) Revenue from contracts with customers

Revenue is recognised at the level of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer, excluding amounts collected on behalf of third parties. The revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when the customer obtains control of that asset. The Company assesses its revenue arrangements against specific criteria in order to determine if it is acting as principal or agent. The Company has concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

The Company's business model establish the identification of performance obligations as the written requests of clients, which represent the commitment to purchase goods or services, based on framework agreements.

The Company has framework agreements concluded with customers and services provided are provided /merchandise is sold based on sales order. The Company has assessed, by type of contract, the goods and/or services promised in each type of contract and has identified the following contracts as separate performance obligations (POs):

- contracts for well services: specific well operation to a specific defined well.
- Other segments: rental (distinct space), ITP services (specific vehicle verification) and other merchandise (distinct goods).

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

The transaction price is the client's promise to pay in cash a fixed amount of the consideration. The company analyzed the transaction price and concluded that it did not include a significant financing component or a variable component.

The company has determined for each performance obligation identified at the beginning of the contract whether it will be fulfilled over time or at a specific time. The company collects commercial receivables within 30 - 90 days.

In case of contracts for well services, the performance obligation is fulfilled at point in time, when the job ticket is approved by the customer's representative, this being the moment of the well work finalization.

In case of contracts concluded for rental revenue segment, performance obligation is fulfilled over time.

In case of contracts concluded for other revenue segments (i.e. ITP services), performance obligation is fulfilled at point in time, when the service is provided.

o) Retirement benefit costs

Payments made to state - managed retirement benefit schemes are dealt with as defined contribution plans where the Company pays fixed contributions into the state-managed fund and has no legal or constructive obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior period. The contributions are charged as an expense in the same period when the employee service was rendered.

Under the provisions of the collective labor agreement, employees are entitled to specified retirement benefits, payable on retirement, if they are employed with the Company at the date of their retirement. These amounts are estimated as of the reporting date and the measurement process applied is subject to uncertainty. The retirement benefit is determined through a measurement technique applied judgments and estimates such as applicable benefits provided in the agreement, the Company headcount and specific actuarial estimates such as discount rate, price inflation and key demographic figures like mortality rates (Note 19).

The defined benefit liability as of reporting date comprises the estimated present value of the defined benefit obligation and while the related current year service cost recorded in the profit and loss statement. All actuarial gains and losses are fully recognized in other comprehensive income in the period in which they occur. Actuarial gains and losses recognized in other comprehensive income are presented in the statement of comprehensive income.

The Company has no other liabilities with respect to future pension benefits, health and other costs for its employees.

p) Taxes

- Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, by the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the profit and loss statement. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

- *Deferred tax*

Deferred tax is recorded using the liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- ▶ Where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ▶ The deductible temporary differences associated with investments in subsidiaries and related parties and interests in joint ventures when the reversal of such temporary differences can be controlled and likely not to be reversed in the foreseeable future.

Deferred tax assets are recognized for all deductible temporary differences, carry forward of unused losses and tax credits, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized except:

- ▶ Where the deferred tax asset arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- ▶ In case of deductible temporary differences associated with investments in subsidiaries and related parties and interests in joint ventures, the deferred tax asset is recognised only when the temporary differences are likely to be reversed in a foreseeable future and when there can be a taxable profit for which temporary differences may be used.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced consequently to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted until the end of the reporting period.

Deferred tax relating to items recognized outside the profit and loss statement is recognized outside the profit or loss account. Deferred tax items are recognized depending on the nature of the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and are collected by the same tax authority.

- *Value added tax related to revenue*

Revenues, expenses and assets are recognized net of the amount of sales tax except:

- ▶ Where the sales tax incurred on a purchase of assets or services is not recoverable from the tax authority, in which case the sales tax is recognized as part of the acquisition cost of the asset or as part of the expense item as the case may be.
- ▶ Receivables and payables whose taxes are included in their amount.

The net amount of value added tax recoverable from, or payable to, the tax authority is included in the receivables or payables in the balance sheet.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

q) Dividends

Dividends are recorded in the year in which they are approved by the shareholders. The payment of dividends is subject to the general provisions in the matter of prescription (by referring also to the incidence of the provisions of art. 2554 of the Civil Code regarding the extension of the term). Dividends that remain unclaimed and have reached the statutory prescription period are written off and recognized as other income in the financial year in which they are prescribed.

r) Contingent assets and liabilities

Contingent liabilities are not recognized in the financial statements. They are however disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.

1.3. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's stand-alone financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities, at the balance sheet date. The estimates and associated assumptions rely on the historical experience and other factors that are considered to be relevant. However, uncertainty about these assumptions and estimates could result in outcomes that require an adjustment to the carrying amount of the assets or liabilities in the future periods.

The estimates and assumptions that accounting judgements rely on are subject to constant review. Revisions to accounting estimates are recognized in the period in which the estimate is revised if such revision only affects that period or in the period of the revision and future periods if such revision affects both current and future periods.

The matters presented below are considered to be paramount in understanding the judgments that are involved in preparing these statements and the uncertainties that could impact the amounts reported in the results of operations, financial position and cash flows.

(i) Carrying value of trade receivables

The Company use the simplified approach in calculating the expected credit losses for trade receivables as these do not contain a significant financing component. The Company has applied the practical expedient to calculate expected credit losses using a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. The Company assesses the requirement for an allowance for impairment in trade and other receivables when contractual payments are 90 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company.

(ii) Impairment of property, plant & equipment and investment properties

The Company analyses at each reporting date if there are indicators of impairment of tangible assets (including right of use of assets) and investment properties. If any indication exists, or when annual impairment testing for assets is required, the Company estimates the assets recoverable amount. In the current year, local industry of oilfield services has recorded a slight resumption, with a different mix of services required. However, the upstream segment continued to present a relatively low level of investment and work levels from customers in the area of new well's projects, taking into account the overall evolution of oil and gas industry over the past few years, the volatility of the crude oil price, current macroeconomic and geopolitical context and market environment (which have an impact on evolution of interest rates, payroll costs, general increase of prices

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

etc.) that have led to uncertainties in the market. These aspects might impact the Company's performance and therefore impairment indicators were identified by Management for 31 December 2025 and an impairment assessment was performed. Assets are analyzed each time when events or changes in market or industry indicates the fact that the accounting value of these assets may not be recoverable. If for these assets allowances for impairment are necessary, the accounting value for these assets is adjusted to the recoverable amount, which is determined as the highest between fair value less cost to sale and the value in use (based on discounted future cash flows). The allowances for impairment are reversed only in the case when the events or circumstances that determined the initial impairment have changed. The discounted cash flows are determined based on Company's management estimation as regards to contracts and future projects concluded at the date of evaluation or estimated to be contracted in the future, closely linked to market conditions. Other factors that might lead to changes in estimations could include restructuring plans or changes in legislation.

The recoverable amount is sensitive to the discount rate applied to discounted cash flows, as well as to the inputs of cash flows and the growth rate estimated for the analyzed period.

The current existing legislation on climate changes does not have a direct impact on the activities of the Company. However, the Company considered the global requirements to reduce the level of CO2 emissions, and incorporate these requirements in the investments programs. Thus, equipment acquired comply with the latest standards regarding CO2 emissions. The thermal engines used by machines in daily operations are in accordance with the European legislation regarding emissions.

At the end of financial year 2025, the Company has performed the impairment test for all its tangible assets (including right of use of assets) using the discounted cash flow method. The discounted cash flow method assumes the value of cash-generating units by estimating the present value of the future expected earnings arising from the use of the cash generating unit, using a discount rate. Estimated cash flows were determined taking into account the company's projections regarding the operating profits for the next seven years, discounted with an estimated economic growth rate of the industry in which the company operates.

All above mentioned assets are considered a single CGU due to the fact that the business is organized as single cash generating unit, with one segment, considering the nature of the services provided.

The recoverable amount of the CGU was determined based on the value in use (VIU) calculation using the cash flow projections from the estimated business plan. Business Plan take into account only the turnover expected to be generated from agreements already signed with main customers for cementing and acidizing services. Revenues expected to be generated by new services to be provided were not considered given Management's conservative approach when preparing the budgets for the next period. This is also linked to the inherent risk generated by the timing of receiving work orders from customers. As a result of the analysis, Management did not identify the necessity of an impairment for the CGU and therefore did not recorded any impairment. The results of the test performed confirmed the trend recorded also in previous year, leading to the conclusion that estimated value in use (VIU) is reasonably higher than the net book value of the assets - recoverable amount determined as VIU was higher than carrying amount on a consistent basis.

Significant estimates applied to the determination of the value in use by the Company are:

- Operating profit margin;
- Discount rate.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

The estimated operating profit margin is presented below:

	2026	2027	2028	2029	2030	2031	2032
Operating profit margin*	6.94%	7.89%	7.91%	8.14%	8.38%	8.22%	10.02%

** as included in the impairment test*

Operating profit margins are estimated based on the average historical operational results recorded for 2025, further revised to reflect the current appetite for CAPEX investments of the Company's main customers.

The discount rate applied in the model was 10.87% (2024: 10.76%) and reflects the current assessment of the market risk for Company. The discount rate was estimated based on weighted average cost of capital for the industry. This rate was corrected in order to reflect the market assessment of certain industry risks for which future cash flows were not adjusted.

Sensitivity of estimates

The recoverable amount determined based on value in use would equal the carrying amount of the property, plant and equipment and right of use of assets if operating profits would decrease by 28.65% obtaining the following operating profit margin.

	2026	2027	2028	2029	2030	2031	2032
Operating profit margin*	4.95%	5.63%	5.65%	5.81%	5.98%	5.86%	7.15%

** as per sensitivity analysis assuming no changes in budgeted revenues*

The break-even point for the current model is obtained by increasing the discount rate from 10.87% to 18.25%.

(iii) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the statement of financial position cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the discounted cash flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values.

Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions relating to these factors could affect the reported fair value of financial instruments.

The fair values of the non-listed equity investments have been estimated using an adjusted net assets model which includes assessing the fair value of tangible, intangible and financial assets. For real estate, the value of the property (land and buildings) was estimated using the income approach, namely the yield capitalization method. For the allocation of the property value to buildings and land, the land was valued using the market approach, the direct comparison method, while the market value of the buildings was estimated using the cost approach. In case of financial assets, fair value was estimated based on a discounted cash-flow model.

The valuation requires management to make certain assumptions about the model inputs, including business plans and forecast cash flows of the investees approved by the KMGI Group, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these non-listed equity investments.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

Valuation techniques used to measure fair value shall be applied consistently. However, a change in a valuation technique or its application (e.g. a change in its weighting when multiple valuation techniques are used or a change in an adjustment applied to a valuation technique) is appropriate if the change results in a measurement that is equally or more representative of fair value in the circumstances. That might be the case if, for example, any of the following events take place:

- (a) new markets develop;
- (b) new information becomes available;
- (c) information previously used is no longer available;
- (d) valuation techniques improve; or
- (e) market conditions change.

The Company has participations below 10% in Rompetrol Rafinare S.A. (a listed entity) and Rompetrol Logistics S.R.L. (a non-listed entity), as presented in Note 11. Both investments are measured at fair value through other comprehensive income.

The fair value of the investment in Rompetrol Rafinare SA is classified as Level 1, while the investment in Rompetrol Logistics SRL is classified as Level 3.

The fair value of the investment in Rompetrol Rafinare SA was determined based on price quotation available on Bucharest Stock Exchange at the reporting date.

The Company has a minority participation of 6.98% in Rompetrol Logistics, an entity part of KMG International NV Group. During 2024, the Company's Management decided to change the valuation technique used to assess the fair value of Rompetrol Logistic from discounted cash flows to net assets, to align to the valuation method of investments that is used by the other companies of the KMG Group that the Company is part of and such changes had a prospective effect. The valuation method applied at the end of 2023 took into account the discounted cash flows of the company in which the investment exists (more precisely the fair value of the enterprise based on expected results), in order to establish the fair value of the investment. The current valuation method is based on the Cost approach – adjusted net assets.

The main steps in the adjusted net assets approach are:

- Estimating the market value/fair value of the assets and liabilities of the company under analysis, using appropriate valuation approaches and methods.
- Adding the values of the component assets together and deducting the liabilities to obtain the value of the company's equity.

Further, Rompetrol Logistics is the sole shareholder of Rompetrol Gas, the LPG distribution company of the KMG International NV Group. Rompetrol Gas is a profitable company and according to the forecasted figures for the next five years will continue to be profitable and the fair value was determined using Equity value.

The fair value of the investment in Rompetrol Logistics is based on the valuations performed by an independent accredited valuer who has experience in valuations for similar properties.

The fair value assessment of the investment in Rompetrol Logistics and further in Rompetrol Gas has also been determined based on financial budgets approved by senior management of KMG Group covering a five-year period. Cash flows beyond the 5-year period are extrapolated using a -2.2% growth rate (2024: 0.7%) that is the same as the long-term average growth rate for the industry. The discount rate applied to cash flow projections for Rompetrol Gas is 10.87% (2024: 11.2%).

Minority discount of 13.1% (2024: 12.1%) and lack of marketability discount of 16.1% (2024: 15.5%) were applied to the fair value.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

The key assumptions used to determine the fair value of the investment are:

- Discount rates;
- Gross margin considered for Rompetrol Gas;
- Operating expense considered for Rompetrol Gas.

The fair values of the non-listed equity investments have been estimated using an adjusted net assets model. The valuation requires management to make certain assumptions about the model inputs, including forecast cash flows, the discount rate, credit risk and volatility. The probabilities of the various estimates within the range can be reasonably assessed and are used in management's estimate of fair value for these non-listed equity investments.

Non-listed equity investment	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of the input to fair value
Rompetrol Logistics	Adjusted Net Assets method	Discount for lack of marketability	16.1% (2024: 15.5%)	5% increase (decrease) in the marketability discounts would result in a decrease (increase) in fair value by RON 1,592 thousand
Rompetrol Logistics	Adjusted Net Assets method	Minority interest discount rate	13.1% (2024: 12.1%)	5% increase (decrease) in the minority interest discount would result in a decrease (increase) in fair value by RON 1,592 thousand
Rompetrol Gas	DCF method	Discount rate	10.87% (2024:11.2%)	1% increase (decrease) in the WACC would result in a decrease (increase) in fair value by RON 917 thousand - decrease and respectively RON 1,101 thousand – increase
Rompetrol Gas	DCF method	Gross margin	n/a.	2% increase (decrease) in the Gross margin would result in an increase (decrease) in fair value by RON 1,731 thousand

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

1.4 CHANGES IN ACCOUNTING POLICY AND DISCLOSURES

The accounting policies adopted are consistent with those of the previous financial year except for the following IFRS and amendments to IFRS which have been adopted by the Company as of 1 January 2025:

- **IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability (Amendments),**

The newly adopted amendments to IFRS did not have a material impact on the Company's accounting policies and on the financial statements.

- **Amendments to IAS 21 Lack of Exchangeability**

In August 2023, the IASB issued amendments to IAS 21 to help entities assess exchangeability between two currencies and determine the spot exchange rate, when exchangeability is lacking. An entity is impacted by the amendments when it has a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. The amendments to IAS 21 do not provide detailed requirements on how to estimate the spot exchange rate. Instead, they set out a framework under which an entity can determine the spot exchange rate at the measurement date. When applying the new requirements, it is not permitted to restate comparative information. It is required to translate the affected amounts at estimated spot exchange rates at the date of initial application, with an adjustment to retained earnings or to the reserve for cumulative translation differences. Management has assessed and concluded that the updates included in this standard does not impact the financial statements of the Company.

1.5 STANDARDS ISSUED BUT NOT YET EFFECTIVE AND NOT EARLY ADOPTED

The Company has not early adopted any of the following standard, interpretation or amendment that have been issued but are not yet effective. In addition, the Company is in the process of assessing the impact of all standards, interpretations and amendments issued but not yet effective, on the financial statements.

- **IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments (Amendments)**

The amendments are effective for annual reporting periods beginning on or after January 1, 2026.

On 30 May 2024, the IASB issued amendments to IFRS 9 and IFRS 7 to:

- (a) clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system;
- (b) clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion;
- (c) add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and
- (d) update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). The Company is currently assessing the impact on its financial statements.

- **Annual Improvements to IFRS Accounting Standards**

(Issued in July 2024 and effective from 1 January 2026). IFRS 1 was clarified that a hedge should be discontinued upon transition to IFRS Accounting Standards if it does not meet the 'qualifying criteria', rather than 'conditions' for hedge accounting, in order to resolve a potential confusion arising from an inconsistency between the wording in IFRS 1 and the requirements for hedge accounting in IFRS 9. IFRS 7 requires disclosures about a gain or loss on derecognition relating to financial assets in which the entity has a continuing involvement, including whether fair value measurements included 'significant unobservable inputs'. This new phrase replaced reference to 'significant inputs that were not based on observable market data'. The amendment makes the wording consistent with IFRS 13. In addition,

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

certain IFRS 7 implementation guidance examples were clarified and text added that the examples do not necessarily illustrate all the requirements in the referenced paragraphs of IFRS 7. IFRS 16 was amended to clarify that when a lessee has determined that a lease liability has been extinguished in accordance with IFRS 9, the lessee is required to apply IFRS 9 guidance to recognise any resulting gain or loss in profit or loss. This clarification applies to lease liabilities that are extinguished on or after the beginning of the annual reporting period in which the entity first applies that amendment. In order to resolve an inconsistency between IFRS 9 and IFRS 15, trade receivables are now required to be initially recognised at 'the amount determined by applying IFRS 15' instead of at 'their transaction price (as defined in IFRS 15)'. IFRS 10 was amended to use less conclusive language when an entity is a 'de-facto agent' and to clarify that the relationship described in paragraph B74 of IFRS 10 is just one example of a circumstance in which judgement is required to determine whether a party is acting as a de-facto agent. IAS 7 was corrected to delete references to 'cost method' that was removed from IFRS Accounting Standards in May 2008 when the IASB issued amendment 'Cost of an Investment in a Subsidiary, Jointly Controlled Entity or Associate'. The Company is currently assessing the impact on its financial statements.

- **Contracts Referencing Nature-dependent Electricity Amendments to IFRS 9 and IFRS 7**
(Issued on 18 December 2024 and effective from 1 January 2026). The IASB has issued amendments to help companies better report the financial effects of nature-dependent electricity contracts, which are often structured as power purchase agreements (PPAs). Current accounting requirements may not adequately capture how these contracts affect a company's performance. To allow companies to better reflect these contracts in the financial statements, the IASB has made targeted amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures. The amendments include: (a) clarifying the application of the 'own-use' requirements; (b) relaxing certain hedge accounting requirements if these contracts are used as hedging instruments; and (c) adding new disclosure requirements to enable investors to understand the effect of these contracts on financial performance and cash flows. The Company is currently assessing the impact on its financial statements.
- **IFRS 18 Presentation and Disclosure in Financial Statements**
(Issued on 9 April 2024 and effective for annual periods beginning on or after 1 January 2027). In April 2024, the IASB has issued IFRS 18, the new standard on presentation and disclosure in financial statements, with a focus on updates to the statement of profit or loss. The key new concepts introduced in IFRS 18 relate to:
 - the structure of the statement of profit or loss;
 - required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements (that is, management-defined performance measures); and
 - enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes in general.IFRS 18 will replace IAS 1; many of the other existing principles in IAS 1 are retained, with limited changes. IFRS 18 will not impact the recognition or measurement of items in the financial statements, but it might change what an entity reports as its 'operating profit or loss'. IFRS 18 will apply for reporting periods beginning on or after 1 January 2027 and also applies to comparative information. The Company is in the early stages of its IFRS 18 implementation project. Key activities are planned for the second half of 2026 and are expected to include, among others: a detailed scoping and impact assessment; identification of required changes to accounting policies, financial statement presentation formats, and related disclosures; assessment of necessary changes to systems, processes, and internal controls; and the preparation of pro-forma financial statements under IFRS 18. The Company expects to be in a position to provide more comprehensive and progressively more detailed disclosures, including, where appropriate and reliably estimable, quantitative information on the anticipated effects on the statement of profit or loss and related notes, in its financial statements for the year ending 31 December 2026. The planned adoption date is 1 January 2027.

1. INFORMATION ON THE ENTITY, MATERIAL ACCOUNTING POLICIES (continued)

- **IFRS 19 Subsidiaries without Public Accountability: Disclosures**

(Issued on 9 May 2024 and effective for annual periods beginning on or after 1 January 2027). The International Accounting Standard Board (IASB) has issued a new IFRS Accounting Standard for subsidiaries. IFRS 19 permits eligible subsidiaries to use IFRS Accounting Standards with reduced disclosures. Applying IFRS 19 will reduce the costs of preparing subsidiaries' financial statements while maintaining the usefulness of the information for users of their financial statements. Subsidiaries using IFRS Accounting Standards for their own financial statements provide disclosures that maybe disproportionate to the information needs of their users. IFRS 19 will resolve these challenges by:

- enabling subsidiaries to keep only one set of accounting records – to meet the needs of both their parent company and the users of their financial statements;
- reducing disclosure requirements – IFRS 19 permits reduced disclosure better suited to the needs of the users of their financial statements.

The standard has not yet been endorsed by the EU.

- **Amendments to IFRS 19 Subsidiaries without public accountability: Disclosures**

(Issued on 21 August 2025 and effective from 1 January 2027).

In August 2025, the IASB issued amendments to IFRS 19 Subsidiaries without Public Accountability: Disclosures, which help eligible subsidiaries by reducing disclosure requirements for Standards and amendments issued between February 2021 and May 2024, specifically: IFRS 18 Presentation and Disclosure in Financial Statements, Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7); International Tax Reform—Pillar Two Model Rules (Amendments to IAS 12); Lack of Exchangeability (Amendments to IAS 21); and Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7).

With these amendments, IFRS 19 reflects the changes to IFRS Accounting Standards that take effect up to 1 January 2027, when IFRS 19 will be applicable.

The standard has not yet been endorsed by the EU.

- **IFRS 14, Regulatory Deferral Accounts**

(issued on 30 January 2014 and effective for annual periods beginning on or after 1 January 2016). IFRS 14 permits first-time adopters to continue to recognise amounts related to rate regulation in accordance with their previous GAAP requirements when they adopt IFRS. However, to enhance comparability with entities that already apply IFRS and do not recognise such amounts, the standard requires that the effect of rate regulation must be presented separately from other items. An entity that already presents IFRS financial statements is not eligible to apply the standard.

The standard has not yet been endorsed by the EU.

- **Sale or Contribution of Assets between an Investor and its Associate or Joint Venture – Amendments to IFRS 10 and IAS 28**

(issued on 11 September 2014 and effective for annual periods beginning on or after a date to be determined by the IASB). These amendments address an inconsistency between the requirements in IFRS 10 and those in IAS 28 in dealing with the sale or contribution of assets between an investor and its associate or joint venture. The main consequence of the amendments is that a full gain or loss is recognised when a transaction involves a business. A partial gain or loss is recognised when a transaction involves assets that do not constitute a business, even if these assets are held by a subsidiary. The standard has not yet been endorsed by the EU.

2. REVENUE FROM CONTRACTS WITH CUSTOMERS

Below there is an analysis of Company's revenues:

	2025	2024
Revenue from well services	62,687,486	74,047,624
Revenue from other services	86,503	119,000
Revenue from goods sold	55,488	30,167
Total	62,829,476	74,196,791

	2025	2024
Europe	-	1,564,391
Export	-	1,564,391

Internal market sales	62,829,476	72,632,400
Total sales	62,829,476	74,196,791

The Company applies IFRS 8 Operating Segments, which requires operating segments to be identified on the basis of internal reports that are regularly reviewed by the chief operating decision maker ("CODM") in order to allocate resources and assess performance. The Company has determined that the CODM is the Board of Directors.

The Company analyzed the criteria for defining an operational segment according to IFRS 8 Operating segments and concluded that business is organized as single operating segment, considering the nature of the services provided, the type of customers and the method used to provide services. For the purpose of making decisions about resource allocation and performance assessment, Management analyze and monitors the operating results of the business as a single segment, analysing only details on type of revenue rendered.

2.1 RENTAL REVENUES

Below there is an analysis of Company's rental revenues:

	2025	2024
Rental revenue from land and buildings	467,812	477,658
Total	467,812	477,658

The Company obtains revenues from renting office spaces and land. The respective contracts have term between 12 and 60 months. Contracts concluded for rental include only fixed leases, payable on a monthly basis.

The undiscounted minimum lease payments are as follows:

	2025	2024
Within 1 year	452,257	245,513
Between 1 and 2 years	229,995	66,151
Between 2 and 3 years	222,674	-
Between 3 and 4 years	208,700	-
Between 4 and 5 years	56,223	-
Later than 5 years	-	-
	1,169,849	311,663

3. OTHER OPERATING INCOME AND OTHER EXPENSES

3.1. Other operating income

In the table below other operating revenues are being detailed depending on their nature:

	2025	2024
Other operating income:		
- income from debts write-off	2,974,701	2,129,875
- income from waste sale	33,000	23,610
- gain from disposal of fixed assets	7,742	59,065
- earnings from compensations and penalties	24,138	25,000
- other	116,645	112,292
Total	3,156,225	2,349,842

Income from the debts write-off in amount of RON 2,974,701 (2024: RON 2,129,875) represent the cancellation of unclaimed dividends obligation, which were within the prescription limit and for which the Company has taken all legal steps to settle. Debts write-off was made based of the Board of Directors decision from 22 December 2025.

3.2. Expenses with third-party services

In the table below expenses for third party services are being detailed depending on their nature:

	2025	2024
Operational travel expenses*)	1,242,268	2,304,993
Maintenance and repair expenses*)	1,349,674	1,911,980
Royalties and rental expenses	1,206,391	1,251,276
Insurance premiums	812,360	723,919
Postage and telecommunications	24,978	14,870
Bank commissions and similar charges	20,725	25,031
Entertaining, promotion and advertising	78,753	136,499
Goods transportation services*)	3,592,796	4,307,959
Well services rendered – by subcontractors*)	979,572	644,146
Outsourced activities services	1,857,880	1,987,739
Dedicated management assistance and specialized technical consulting services	1,405,401	1,976,397
Others	1,273,021	1,236,156
Security services	988,181	832,582
Consultancy and audit	247,482	218,089
Total	15,079,482	17,571,636

The weight of these expenses in the structure of the operating costs is specific to the main activity, regarding the service delivery at the headquarters of the beneficiaries with auto type equipment and the flexible adaptability to the current market conditions.

*) The highlighted expenses are costs to fulfill sales contracts and are directly influenced by the level and type of services rendered.

During 2025, the company partially subcontracted services of acidizing, hot oil pumping and nitrogen for a specific project to a third party. The value of the services performed by this subcontractor in order to fulfill the contractual obligations assumed by the Company, as a supplier, amounts to RON 979,572 (2024: RON 644,146).

3. OTHER OPERATING INCOME AND OTHER EXPENSES (continued)

3.3. Other operating expenses

In the table below other operating expenses are being detailed depending on their nature:

	2025	2024
Compensations, fines, penalties	23,619	6,633
Amounts or goods granted as sponsorship	69,039	208,140
Write-off trade receivables and sundry debtors	2,715	-
Destroyed / improper stocks	-	46,381
Other operating expenses	6	7
Total	95,379	261,161

3.4. Taxes, duties and similar expenses

In the table below taxes, duties and similar expenses are being detailed depending on their nature:

	2025	2024
Tax on land	66,060	54,806
Tax on buildings	369,087	257,272
Tax on special constructions	3,425	-
Tax on vehicles	475,087	439,257
Specific turnover tax	350,264	-
Other taxes	18,278	11,990
Total	1,282,201	763,325

4. FINANCIAL EXPENSES AND REVENUES

4.1. Financial revenues

	2025	2024
Interest income, from which:	3,617,104	3,760,373
Income obtained from the entities within the group	3,600,458	3,746,786
Income from exchange rate differences	74,656	29,213
Other financial income	1,288	207
Total financial income	3,693,048	3,789,793

The line "Income obtained from the entities within the group" in amount of RON 3,600,458 (2024: RON 3,746,786) represents interest revenue from cash-pooling. For more details, including EIR please refer to Note 21.

4.2. Financial expenses

	2025	2024
Expenses from exchange rate differences	306,413	67,577
Other financial expenses, out of which	398,743	554,056
Interest expense on the lease liability	316,347	475,418
Total financial expenses	705,156	621,633

5. PAYROLL COSTS

The expenses with salaries and taxes, recorded during 2025 and 2024 are as follows:

	2025	2024
Expenses related to salaries and allowances	23,140,941	22,325,139
Other expenses with employees benefits	874,763	580,706
Contributions to special funds	260,822	232,095
Expenses related to the social insurances	525,758	496,598
Total	24,802,284	23,634,538

The increase in Other expenses with employees benefits, with 0.29 million RON compared with previous year, was the result of the effect of the collective labor negotiation with trade union, that started to produce effects November 2024, based on which a new collective labor agreement was concluded, including increases in other rights.

The average number of employees decreased from 138 at 31 December 2024 to 134 employees at 31 December 2025.

The average number of employees has evolved as follows:

	2025	2024
Management personnel	2	2
Administrative personnel	23	21
Production personnel	109	115

The Administrators and Managers

During 2025 and 2024, the Company has paid the following remuneration to the members of the Board of Directors and salaries to the executive directors:

	2025	2024
The Members of the Board of Directors	429,516	466,112
Executive directors	1,301,766	1,029,075
Total	1,731,282	1,495,187

The presentation of average number of management personnel (executive directors), as well as level of the remuneration paid to the executive directors, are disclosed according to the principles included in the Remuneration Policy and Remuneration Report.

5. PAYROLL COSTS (continued)

As at 31 December 2025, the Company had no obligations with regards to post-employment benefits to former Board of Directors members and former executive management members.

The amount of remuneration and salaries for key management personnel and Board of Directors for 2025 was of RON 1,731,282 (2024: RON 1,495,187), including short-term benefits and bonuses.

At the end of 2025, the Company had no advance payments to be reimbursed to the members of the executive management and there were also no guarantees of future obligations taken over by the company under the name of the Managers or Administrators.

6. INCOME TAX

Main components of income tax expenses for fiscal years ended as of 31 December 2025 and 2024 are:

Statement of profit and loss

	2025	2024
<i>Current income tax:</i>		
Expenses regarding the current income tax	868,780	1,540,598
<i>Deferred income tax</i>		
Relating to origination and reversal of temporary differences	33,835	(1,181)
Expenses regarding the income tax reported in statement of total comprehensive income	902,615	1,539,418

Reconciliation between the expenses regarding the current income tax and the deferred income tax and the accounting profit is as follows for fiscal years 2025 and 2024:

Current income tax

	2025	2024
Accounting profit before tax	4,764,916	11,776,725
At Company's statutory income tax rate of 16% (2024: 16%)	762,387	1,884,276
Effect of value adjustments from non-taxable incomes	(32,766)	(82,484)
Non-deductible expenses for tax computation:		
Allowance for trade receivables and inventories	(28,837)	(9,367)
Depreciation of tangible assets	20,284	14,191
Other non-deductible expenses	216,751	(57,878)
Fiscal credit	(69,039)	(208,140)
Expenses with current income tax at effective rate 16% (2024: 16%)	868,780	1,540,598

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6. INCOME TAX (continued)

Deferred income tax

The deferred income tax refers to the following:

	Statement of the financial position		Profit and Loss Statement		Other Comprehensive Income	
	31 December 2025	31 December 2024	31 December 2025	31 December 2024	31 December 2024	31 December 2024
Revaluation of assets (fair value as deemed cost) with reserve transfer to retained earnings (at transition to IFRS)	(960,178)	(975,784)	15,605	(39,110)	-	-
Recognition of right of use assets	(142,120)	(142,120)	-	-	-	-
Recognition of estimates for retirement benefits	175,673	199,915	(79,008)	(10,375)	54,767	22,136
Recognition of lease liability	143,693	143,693	-	-	-	-
Fair value valuation of financial assets	(2,717,749)	(2,168,785)	-	-	(548,964)	(601,447)
Recognition of estimate for untaken holiday	162,401	164,677	(2,276)	42,397	-	-
Temporary differences for inventory provisions	69,321	61,469	7,853	7,214	-	-
Temporary differences for expected credit losses	141,451	117,459	23,992	1,054	-	-
(Expenses regarding) /income from the deferred tax			(33,835)	1,181	(494,197)	(579,311)
Assets regarding the deferred tax	692,540	687,213				
Liabilities regarding the deferred tax	(3,820,048)	(3,286,689)				
Assets / (Liabilities) regarding the deferred tax, net	(3,127,508)	(2,599,476)				

The reconciliation of deferred tax payable is as follows:

	2025	2024
Beginning of balance	2,599,476	2,021,346
Deferred tax expense recognized in profit and loss	33,835	(1,181)
Deferred tax expense recognized in other comprehensive income	494,197	579,311
Ending Balance	3,127,508	2,599,476

6. INCOME TAX (continued)

Pillar II

On 23 May 2023, the International Accounting Standards Board issued International Tax Reform—Pillar Two Model Rules – Amendments to IAS 12 (the Amendments). The Amendments clarify that IAS 12 applies to income taxes arising from tax law enacted or substantively enacted to implement the Pillar Two model rules published by the OECD, including tax law that implements a QDMTT. The Group has adopted these amendments, which introduce:

- A mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules – the Group applied the temporary exception for deferred taxes in respect of Pillar Two Rules at 31 December 2024;

And

- Disclosure requirements for affected entities to help users of the financial statements better understand an entity's exposure to Pillar Two income taxes arising from that legislation, as described below.

The Organization for Economic Co-operation and Development ("OECD") agreed to a coordinated system of Global anti-Base Erosion ("GloBE") rules that are designed to ensure large multinational enterprises with annual revenues exceeding EUR 750 million pay a minimum level of tax of 15% on the income arising in each jurisdiction where they operate. Taxpayers in scope of the GloBE rules must calculate their effective tax rate for each jurisdiction in which they operate and pay a top-up tax for the difference between their effective tax rate per jurisdiction and the 15% minimum rate.

The EU minimum taxation directive (EU Council Directive 2022/2523) entered into force on 23 December 2022 and had to be transposed into the domestic law of the EU member states by 31 December 2023. The directive is based on the OECD Pillar GloBE rules and commentaries and provides a common framework for implementing those rules into the domestic laws of the EU member states, adjusted to take into account certain features of EU law. The EU Directive on Pillar Two has been transposed in Romania by Law no. 431/2023 on ensuring a global minimum level of taxation for large multinational and national enterprise groups applicable starting with financial year 2024. The law will apply together with all guidance, explanations and examples provided by the OECD.

The Pillar Two model rules introduce new taxing mechanisms under which MNEs would pay a minimum level of tax (the Minimum Tax):

- The Qualified Domestic Minimum Top-up Tax (QDMTT);
- The Income Inclusion Rule (IIR);
- The Under Taxed Payments/Profits Rule (UTPR).

The new taxing mechanisms can impose a minimum tax on the income arising in each jurisdiction in which an MNE operates. The IIR, UTPR and QDMTT do so by imposing a top-up tax in a jurisdiction whenever the ETR, determined on a jurisdictional basis under the Pillar Two rules, is below a 15% minimum rate.

According to the GloBE rules, the effective tax rate ("ETR") is calculated annually at the jurisdictional level, based on the financial statements prepared for consolidation at the Group level. The ETR is determined as the ratio between the adjusted covered taxes of the Constituent Entities ("CE") - at the numerator - and respectively, the qualified net income of the Constituent Entities - the denominator. Both the numerator and the denominator represent the aggregated amounts of all CEs located in a given jurisdiction.

Recognizing that the Pillar Two rules are complex and introduce new rules for computation of indicators, the OECD has introduced a series of safe harbor regimes aimed at simplifying the computation for taxpayers, particularly during the initial years of implementing the new regime.

As long as at least one of the tests specified under the safe harbor regimes is met in a given year, the additional tax in that jurisdiction for the Group can be considered zero. In other words, if the safe harbor regime applies, there is no need for a complex computation of the effective tax rate or an additional national tax (although the multinational group still has certain reporting obligations).

6. INCOME TAX (continued)

The transitional safe harbor for Country-by-Country Reporting ("CbCR") identifies "low-risk" jurisdictions by applying three quantitative tests, leveraging existing data from the CbCR report and the accounting records of the entities within the multinational group.

1. **De Minimis Test** – This test is considered to be met if the total revenue from the CbCR report does not exceed EUR 10 million, and the profit before tax from the CbCR report does not exceed EUR 1 million.
2. **Simplified ETR Test** – This test considers the simplified covered taxes as a percentage of the profit before tax from the CbCR report of the jurisdiction. The test is met when this percentage exceeds the applicable minimum effective tax rate. The minimum rate for this test is set at 15% for the financial year starting in 2024, increasing to 16% in 2025 and respectively, 17% in 2026.
3. **Routine Profits Test** – This test applies to the jurisdictions where the exclusion of profits based on economic substance ("SBIE") is equal to or exceeds the CbCR profit/loss before tax for that jurisdiction. SBIE is an indicator calculated based on fixed assets and payroll costs of the group in that jurisdiction.

Entities part of a multinational group in a given jurisdiction need to meet only one of the three tests to qualify for the transitional CbCR safe harbor regime.

According to Pillar Two rules presented above, the Group is considered a multinational enterprise to which such rules shall be applied. At the same time, Pillar Two legislation has been enacted or substantively enacted in several other jurisdictions in which the Group operates effective for the financial year beginning 1 January 2024.

The obligations in respect of Pillar Two Rules belongs in principle to the Ultimate Parent Entity (UPE) in Kazakhstan, which should perform an assessment of the potential exposure to Pillar Two income taxes. However, no Pillar Two legislation has been enacted in Kazakhstan for full year 2025. The Pillar 2 impact analysis for 2025 is still in progress at the UPE level.

However, KMGI Group has performed an assessment of each jurisdiction in which the group operates based on 2025 financial information for the constituent entities in the Group.

The EU Directive on Pillar Two has been transposed in Romania by Law no. 431/2023 on ensuring a global minimum level of taxation for large multinational and national enterprise groups applicable starting with financial year 2024. The law will apply together with all guidance, explanations and examples provided by the OECD.

In light of the requirement to perform jurisdictional-level QDMTT computations, an assessment of the safe harbor regimes applicable for 2025 was carried out for the Group's Constituent Entities located in Romania.

The analysis was based on the indicators to be reported in the 2025 financial year Country-by-Country Report (CbCR). Following this review, it was concluded that the Group would not qualify for the application of the transitional CbCR safe harbor regime in Romania for 2025.

As per Law no. 431/2023, where Romanian Constituent Entities apply different accounting standards for statutory purposes, the QDMTT must be computed based on the accounting standards used in the KMGI Group's consolidated financial statements. Given that two Romanian entities prepare their statutory financial statements under IFRS, while the remaining Romanian entities apply local accounting standards, the Pillar Two analysis was therefore performed using the information reflected in the KMGI Group reporting package. Based on this analysis, the Effective Tax Rate (ETR), as determined in accordance with the GloBE Rules, exceeds 15%. Accordingly, no additional top-up tax should be due in Romania.

Therefore, the Romanian jurisdiction did not record an additional tax estimate for Pillar Two purposes in the financial statements for the financial year 2025.

6. INCOME TAX (continued)

KMGI Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows beginning.

7. EARNINGS PER SHARE

The value of earning per share is calculated by dividing the net profit of the year attributable to shareholders by the weighted average number of shares outstanding during the period.

The following report present the net profit and the number of shares used in computing earnings per share:

	31 December 2025	31 December 2024
Net result attributable to shareholders	3,862,301	10,237,307
Weighted average number of shares	278,190,900	278,190,900
Basic earnings per share (RON / share)	<u>0,0139</u>	<u>0.0368</u>

Diluted earnings per share equal basic earnings per share.

There was no issue or cancellation of shares between the date of the report and the date of the presentation of the financial statements.

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8. PROPERTY, PLANT & EQUIPMENT

	Land	Buildings and special constructions	Technical equipment and machinery and other tangible assets	Tangible assets in progress	Total
Cost					
On 1 January 2024	5,438,555	8,424,900	91,129,288	403,619	105,396,360
Additions	-	-	1,314	3,788,020	3,789,334
Disposals	-	(37,248)	(4,983,578)	-	(5,020,826)
Transfers	-	474,032	1,442,447	(1,916,480)	-
On 31 December 2024	5,438,555	8,861,684	87,589,471	2,275,159	104,164,867
Additions	-	13,928	58,960	1,549,699	1,622,587
Disposals	-	(41,671)	(1,075,299)	-	(1,116,970)
Transfers	-	378,169	3,253,885	(3,632,054)	-
On 31 December 2025	5,438,555	9,212,110	89,827,018	192,804	104,670,485
Depreciation and Impairment					
On 1 January 2024	-	4,038,675	79,986,636	-	84,025,312
Depreciation charge for the year	-	372,539	2,779,358	-	3,151,898
Disposals	-	(25,962)	(4,983,578)	-	(5,009,540)
Impairment	-	-	(508,671)	-	(508,671)
On 31 December 2024	-	4,385,253	77,273,745	-	81,658,999
Depreciation charge for the year	-	350,366	3,074,482	-	3,424,848
Disposals	-	(17,172)	(1,074,681)	-	(1,091,853)
On 31 December 2025	-	4,718,447	79,273,545	-	83,991,993
Net book value					
On 31 December 2025	5,438,555	4,493,663	10,553,473	192,804	20,678,492
On 31 December 2024	5,438,555	4,476,431	10,315,727	2,275,159	22,505,869
On 1 January 2024	5,438,555	4,386,224	11,142,653	403,619	21,371,048

8. PROPERTY, PLANT & EQUIPMENT (continued)

A percentage of 91% from the increase recorded during 2025 for plant and equipment, in amount of RON 3.2 million, is represented by the acquisition and / or the upgrade of machinery and equipment used for well services operations and other preliminary operations, which were in progress and completed during the year.

Approximately 9% from total investments conducted by the company in 2025 were related to rehabilitation and modernization of the operational buildings.

The Company used own funds in order to finance the budgeted capital expenditure for 2025.

The Company is performing an annual assessment in order to identify potential indicators for impairment of tangible assets, considering specific characteristics of these assets and taking into account estimates of future cash flows generated by the respective assets.

The Company performed an impairment test for tangible assets as of 31 December 2024, which aimed to determine the recoverable amount of the equipment and the production capacities, and concluded that the existing impairment in amount of RON 509 thousand recognized as of 31 December 2021 needed to be reversed. The recoverable amount of this equipment was determined based on discounted cash flows estimated to be generated by the assets (Note 1.3 ii).

All presented tangible assets are the property of the Company.

As of 31 December 2025 and 31 December 2024, the Company has not pledged assets and interest rated capitalized.

As of 31 December 2025 total gross book value of property, plant and equipment items that are fully depreciated is RON 24,898,171 (2024: RON 23,106,917).

9. INVESTMENT PROPERTIES

The company has an apartment block in Campina and two apartments in Timisoara, held with the exclusive target to obtain income from rents. These are being classified as investment properties.

	2025	2024
Initial balance on 1 January	395,594	414,197
Depreciation expenses	(18,603)	(18,603)
Ending balance on 31 December	376,991	395,594
	2025	2024
Income from rents obtained from real estate investments	18,586	16,382
Direct operational expenses (including repairs and maintenance) which generate income from rents	(49,324)	(37,872)
Net result from investment property recorded at cost	(30,738)	(21,490)

At 31 December 2025, the fair values of the properties were determined by a recognised independent evaluator, amounting to RON 1,904,394.

10. INTANGIBLE ASSETS

	Patents and licenses	Total
Costs		
On 1 January 2024	818,918	818,918
Disposals	(83)	(83)
On 31 December 2024	818,835	818,835
Disposals	(4,296)	(4,296)
On 31 December 2025	814,539	814,539
Amortisation and impairment		
On 1 January 2024	759,267	759,267
Amortisation charge for the year	38,927	38,927
Disposal	(83)	(83)
On 31 December 2024	798,111	798,111
Amortisation charge for the year	12,434	12,434
Disposal	(4,296)	(4,296)
On 31 December 2025	806,249	806,249
Net book value		
On 31 December 2025	8,290	8,290
On 31 December 2024	20,724	20,724
On 1 January 2024	59,651	59,651

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11. EQUITY INSTRUMENTS AT FVOCI

Name of the company	Nature of the relationship	Year of investment	Percent held on		Fair value of the investment on	
			31 December 2025	31 December 2024	31 December 2025	31 December 2024
Rompetrol Logistics SRL	Long term investment	2002/2003/2007	6.98%	6.98%	22,557,780	19,159,842
Rompetrol Rafinare SA*	Long term investment	2003/2004	0.05%	0.05%	952,910	919,823
Total					23,510,690	20,079,665

*Company listed on Bucharest Stock Exchange under RRC symbol.

Reconciliation of fair value measurement of investments classified as equity instruments designated at fair value through other comprehensive income ('OCI'):

	Rompetrol Rafinare SA	Rompetrol Logistics SRL	Total
31 December 2024	919,823	19,159,842	20,079,665
Remeasurement recognized in OCI	33,087	3,397,938	3,431,025
31 December 2025	952,910	22,557,780	23,510,690

For more details regarding equity instruments at FVOCI please refer to Note 1.h) iii) Fair value of financial instruments.

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12. OTHER FINANCIAL ASSETS

	31 December 2025	31 December 2024
Collateral account for guarantee letters with maturity over one year	5,686,144	9,742,682
Specific account for dividends	402,257	1,073,873
Specific accounts for other guarantee	35,915	34,496
Other financial assets	<u>6,124,316</u>	<u>10,851,052</u>

The presentation of collaterals as non-current assets is made considering the initial maturity of the collateral accounts in accordance with IAS 7.

The details on the structure of collateral account for guarantee letters with maturity over one year can be found below (see details in Note 22):

Number	Beneficiary	Currency	Amount equivalent RON	Start date	Maturity date	Currency collateral deposit	Collateral deposit equivalent RON
LG9000007786*	OMV PETROM S.A.	RON	715,432	2-Feb-23	31-Mar-28	RON	715,432
LG9000024179*	OMV PETROM S.A.	RON	978,988	19-Aug-24	31-Dec-29	RON	978,988
LG9000024304*	OMV PETROM S.A.	RON	705,056	19-Aug-24	31-Dec-28	RON	705,056
LG9000021340*	OMV PETROM S.A.	RON	1,833,418	23-May-24	31-Mar-27	RON	1,833,418
LG9000024701*	OMV PETROM S.A.	RON	425,152	6-Sep-24	31-Dec-26	RON	425,152
43840*	S.N.G.N. ROMGAZ S.A.	RON	1,028,099	23-Nov-23	4-Dec-26	RON	1,028,099
Total collateral accounts with maturity over one year as of 31 December 2025							<u>5,686,144</u>

** LG's with successive accumulation (a certain percentage of each invoice issued is retained, according to the frame contracts and/or existing addendums concluded with customers) and therefore, the respective amounts were updated as such, as compared with 31 December 2024.*

Number	Beneficiary	Currency	Amount equivalent RON	Start date	Maturity date	Currency collateral deposit	Collateral deposit equivalent RON
LG99007664*	OMV PETROM S.A.	RON	1,219,901	18-Jan-22	31-Dec-24	RON	1,219,901
LG99007665*	OMV PETROM S.A.	RON	3,705,027	18-Jan-22	31-Dec-24	RON	3,705,027
LG9000004272*	OMV PETROM S.A.	RON	115,614	6-Jul-22	30-Jun-26	RON	115,614
LG99008693*	OMV PETROM S.A.	RON	2,554,991	23-Nov-22	13-Dec-24	RON	2,554,991
LG99008060*	OMV PETROM S.A.	RON	311,816	7-Dec-22	31-Dec-24	RON	311,816
LG9000007786*	OMV PETROM S.A.	RON	557,802	2-Feb-23	31-Mar-28	RON	557,802
LG00888-02-1048506	OMV PETROM S.A.	RON	255,101	09-Aug-24	30-Sep-25	RON	255,101
LG9000024179*	OMV PETROM S.A.	RON	160,829	19-Aug-24	31-Dec-29	RON	160,829
LG9000024304*	OMV PETROM S.A.	RON	126,445	19-Aug-24	31-Dec-28	RON	126,445
LG9000024701*	OMV PETROM S.A.	RON	142,671	6-Sep-24	31-Oct-25	RON	142,671
43840*	S.N.G.N. ROMGAZ S.A.	RON	592,486	23-Nov-23	4-Dec-26	RON	592,486
Total collateral accounts with maturity over one year as of 31 December 2024							<u>9,742,682</u>

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13. INVENTORIES

	31 December 2025	31 December 2024
Cement and additives	4,093,278	3,343,281
Spare parts equipment	1,903,711	1,902,762
Other inventories	267,960	233,439
Total inventories, net	6,264,948	5,479,481

The inventories mainly contain cement, additives and spare parts for special equipment. For the items whose procurement process is relatively long, as well for the items whose consumption is dependent on fluctuating demand of our customers, it is applied an optimization quantitative procurement, which explains a variation of inventory value between two acquisitions.

The presented allowance for inventories is related to obsolete and slow moving spare parts and other inventories.

	Allowance for inventories
On 1 January 2024	339,089
Additions	45,939
Used during the year	(849)
On 31 December 2024	384,179
Additions	50,757
Used during the year	(1,678)
On 31 December 2025	433,258

14. TRADE AND OTHER RECEIVABLES

	31 December 2025	31 December 2024
Trade receivables - third parties	17,666,356	14,244,292
Trade receivables with affiliated entities (Note 21)	39,816	35,257
Allowance for trade receivables – third parties	(1,431,172)	(1,282,951)
Allowance for trade receivables – affiliated entities (Note 21)	0	(7,732)
Total trade receivables, net	16,275,000	12,988,866
Other receivables – third parties	2,268,562	231,152
Other receivables with the affiliated entities (Note 21)	0	154,019
Other receivables with state budget	63,575	23,890
Allowance for other receivables – third parties	(213,790)	(213,790)
Allowance for other receivables – affiliated entities (Note 21)	0	(152,580)
Total other receivables, net	2,118,346	42,691
Total receivables, net	18,393,346	13,031,556

Other receivables – third parties includes in 2025 the amount of RON 2,051,588 representing the counter value of an advance payment related to an specialized equipment to be constructed and delivered during 2026.

14. TRADE AND OTHER RECEIVABLES (continued)

Trade receivables are usually collected within 30 to 90 days.

In the table below, there are detailed the movements within the provision for the impairment of trade and other receivables:

	Individually impaired	Collectively impaired	Total
On 1 January 2024	622,066	1,028,468	1,650,534
Charge for the year	3,760	13,910	17,670
Unused amounts, reversed	(3,198)	(7,875)	(11,072)
Exchange rate differences	-	(79)	(79)
On 31 December 2024	622,628	1,034,425	1,657,054
Charge for the year	12,310	121,960	134,270
Unused amounts, reversed	(161,126)	(4,810)	(165,936)
Exchange rate differences	804	18,770	19,574
On 31 December 2025	474,617	1,170,345	1,644,962

The impairment loss for financial assets evaluated at amortized cost are calculated based on three stage model, using swap for credit risk, internal or external ratings of counterparties and corresponding probability of default. For all trade receivables, the impairment losses are estimated based on simplified approach, recognizing anticipated losses for their entire lifetime.

Impairment losses, calculated and recognized, based on the new model required by IFRS 9 for Company's trade receivables, is presented as follows:

At 31 December 2025	Current	Total trade receivables						Total
		< 30 days	31 – 60 days	61- 90 days	91 - 180 days	181 - 360 days	> 360 days	
<i>Expected credit loss rate (%)</i>	0.58%	19.66%	15.69%	60.07%	61.51%	61.51%	100.00%	
Estimated total gross carrying amount at default	15,763,789	584,169	3,098	3,022	13,925	20,164	1,318,005	17,706,172
Expected credit loss	(7,244)	(114,206)	(486)	(1,815)	(8,565)	(5,702)	(1,293,154)	(1,431,172)

At 31 December 2024	Current	Total trade receivables						Total
		< 30 days	31 – 60 days	61- 90 days	91 - 180 days	181 - 360 days	> 360 days	
<i>Expected credit loss rate (%)</i>	0.63%	11.87%	22.75%	60.07%	90.00%	90.00%	100.00%	
Estimated total gross carrying amount at default	12,911,506	25,827	24,814	6,630	8,451	7,103	1,295,218	14,279,549
Expected credit loss	(4,544)	(1,987)	(2,374)	(1,368)	(1,718)	(6,392)	(1,272,300)	(1,290,683)

15. OTHER CURRENT ASSETS

	31 December 2025	31 December 2024
Advance expenses for car insurance	197,991	322,387
Advance expenses for vignette	123,934	105,780
Advance expenses for business insurance	395,563	468,568
Advance expenses for authorizations, transportation licenses, subscriptions, others	164,173	121,645
Other current assets TOTAL	881,661	1,018,381

The values represent the payments carried out during the current year, for costs which affect the next financial year in accordance with the validity period for the insurances, authorizations, licenses, subscriptions.

16. CASH AND DEPOSITS

	31 December 2025	31 December 2024
Bank accounts in RON	13,319	14,081
Bank accounts in foreign currency	1,595	1,742
Short term deposits in RON	1,286,498	244,032
Short term deposits in foreign currency	1,772,479	-
Petty cash in RON	9,115	18,359
Petty cash in foreign currency	17,601	19,791
Total cash and short term deposits	3,100,608	298,005

The cash in banks records interests at variable rates, depending on the daily rates of the deposits in banks. The short term deposits are being constituted for periods of one day and records interests for the respective rates of the short term deposits.

The service providing contracts concluded with our main customers contain clauses referring to creation of performance guarantees through a guarantee granting instrument issued under the provisions of the law, by a bank or insurance company, i.e. Letters of Bank Guarantees.

Collateral deposits were classified depending on the maturity calculated from the starting date of the deposit. (details in Note 12 and 16.1).

Note 21 presents the details regarding the company's participation for the year 2025 to the system for optimization of cash availability between the companies within KMG International Group, known as cash pooling concept. The amount available in the principal account on 31 December 2025 was of RON 43,082,587 (2024: RON 46,818,063), being ready to use without restriction, depending on the necessity.

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16. CASH AND DEPOSITS (continued)

16.1 COLLATERAL CASH FOR LETTERS OF GUARANTEE

The detail of the collateral deposits as at 31 December 2025 for the Letters of Bank Guarantee with maturity between less than 12 months is enclosed in the table below (for more details, please see note 22):

Number	Beneficiary	Currency	Amount equivalent RON	Start Date	Maturity date	Currency collateral deposit	Collateral deposit equivalent RON
LG00888-02-1169199	OMV PETROM S.A.	RON	380,880	29-Sep-25	30-Sep-26	RON	380,880
Total collateral deposits							380,880

The collateral deposits as at 31 December 2024 had the following components:

Number	Beneficiary	Currency	Amount equivalent RON	Start Date	Maturity date	Currency collateral deposit	Collateral deposit equivalent RON
LG9000021340	OMV PETROM S.A.	RON	662,546	23-May-24	23-May-25	RON	662,546
LG9000019224	OMV PETROM S.A.	RON	441,188	6-Mar-24	15-Feb-25	RON	441,188
45189	S.N.G.N. ROMGAZ S.A.	RON	93,088	29-Apr-24	7-May-25	RON	93,088
47464	S.N.G.N. ROMGAZ S.A.	RON	6,322	8-Nov-24	28-Feb-25	RON	6,322
Total collateral deposits							1,203,143

17. EQUITY

17.1. Subscribed share capital

The last modification of the share capital has been in 2008, when the shareholders have decided, after the general meeting which has taken place on 20 June 2008, to increase the share capital of the company by the amount of RON 13,909,545, from RON 13,909,545 up to RON 27,819,090, through issuing, for free, of a number of 139,095,450 new shares with a nominal value of RON 0.10 / share.

The issued shares have been allocated for the shareholders registered under the Shareholders' Registry at the date of the registration, approved by the Extraordinary Meeting of the Shareholders, respectively July 8th 2008, proportional to the amounts held by each of them. The allocation index has been 1. The issuing of shares has been financed from the reserves of the result carried forward of the financial year 2007, respectively from the amount allocated to Other reserves.

The finalization of the procedural phases for approval and recognition has been officially signaled through the repetition of the transacting of the shares, after the increase of the share capital, on 18 September 2008, without undergoing modifications until 31 December 2025.

	31 December 2025	31 December 2024
	<i>Number</i>	<i>Number</i>
Subscribed capital, ordinary shares	278,190,900	278,190,900
Nominal value, ordinary shares	<i>RON</i> 0.1	<i>RON</i> 0.1
Value of the share capital	<i>RON</i> 27,819,090	<i>RON</i> 27,819,090

The share capital of the company is totally paid in on 31 December 2025.

The Company is listed under the Bucharest Stock Exchange under the symbol PTR.

17.2. Adjustments on share capital

According to the IAS 29 provisions, the company has adjusted the costs of its purchased investments until 31 December 2003 with the purpose of reflecting the accounting impact in the hyperinflation. The value of the share capital has been increased at 31 December 2012 by RON 166,740,745. This adjustment had no impact over the carried forward distributable profit of the company. In 2013, the general ordinary meeting of shareholders on 30 April 2013 approved to cover the brought forward accounting loss from first application of IAS 29 "Financial Reporting in Hyperinflationary Economies" in amount of RON 166,002,389, from own capitals, i.e. "adjustment of share capital". The effect of this decision for the structure of share capital on 31 December 2025, as well as on 31 December 2024 and is presented in the table below:

	31 December 2025	31 December 2024
Share capital, from which:	28,557,446	28,557,446
Paid-in share capital	27,819,090	27,819,090
The adjustment of the share capital	738,356	738,356

17.3 Reserves

The legal reserve is in amount of RON 5,563,818 (2024: RON 5,563,818). The company constituted the legal reserve in accordance with the provisions of the Romanian trading companies law, which requires at least 5% of the annual company's profit before tax to be transferred to legal reserve until the ending balance of this reserve reaches 20% of the company's share capital.

Other reserves represent reserves constituted on the basis of mandatory legislation, respectively reserves for elements of other comprehensive income as well as other capital reserves:

- a) The decrease in other reserves with the amount of RON 287,526 represents the net impact from remeasurement gain / (loss) of retirement benefits and other similar liabilities related to the personnel generated by the changes in assumptions and measurement technique applied.
- b) The subsequent valuation of financial assets at fair value, representing investments in equity instruments and for which the Company elected to present the gain / (loss) in other elements of comprehensive income according to IFRS 9 Financial instruments, has determined an increase in other reserves with RON 2,882,061.

Retained earnings represent reserves constituted through the distribution of prior year profits, respectively the cover of prior year losses.

Retained Earnings Other represent the retained earnings constituted on the first adoption of IAS, less IAS 29, as well as adoption of other mandatory IFRSs.

During the General Ordinary Meeting of the Shareholders from 28 April 2025, it was decided the distribution of dividends in gross amount of RON 10,237,307 (0,036799 RON/share).

The movements in dividends during 2025 and 2024 are disclosed in the table below:

	2025	2024
Opening balance	3,926,559	5,419,839
Distribution	10,237,307	11,767,863
Dividends paid	(9,681,191)	(11,131,268)
Write-off	(2,974,701)	(2,129,875)
Closing Balance	1,507,975	3,926,559

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18. LEASES

18.1 The right-of-use assets

The statement of the identified assets as of 31 December 2025 is presented in the table below:

Cost	Technical equipment and machinery and other tangible assets	Total Right of use assets
On 1 January 2024	14,679,297	14,679,297
Disposal	(122,877)	(122,877)
On 31 December 2024	14,556,420	14,556,420
Additions	1,494,992	1,494,992
Disposal	(560,922)	(560,922)
On 31 December 2025	15,490,491	15,490,491
Depreciation and impairment		
On 1 January 2024	2,933,051	2,933,051
Depreciation charge for the year	1,596,609	1,596,609
Disposal	(116,292)	(116,292)
On 31 December 2024	4,413,368	4,413,368
Depreciation charge for the year	1,770,594	1,770,594
Disposal	(560,922)	(560,922)
Transfers		
On 31 December 2025	5,623,040	5,623,040
Net book value		
On 31 December 2025	9,867,450	9,867,450
On 31 December 2024	10,143,053	10,143,053
On 1 January 2024	11,746,246	11,746,246

At the beginning of 2020, the Company signed a financial leasing contract which acquires the right to use two production equipment (cement pumping units). The financing contract has a period of 5 years, starting with the date of the goods receipt, the total value of the equipment's being of EUR 2,680,000 (equivalent of RON 12,061,957), the option to buy the goods being expressed at the moment the contract was signed. The Company paid in the first half of the year 2020 the advance, as part of the leasing contract, in amount of RON 1,297,120. The equipment was delivered in the first half of 2022 which resulted in the recognition of assets under the category rights of use of assets in the amount of RON 12,061,957.

18. LEASES (continued)

18.2 Lease liability

The accounting value of the lease liability and the movements recorded in this category during financial year 2025:

	<u>2025</u>	<u>2024</u>
At 1 January	6,172,805	8,805,636
Additions during the period	1,494,992	-
Remeasurement of lease contract	-	(7,214)
Interest associated to lease liability	316,347	475,418
Lease instalments	(3,218,970)	(3,129,029)
Exchange rate difference for liability	187,467	27,995
Balance at 31 December	4,952,643	6,172,806
Current	3,033,186	2,568,984
Non-current	1,919,457	3,603,823

For details regarding undiscounted potential future lease payments, please refer to Note 23.

The following expenses represent amounts recognized in profit and loss account in connection to lease contracts:

	<u>2025</u>	<u>2024</u>
Depreciation expense of right of use assets	1,770,594	1,596,609
Interest expense on lease liability	316,347	475,418
Expense relating to short-term leases	148,419	126,591
Variable lease payments	77,810	16,107
Total amounts recognised in profit or loss account	2,313,170	2,214,724

The maturity analysis of lease liabilities is disclosed in Note 23.

19. OTHER POST EMPLOYMENT BENEFITS

	<u>2025</u>	<u>2024</u>
Balance at 1 January	1,249,466	1,175,961
<i>Included in profit or loss</i>		
Interest expense	81,116	78,424
Service Cost	94,156	97,403
(Gain) / loss on settlement	(669,075)	(240,671)
<i>Included in other comprehensive income</i>		
Actuarial loss/(gain)	342,293	138,349
Balance at 31 December	1,097,956	1,249,466

19. OTHER POST EMPLOYMENT BENEFITS (continued)

The liabilities regarding pensions and other similar obligations have been determined based on the provisions of the collective labour contract of the Company, which stipulates the payment of a number of salaries to each employee at retirement, depending on the period of employment. As of 31 December 2025, the amount of the provision for benefits to be granted at retirement is RON 1,097,956. The computation is based on a actuarial model, prepared by an independent party and took into consideration mainly the turnover of the employees, the age of the employees, the estimated mortality rate, the estimated salary costs evolution, discount rates.

Due to micro and macroeconomic trends observed in the oil and gas sector, the estimates applied for the computation of the retirement benefits have been revised being summarized in the table below:

	31 December 2025	31 December 2024
	%	%
The turnover of the personnel in one year	4.5	4.5
The contribution of the company to the gross salary	2.25	2.25
The inflation rate of the salary	7.1	3.5
The nominal discounting rate (the interest rate for governmental bonds)	6.6	6.9

A quantitative sensitivity analysis for significant assumptions as at 31 December is, as shown below:

	Impact on defined benefit obligation 2025	Impact on defined benefit obligation 2024
Discount rate assumptions:		
1% increase	(86,501)	(87,845)
1% decrease	97,079	98,246
Salary sensitivity assumption:		
1% increase	99,950	100,835
1% decrease	(90,366)	(91,517)
Longevity sensitivity assumption:		
+ 1 year	2,792	2,795
- 1 year	(2,866)	(4,010)

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20. TRADE PAYABLES AND SIMILAR LIABILITIES (CURRENT)

	31 December 2025	31 December 2024
Trade payables - third parties	5,032,079	4,812,119
Trade payables with affiliated entities	760,448	660,367
Debt regarding interim dividends received	6,007,975	-
Advances	22,807	22,009
Salaries	2,850,827	1,921,702
Dividends to be paid	1,507,975	3,926,559
Other taxes	1,511,972	730,744
Other liabilities	25	-
Total	17,694,107	12,073,500

On October 31, 2025, the Company recorded the receipt of interim dividends distributed by the affiliate Rompetrol Logistics S.R.L. in the net amount of RON 6,007,975.

21. PRESENTATION OF THE AFFILIATED PARTIES

The following tables present information on transactions with companies under common control of KazMunayGas Group as of 31 December 2025.

Name of the company	Transaction type	Country of origin	The nature of relationship
KMG International NV	Payments of dividends	Netherland	Parent Company
Rompetrol Rafinare SA	ITP services	Romania	Minority investment of 0.05% of the Rompetrol Rafinare share capital
Rompetrol Logistics SRL	ITP services, re-invoicing	Romania	Minority investment of 6.98%, of the Rompetrol Logistics share capital
Oilfield Exploration Business Solutions SA	security services, dividends	Romania	Company member of KMG International Group
Rompetrol Downstream SRL	ITP services	Romania	Company member of KMG International Group
KMG Rompetrol SRL	Procurement of fuel, procurement of rovine	Romania	Company member of KMG International Group
Rominserv SRL	Management and IT services, cash pooling services	Romania	Company member of KMG International Group
KMG Rompetrol Services Center SRL	ITP services	Romania	Company member of KMG International Group
Rompetrol Quality Control SRL	Services for procurement, legal, employees, translations, rental of premises	Romania	Company member of KMG International Group
	Laboratory test	Romania	Company member of KMG International Group

21. PRESENTATION OF THE AFFILIATED PARTIES (continued)

Receivables

	31 December 2025	31 December 2024
KMG Rompetrol SRL	43,379,232	47,109,341
Rompetrol Logistics SRL	38,215	28,194
KMG Rompetrol Services Center SRL	1,601	770
Total	43,419,048	47,138,305

Liabilities

	31 December 2025	31 December 2024
KMG Rompetrol SRL	482,247	204,311
Rompetrol Downstream SRL	351,518	397,960
KMG Rompetrol Services Center SRL	(74,404)	58,096
Rompetrol Quality Control SRL	1,087	-
Rompetrol Logistics SRL	6,007,975	-
Total	6,768,423	660,367

Sales

	2025	2024
KMG Rompetrol SRL	3,600,458	3,746,786
Rompetrol Logistics SRL	318,681	265,520
KMG Rompetrol Services Center SRL	7,862	7,761
Oilfield Exploration Business Solutions SA	109	109
Rompetrol Rafinare SA	504	218
Rominserv SRL	-	143
Total	3,927,614	4,020,538

Acquisition of goods and services

	2025	2024
Rompetrol Downstream SRL	4,178,333	5,349,721
KMG Rompetrol SRL	3,313,614	3,838,523
KMG Rompetrol Services Center SRL	932,364	1,088,098
Rompetrol Quality Control SRL	1,261	1,815
Total	8,425,571	10,278,156

Starting with 2014, it was implemented an optimization system for the cash availability between the companies within KazMunayGas International Group, known as cash pooling concept. Cash pooling system was implemented in relation to cash availability from certain bank accounts of the Company, and the direct effect will be transposed to the optimization of cash for the company, with impact in the interest income. According to the cash pooling system, in terms of assets presentation, the amounts available at the end of the reporting period is reflected in the statement of financial position in the line "Availabilities in cash pooling system". During the reporting period, the average balance of master account was RON 45,991,684, generating interest in amount of RON 3,600,458. The value of these receivables as of 31 December 2025 was of RON 43,379,232.

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21. PRESENTATION OF THE AFFILIATED PARTIES (continued)

Description	Validity term	Contract Date	Maturity Date	Interest rate	Currency	Principal	Interest receivable as of 31 December 2024	Balance existing as of 31 December 2024	Interest receivable as of 31 December 2025	Balance existing as of 31 December 2025
Cash Optimization System implementation of The KMG Rompetrol Group companies (cash pooling)	12 months, with automatically extension	15-Sep-14	15-Sep-26	Based on ROBOR OVERNIGHT	RON	Depending on the working capital needs	291,278	46,818,063	296,645	43,082,587
Total							291,278	46,818,063	296,645	43,082,587

On 17 October 2019, KMG International NV issued a deed guarantee in favor of the Company for an amount up to 30 million USD, in connection with the current cash pooling contract.

22. COMMITMENTS AND CONTINGECIES

Guarantees to third parties

The service providing contracts concluded with our main customers contain clauses referring to creation of performance guarantees through a guarantee granting instrument issued under the provisions of the law, by a bank or insurance company, i.e. Letters of Bank Guarantees.

The detail of the collateral accounts on 31 December 2025 and 2024 for the Letters of Bank Guarantee is enclosed in Note 12 and Note 16.1.

Transfer pricing

Fiscal legislation in Romania includes the principle of "market value", according to which transactions between affiliated parties must be conducted at market value. Taxpayers which conduct transactions with affiliated parties must prepare and readily present to Romanian fiscal authorities at their written demand the transfer price file. The failure to present the transfer price file or the presentation of an incomplete file may lead to application of penalties for nonconformity; in addition to the content of the transfer price file, the fiscal authorities might interpret differently the transactions and circumstances than the interpretation of management and, as a consequence, might impose additional fiscal obligations resulting from adjustment of transfer prices. The management of the Company is considering that it will not suffer losses in case of a fiscal control for the verification of transfer prices. However, the impact of possible different interpretations of the fiscal authorities can't be estimated.

Litigation

The Company is involved in a litigation file having as object a call for guarantee concerning a provision of services, the amount of the claims being approximately RON 697,000. The Company lawyer informed the management about the status of the litigation file, to the effect that based on the information/documents and the arguments of the parties, currently included in the file before the Court, there are no indications that could lead to a possible admission of the call for guarantee filed against the Company. Therefore, no provision for litigation was recorded in these financial statements.

23. OBJECTIVES AND POLICIES FOR THE FINANCIAL RISK MANAGEMENT

The risk of the interest rate

- Loans received: the company is not involved in any loan contract and therefore not exposed to risks regarding the movement of the interest rate;
- Loan granted: for the loans granted presented in note 21 (Availabilities in cash pooling system), the income from interest varies, depending on OVERNIGHT ROBOR.

Considering the cash availabilities of the Company which are managed through cash pooling system, the current increased interest rates have positive impact on the Company's financial result.

If interest rates would have varied with + / - 1 percent and all other variables would have been constant, the net result of the Company as of 31 December 2025 would increase / decrease with RON 467,220 (2024: increase / decrease with RON 486,822).

Risk of the exchange rate variations

Most of the transactions of the company are in RON. Depending on the case, the structure of the amounts available in cash and the short-term deposits are also being adapted. The difference between the entry of the amounts in foreign currency and their repayment cannot generate, through the variation of the exchange rate, significant impact in the Company's financial position.

23. OBJECTIVES AND POLICIES FOR THE FINANCIAL RISK MANAGEMENT (continued)

Foreign currency sensitivity

The following tables demonstrate the sensitivity towards a possible reasonable change (5%) of the exchange rate of the USD dollar, EUR, all other variables being maintained constant.

The impact over the profit of the company before taxation is due to the changes in fair value of the assets and monetary debts. The exposure of the company to the foreign currency modifications for any other foreign currency is not significant.

	Total	5%	5%
	RON	USD	EUR
31 December 2024			
Balance	(134,973)	(20,408)	(114,565)
Monetary assets	2,649	968	1,680
Monetary liabilities	(137,622)	(21,376)	(116,246)
31 December 2025			
Balance	45,894	(8,996)	54,890
Monetary assets	193,177	409	192,769
Monetary liabilities	(147,283)	(9,404)	(137,878)

The credit risk

The company treats the crediting of its customers procedural, with flexibility through the stable contracting strategy as an essential mechanism for the risk repartition. The unfavorable conditions of the current market environment might impact our existing customers of the company, but the Management permanently monitors the receivables, collections and potential impairments. Having a constant customers' structure ensures a level of overdue receivables which does not vary significantly from one period to another.

The Company is also exposed to credit risk from its operating and financing activities, including deposits with banks and other financial institutions, cash pool receivables and other financial assets. It manages credit risk by placing funds only with reputable financial institutions and by monitoring exposures to counterparties.

Cash and cash equivalents and collateral cash are held with banks with high credit ratings. Management considers the credit risk related to these balances to be low.

Cash pool receivables represent balances with affiliated party. These balances are considered to have low credit risk due to the common control environment, the Company's ability to monitor and manage these exposures on an ongoing basis, as well as existing letter of guarantee issued by parent Company.

The market risk

The geopolitical context and the uncertainty faced by the region during this period triggered an increase in the purchase prices for the goods and services contracted by the company for the current activities, but also a fluctuation in delivery terms. However, Management is constantly looking to align to the current market condition the service tariffs as well as the type of services rendered.

Taking into consideration the structure and continuance of trade contracts, it can be highlighted as important clients SC OMV Petrom SA and SNGN Romgaz SA concentrating around 91% of the total turnover registered for the financial year 2025.

23. OBJECTIVES AND POLICIES FOR THE FINANCIAL RISK MANAGEMENT (continued)

Cyber risk

The progress made toward digitalization certainly brings great benefits, however as the use of new technologies and their capabilities increases, so do the risks derived from their exposure in cyberspace, the reliance on the systems deployed and the information generated by the Company. The risks are not only technical but also business related and may lead to operational disruptions, fraud or theft of sensitive information.

In 2022, we were subject to an attempt to gain unauthorized access to our computer network and systems, which did not result in major operational disruptions and have not had a material adverse effect on us, however this kind of events may occur in the future.

The Company continuously improves cyber security capabilities, and supervise the cyber security activity, ensuring the protection of the confidentiality, integrity and availability of data. Also, the Company continuously educates their employees and partners about cyber security risks and support them to act in a responsible way.

Impact of sanction risks and conflict in Ukraine

In the context of the military conflict between Russia and Ukraine, started on 24 February 2022, the EU, USA, UK and other countries imposed various sanctions against Russia, including financing restrictions on certain Russian banks and state-owned companies as well as personal sanctions against a number of individuals.

Considering the geopolitical tensions, since February 2022, there has been an increase in financial markets volatility and exchange rate depreciation pressure.

These events continue to affect the activities in various sectors of the economy, resulting in increases in European energy prices and increased risk of supply chain disturbances.

The Company does not have direct exposures to related parties and/or key customers or suppliers from those countries since the Company and its main customers activate only on local market, therefore the most recently sanctions imposed against Russia do not to have an direct impact on the Company's activity.

At this stage Management doesn't expect that such conflict will have a significant negative impact on the Company's operations and on the recoverable value of the Company's long term assets.

Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool.

The Company's objective is to maintain a balance between continuity of funding and flexibility through the efficient use of working capital. Approximately 82% of the Company's debt will mature in less than one year at 31 December 2025 (2023: 72%) based on the carrying value reflected in the financial statements. The Company assessed the concentration of risk with respect to chargeability of its debt and concluded it to be low.

23. OBJECTIVES AND POLICIES FOR THE FINANCIAL RISK MANAGEMENT (continued)

The table below details the profile of the payment terms of the financial liabilities of the Company, based on contractual payments:

	On demand	Under 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Trade payables - third parties	53,554	4,704,424	273,840	260	-	5,032,079
Trade payables with affiliated entities	336,926	423,522	-	-	-	760,448
Lease liabilities	-	533,647	2,640,464	1,993,966	-	5,168,078
Dividends to be paid	1,507,975	-	-	-	-	1,507,975
Other liabilities	28	-	-	-	-	28
Total year 2025	1,898,484	5,661,593	2,914,305	1,994,226	-	12,468,608

	On demand	Under 3 months	Between 3 and 12 months	Between 1 and 5 years	Over 5 years	Total
Trade payables - third parties	81,035	4,156,599	111,463	463,022	-	4,812,118
Trade payables with affiliated entities	416,854	243,513	-	-	-	660,367
Lease liabilities	-	451,251	2,256,256	3,668,321	-	6,375,827
Dividends to be paid	3,926,559	-	-	-	-	3,926,559
Other liabilities	-	-	-	-	-	-
Total year 2024	4,424,448	4,851,363	2,367,719	4,131,342	-	15,774,872

24. AUDIT EXPENSES

Costs for audit services with the financial auditor recorded during the financial year ended 31 December 2025 were in amount of RON 176,836 (2024: 103,482 RON).

All paid fees refer to auditing services on individual financial statements prepared by the Company in accordance with Order of Minister of Public Finance no. 2844/2016.

25. EVENTS SUBSEQUENT TO THE REPORTING PERIOD

On 24 March 2026, the Board of Directors approved the proposal to distribute gross dividends in amount of RON 3,862,301 RON, respectively 0,0138836 RON/share, proposal on which the General Ordinary Meeting of the Shareholders that will take place on 28 (29) April 2026 shall decide.

The Financial Statements from page 1 to page 56 were approved by the Board of Directors in 26 March 2026 and are signed in his name by:

Administrator,
FLOREA Georgian Stefan

Signature

Prepared by,
MOISE Luiza-Roxana
Finance Manager

Signature



Independent Auditor's Report

To the Shareholders of Rompetrol Well Services SA

Report on the audit of the financial statements

Our opinion

In our opinion, the standalone financial statements ("Financial Statements") give a true and fair view of the financial position of Rompetrol Well Services SA (the "Company") as at 31 December 2025, and the Company's financial performance and cash flows for the year then ended in accordance with Order of the Minister of Public Finance no. 2844/2016 for approving accounting Regulations in accordance with International Reporting Standards and subsequent amendments (the "OMFP 2844/2016").

Our opinion is consistent with our additional report to the Audit Committee dated 23 March 2026.

What we have audited

The Company's standalone financial statements comprise:

- the statement of profit or loss and other comprehensive income for the year ended 31 December 2025;
- the statement of financial position as at 31 December 2025;
- the statement of changes in equity for the year then ended;
- the statement of cash flow for the year then ended; and
- the notes to the standalone financial statements, comprising material accounting policy information and other explanatory information.

The financial statements as at 31 December 2025 are identified as follows:

- Total equity: thousand lei 105,312;
- Net profit for the year: thousand lei 3,862.

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The Company's registered office is in Ploiesti, Clopotei Street, No. 2 bis and its unique fiscal registration code is RO1346607.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation EU No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC (the "Regulation 537/2014") and Law 162/2017 regarding statutory audit of annual financial statements and annual consolidated financial statements and regarding changes to other regulations and subsequent amendments (the "Law 162/2017"). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the ethical requirements of Regulation 537/2014 that are relevant to audits of financial statements of public interest entities, the ethical requirements of Law 162/2017 that are relevant to audits of financial statements in Romania and the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code) as applicable to audits of the financial statements of public interest entities. We have also fulfilled our other ethical responsibilities in accordance with the ethical requirements of the Regulation 537/2014, the ethical requirements of the Law 162/2017 and the IESBA Code.

To the best of our knowledge and belief, we declare that non-audit services that we have provided to the Company are in accordance with the applicable law and regulations in Romania and that we have not provided non-audit services that are prohibited under Article 5(1) of the Regulation 537/2014.

The non-audit services that we have provided to the Company in the period from 1 January 2025 to the date of issuing this report, are disclosed in Note 24 to the financial statements.

Our audit approach

Overview

Materiality:	Overall Company materiality lei 630,000, which represents approximately 1 % of Revenue
Key audit matters	- Fair value measurement of equity instruments designated at fair value through other comprehensive income (FVOCI) - Valuation and presentation of Availabilities in cash pooling system

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where management made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Company, the accounting processes and controls, and the industry in which the Company operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall Company materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Overall Company materiality	lei 630,000
How we determined it	Approximately 1 % of Revenue
Rationale for the materiality benchmark applied	We chose Revenue as the benchmark because, in our view, while not the standard benchmark, it is the benchmark against which the performance of the Company is most consistently measured by its stakeholders, and it is a generally accepted benchmark. We chose 1 %, which in our experience is an acceptable quantitative materiality threshold for this benchmark.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Fair value measurement of equity instruments designated at fair value through other comprehensive income (FVOCI) Disclosures on Fair value measurement for investment in equity instruments are included in Note 1.2 h), 1.3 (iii) and Note 11 respectively	
Investments in equity instruments are presented under financial assets having a fair value recognized through other comprehensive income of RON 23,511 thousand as at 31 December 2025. The Company has participations below 10% in Rompetrol Rafinare S.A. (a listed entity) and Rompetrol Logistics S.R.L. (a non-listed entity), as presented in Note 11. Both investments are measured at fair value through other comprehensive income. The fair value of investment held in Rompetrol Rafinare S.A. was measured based on quoted prices in active markets. The investment held in Rompetrol Logistic S.R.L. is measured at fair value of RON 22,558 thousand as at 31 December 2025, for which quoted prices in an active market are unavailable and whose value is determined by internal valuation techniques that generally use non observable data (level 3 inputs). Applied internal valuation techniques can be subjective in nature, involving various complex assumptions and estimates. As of 31 December 2025, the Company involved an external expert to determine the fair value for the Company's investment in Rompetrol Logistic. The measurement involved significant judgement and estimates.	We audited management's assessment of the fair value of financial assets of RON 23,510 thousand as of 31 December 2025. Specifically, our work included, but was not limited to the following procedures: We analyzed the key assumptions used in the valuation report prepared by an external expert, by analyzing their consistency with the relevant available market information and the business plans used, as well as the sensitivity analysis of the fair value to changes in the significant assumptions; We evaluated if the valuation assessment included all factors that influence the fair value of investment at the end of the reporting period and its compliance with OMFP no. 2844/2016 requirements; We involved our valuation experts to assist us in evaluating specific assumptions applied (i.e. the discount rate, marketability discount, minority discount) and methodologies applied in the valuation of the financial asset presented in the valuation report prepared by the external expert, including the management judgement in the valuation method applied; We checked the mathematical accuracy of the valuation model for determining the fair value of the financial assets considering the ownership percentage; We evaluated the competence, capabilities and objectivity of management's external valuator. Specifically for the fair value of financial asset quoted in an active market, we checked the latest available price per share and the

Key audit matter

How our audit addressed the key audit matter

We considered this matter to be a key audit matter due to the magnitude of the amounts involved, the high level of subjectivity in respect of assumptions underlying the fair value assessment and the significant judgements and estimates that need to be made by management over the determination of the fair value of financial assets not quoted in an active market.

mathematical accuracy of the fair value calculation as of 31 December 2025.

Furthermore, we assessed the adequacy of the Company's disclosures about fair value measurement of equity investments, change of estimate.

Valuation and presentation of Availabilities in cash pooling system

Disclosures are included in Notes 1.2. c), 1.2. d), 16, 21 and 23, respectively,

Available liquidity deposited within the Cash pool facility is presented under current assets, with a balance of RON 43,379 thousand as of 31 December 2025.

Management has exercised judgement in determining the current classification of the asset, taking into account such factors as:

The availability of the deposited amounts within the Cash pool facility, should the need arise;

The ability of the Company to freely manage the deposited amounts, permitting it to adjust deposited amounts;

The lack of significant contractual or regulatory restrictions on withdrawals, outside the limitations imposed on the overall Cash pool facility regarding borrowings;

The financial assets are evaluated yearly for risk of recoverability, as part of the Company ECL policy highlighted within its accounting policies, at point 1 d).

We considered this matter to be a key audit matter due to the magnitude of the amounts involved.

We audited management's assessment of the financial asset's recoverability and presentation for the balance of RON 43,379 thousand as of 31 December 2025. Specifically, our work included, but was not limited to the following procedures:

We analyzed the key assumptions used in the recoverability assessment performed by the management, and its correlation to the supporting documents obtained both from management and relevant related parties.

We evaluated the presentation's compliance with OMFP 2844 from 2016 requirements;

We have inspected the relevant documentation (contracts, invoices, disbursements) for the above-mentioned factors that govern the function of the Cash pool facility;

We checked the mathematical accuracy of the recoverability model for determining the expected credit loss of the financial assets, considering guarantees in place.

Furthermore, we assessed the adequacy of the Company's disclosures about financial assets in the form of Cash pool availabilities and its recovery risk disclosures.

Reporting on other information including the Administrators' Report

The Administrators are responsible for the other information. The other information comprises the Administrators' Report and the Remuneration Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information, including the Administrators' Report.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

With respect to the Administrators' Report, we considered whether the Administrators' Report is consistent with the financial statements and whether the Administrators' Report includes the disclosures required by OMFP 2844/2016, points 15-20.

Based on the work undertaken in the course of our audit, in our opinion:

- the information given in the Administrators' Report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Administrators' Report has been prepared in accordance with OMFP 2844/2016, points 15-20.

In addition, in light of the knowledge and understanding of the Company and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Administrators' Report and in the Remuneration Report. We have nothing to report in this regard.

In accordance with Law no. 24/2017 regarding issuers of financial instruments and market operations, republished, and subsequent amendments ("Law 24/2017") our responsibility is to assess whether the Remuneration report contains the information required by Law 24/2017, article 107, alignments (1) and (2).

With respect to the Remuneration Report, we read the Remuneration Report in order to assess whether it contains the information required by Law 24/2017, article 107 alignments (1) and (2). We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of the financial statements that give a true and fair view in accordance with OMFP 2844/2016, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an

audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Reporting on report regarding information related to income tax

In accordance with OMFP 2844/2016, point 60¹², in connection with the audit of the financial statements for the financial year ended as at 31 December 2025, our responsibility is to state if, for the previous financial year ended as at 31 December 2024, the Company had the obligation, in accordance with points 60² - 60⁶ of OMFP 2844/2016, to publish a report regarding information related to income tax for the financial year ended 31 December 2024 and if this is the case, whether such report was published in accordance with point 60¹⁰ of OMFP 2844/2016.

The Company did not have the obligation to publish the report regarding information related to income tax.

Report on the compliance of the presentation of financial statements with the requirements of the European Single Electronic Format ("ESEF")

We have been engaged as part of our audit engagement letter by the management of the Company to conduct a reasonable assurance engagement for the verification of compliance with the applicable requirements of the presentation of the financial statements of Rompetrol Well Services SA for the year ended 31 December 2025 in the digital files 1f36d67f-5d3d-4b94-bb16-edc3ac260d9a (the "Presentation of the Financial Statements").

Description of a subject matter and applicable criteria

The Presentation of the Financial Statements has been applied by the management of the Company to comply with the requirements of art. 3 and 4 of the Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format and subsequent amendments (the "ESEF Regulation"). The applicable requirements regarding the Presentation of the Financial Statements are contained in the ESEF Regulation.

The requirements described in the preceding sentence determine the basis for application of the Presentation of the Financial Statements and, in our view, constitute appropriate criteria to form a reasonable assurance conclusion.

Responsibility of the management and those charged with governance

The management of the Company is responsible for the Presentation of the Financial Statements that complies with the requirements of the ESEF Regulation.

This responsibility includes designing, implementing and maintaining internal controls relevant for the preparation of the Presentation of the Financial Statements which is free from material non-compliance with the requirements of the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process, which should also be understood as the preparation of financial statements in accordance with the format resulting from the ESEF Regulation.

Our responsibility

Our responsibility was to express a reasonable assurance conclusion whether the Presentation of the Financial Statements complies, in all material respects, with the ESEF Regulation.

We conducted our engagement in accordance with the International Standard on Assurance Engagements 3000 (R) - 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' (ISAE 3000(R)). This standard requires that we comply with ethical requirements, plan and perform procedures to obtain reasonable assurance whether the Presentation of the Financial Statements complies, in all material aspects, with the applicable requirements.

Reasonable assurance is a high level of assurance, but it does not guarantee that the service performed in accordance with ISAE 3000 (R) will always detect the existing material misstatement (significant non-compliance with the requirements).

Quality management requirements and professional ethics

Our firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We comply with the independence and other ethical requirements of the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.

Summary of the work performed

Our planned and performed procedures were aimed at obtaining reasonable assurance that the Presentation of the Financial Statements complies, in all material aspects, with the applicable

requirements and such compliance is free from material errors or omissions. Our procedures included in particular:

- obtaining an understanding of the internal control system and processes relevant to the application of the single electronic reporting format of the Financial Statements, including the preparation of the XHTML format;
- verification whether the XHTML format was applied properly; and
- evaluating the consistency between the digital information from the Presentation of Financial Statements, visible for the human reader, with the signed and audited financial statements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Conclusion

In our opinion, based on the procedures performed, the Presentation of the Financial Statements complies, in all material respects, with the ESEF Regulation.

Appointment

We were appointed as auditors of Rompetrol Well Services SA by the Ordinary General Shareholders Meeting on 28 April 2025. This is the first year of our appointment as auditors.

The financial auditor responsible for carrying out the audit resulting in this independent auditor's report is David Trow.

On behalf of

PricewaterhouseCoopers Audit SRL

Audit firm

registered with the Public Electronic Register of financial auditors and audit firms under no. FA6

**Refer to the original signed
Romanian version**

David Trow

Financial Auditor

registered with the Public Electronic Register of financial auditors and audit firms under no. AF4

Bucharest, 27 March 2026