

**ANNUAL REPORT
OF THE BOARD OF DIRECTORS
FOR THE 2021 FINANCIAL YEAR**

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

Company

ROMPETROL WELL SERVICES S.A.

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

Main characteristics of the securities issued by the company

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

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1. Analysis of the company's activity

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

In 2021 RWS continued to consolidate and develop core activities, mainly those regarding the provision of special services at the well. On the background of effects generated by the COVID-19 pandemic and the evolution of the petroleum industry, the Company managed to maintain both its leading position in this area and record positive financial results.

Two main trends have impacted 2021: growth in quotations and demand for crude oil on the international markets and fluctuations in the supply chain of raw materials, typical for the upstream industry.

The evolution of crude oil followed an upward trend in 2021, the price of this raw material increasing by about 67%, from an average of \$41.6/bbl in 2020 to \$69.2/bbl in 2021 (Ural Med crude oil quotation).

Given the international context (COVID evolution – Delta and Omicron, resumption and growth of economic activities, production increases – OPEC, tensions in the Middle East, impact of Hurricane Ida), crude oil producers failed to keep up with this growth, development projects frozen in 2020 not being restarted at full capacity.

Also, the dynamics of quotations was not considered at the beginning of the year as a stable indicator for a long period, which contributed to maintaining a low level of activities, comparable to that registered in 2020.

To these were added divestment/ adjustment decisions of the operators' investment budgets, but also shortcomings in the supply chain of raw materials typical to the upstream industry in the second half of the year. The cumulative effect of these factors was reflected in even greater delays in starting and resuming drilling operations.

	-RON		
	2019	2020	2021
Operating income, of which:	66,981,161	48,595,858	45,961,135
Services rendered	65,678,479	47,249,182	44,185,085
Operating expenses, of which:	(57,844,704)	(47,713,575)	(46,227,637)
Depreciation	(4,883,457)	(4,895,712)	(3,996,830)
Provision adjustments, net	631,085	(157,129)	(545,161)
Net financial income	4,518,132	3,747,231	2,040,690
EBIT	13,654,589	4,629,514	1,774,188
Net Profit	12,170,108	4,362,952	1,629,634
Available funds in cash pooling system	96,010,188	82,419,445	55,022,238
Number of employees	172	158	149

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

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

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

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

b) Specification of the company's incorporation date

Rompetrol Well Services S.A. was established in 1951 and in the 70 years of activity, although it operated with various structures and under various names, the main profile was the performance of special operations at Romanian oil and gas wells.

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

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

During 2021 and respectively 2020, the Company did not participate to any merger or reorganization.

d) Description of purchases and/or disposals of assets

During 2021, the acquisitions performed by the Company were represented mainly by special equipment needed for the normal operating activity. The Company did not dispose fixed assets with significant net book value. During February – May 2021, the Company sold land plots in Boldesti-Scaieni, Targu Mures, Tecuci and Campina, the total carrying amount being of 145.617 RON and resulted in a net income of 335.727 RON.

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

1.1.1. General assessment elements:

a) Profit;

At the end of 2021, Rompetrol Well Services registered a positive result (profit) of RON 1,629,634.

b) Turnover;

In 2021, the turnover was RON 44,597,157, 6% lower than in 2020, respectively 8% lower than the budgeted turnover. The impact was generated by the delays in restart of normal activities for the upstream market, delays determined by the global context as well as internal business decisions of our main customers.

c) Export;

In 2021, due to the restrictions imposed as a result of the Covid pandemic, no services were provided outside Romania.

d) Costs;

In 2021, the operating expenses adjusted with provisions were RON 45,682,476, 4% lower than those registered in the previous year, their evolution being directly influenced by the decrease of the activity volume, as presented under item b).

e) Market percentage;

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

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

In terms of liquidity, the Company maintained the capacity to cover current debts from current assets, the current liquidity indicator reaching a level of 9.11 at December 31st, 2021.

1.1.2. Assessment of the company's technical level

Description of the main rendered services

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

- **Cementing and various pumping services such as:**
casing cementing, primary cementing, remedial cementing (plug cementing and squeeze cementing), killing of wells, well circulations, millings and fluids displacements, interventions on damaged wells, miscellaneous pumping, tubular material, manifold, blow out preventer, etc.
- **Stimulation services:**
tensio-active treatments, acidizing, handling and transport of fluids (acid solutions, emulsions and enzymes etc.), aquifers layers isolation.
- **Liquid Nitrogen services:**
lifting operations, foam acidizing, pipeline pressure testing;
- **Tubular running services;**
- **Rentals of tools and equipment for various drilling-extraction works or the solving of well technical accidents;**
- **Cement analysis at the well site or in the lab;**
- **Cementing solutions preparation according to recipes;**

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

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

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

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

The situation of the weight of each category of services in the 2019, 2020, 2021 turnover is presented in Annex no. 1.

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

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

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

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

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

1.1.4. Assessment of the selling activity

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

The income evolution is presented in the table below:

	2019	2020	- RON 2021
Sales by activities, of which:	66,135,769	47,667,818	44,597,157
▪ Income from rendered services	66,100,810	47,597,837	44,450,951
▪ Income from the sale of merchandise	34,959	69,981	146,206

In 2021, the Company's activity continued to record a decrease in orders for the provision of well services. Despite the constantly changing market conditions, RWS has been able to secure its leading position in the specific market segment through diversity and flexibility in providing specialized services tailored to each client. From an operational point of view, the Company has implemented measures to ensure the availability of labor in order to honor all orders (such as periodic testing, reduced physical contact between teams). From a commercial point of view, the Company participated in all publicly announced auctions in order to ensure the activity for the next period.

Although in 2022 the market is expected to be still volatile, with a moderate level of new investments from our main customers, the flexibility of the Company in regards to the type of services rendered, together with a strong financial position, including cash availabilities, will allow the operational activity to record a similar level as the one recorded in 2021.

Having in mind the increasing trend of crude quotation and increased number of immunized against COVID-19, as well as past experience with similar events of crude price sudden drop registered in the past, we expect that in the medium and long-term perspective, the market will recover up to normal conditions.

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

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

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

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

We can say that ROMPETROL WELL SERVICES depends on the position of OMV - PETROM BUCUREȘTI S.A., client which represents approx. 65% of the company's sales. To reduce this risk of dependence, the company targets the increase of the proportion of well special services supplied to other E&P players on the domestic market and the extension of the activity on the external market.

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

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

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

The structure of employees as at December 31, 2021 was as follows:

Total employees, out of which:	149
- with higher education	64
- with secondary education	8
- qualified workers	77

The labour force syndication degree is 91.28%.

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

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

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

A brief description of the impact of the issuer's core business activities on the environment as well as any existing or expected litigation of the breach of environmental protection legislation.

The activity carried out within the Company, both at the headquarters in Ploiești and at all the units in the country, strictly follows the observance of the environmental legislation in force, in this way avoiding any litigation that may arise as a result of violations of applicable law.

The company carries out regular checks on compliance with environmental requirements in accordance with the environmental permits related to working points in the country to avoid penalties or fines that could be applied for non-compliance in this field, but also for the relationship with our suppliers and customers. Lately, more and more attentive to environmental issues and concerned with identifying solutions that would lead to a reduction in the ecological footprint.

Verification of compliance with the environmental provisions in force is a complex process by which the Company performs a detailed assessment of activities with environmental impact, compliance with environmental legislation for both technological processes carried out on site and documents held, identifying any non-compliance and proposing solutions to comply, prevent or reduce the impact on the environment.

In July 2021, the audit of the recertification of the Integrated Management System (environment, quality, safety and health at work) was carried out by DNV Business Assurance, following which Rompetrol Well Services S.A. has been certified for the next 3 years with the new standards ISO 9001: 2015, ISO 14001: 2015 and ISO 45001: 2018. In order to verify and maintain compliance with these standards, the Company annually conducts internal audits of the environment, quality and health and safety at work at all its bases and inspections of the operations it performs at customer locations. Also, in 2021, the Company was audited in terms of (Environment, Emergency Situations, Health and Safety at Work) by the KMG Group, obtaining a score of 85.4% which corresponds to the rating "Excellent".

Rompertrol Well Services aims to achieve several environmental objectives, including:

- *Implementation of sustainability ideas within the entity.*
- *Disposal by authorized companies of all types of waste identified within the Company.*
- *Optimizing the consumption of electricity and gas by using LED lamps and using new thermal power plants with low consumption.*

- *Reduce paper consumption by electronic archiving.*
- *Monitoring and implementation of environmental issues imposed in environmental permits.*
- *Periodic monitoring of the spaces arranged for waste collection and safe storage;*
- *Training in the field of environmental protection of staff working for and on behalf of the organization.*
- *Prevention of any accidental pollution;*
- *Continuation of the process of renewing the fleet with new generation trucks equipped with Euro 6 engines, thus contributing to the reduction of emissions eliminated in the atmosphere.*
- *Training of all staff on the selective collection of waste, the reduction of specific consumption and in particular the responsibility for the implementation of the environmental policy and environmental objectives that the Company has set out to achieve.*

The management of ROMPETROL WELL SERVICES provides the necessary resources and framework for the implementation of the established environmental objectives, directly and personally involved in all projects aimed at the continuous improvement of environmental protection through the services provided.

According to Law no. 105/2006 and the Emergency Ordinance no. 196/2005, regarding the obligations to the Environmental Fund, Rompetrol Well Services S.A. pays monthly taxes on emissions of pollutants into the air from fixed sources and annual tax on packaging placed on the market, according to the Declarations on obligations to the Environmental Fund.

1.1.7. Assessment of the research and development activity

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

In 2021 the Company did not registered research and development expenses.

1.1.8. Assessment of the company's risk management activity

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

The activity performed by the Company implies its exposure to:

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

1.1.9. Elements of perspective regarding the company's activity

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

The activity performed by the company did not determine malfunctions of the cash flows, being compensated by the efficiency of the management of existing liquidities. The commitments to suppliers were rhythmically paid. The registered overdue amounts do not have the risk of significant penalties. As at December 31st, 2021 the company is not involved in any litigation for the payment of outstanding debts. The company ensured permanent promptness in honouring the agreements throughout the country.

The perspectives of extending service activities on external markets however impose rational decisions in prudently engaging liquidities upon the conclusion of new agreements.

Main objectives for 2022

To continue offering high quality services in all the main activities performed by the Company. Taking into account the current market trend, the Company is analyzing the possibility of expanding on the services market in the Middle East region. In this sense, the Company continued discussions with possible local partners, including the opening of an operational base in the area.

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

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

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

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

A weight of 96% of the increase registered in tangible assets, of RON 4.5 million, is represented by the purchase and/or modernization of equipment, machinery and tools used for well services operations and other preliminary operations.

Approximately 4% of the total investments made by the Company in 2021 targeted works made to rehabilitate and modernize the administrative buildings and the replacement of IT equipment.

The Company ensured its own financial resources to achieve the 2021 capital expenditure budget.

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

The turnover for 2021 decreased by 6% compared to 2020, due to the reduction of well services demand. This decrease was limited to level mentioned above due to the solid position of the Company on the specific market.

2. Company's tangible assets

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

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

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

The location of plots of land and constructions on the geographic area is identified in the following localities: Ploiești (Prahova County), Câmpina (Prahova County), Răzvad (Dâmbovița County), Leordeni (Argeș County), Mihăești – Stupărei (Vâlcea County), Potcoava (Olt County), Craiova (Dolj County), Tg. Cărbunești (Gorj County), Slobozia – Conachi (Galați County), Ianca (Brăila County), Timișoara (Timiș County), Mediaș (Sibiu County), Moinești (Bacău County), Videle (Teleorman County).

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

2.2. Description and analysis of the degree of wear and tear of the company's properties.

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

2.3. Specification of the potential problems related to the ownership right over the company's tangible assets.

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

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

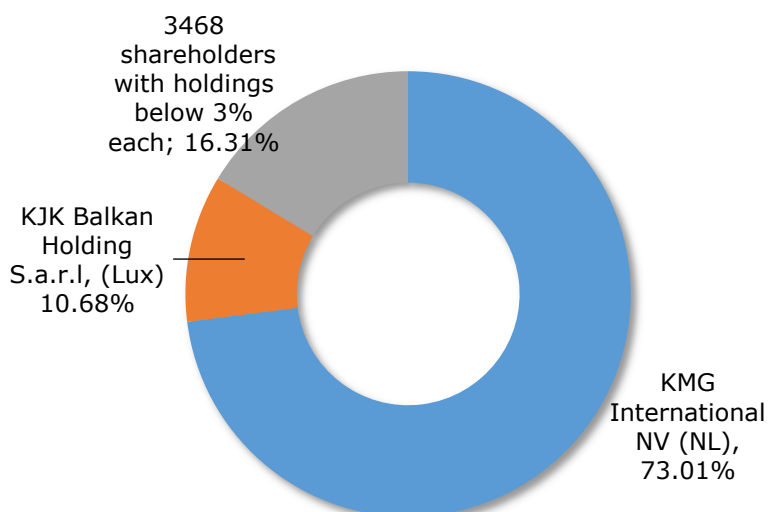
3.1. Specification of the markets in Romania and in other countries on which the securities issued by the company are negotiated.

The securities issued by ROMPETROL WELL SERVICES S.A. are admitted to the listing of the Bucharest Stock Exchange through decision no. 133 / March 26, 1998 and are traded on such market under the STANDARD category in the sector of the securities issued by Romanian legal persons, starting with June 18, 1998, under the PTR symbol. The securities issued by the company are in class A – nominative shares.

The share capital as at December 31, 2021 is RON 27,819,090 equivalent to 278,190,900 shares with a nominal value of RON 0.10 /share and is distributed by holders as follows:

1. KMG INTERNATIONAL N.V. The Netherlands	RON 20,311,015 (73.0111 %)
2. KJK BALKAN HOLDING S.a.r.l Luxembourg	RON 2,970,995 (10.6797 %)
3. Other shareholders (3468 shareholders)	RON 4,537,080 (16.3092 %)

Shareholding structure



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

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

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

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

The Board of Directors drafts proposals for the amount of dividends actually distributed for the reporting period.

The dividends distribution rate, subject to the other provisions of this Policy, is set at a minimum of 30% as long as there is sufficient cash availability computed as following:

Cash balance N + Cash Pooling net balance N + Cash from operations N+1 + Cash from Investing N+1 + Finance cost paid N+1 + Mandatory loan repayments N+1

Where N is represented by the year for which the distribution is made while N+1 is represented by the next year. For N+1 computation is prepared based on the budget.

The Dividends are distributed to the Company's shareholders pro rata with their shareholdings in the Company.

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

Amount of dividends shall be identified when decision is made to declare and disburse dividends.

The GMS decision on declaring and paying dividends shall reflect the following:

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

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

For the year ended December 31st, 2020, the OGMS, approved on April 26, 2021, the distribution of the net profit as dividends of RON 4,362,951, respectively RON 0.0156833 gross share and also approved the change of the destination of the reserves constituted from the net profit of the company obtained in the previous years in the amount of RON 29,210,045 and the distribution of this amount as dividends to shareholders, respectively RON 0.1050 gross / share. Thus, for 2020, the total value of the dividend was 0.120683 lei gross / share.

For the year ended December 31st, 2021, the OGMS, scheduled for April 27(28), 2022 shall decide on the profit distribution manner. The proposal of the Board of Directors is to distribute net profit as dividends the amount of RON 1,629,634, respectively RON 0.00585797 gross/share.

Until December 31st, 2021, the following dividends were paid:

- 93 % of the gross dividend approved for the 2018 financial year;
- 93 % of the gross dividend approved for the 2019 financial year;
- 93 % of the gross dividend approved for the 2020 financial year

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

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

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

Not applicable.

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

Not applicable.

4. Management of ROMPETROL WELL SERVICES S.A.

According to the Articles of Incorporation, the Company's activity is managed by a Board of Directors formed of 5 members, appointed by the Ordinary General Meeting, who may also be shareholders of the company, natural or legal persons, of Romanian or foreign citizenship, respectively nationality.

At the beginning of 2021, the Board of Directors consisted of the following members: Yedil Utekov, Abzal Doszhanov, Madalin Laurentiu Coltanel, Olga Turcanu, Eugeniu Moby Henke.

In the General Meeting of Shareholders from January 28, 2021 Mr. Yedil Utekov and Mr. Abzal Doszhanov were elected permanent administrator until April 29, 2022.

During 2021, there was one change in the membership of the Board of Directors.

Following Abzal Doszhanov's waiver of his mandate as member of the Board of Directors, Florea Georgian Stefan was appointed as interim member of the Board of Directors, effective as of October 18, 2021 until the next General Meeting of Shareholders.

Therefore, at the end of 2021, the Board of Directors has the following structure:

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

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

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

- Yedil Utekov - Kazakh citizen, born in 1976

Chairman of the Board of Directors between October 01, 2020 and December 31, 2021.

Term of mandate: until April 29, 2022.

Mr. Yedil Utekov is a graduate of the Faculty of Resources and Hydrocarbons Chemical Technology of Astrakhan State Technical University in Russia, and started his career in the oil and gas industry back in 2001, as a process operator with Akasaraisky Gas Processing Plant in Russia; then in the months September 2001 – June 2002, he worked as operator for ZAO Intergaz Central Asia, Kazakhstan. Starting with June 2002, he gradually advanced from the position of engineer with Atyrau Refinery, to that of Ecology, Technology, Health and Safety Manager. During April 2005 – April 2010, he worked for Agip KCO, in Atyrau, Kazakhstan, the last position held in this company being that of Group Coordinator for Technical Control and Inspection in August 2008 – April 2010.

He has solid professional experience in the oil and gas industry, holding management positions in various fields thereof, working in various companies such as: Atyrau refinery, Agip KCO and KazMunayGas.

- Abzal Doszhanov – Kazakh citizen, born in 1984;

Member of the Board of Directors between September 09, 2020 and October 18, 2021.

Term of mandate: until October 18, 2021.

Mr. Abzal Doszhanov graduated from Atyrau Institute of oil and gas and IFP School.

Mr. Abzal Doszhanov joined Rompetrol in 2010, successfully accomplishing various roles – initially on an operational level, holding key positions as Process improvement manager and then

at management level, gradually holding positions such as Deputy Production manager and General Manager.

- Georgian Stefan Florea - Romanian citizen, born in 1982
Member of the Board of Directors between October 18, 2021 - December 31, 2021
Term of mandate: until the next General Meeting of Shareholders
He has graduated from the Petroleum Gas University Ploiesti. Mr. Florea holds a master's in reservoir engineering from the Petroleum Gas University Ploiesti.
Mr. Georgian Stefan Florea has joined Rompetrol Well Services since 2007, successfully accomplishing various roles – initially at the operational level, passing through petroleum engineer – DST division, field engineer at cementing division, petroleum engineer at technical department, country representative of Rompetrol Well Services & Rompetrol SA in Kurdistan, sales coordinator and then at the management level Deputy General Manager Rompetrol Well Services starting with March 2018.

- Olga Turcanu – Romanian citizen, born in 1979;
Member of the Board of Directors between April 29, 2018 and December 31, 2021.
Term of mandate: until April 29, 2022.
Mrs. Olga Turcanu studied international economic relationships and economic law in the Moldova Academy of Economic Sciences both at a license and master's degree level. In 2013 Mrs. Olga Turcanu was accepted as a Member of the Association of Chartered Certified Accountants (ACCA), and starting with 2018 she has a Fellow ACCA status.
She has professional experience in fiscal consultancy, financial audit in the oil and gas industry, economic analysis, budgeting, business planning, taxation, analysis of investment projects, corporate financing.
She worked in various companies such as: PriceWaterhouseCoopers, Mechel Trade House, Bluehouse Capital Group, Rominserv.

- Laurentiu Madalin Coltanel – Romanian citizen, born in 1977;
Member of the Board of Directors between February 01, 2020 - December 31, 2021.
Term of mandate: until April 29, 2022.
Mr. Laurentiu Madalin Coltanel holding the position of Production Engineer, later, he has held the positions of Project Manager and Operations Director within the Rompetrol Rafinare company, the Head of COO Office.

- Eugeniu – Moby Henke – Romanian citizen, born in 1973;
Member of the Board of Directors between April 29, 2018 and December 31, 2021.
Term of mandate: until April 29, 2022.
He is a lawyer, graduate of the Law Faculty of the Bucharest University (1992-1996) and has a Master's Degree in Administrative Sciences (1997-1999) in the Bucharest National School of Political and Administrative Studies.
He has professional experience in the following fields:
 - consultancy for public and private companies (organizations), governmental agencies and natural persons;
 - development and preparation of corporate systems, legal analysis of transactions, projects;
 - protection of clients' rights in general jurisdiction courts at all levels;
 - preparation, negotiation and legal support in performing contracts, agreements and other legal documents;

- experience as a Manager of the legal department of the KMG International Group, in work teams for a series of projects (commercial, legislative, etc.).

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

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

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

As per the company's Shareholders' Register, consolidated on December 31, 2021, issued by the Central Depository, none of the directors participates in the company's share capital.

d) list of the persons affiliated to the company.

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

4.2. Presentation of the list of the members of the company's executive management. For each of them, the presentation of the following information:

a) the term for which the person is part of the executive management;

During 2021, Management's structure was as following:

No	Position	Forename and surname	Period
1.	GENERAL MANAGER	DOSZHANOV ABZAL	January 01, 2021 - October 18, 2021
2.	GENERAL MANAGER	FLOREA GEORGIAN STEFAN	October 18, 2021 - December 31, 2021
3.	FINANCE MANAGER	MOISE LUIZA ROXANA	January 01, 2021 - December 31, 2021

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

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

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

According to the Company's shareholders' register, consolidated on December 31, 2021, issued by the Central Depository, no member of the executive management participates in the company's share capital.

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

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

5. Financial Statements

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

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

Starting with the year ended as at December 31, 2012, the Company's individual financial statements were prepared according to the provisions of Order of the minister of public finances no. 1286/2012 approving the accounting regulations according to International Financial Reporting Standards applicable to the companies whose securities are approved for trading on a regulated market, Order of the Minister of Public Finances no. 2844/2016 with all subsequent amendments and supplementations.

In order to prepare such financial statements, according to Romanian legislative requirements, the company's functional currency is deemed to be the Romanian leu (RON).

Synthesis of patrimonial items:

	2019	2020	- RON 2021
Total assets, of which:	164,278,951	151,868,575	153,439,577
Fixed assets	41,094,485	41,958,743	39,255,033
Current assets	123,184,466	109,909,833	114,184,544
Total liabilities, of which:	164,278,951	151,868,575	153,439,577
Share capital, of which:	28,557,446	28,557,446	28,557,446
Subscribed paid in share capital	27,819,090	27,819,090	27,819,090
Legal reserves	5,563,818	5,563,818	5,563,818
Other equities	102,412,242	99,452,458	103,068,569
Current profit/loss	12,170,108	4,362,952	1,629,634
Current liabilities	13,114,817	10,291,496	12,531,044
Long term liabilities	2,460,521	3,640,405	2,089,065

b) Statement of profit and loss account

Summary of Statement of profit or loss:

	2019	2020	- RON 2021
Total revenues, of which:	71,661,673	52,695,218	48,700,607
Operating income	66,981,161	48,595,858	45,961,136
Financial income	4,680,512	4,099,360	2,739,471
Total expenses	58,007,084	48,065,704	46,926,418
Operating expenses, of which:	57,844,704	47,713,575	46,227,637
- consumable material expenses	16,784,640	10,853,051	11,406,887
- staff costs	19,653,427	17,484,748	16,573,739
- fixed asset depreciation expenses	4,883,457	4,895,712	3,996,830
- other expenses	16,523,180	14,480,064	14,250,181
Financial expenses	162,380	352,129	698,781
Gross profit/loss – profit	13,654,589	4,629,514	1,774,188
Income tax and deferred tax	1,484,481	266,562	144,554
Net profit/loss – profit	12,170,108	4,362,952	1,629,634

Synthesis of budget indicator achievement:

	Achievements – previous year	2021	
		Budget forecasts	Achievements
Total revenues, of which:	52,695,218	53,257,500	48,700,607
Operating income	48,595,858	50,198,700	45,961,136
Financial income	4,099,360	3,058,800	2,739,471
Total expenses, of which:	48,065,704	48,431,900	46,926,418
Operating expenses	47,713,575	48,193,000	46,227,637
Financial expenses	352,129	238,900	698,781
Gross profit	4,629,514	4,825,600	1,774,188
Income tax and deferred tax	266,562	617,600	144,554
Net profit	4,362,952	4,208,000	1,629,634

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

Statement of cash flows, synthesis - indirect method

	- RON		
	2019	2020	2021
Net profit/loss before taxation and extraordinary items	13,654,589	4,629,517	1,774,189
Operating profit before changes in the working capital	13,305,339	5,004,516	2,987,443
Net cash from operating activities	16,718,776	1,333,417	3,951,124
Net cash from investment activities	(11,572,624)	12,845,549	27,765,571
Net cash from financing activities	(5,374,941)	(14,184,794)	(31,640,781)
Net variation of cash and cash equivalents	(230,621)	(5,065)	74,975
Unrealized forex expenses	1,832	(762)	1,139
Cash and cash equivalents at the beginning of the financial year	385,733	156,944	151,117
Cash and cash equivalents at the end of the financial year	156,944	151,117	227,231

In 2021 both the performance of agreements with clients and suppliers and the assurance of all cash available funds to pay fully and timely the salary rights, budgetary debts and dividends were managed under financial balance conditions. All investment projects were financed from its own sources. In addition to the cash recorded at the end of the financial year, the available cash in the main account, in the cash-pooling system of RON 55,022,238 as at December 31, 2021 may be used without restrictions.

Indicator	2019	2020	2021
Current liquidity ratio	9,39	10,68	9,11
Receivable turnover	112	129	120
Asset turnover	1,61	1,14	1,14
Gearing ratio	0.3%	0.6%	0.4%

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

6. Corporate governance

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

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

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

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

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

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

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

According to constitutive documents, **Rompetrol Well Services S.A. is managed in a unitary system** through which the administration is provided by a board of directors formed of 5 members, elected by the ordinary general meeting of shareholders, with a term of mandate of 4 years. The Board of Directors has full powers in making any administration and management decisions besides those that law expressly gives to the General Meeting of Shareholders. By way of exception, the Board of Directors shall exercise the duties of the General Meeting of Shareholders provided by Art.113 letters b, c and f of Law 31/1990, as republished. The decisions of the Board of Directors are valid if made with the vote of the majority of present members. In case of a tie, the chairman shall have a decisive vote.

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

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

- a) establish the main directions of activity and development of the company;
- b) name and revoke the Company's managers and supervise their activity;
- c) prepare the annual activity report;
- d) perform the decisions of general meetings;
- e) except for the legal deeds for whose adoption/conclusion the approval of the general assembly of shareholders is necessary, according to the imperative provisions of law, approve the adoption/conclusion on behalf of the company of the legal deeds whose object has a value comprised between USD 500,001 – USD 10,000,000; the approval is necessary if it is about a single commercial transaction made through one and/or several separate agreements, if the cumulated value of such agreements exceeds such amount;
- f) approve the Company's organizational structure;

- g) designate and/or revoke the persons acting as company's representatives in the relationships with banks, with a first signature right, respectively with a second signature right; joint signature rules shall apply adequately to make any payment made for and on behalf of the company;
- h) approve the conditions to contract any types of loans from a bank and/or financial institution, and from any other legal person;
- i) approve the company's intermediary financial statements, prepared according to law;
- j) approve the marketing strategy and the investment plan of the company, and the annual budget (investment expenses and operational expenses), at the common proposal made by the general manager and economic manager;
- k) file the application to open the company's insolvency procedure according to law no. 85/2014 regarding the insolvency procedure.

During 2021, the membership of the Board of Directors was the following:

- Yedil UTEKOV - Chairman between January 01, 2021 – December 31, 2021;
- Eugeniu Moby HENKE - Member between January 01, 2021 – December 31, 2021;
- Abzal DOSZHANOV - Member between January 01, 2021 – October 18, 2021;
- Georgian Stefan FLOREA - Member between October 18, 2021 – October 18, 2021;
- Olga TURCANU - Member between January 01, 2021 – December 31, 2021;
- Laurentiu Madalin COLTANEL - Member between January 01, 2021 – December 31, 2021;

6.1. Information on the members of the Board of Directors

The CVs of the members of the Board of Directors of Rompetrol Well Services SA are available on the company's website at rompetrolwellservices.kmginternational.com. In addition, you can also find additional information in section 4.1 hereof.

According to the criteria assessing the independence of non-executive members of the Board of Directors, on December 31, 2021, none of the directors meets the independence criteria provided by the Code principles and recommendations.

In 2021 there were 18 meetings of the Board of Directors and 30 decisions were adopted, the directors' participation in such meetings being as follows: Yedil Utekov- 18 meetings, Eugeniu-Moby Henke – 18 meetings, Olga Turcanu – 18 meetings, Laurentiu Madalin Coltanel – 18 meetings, Abzal Doszhanov – 13 meetings, Georgian Stefan Florea – 3 meetings.

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

For the financial year ended at December 31st, 2021, according to the legal provisions, the directors' remuneration was approved by the Ordinary General Meeting of Shareholders of April 26, 2021.

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

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

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

Name	Company	Position	Period
Yedil Utekov	Romp petrol Rafinare SA *	Chairman BoD	01.05.2018- 01.05.2022
	Rominserv S.R.L.*	Member BoD	15.09.2020-14.09.2024
	Romp petrol Petrochemicals *	Sole administrator	01.03.2014 – 14.03.2025
	Palplast SA *	Chairman BoD	19.10.2020 -01.11.2021
	Romp petrol Energy S.A. *	Chairman BoD	01.10.2020 – 31.01.2022
Olga Turcanu	Palplast SA *	Member BoD	15.10.2018 – 01.11.2021
	KMG Romp petrol SRL *	Finance Manager	07.07.2019 - indetermined
	Rominserv Iaifo Zalau SRL *	Member BoD	15.09.2018– 07.04.2021
Laurențiu Mădălin Colțănel	Rominserv S.R.L.*	Member BoD	15.09.2020 – 14.09.2024
	Global Security Sistem S.A. *	Member BoD	12.05.2020 – 16.05.2022
	Rominserv Iaifo Zalau*	Member BoD	07.09.2020 – 07.04.2021
	KMG Romp petrol Development SRL *	Member BoD	23.02.2021 – 22.02.2025

* Company member of KMG International Group

Consultative Committees

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

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

A detailed description of the tasks and responsibilities of the Advisory Committees is found in the Organizational and Operational Guidelines approved by the Board of Directors, regulations published on the company’s webpage rompetrolwellservices.kmginternational.com, section “Relationship with investors – Corporate Governance – Corporate Governance Documents”.

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

During 2021, the structure of the Audit Committee was as follows:

- Dan Alexandru Iancu - Chairman in the period 01.01.2021 – 31.12.2021
- Yedil Utekov - Member in the period 01.01.2021 – 31.12.2021
- Olga Turcanu - Member in the period 01.01.2021 – 31.12.2021

Information about the meetings of the Audit Committee during 2021

In 2021 there were 11 meetings of the Audit Committee and 8 decisions were adopted, the members' participation in such meetings being as follows: Dan Alexandru Iancu - 11 meetings, - 11 meetings, Olga Turcanu - 11 meetings, Yedil Utekov – 11 meetings.

6.2. Executive management

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

In 2021, the company's executive management was provided by the following managers:

- Mr. Abzal DOSZHANOV - General Manager between January 01, 2021 – October 18, 2021
- Mrs. Stefan Georgian FLOREA - General Manager between October 18, 2021 – December 31, 2021
- Mrs. Luiza Roxana MOISE - Finance Manager between January 01, 2021– December 31, 2021

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

6.3. Shareholders' rights

ROMPETROL WELL SERVICES S.A. ensures an equitable treatment to all shareholders, including minority and foreign shareholders, according to the legal provisions and the provisions of the Company's Articles of Incorporation.

The company makes all diligences to facilitate the shareholders' participation in the proceedings of the general meeting of shareholders (GMS). ROMPETROL WELL SERVICES shareholders have the possibility to participate in the GMS directly, through a representative based on a special power of attorney or may vote by correspondence (by sending the correspondence vote form through any form of courier service or by e-mail with extended electronic signature incorporated according to Law no. 455/2001 regarding electronic signature).

According to article 11 of the Company's Articles of Incorporation, corroborated with the legal applicable provisions, the **Ordinary General Meeting** meets at least once a year within the imperative term provided by law, and has the following main duties:

- a) to discuss, approve or amend the annual financial statements, based on the reports submitted by the board of directors and the financial auditor, and to set the dividend;
- b) to elect and revoke the company's directors;
- c) to name and set the minimum term of the financial audit agreement, and to revoke the financial auditor;
- d) to set for each year in progress the remuneration due to directors;
- e) to decide on the directors' management;
- f) to analyse the activity of the board of directors and decide to prosecute the directors for the damages caused to the company, also designating the person in charge with exercising such prosecution;

- g) to establish the income and expense budget and as the case may be the activity program, over the next financial year;
- h) to decide the pledging, lease or dissolution of one or more units of the company;
- i) to approve the maximum limits of remuneration of the persons occupying/exercising management positions, when law so provides.

The Extraordinary General Meeting has the following duties:

- a) change the company's legal form;
- b) move the company's headquarters;
- c) change the company's object of activity;
- d) establish or dissolve secondary headquarters: branches, agencies, representative offices or other such units devoid of legal status unless otherwise provided through the articles of incorporation;
- e) extend the company's duration;
- f) increase the share capital;
- g) decrease the share capital or replenish it through an issuance of new shares;
- h) merge with other companies or divide the company;
- i) early dissolve the company;
- j) convert shares from one category to another;
- k) convert a category of bonds in another category or in shares;
- l) issue bonds;
- m) approve the adoption/conclusion on behalf of the company of the legal deeds whose object has a value higher than USD 10,000,000;
- n) any other amendment of the articles of incorporation or any other decision for which the approval of the extraordinary general meeting is required.

The extraordinary general meeting delegates to the board of directors the exercise of the duties provided under letters b) and c) of the above paragraph.

The extraordinary general meeting may delegate to the board of directors the share capital increase according to the provisions of Law no.24/2017.

Performance of the General Meeting of Shareholders

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

When proposals to amend the articles of incorporation are mentioned on the agenda, the call shall include the full text of proposals.

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

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

The general meeting is chaired by the Chairman of the Board of Directors or a person appointed by them, designating, from among the members of the general meeting or from among the company's shareholders, one to three secretaries, plus one technical secretary from among the employees. They shall draft the shareholders' attendance list, verifying the following:

- the identity documents of the persons coming to the meeting of the General Meeting as shareholders or proxies thereof;
- the special/general power of attorney presented by the lawyers' proxies;
- the correspondence vote forms.

The meeting secretary shall also verify the performance of the legal conditions regarding the presence quorum of shareholders for the validity of general meetings.

If the ordinary or extraordinary general meeting cannot work because of the failure to meet the attendance legal conditions, the meeting will assembly on a second call may debate on the items on the agenda of the first assembly, irrespective of the met quorum, making decisions with the majority of expressed votes.

After the presentation of the materials related to the agenda, the matters subject to the shareholders' debate are subject to vote by the Meeting Chairman.

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

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

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

Decisions adopted by the general meetings of shareholders during the year 2021:

The Ordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of January 28, 2021 decided as follows:

- rejects the change of the destination of the other reserves and the retained earnings from the company's net profit obtained by the company in the preceding years amounting to 84,370,865 lei and the distribution of this amount as a special dividend to shareholders with a value of 0.3033 lei gross / share and the date of payment of dividends as of June 24th 2021.
- approves the termination of Mr. Timur Zhetpisbayev's mandate as a member of the Board of Directors following his request starting with the 9th of September 2020.
- approves the termination of Mr. Saduokhas Meraliyev's mandate as a member of the Board of Directors following his request starting with the 1st of October 2020.

- approves the Election of 2 (two) new members of the Board of Directors of the Company, as follows:
 - a. Mr. UTEKOV YEDIL, as new member of the Board of Directors of the Company for a term that will begin with the date of this Ordinary General Meeting of Shareholders and which will expire on 29th of April 2022 (the expiration date of the term of office of the current members of the Board of Directors).
 - b. Mr. DOSZHANOV ABZAL, as new member of the Board of Directors of the Company for a term that will begin with the date of this Ordinary General Meeting of Shareholders and which will expire on 29th of April 2022 (the expiration date of the term of office of the current members of the Board of Directors).
- approves, setting the dates 04.06.2021 as Registration Date, according to art. 86 (1) of the Law no. 24/2017;
- approves, setting the dates 03.06.2021 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018;
- approves empowering Mr. Abzal Doszhanov, 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 purposes

The Extraordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of January 28, 2021 decided as follows:

- rejects the policy of distribution of the company's profit and dividend in accordance with the proposals of the company's shareholder KJK Balkan S.a.r.l.
- approves the policy of distribution of the company's profit and dividend in accordance with the proposals of the company's shareholder KMG International NV.
- approved, setting the dates 04.06.2021 as Registration Date, according to art. 86 (1) of the Law no. 24/2017;
- approved setting the date 03.06.2021 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018.
- approved the authorize Mr. Abzal Doszhanov, 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.

The Extraordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of March 29, 2021 decided as follows:

- approves ratification of the execution by the Company with OMV Petrom of the “ Framework Agreement and Subsequent Contract for Provision of Matrix stimulation (acidizing) services.”
- approves, setting the dates 14.04.2021 as Registration Date, according to art. 86 (1) of the Law no. 24/2017
- approves, setting the dates 13.04.2021 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018

- approves empowering Mr. Abzal Doszhanov, 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.
- rejects a program for re-purchasing the own shares by the Company to decrease its share capital for a maximum 27,819,090 shares (representing 10% of the total number of shares) in the following conditions:
 - a) The program shall be performed only for the decrease of the Company's share capital;
 - b) Maximum number of shares that can be redeemed: maximum 27,819,090 shares;
 - c) The minimum price per share shall be 0.1 lei;
 - d) The maximum price per share shall be 1.5 lei;
 - e) Duration of this program: maximum 18 months as of the publishing of the Extraordinary General Shareholders Meeting's Resolution in Part IV of the Romanian Official Gazette;
 - f) The payment of the shares re-purchased by the Company through this program shall be made from the sources provided by the law;
 - g) The re-purchase of the shares within this program will be carried out through all the market operations allowed by the law, which may also include public tender offers initiated by the Company, in compliance with the legal provisions.

For the implementation of this program, the Company's Board of Directors will be empowered to adopt all the necessary measures and to fulfil all the required formalities, in compliance with the above conditions.

- approves empowering Mr. Abzal Doszhanov, 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.

The Ordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of April 26, 2021 decided as follows:

- approves the annual individual financial accounts having as closing day the day of December 31, 2020, prepared according to the International Financial Reporting Standards, based on the Report of administrators and the Report of financial auditor of the Company.
- approves the distribution of Company net profit achieved in 2020 amounting RON 4,362,951 as dividends respective 0.0156833 lei gross value/share.
- approves the change of the destination of the reserves constituted from the net profit of the company obtained in the previous years in the amount of RON 29,210,045 and the distribution of this amount as dividends to shareholders, respectively RON 0.1050 gross / share.
- approves the discharge of liability of the Company directors for their activity carried out during the financial year 2020, based on the presented reports.
- approves the Income and Expenditure Budget and the Investment plan for 2021.
- rejects the Remuneration policy of the management structure of the Company drafted in accordance with the provisions of art. 92¹ of Law no. 24/2017 on issuers of financial instruments and market operations.

- approves the Remuneration policy of the management structure of the Company drafted in accordance with the provisions of art. 92¹ of Law no. 24/2017 on issuers of financial instruments and market operations, according to the proposal of KMG International NV.
- approves the monthly gross remuneration of the members of the Board of Directors for the financial year 2021, and the general limit of the additional remuneration of the Board of Directors members to whom specific positions within the Board of Directors were assigned to.
- approves, setting the dates 18.06.2021 as Registration Date, according to art. 86 (1) of the Law no. 24/2017;
- approves, setting the dates 17.06.2021 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018;
- approves, setting the dates 08.07.2021 as the Payment day according to art. 86 (2) of the Law 24/2017, art. 2 para. 2 letter h) and art. 178 of Regulation 5/2018
- approves empowering Mr. Abzal Doszhanov, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this OGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.

The Ordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of October 20, 2021 decided as follows:

- rejects the revocation of the company's administrators for non-compliance with the provisions of art. 94 para. (1) lit. b) of Law no. 24/2017, respectively of art. 111 para. (1) lit. b) of Law no. 24/2017, republished.
- rejects the dismissal of the company's auditor, Ernst & Young Assurance Services SRL, for non-compliance with the provisions of art. 94 para. (1) lit. b) of Law no. 24/2017, respectively of art. 111 para. (1) lit. b) of Law no. 24/2017, republished.
- rejects election Mr. Lefter Razvan Stefan of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.
- rejects election Mr. Ventseslav Petrov Avramov of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.
- rejects election Mr. Yedil Utekov of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.
- rejects election Mr. Abzal Doszhanov of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.
- rejects election Mrs. Olga Turcanu of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.
- rejects election Mr. Eugeniu Moby Henke of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.

- rejects election Mr. Laurentiu Madalin Coltanel of company administrators, for a term of office of 2 years, starting with the date of election of the administrators and ending at the end of the 2-year term from the date of their election.
- rejects the appointment of the financial auditor of the company for a period of 2 years starting from the date of election of the financial auditor and ending at the end of the 2-year term from the date of his election.
- rejects the remuneration of the newly elected administrators, which will have a value equal to the value previously approved by the general meeting of shareholders of the company.
- approves, setting the dates 09.11.2021 as Registration Date, according to art. 87 (1) of the Law no. 24/2017
- approves, setting the dates 08.11.2021 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018
- approves empowering Mr. Abzal Doszhanov, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this OGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.

The Extraordinary General Meeting of Shareholders of ROMPETROL WELL SERVICES S.A. of October 20, 2021 decided as follows:

- approves, setting the dates 09.11.2021 as Registration Date, according to art. 87 (1) of the Law no. 24/2017.
- approves, setting the dates 08.11.2021 as the “ex-date”, according to art. 2, para. 2, letter l) of Regulation no. 5/2018
- approves empowering Mr. Abzal Doszhanov, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this EGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.

Shareholders’ right to dividends

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

6.4. Transparency, communication, financial reporting

Romp petrol Well Services gives special importance to transparency in communication. Considering that public trust is essential for the company’s operation, the Company makes of its communication policy an explicit and mutual commitment between the company and its interlocutors. The performance of reporting obligations and communication transparency are manners by which investors’ trust is gained.

The company considers to ensure continuous and periodical reporting in an objective and honest manner comprising all the important aspects of the company’s activity, the financial statements, the applied accounting policies, the registered performances.

In 2021 reports and press releases regarding the financial results, the GMS call and decision, the periodical reporting (monthly, quarterly, bi-annual, annual) etc were prepared. The information which made the object of mandatory reporting – current and periodical reporting was communicated to the market operator, the Bucharest Stock Exchange, the Financial Supervision Authority and was available by posting on the Company's website, rompetrolwellservices.kmginternational.com in the Relationships with Investors Section.

To ensure the investors' equal access to information, the posting on the Company's web site of the reports and releases addressed to market participants is made after they were posted on the web site of the market operator, the Bucharest Stock Exchange.

According to legal provisions, financial and accounting situations and those regarding Rompetrol Well Services operations are audited by Ernst & Young Assurance Services SRL, independent financial auditor, appointed by the general meeting of shareholders of April 27, 2020 for a period of 2 year.

Contact for the relationship with investors

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

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

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

6.5. Social responsibility

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

Community involvement

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

Social responsibility and sustainability are core principles that guide us in our strategic development and operational management. We strive to become one of the most sustainable

players in the national and regional energy market, while being constantly involved in the communities in which we operate.

Our commitment to environmental protection, economic development and social involvement is deeply rooted in our global and local operations, as we understand our important role and our valuable contribution to achieving the Sustainable Development Goals (SDGs) included in the United Nations 2030 Agenda for Sustainable Development.

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

Community and corporate partnerships

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

Education is an important pillar for our social responsibility strategy. We have collaborated with universities and high schools with technical profile from all over the country (eg. the Petroleum-Gas University of Ploiești, the Lazăr Edeleanu Technological High School), who have supported us in our various educational investment projects.

2021 marked the 20th anniversary of the "Ready for Your Career" internship program, with Ploiesti university students being enrolled. For 20 years we have been training future industry professionals through our traditional Internship program. Due to the challenging external context, this year's edition was a hybrid between face-to-face and online activities. After comprehensive induction sessions designed to help interns better understand the oil and gas industry, Rompetrol's activities, the fundamentals of an upstream activity and its economic implications, the interns went through 2 weeks of online study, followed by on-site training provided by mentors at Rompetrol Well Services platform. The online curricula consisted in the development of soft skills: communication, project management, personal branding and other skills required at the start of the career, while on-site learning was focused on technical skills development. The anniversary edition of the program went beyond knowledge transfer and skill development and included a shared value component, the "Community Challenge" project which provoked the interns to also bring change in their communities by addressing real needs and humanitarian causes.

7. Annexes

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

b) *resignation/demission documents, if such situations existed among administration members, executive management, censors;*
In the reporting year, intervened the request of Mr. Abzal Doszhanov to give up the director capacity starting with October 18, 2021.

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

d) *list of the persons affiliated to the company*

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

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

The affiliated parties are presented bellow:

1. Companies with headquarter in Romania
 - Oilfield Exploration Business Solutions S.A.
 - Rom petrol Downstream S.R.L.
 - Rom petrol Rafinare S.A.
 - Rom petrol Logistics S.R.L.
 - Rominserv S.R.L.
 - Rom Oil S.A.
 - Global Security Sistem S.A.
 - Uzina Termoelectrică Midia S.A.
 - Rom petrol Petrochemicals S.R.L.
 - Rom petrol Quality Control S.R.L.
 - Rom petrol Financial Group S.R.L.
 - Rom petrol Gas S.R.L.
 - Midia Marine Terminal S.R.L.
 - KMG Rom petrol S.R.L.
 - Byron Shipping S.R.L.
 - Rom petrol Energy S.A.
 - KMG ROMPETROL DEVELOPMENT S.R.L.
 - Fondul de Investitii in Energie Kazah-Roman S.A.
 - KMG Rom petrol Services Center SRL
 - Rom petrol Drilling S.R.L. - suspended activity

2. Companies with headquarter abroad

- KMG International N.V.
- Byron Shipping LTD
- Intreprinderea Mixtă "Rompetrold Moldova" S.A.
- Rompetrol Georgia LTD
- Rompetrol France SAS
- Dyneff SAS
- TRG PETROL TICARET ANONIM ŞIRKETI
- Rompetrol Bulgaria JSC
- KazMunayGaz Trading A.G.
- Benon Rompetrol LLC

Note: there are also 9 branches and representative offices ale KMG International Group

CHAIRMAN OF THE BOARD OF DIRECTORS,

Mr. Yedil UTEKOV

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GENERAL MANAGER,


Mr. Georgian Stefan FLOREA

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FINANCE MANAGER,


Mrs. Luiza Roxana MOISE

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Annex no. 1
**Turnover by type of services
 For periods ending at 2019, 2020 and 2021**

Type of service	2019		2020		2021	
	Actual Value (RON)	%	Actual Value (RON)	%	Actual Value (RON)	%
1	2	3	4	5	6	7
Cementing-Pumping services	42.242.753	63.9%	27.361.114	57.4%	24.543.531	55.0%
Stimulation services	15.606.617	23.6%	15.243.166	32.0%	14.872.756	33.3%
Nitrogen services	5.362.406	8.1%	2.817.566	5.9%	2.305.249	5.2%
Casing Running services	926.174	1.4%	638.161	1.3%	563.528	1.3%
Tools Rental services	350.358	0.5%	33.127	0.1%	38.831	0.1%
Sand Control Services	298.269	0.5%	43.086	0.1%	0	0.0%
Other services	1.349.192	2.0%	1.531.598	3.2%	2.273.261	5.1%
TOTAL	66.135.769	100%	47.667.818	100%	44.597.156	100%

PRESIDENT OF THE BOARD OF DIRECTORS,
Mr. Yedil Utekov


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GENERAL MANAGER,
Mr. Georgian Stefan Florea

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FINANCE MANAGER,
Mrs. Luiza Roxana Moise

 DocuSigned by:

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

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

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

B.3. Among its responsibilities, the audit committee should undertake an annual assessment of the system of internal control.		Partial compliance	See comments presented at B.6.
B.4. The assessment should consider the effectiveness and scope of the internal audit function, the adequacy of risk management and internal control reports to the audit committee of the Board, management's responsiveness and effectiveness in dealing with identified internal control failings or weaknesses and their submission of relevant reports to the Board.		Partial compliance	See comments presented at B.6.
B.5. The audit committee should review conflicts of interests in transactions of the company and its subsidiaries with related parties.		Partial compliance	The Regulation of the Audit Committee approved contains provisions in relation to this obligation. The Regulation of the Audit Committee will be revised to include provisions on the evaluation of conflict of interest in connection with the Company's transactions with the affiliated parties.
B.6. The audit committee should evaluate the efficiency of the internal control system and risk management system.		Partial compliance	The responsibility to monitor the efficiency of internal control systems, internal audit and risk management of the company is stipulated in the Regulation of the Audit Committee. Audit Committee evaluates on a continuous bases components of the internal control system.
B.7. The audit committee should monitor the application of statutory and generally accepted standards of internal auditing. The audit committee should receive and evaluate the reports of the internal audit team.	YES		
B.8. Whenever the Code mentions reviews or analysis to be exercised by the Audit Committee, these should be followed by periodical (at least annual), or ad-hoc reports to be submitted to the Board afterwards.	YES		
B.9. No shareholder may be given undue preference over other shareholders with regard to transactions and agreements made by the company with shareholders and their related parties.	YES		
B.10. The Board should adopt a policy ensuring that any transaction of the company with any of the companies with which it has close relations, that is equal to or more than 5% of the net assets of the company (as stated in the latest financial report), should be approved by the Board following an obligatory opinion of the Board's audit committee, and fairly disclosed to the shareholders and potential investors, to the extent that such transactions fall under the category of events subject to disclosure requirements.		Partial compliance	According to the Articles of Incorporation art. 15 alin. 1 letter k, all transactions that respect the mentioned criteria are approved by the Board si are included in current reports according art. 108 Law 24/2017 (R)

B.11. The internal audits should be carried out by a separate structural division (internal audit department) within the company or by retaining an independent third-party entity.	YES		
B.12. To ensure the fulfillment of the core functions of the internal audit department, it should report functionally to the Board via the audit committee. For administrative purposes and in the scope related to the obligations of the management to monitor and mitigate risks, it should report directly to the chief executive officer.	YES		
C.1. The company should publish a remuneration policy on its website and include in its annual report a remuneration statement on the implementation of this policy during the annual period under review. Any essential change of the remuneration policy should be published on the corporate website in a timely fashion.	YES		
D.1. The company should have an Investor Relations function - indicated, by person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:	YES		
<ul style="list-style-type: none"> D.1.1. Principal corporate regulations: the articles of association, general shareholders' meeting procedures; 	YES		
<ul style="list-style-type: none"> D.1.2. Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and nonexecutive Board positions in companies and not-for-profit institutions; 		Partial Compliance	The recommendation is not implemented as concerns other professional commitments of the Board's members, including executive and non-executive positions in the boards of administration of other companies or non-profit institution.
<ul style="list-style-type: none"> D.1.3. Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 – including current reports with detailed information related to non-compliance with the present Code 	YES		
<ul style="list-style-type: none"> D.1.4. Information related to general meetings of shareholders: the agenda and supporting materials; the procedure approved for the election of Board members; the rationale for the proposal of candidates for the election to the Board, together with their professional CVs; shareholders' questions related to the agenda and the company's answers, including the decisions taken; 	YES		

<ul style="list-style-type: none"> • D.1.5. Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions; 	YES		
<ul style="list-style-type: none"> • D.1.6. The name and contact data of a person who should be able to provide knowledgeable information on request; 	YES		
<ul style="list-style-type: none"> • D.1.7. Corporate presentations (e.g. IR presentations, quarterly results presentations, etc.), financial statements (quarterly, semiannual, annual), auditor reports and annual reports. 	YES		
D.2. A company should have an annual cash distribution or dividend policy, proposed by the CEO or the Management Board and adopted by the Board, as a set of directions the company intends to follow regarding the distribution of net profit. The annual cash distribution or dividend policy principles should be published on the corporate website.	YES		
D.3. A company should have adopted a policy with respect to forecasts, whether they are distributed or not. Forecasts means the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.		NOT	The requirement will be implemented.
D.4. The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next general meeting of shareholders.	YES		
D.5. The external auditors should attend the shareholders' meetings when their reports are presented there.	YES		
D.6. The Board should present to the annual general meeting of shareholders a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.	YES		



ROMPETROL WELL SERVICES

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www.petros.ro
www.rompetrol.com

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

CHAIRMAN OF THE BOARD OF DIRECTORS,

Mr. Yedil Utekov

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GENERAL MANAGER,

Mr. Georgian Stefan Florea

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Florea Georgian
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FINANCE MANAGER,

Mrs. Luiza Roxana Moise

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Luiza Moise
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AFFIDAVIT

The undersigned, **Yedil Utekov**, in capacity of Chairman of the Board, **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, to the best of our knowledge, the annual financial accounting statements on December 31, 2020 prepared in compliance with the applicable accounting standards offer an accurate and true image of the assets, liabilities, financial standing, profit and loss account of the Company and, the Report of the Board of Directors comprise a correct analysis of the Company's development and performance, as well as a description of the main risks and uncertainties specific to the performed activity.

Chairman of the Board of Directors,

Yedil Utekov

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General Manager

Georgian Stefan Florea

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Florea Georgian
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Finance Manager,

Roxana Luiza Moise

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Luiza Moise
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S.C. Rompetrol Well Services S.A.

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