

## RAPORT PUNCT 2 AGOA

Prezentarea de către consiliul de administrație al societății a unui raport scris care să cuprindă o prezentare a prețului serviciilor dedicate de asistență în management și de consultanță tehnică de specialitate contractate de societate de la KMG Rompetrol - S.R.L. în anii 2020, 2021 și 2022 comparativ cu prețul de piață al serviciilor respective.

Serviciile dedicate de asistenta in management si de consultanta tehnica de specialitate reprezinta refacturare de costuri de personal pentru activitatea de management si consultanta tehnica prestata de KMG Rompetrol in beneficiul Rompetrol Well Services (RWS). Printre activitatile desfasurate in perioada 2020 – 2022 in beneficiul RWS de catre personalul KMG Rompetrol se numara:

- activitate de management general / consultanta pentru managerul general
- activitatea desfasurata de specialistii (management strategic, management de proiecte, management de resurse umane, coordonator de mediu etc)

Costurile refacturate reprezinta de fapt pretul platit anterior catre personalul salariat, care din punct de vedere al preturilor de transfer reprezinta un furnizor independent pentru serviciile respective, fiind asadar la valoare de piata. Avand in vedere ca refacturarile de costuri sunt efectuate catre RWS de catre KMG Rompetrol fara adaugarea unei marje de profit, aceasta inseamna ca preturile utilizate pentru aceasta categorie de servicii sunt preturile negociate si agreeate de doua persoane independente (persoana fizica independenta si KMG Rompetrol) si care sunt prin definitie la valoare de piata.

Nepracticarea unei marje de profit in cadrul tranzactiei de refacturare intre partile afiliate este motivata de urmatoarele:

- pretul practicat in cadrul tranzactiei intre persoane afiliate este pretul negociat si agreeat intre doua parti

## REPORT POINT 2 OGMS

The presentation by the company's board of directors of a written report containing a presentation of the price of the dedicated services of management assistance and specialized technical consultancy contracted by the company from KMG Rompetrol - S.R.L. in the years 2020, 2021 and 2022 compared to the market price of the mentioned services.

Dedicated assistance in management, consulting and specialized technical services represent recharge of the costs incurred with the personnel involved in performing the management and technical consultancy provided by KMG Rompetrol for the benefit of Rompetrol Well Services (RWS). Among the activities carried out by KMG Rompetrol's personnel for the benefit of RWS covering the period 2020 - 2022 are represented by:

- general management / consultancy activities for the general manager
- activities performed by specialists (strategic management, project management, human resources management, environmental coordinator etc)

The recharged costs actually represent the price paid before to the hired personnel, which, according to the transfer pricing legislation, represents an independent supplier for the respective services, being considered therefore at market value. Considering that the recharge of costs is carried out by KMG Rompetrol for the benefit of RWS, without adding a profit margin denotes that the prices used for this category of services are the prices negotiated and agreed by two independent parties (independent natural person and KMG Rompetrol) and which are, by definition, at market value.

The non-application of a profit margin to the transaction referring to the recharge of costs transaction between related parties is determined by the following arguments:

- the price charged in the transaction between related persons is the price



- independente care este prin definitie la valoarea de piata;
- serviciile care au facut obiectul refacturarii intre parti afiliate au fost furnizate de catre o parte independenta iar KMG Rompetrol nu a adaugat valoare asupra lor astfel incat sa se justifice aplicarea unei marje de profit;
  - KMG Rompetrol actioneaza in cadrul prezentei tranzactii numai ca un intermediar care suporta initial anumite costuri dupa care le deconteaza mai departe;
  - in final, prin aplicarea acestei metodologii, beneficiarul final al serviciilor refacturate - RWS, ajunge sa suporte un cost la valoarea de piata, negociat intre parti independente.

In plus fata de aceste considerente, articolul 7.36 din Liniile directoare ale OCDE prevede faptul ca refacturarile de costuri pentru tranzactii efectuate in beneficiul partilor afiliate, sub forma de intermediere sau de agent, trebuie sa fie realizate fara marja aplicata valorii tranzactiei respective (in cazul de fata serviciilor refacturate). Astfel, refacturarile de costuri sunt la nivelul preturilor practicate intre persoane independente, prin definitie aflate la valoarea de piata.

Avand in vedere considerentele mai sus prezentate, preturile de transfer practicate in cadrul tranzactiei constand in refacturarea de costuri ocazionate initial in raport cu parti independente catre RWS de catre KMG Rompetrol respecta principiul valorii de piata asa cum este acesta definit de legislatia din Romania si de Liniile directoare ale OCDE.

Mai mult, in scopul validarii de catre autoritatile fiscale a modelului de stabilire a preturilor de transfer, KMG Rompetrol a obtinut in anul 2021, cu aplicare din 2020, doua acorduri de pret in avans pentru serviciile de *consultanta in management si servicii de consultanta tehnica, servicii de vanzari si distributie, servicii de marketing, servicii IT, servicii de asistenta in domeniul financiar* –

negotiated and agreed upon between two independent parties. Thus, the price in this situation is considered to be at market value, by definition;

- the services that were the subject of the recharge of costs between related parties were provided by an independent party and KMG Rompetrol did not add value to the services in such a way as to justify the application of a profit margin;
- In this transaction, KMG Rompetrol acts only as an intermediary who initially bears certain costs and then passes them on;
- finally, by applying this methodology, the final beneficiary of re-invoiced services - RWS, ends up bearing a cost at market value, negotiated between independent parties.

In addition to these considerations, article 7.36 of the OECD Transfer Pricing Guidelines stipulates that the recharge of costs for transactions carried out for the benefit of related parties, in the form of an intermediary or an agent, must be carried out without applying a margin to the value of the respective transaction (in this case: the re-invoiced services). Thus, the recharge of costs is at the level of prices utilized between independent parties, which are, by definition, at market value.

Considering the aspects presented above, the transfer prices applied in the transaction consisting in the recharge of costs initially incurred by KMG Rompetrol in relation to independent parties passed through to RWS respects the arm's length principle, as it is defined by Romanian Tax legislation and the OECD Transfer Pricing Guidelines.

Moreover, for the purpose validation with the Tax Authorities of the transfer pricing model used, KMG Rompetrol obtained in 2021, with application starting from 2020, two Advance Pricing Agreements for *management consulting and technical consulting services, sales and distribution, marketing, IT, assistance in the financial - accounting field, internal communication, human resources, legal*

contabil, servicii de comunicare interna, servicii de resurse umane, servicii de asistenta juridica, servicii de conformitate, servicii de inchiriere sisteme informatice si de comunicatii si servicii de inchiriere. Acordurile de pret in avans obtinute privesc relatia comerciala cu 2 entitati afiliate din grupul KMG International, altele decat RWS.

Prin urmare, chiar daca aceste acorduri de pret in avans nu sunt in mod specific pe relatia comerciala KMG Rompetrol – RWS, metodologia de stabilire a pretului serviciilor practicate de catre KMG Rompetrol in relatia cu RWS a fost indirect validata avand in vedere ca prestarea serviciilor catre entitatile afiliate se efectueaza in baza unui contract-cadru care cuprinde aceeasi termeni, conditii si metodologie de formare a pretului.

assistance, compliance, IT and communication systems rental services. The Advance Pricing Agreements obtained refer to the commercial relationship of two related parties within the KMG International Group, others than RWS.

Therefore, even if these Advance Pricing Agreements are not obtained specifically for the commercial relationship of KMG Rompetrol and RWS, the pricing methodology for the services rendered by KMG Rompetrol to RWS was indirectly validated considering that the performance of services by KMG Rompetrol to related parties are carried out based on a framework agreement that includes the same terms, conditions and pricing methodology for all the entities within the Group.

**Președinte al Consiliului de Administrație / Chairman of the Board of Directors**

**Batyrzhan Tergeussizov**

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**Director General/General Manager**  
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