

**ANNUAL REPORT
OF THE BOARD OF DIRECTORS
FOR THE 2023 FINANCIAL YEAR**

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

Company

ROMPETROL WELL SERVICES S.A.

Headoffice:	Ploiesti - str. Clopotei nr. 2 bis
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Fax:	0244/522913
Fiscal Identification Code:	RO 1346607
No. in the Trade Register:	J29/110/05.03.1991
Transaction market:	BUCHAREST STOCK EXCHANGE
The subscribed and paid-up capital:	27.819.090 lei

The main characteristics of securities issued by the company

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

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1. Analysis of the company's activity

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

In 2023, the upstream market continued to see low investment and work levels from customers. Purchase prices for the goods and services contracted by the company, for the performance of current activities, continued their upward trend, and delivery times recorded fluctuations, as a result of the regional context.

Rompetro Well Services (RWS) managed to secure its leading position in the specific market segment through the diversity and flexibility demonstrated in offering specialized services aligned to the requirements of each individual client. RWS provides a wide range of services for oil and natural gas wells (cementation, stimulation, well casing operations, etc.).

	-RON		
	2021	2022	2023
Operational income, out of which:	45.961.135	53.228.897	73.487.511
Rendered services	44.185.085	52.295.150	72.067.998
Operational expenses, out of which:	(46.227.637)	(53.825.976)	(62.682.833)
Depreciation and Amortization	(3.996.830)	(4.895.557)	(5.921.961)
Adjustments on provisions, net	(545.161)	717.751	(47.250)
Net financial income	2.040.690	3.474.405	3.050.169
EBIT	1.774.188	2.877.328	13.854.847
Net result	1.629.634	2.449.517	11.767.863
Availability in the cash-pooling system	55.022.238	46.117.041	50.730.823
Payroll – Number of employees	149	133	135

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

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

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

b) Specifying the date of establishment of the company

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

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

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

During 2023 and 2022, respectively, there were no mergers or reorganizations of the company.

d) Description of acquisitions and/or disposals of assets

The Company's purchases were mainly represented by equipment necessary for the current activity. Thus, the equipment modernization program continued in 2023, focusing on updating technologies for cementing and well stimulation services. The company has not disposed of assets with significant accounting value.

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

1.1.1. Elements of general assessment:

a) profit:

At the end of 2023, Rompetrol Well Services records a positive result (profit) of 11,767,863 lei, 380% higher than the level of profit recorded in the previous year.

b) turnover:

In 2023, the turnover was 72,563,673 lei, 38% higher than the one recorded at the end of 2022, respectively 14% higher than the budgeted one. The impact was generated by an increase recorded in the area of secondary cementing services, as well as by an alignment of tariffs with current market conditions.

c) export:

In 2023, the Company provided services in Denmark, based on specific contract. The turnover obtained from these activities was in the amount of 404,263 RON.

d) costs:

In 2023, the operating expenses adjusted with elements of the nature of provisions were in the amount of 62,635,583 lei, 15% higher than those registered in the previous year, their evolution being influenced both by the direct costs related to the basic activity (cement, additives, equipment maintenance and repairs).

e) own market share %;

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

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

From the point of view of liquidity, the Company maintained the ability to cover current liabilities from current assets, the current liquidity indicator reaching a level of 4.85 on December 31, 2023.

1.1.2. Evaluation of the technical level of the company

Description of the main rendered services

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

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

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

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

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

The share of each category of services in the turnover for the years 2021, 2022, 2023 is presented as follows:

Type of service	2021		2022		2023	
	Actual value (RON)	%	Actual value (RON)	%	Actual value (RON)	%
1	2	3	4	5	6	7
Cementing-Pumping services	24.543.531	55.0%	34.845.343	66.0%	57.540.957	79.3%
Stimulation services	14.872.756	33.3%	13.930.332	26.4%	10.661.775	14.7%
Nitrogen services	2.305.249	5.2%	1.533.679	2.9%	2.537.335	3.5%
Casing Running services	563.528	1.3%	704.998	1.3%	742.348	1.0%
Tools Rental services	38.831	0.1%	130.603	0.2%	75.642	0.1%
Other services	2.273.261	5.1%	1.623.091	3.1%	1.005.617	1.4%
TOTAL	44.597.157	100%	52.768.046	100%	72.563.673	100%

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

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

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

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

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

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

1.1.4. Evaluation of the selling activity

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

The evolution of revenues is presented in the following table:

	2021	2022	- RON 2023
Sales by activities, out of which:	44.597.157	52.768.046	72.563.673
Income from services provided	44.450.951	52.295.150	72.067.998
Income from sale of goods	146.206	472.896	495.675

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

It is estimated that during the year 2024 the Company will register a level of sales similar to 2023. As before, the Company's flexibility in terms of the type of services provided, together with a strong financial position, including cash availability, will allow it to maintain a high level of activity.

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

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

The main competitors of the Company in terms of primary cementing activity are: Schlumberger, Halliburton, Baker Hughes.

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

It can be stated that ROMPETROL WELL SERVICES depends on the position of OMV - PETROM BUCUREȘTI S.A., a customer that represents over 65% of the company's sales. To reduce this risk of dependence, the company aims to increase the share of special well services provided to other E&P players on the local market and expand the activity on the foreign market.

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

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

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

The staff structure as of December 31, 2023 is as follows:

Total number of staff, of which:	145
- high education	63
- with secondary education	10
- skilled workers	72

The degree of labor unionization is 90.34%.

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

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

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

The QHSE (Quality, Health, Safety, and Environment) management system of Rompetrol Well Services reflects the provisions of a comprehensive set of current legal requirements, based on detailed internal procedures and risk assessments. All company employees are covered by the current QHSE management system.

To enhance the company's health and safety performance, specific measures were implemented during the 2023 reporting period:

- Quarterly meetings of the Health and Safety Committee
- Safety audits, BBS (Behavior-Based Safety) audits, and the annual Safety Audit plan involving management
- Internal audit plan for 2023
- Investigation of incidents according to Romanian legislation
- Job Safety Analysis (JSA) and risk assessment for all operations
- Mandatory training, professional training through the Annual Training Plan

As part of its QHSE management system, the company provides awareness campaigns for road safety, GPS monitoring of the fleet, and defensive driving programs to ensure transportation safety (indicators are reported in weekly management meetings).

Risk assessments are conducted in accordance with Romanian legislation and undergo periodic review and updates whenever there is a process change or new risks are identified. The risk register is updated quarterly, and employees are encouraged to report risks during regular training sessions, either directly or anonymously through the SSM mailbox in each unit. In case of incidents, the company applies the QHSE responsibility policy, which involves a "stop work" practice without blaming any employees.

Health and safety training is regularly provided in compliance with current legislation:

- Training on legal requirements (monthly)
- Professional training matrices
- Other professional training for skill development (forklift drivers, professional drivers, IWCF, Bosiet, etc.) included in the Annual Training Plan
- Road safety training

HSE hazards of products and risk control for employees and contractors are communicated through training on safety data sheets. Furthermore, to monitor, track, evaluate, and manage product-related incidents, the company uses procedures, simulations, and training such as:

- Policy on hazardous substances;
- Communication of chemical hazards;
- Handling of chemical products;
- Storage and disposal of chemical substances;
- Chemical exposure.

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

With 236,867 hours worked in 2023, Rompetrol Well Services did not record any loss time injuries or workplace accidents.

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

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

The company's activities, both at the headquarters in Ploiești and at all branches and workplaces nationwide, strictly adhere to current environmental legislation, thus avoiding any potential litigation resulting from non-compliance with current laws.

The company conducts periodic checks to ensure compliance with environmental requirements according to the environmental permits for its workplaces nationwide to avoid penalties or fines that could be imposed for not meeting obligations in this field. Additionally, the company has observed an increasing focus from suppliers and customers on environmental aspects, prompting a commitment to identifying sustainable solutions to reduce ecological footprints.

Ensuring compliance with current environmental regulations is a complex process through which the company conducts a detailed assessment of activities impacting the environment, both for on-site technological processes and documentation, identifying any non-conformities and proposing solutions for compliance, prevention, or reduction of environmental impact.

In July 2023, an audit of the Integrated Management System (environment, quality, safety, and health at work) was carried out by DNV Business Assurance, confirming Rompetrol Well Services S.A.'s full compliance with ISO 9001:2015, ISO 14001:2015, and ISO 45001:2018 standards. The company conducts annual internal audits of environmental, quality, and health and safety management at all its bases, as well as inspections at client locations. In 2023, the company underwent a QHSE (Environment, Emergency Situations, Health and Safety at Work) audit by the KMG Group, achieving a score of 90.5% (a 2.15% increase from 2022), corresponding to the rating "Excellent."

In December 2023, Rompetrol Well Services S.A. revised his Environmental Permit No. PH-66 for the Ploiești headquarters. Annual endorsements for environmental permits were also obtained for the company's other workplaces.

Rompetro Well Services has set several environmental objectives, including:

- Monitoring and reporting environmental indicators required for the Sustainability Report
- Eliminating all types of waste identified within the company through authorized firms
- Optimizing electricity and gas consumption by using LED lamps and new low-consumption heating systems
- Reducing paper consumption through electronic archiving
- Periodic monitoring of waste collection areas and safe storage
- Training personnel working for and on behalf of the organization in environmental protection
- Preventing any accidental pollution
- Continuing the process of renewing the fleet with new-generation vehicles equipped with Euro 6 engines, contributing to the reduction of emissions into the atmosphere
- Training all staff on waste sorting, reducing specific consumption, and particularly implementing the company's environmental policy and objectives

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

According to Law No. 105/2006 and Emergency Ordinance No. 196/2005 regarding obligations to the Environmental Fund, Rompetrol Well Services S.A. pays monthly fees for pollutant emissions into the atmosphere from fixed sources and an annual fee for packaging introduced into the market, following declarations of obligations to the Environmental Fund.

1.1.7. Evaluation of the research and development activity

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

In 2023, the Company did not record research and development expenses.

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

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

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

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

More details regarding risks faced by the Company are presented in the Financial Statements for the year 2023, in Note 23.

1.1.9. Elements of perspective regarding the company's activity

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

The activity carried out by the Company did not cause dysfunctional cash flows, being compensated by the efficiency of the management of existing liquidity. Commitments to suppliers were paid rhythmically. The registered arrears do not present the risk of significant penalties. As of December 31, 2023, the Company is not involved in litigation regarding the payment of outstanding debts. The company ensured permanent efficiency in honoring contracts throughout the country.

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

The main objectives for 2024

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

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

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

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

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

A share of 79% of the increase recorded in tangible assets, in the amount of 2.2 million RON, is represented by the purchase and/or modernization of the installations and equipment used in the operations carried out at the drilling wells and other ancillary operations, as well as laboratory equipment.

Approximately 21% of the total investments made by the Company in 2023 concerned works carried out in order to rehabilitate and modernize operational bases and replace IT equipment.

The company secured its own financial resources for the full implementation of the investment budget for 2023.

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

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

During the past year, Rompetrol Well Services carried out a number of 95 primary cementing operations, 319 secondary cementing operations and 389 stimulation operations, a total number higher than the one recorded in the previous year. Thus, the volume of operations performed for the company's clients increased by 18% compared to the level of 2022.

2. The tangible assets of the company

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

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

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

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

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

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

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

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

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

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

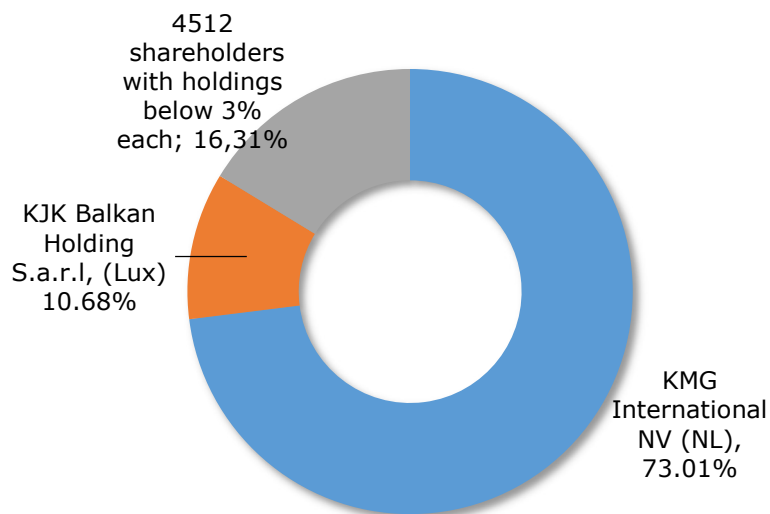
3.1. Specifying the markets in Romania and other countries where the securities issued by the company are traded.

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

As of 31.12.2023 the share capital is 27,819,090 lei, equivalent to 278,190,900 shares with a nominal value of 0.10 lei/share and is distributed among the holders as follows:

1. KMG INTERNATIONAL N.V. Netherlands	20.311.015 lei (73,0111 %)
2. KJK BALKAN HOLDING S.a.r.l Luxembourg	2.970.995 lei (10,6797 %)
3. Other shareholders (4512 shareholders)	4.537.080 lei (16,3092 %)

Shareholder structure



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

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

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

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

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

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

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

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

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

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

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

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

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

For the financial year ended on December 31, 2021, EGMS from 27.04.2022 approved the distribution as dividends of the net profit in the amount of 1,629,634 lei, as a dividend, respectively 0.005857970 gross lei/share and at the same time approved the change in the destination of the reserves constituted by the company's net profit obtained in previous years in the amount of 15,977,937 RON and the distribution of this amount as dividends to shareholders, respectively 0.057435153 RON gross/share, as well as the change in the destination of the amount of 29,935,254 RON from other reserves and the distribution of this amount as dividends to shareholders, respectively 0.107606877 RON gross/action. Thus, for the year 2021, the total value of the dividend was 0.1709 lei gross/share.

For the financial year ended on December 31, 2022, EGMS from 26.04.2023 approved the distribution as dividends of the net profit in the amount of 2,449,517 lei, as a dividend, respectively 0.008805 gross lei/share.

For the financial year ended on December 31, 2023, EGMS from 25(26).04.2024 is to decide on the way to distribute the profit. The proposal of the Board of Directors is to distribute the net profit as dividends in the amount of 11,767,863 RON, respectively 0.042301 gross lei/share.

Until December 31, 2023, the Company paid the following dividends:

- 94% of the gross dividend approved for the 2020 financial year;
- 93% of the gross dividend approved for the 2021 financial year;
- 93% of the gross dividend approved for the 2022 financial year

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

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

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

Not applicable.

3.5. If the company has issued bonds and/or other debt securities, the presentation of how the commercial company pays its obligations to the holders of such securities.

Not applicable.

4. Management of ROMPETROL WELL SERVICES S.A.

According to the Articles of Association, the Company is managed by a Board of Directors composed 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 2023, the Board of Directors had the following members: Yedil Utekov, Stefan Georgian Florea, Vasile Gabriel Manole, Olga Turcanu, Eugeniu Moby Henke, elected by the General Meeting of Shareholder on 27.04.2022 for a 4-year term starting with 30.04.2022.

Through the Decision of the Board of Directors no. 1 from 02.05.2022, Yedil Utekov was elected as the Chairman of the Board of Directors starting on 30.04.2022.

Through the Decision of the Board of Administration no. 1 from 02.05.2022 starting from 30.04.2022 Georgian Stefan Florea was appointed General Manager and Roxana Luiza Moise was appointed Financial Manager, for a mandate equal to that of the administrators who appointed them.

On 20.03.2023, Mr. Yedil Utekov resigned from the mandates of President and member of the Board of Directors and member of the Audit Committee starting on 01.05.2023 (last day of mandate being 30.04.2023).

In the General Meeting of Shareholders dated 26.04.2023, Mr. Batyrzhan Tergeussizov was elected a member of the Company's Board of Directors for a term that begins on 01.05.2023 and expires on 30.04.2026 (the date of the expiration of the mandate of the other members of the Board of Administration).

Through the Decision of the Board of Administration no. 1 of 02.05.2023, Mr. Batyrzhan Tergeussizov was elected President of the Board of Directors starting from 01.05.2023.

Thus, as of the end of 2023, the composition of the Board of Directors is as follows:

Batyrzhan Tergeussizov – the Chairman of the Board of Directors

Georgian Stefan Florea – Member / General Manager

Olga Turcanu – Member

Vasile Gabriel Manole – Member

Eugeniu – Moby Henke – Member

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

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

• Yedil Utekov - Kazakh citizen, born in 1976

Chairman of the Board of Directors for the period 30.04.2022 - 30.04.2023.

Term of office: 30.04.2022 – 30.04.2023.

Yedil Utekov graduated from the Faculty of Chemical Engineering of Natural Resources and Hydrocarbons from the Astrakhan State Technical University in Russia and started his career in the oil and gas industry in 2001 as a process operator at the Akasaraisky Gas Processing Plant from Russia, following that between September 2001 and June 2002 he became an operator for

ZAO Intergaz Central Asia, Kazakhstan. Later, starting from June 2002, his career growth started from the position of engineer at the Atyrau Refinery and went to Manager for Ecology, Health and Safety Technology. Between April 2005 and April 2010, he worked at Agip KCO, in Atyrau, Kazakhstan, the last position he held within this company was that of Group Coordinator for Technical Control and Inspection, between August 2008 and April 2010.

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

- Batyrzhan Tergeussizov - Kazakh citizen, born in 1984
Chairman of the Board of Directors for the period 01.05.2023 - 31.12.2023.
Term of office: starting with 01.05.2023 until 30.04.2026.

Mr. Batyrzhan Tergeussizov has graduated from Almaty University of Power Engineering and Telecommunication, Electrical Engineering faculty and holds a master's degree in Business Administration (MBA) from Maastricht School of Management / Almaty Management University. Before joining the Group, Mr. Tergeussizov held the position of General Manager of Linde Gas Kazakhstan TOO for more than seven years and had successfully managed the entity's business activities in Kazakhstan and Central Asia. Before this position, Mr. Batyrzhan Tergeussizov had several management roles within Siemens TOO, such as Country Division Lead - Energy Service Division, Business Unit Lead - Services for Oil & Gas and Industrial Application, and Head of Service Group.

- Georgian Stefan Florea- Romanian citizen, born in 1982
Member of the Board of Directors during the period 30.04.2022 – 31.12.2023
Term of office: 4 years starting on 30.04.2022

He graduated from the Ploiesti University of Oil and Gas. Mr. Florea holds a Master's degree in reservoir engineering obtained at the Ploiesti University of Petroleum and Gas.

Georgian Stefan Florea has been with Rompetrol Well Services since 2007, successfully fulfilling his duties in such roles as - initially at the operational level, holding the positions of petroleum engineer DST division, field engineer at the cementing division, petroleum engineer technical department, representative of Rompetrol Well Services & Rompetrol SA in Kurdistan, Sales Coordinator and up to management level, Deputy General Manager of Rompetrol Well Services since March 2018.

- Olga Turcanu - Romanian citizen, born in 1979
Member of the Board of Directors between 30.04.2022 - 31.12.2023.
Term of office: 4 years starting on 30.04.2022.

Olga Turcanu studied international economic relations and economic law at the Academy of Economic Sciences of Moldova having the bachelor and master levels. In 2013, Olga Turcanu was accepted as a Member of the Association of Chartered Certified Accountants (ACCA), and starting from 2018 she has the status of an Fellow ACCA.

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

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

- Vasile Gabriel Manole - Romanian citizen, born in 1980
Member of the Board of Directors between 30.04.2022 – 31.12.2023.
Term of office: 4 years starting on 30.04.2022.

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

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

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

• Eugeniu – Moby Henke - Romanian citizen, born in 1973;
Member of the Board of Directors in the period 30.04.2022- 31.12.2023.
Term of office: 4 years starting on 30.04.2022.

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

He has professional experience in the following fields:

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

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

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

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

According to the Register of shareholders of the company, consolidated on 31.12.2023, issued by the Central Depository, none of the Administrators participates in the share capital of the Company.

d) the list of people affiliated with the company.

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

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

For each, the presentation of the following information:

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

During 2023, the management of the Company was delegated to the following Managers:

Role	Name and surname	Period
<i>General Manager</i>	<i>FLOREA GEORGIAN STEFAN</i>	<i>01.01.2023 - 31.12.2023</i>
<i>Financial Manager</i>	<i>MOISE LUIZA ROXANA</i>	<i>01.01.2023 - 31.12.2023</i>

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

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

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

According to the Register of shareholders of the company, consolidated on 31.12.2023, issued by the Central Depository, no member of the Executive Management participates in the share capital of the Company.

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

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

5. The financial-accounting situation

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

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

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

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

Summary of the patrimonial elements:

	2021	2022	- RON 2023
Total Assets, out of which:	153.439.577	123.254.400	125.397.777
Fixed assets	39.255.033	51.247.292	49.138.507
Current assets	114.184.544	72.007.108	76.259.270
Total Liabilities, out of which:	153.439.577	123.254.400	125.397.777
Share capital, out of which:	28.557.446	28.557.446	28.557.446
Paid-up subscribed capital	27.819.090	27.819.090	27.819.090
Legal reserves	5.563.818	5.563.818	5.563.818
Other equity	103.068.569	56.728.487	55.515.450
Current result	1.629.634	2.449.517	11.767.863
Debts due under one year	12.531.044	19.095.172	15.722.168
Debts due above one year	2.089.065	10.859.960	8.271.032

b) profit and loss account

Summary of income and expenditure elements:

	2021	2022	- RON 2023
Total income, out of which:	48.700.607	57.879.281	77.369.727
Operational income	45.961.136	53.228.897	73.487.511
Financial income	2.739.471	4.650.384	3.882.216
Total expenditure	46.926.418	55.001.954	63.514.880
Operational expenditures, out of which:	46.227.637	53.825.975	62.682.833
- expendable supply	11.406.887	15.250.181	19.654.780
- staff expenses	16.573.739	19.427.316	21.212.561
- assets depreciation expenses	3.996.830	4.895.557	5.921.961
- other expenses	14.250.811	14.252.922	15.893.531
Financial expenses	698.781	1.175.979	832.047
Gross result - profit	1.774.188	2.877.328	13.854.847
Current and deferred profit tax	144.554	427.811	2.086.984
Net result - profit	1.629.634	2.449.517	11.767.863

Summary of the achievement of budget indicators:

	Achieved – previous year	2023	
		Budget provisions	Achieved
Total income, out of which:	57,879,281	67,416,065	77.369.727
Operational income	53,228,897	64,358,549	73.487.511
Financial income	4,650,384	3,057,516	3.882.216
Total expenditure, out of which:	55,001,954	57,218,065	63.514.880
Operational expenditures	53,825,975	56,900,828	62.682.833
Financial expenditures	1,175,979	317,237	832.047
Gross profit	2,877,328	10,198,001	13.854.847
Current and deferred profit tax	427,811	1,369,196	2.086.984
Net profit	2,449,517	8,828,805	11.767.863

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

Treasury cash flow situation, synthesis - indirect method

	- RON		
	2021	2022	2023
Net result before taxation and extraordinary items	1.774.189	2.877.328	13.854.847
Operational profit before changes in working capital	2.987.443	3.350.624	15.707.518
Net cash from operational activities	3.951.124	37.284.325	7.642.050
Net cash from investing activities	27.765.571	9.524.158	(1.554.398)
Net cash from financing activities	(31.640.781)	(46.543.997)	(5.930.827)
Net variation in cash and cash equivalents	74.975	263.829	157.075
Unrealized exchange rate differences	1.139	657	(251)
Cash and cash equivalents at the beginning of the financial year	151.117	227.231	491.717
Cash and cash equivalents at the end of the financial year	227.231	491.717	648.542

In 2023, both the performance of contracts with customers and suppliers was managed in conditions of financial balance, as well as the provision of all liquidity for the full and timely payment of salary rights, budget debts and dividends. All investment projects were financed from own sources, except for the two twin pump cementing units, that were acquired through a finance lease. In addition to the cash highlighted at the end of the financial year, the availability from the main account, from the cash-pooling system, in the amount of 50,730,823 RON, can be used without restrictions.

Name of the indicator	2021	2022	2023
Current liquidity indicator	9,11	3,77	4,85
The speed of rotation of debits-customers	120	102	86
The speed of rotation of fixed assets	1,14	1,03	1,48
The indicator of the degree of indebtedness	0.4%	12.1%	8.7%

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

6. Corporate Governance

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

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

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

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

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

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

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

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

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

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

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

- g) designates and/or revokes the persons who act as representatives of the Company in relations with the banks, with the right of first signature, respectively with the right of second signature; the joint signature rules shall apply accordingly to the making of any payment made for and on behalf of the Company;
- h) approves the conditions for contracting any type of loans from a bank and/or financial institution, as well as from any other legal entity;
- i) approves the interim financial statements of the company, drawn up according to the law;
- j) approves the company's marketing strategy and investment plan, as well as the annual budget (investment expenses and operational expenses), upon the joint proposal formulated by the General Manager and the Financial Manager;
- k) submits the application for the opening of the company's insolvency procedure, according to law no. 85/2014 regarding the insolvency procedure;

During 2023 the Board of Directors had the following composition:

- Yedil UTEKOV - Chairman during 01.01.2023 – 30.04.2023
- Batyrzhan TERGEUSSIZOV - Chairman during 01.05.2023 – 31.12.2023
- Eugeniu Moby HENKE - Member during 01.01.2023 – 31.12.2023;
- Georgian Stefan FLOREA - Member during 01.01.2023 – 31.12.2023;
- Olga TURCANU - Member during 01.01.2023 – 31.12.2023;
- Vasile Gabriel MANOLE - Member during 01.01.2023 – 31.12.2023

6.1. Information about the members of the Board of Directors

The CVs of the members of the Board of Directors of Rompetrol Well Services SA are available on the company's website at <https://rompetrolwellservices.kmginternational.com/en/investor-relations/corporate-governance/board-of-directors>. Additional information can be found in section 4.1 of this report.

According to the criteria for evaluating the independence of the non-executive members of the Board of Directors, on 31.12.2023, none of the Administrators meets the independence criteria provided by the principles and recommendations of the Code.

During 2023, a number of 14 meetings of the Board of Directors took place and 23 decisions were adopted, the participation of Administrators in these meetings being as follows: Yedil Utekov – 5 meetings, Batyrzhan Tergeussizov – 8 meetings, Eugeniu-Moby Henke - 14 meetings, Olga Turcanu – 14 meetings, Georgian Stefan Florea – 14 meetings, Vasile Gabriel Manole - 14 meetings.

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

For the financial year ended on December 31, 2023, in accordance with the legal provisions, the administrators' remuneration was approved by the Ordinary General Meeting of Shareholders on 26.04.2023.

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

The company has a Financial Auditor who carried out his activity in accordance with the applicable legal provisions and the contracts concluded in this regard. Since 2008, the financial auditor is "Ernst & Young Assurance Services SRL". The financial auditor audited the annual financial statements.

The general meeting of shareholders dated 27.04.2022 appointed the audit firm Ernst & Young Assurance Services SRL as financial auditor for the financial years 2022 and 2023, the duration of the audit contract being 2 (two) years, starting from the date of the GMS.

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

Name	Company	Job position	Period
Yedil Utekov	Rompetrol Rafinare SA *	Chairman BoD	01.05.2018-30.04.2023
	Rominserv S.R.L.*	Member BoD	15.09.2020-30.04.2023
	Rompetrol Energy S.A. *	Chairman BoD	01.10.2020 – 30.04.2023
Batzrzhan Tergeussizov	Rompetrol Rafinare SA *	Chairman BoD	01.05.2023-31.12.2023
	Rompetrol Rafinare SA *	Membru of Strategy Committee	03.05.2023-30.04.2026
	Rompetrol Downstream SRL*	Member BoD	08.05.2023-09.09.2024
	Rominserv SRL*	Chairman BoD	01.02.2023 – 01.02.2027
	Rompetrol Energy SA*	Chairman BoD	01.03.2023 – 31.01.2026
	Rompetrol Georgia*	Member BoD	11.05.2023 - indefinite
Olga Turcanu	KMG Rompetrol SRL*	Financial Manager	07.07.2019 - indefinite
Vasile Gabriel Manole	Rominserv SRL*	Financial Manager	01.07.2019 – indefinite
	Rompetrol Renewable SRL*	Financial Manager	01.02.2023-28.10.2026
	Oilfield Exploration Business Solutions (former Rompetrol SA)*	Financial Manager	01.06.2013 - indefinite
	Fondul de Investitii in Energie Kazah-Roman SA	Member Committee of initiating investments	17.01.2023 – 17.01.2027

* Company member of KMG International Group

Advisory Committees

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

The Audit Advisory Committee composition was approved by Decision no. 2 of the Board of Directors from May 2, 2023.

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

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

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

During 2023 the Audit Committee had the following composition:

- Dan Alexandru Iancu - Chairman during 01.01.2023-31.12.2023
- Yedil Utekov - Member during 01.01.2023 - 30.04.2023
- Batyrzhan Tergeussizov - Member during 01.05.2023 - 31.12.2023
- Olga Turcanu - Member during 01.01.2023 – 31.12.2023

Information on the meetings of the Audit Committee during 2023

In 2023, there were 7 meetings of the Audit Committee and 7 decisions were adopted, the actual participation in these meetings being as follows: Dan Alexandru Iancu - 7 meetings, Olga Turcanu - 6 meetings, Yedil Utekov - 1 meeting and Batyrzhan Tergeussizov – 4 meetings.

6.2. Executive Management

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

In 2023, the Executive Management of the Company was carried out by the following Managers:

- Stefan Georgian FLOREA – General Manager during 01.01.2023 - 31.12.2023;
- Luiza Roxana MOISE - Financial Manager during 01.01.2023 – 31.12.2023.

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

6.3. Shareholders' liabilities

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

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

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

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

The Extraordinary General Meeting has the following duties:

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

n) any other amendment to the Articles of Association or any other decision for which the approval of the Extraordinary General Meeting is required.

The Extraordinary General Meeting delegates to the Board of Directors the fulfillment of the powers provided for in letters b) and c) of the above paragraph.

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

Conducting the General Meeting of Shareholders

The General Meeting of Shareholders is convened by the Administrators whenever necessary, by publishing an announcement in the Official Gazette of Romania, Part IV, and in one of the local or national newspapers of wide circulation in the locality where it is located company headquarters. The summons will include: the place, date and time of the meeting, the agenda with the explicit mention of all the issues that will be the subject of the meeting's debates, a clear and precise description of the procedures that must be followed by the shareholders in order to be able to participate and vote in the general meeting and any other mentions provided by the legislation specific to the capital market.

When the agenda includes proposals for amending the constitutive act, the convocation will have to include the full text of the proposals.

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

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

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

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

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

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

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

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

Each share gives the right to one vote during the General Meetings. The person who represents several shareholders on the basis of special powers of attorney expresses the votes of the

persons represented by totaling the number of votes "for", "against" and "abstentions" without compensating them (e.g. "on item x on the agenda I represent " a" votes "for", "b" votes "against" and "c" "abstentions"). The votes expressed in this way are validated or, as the case may be, invalidated, based on the third copy of the special proxies, by the Secretary of the general meeting. The votes registered in the special power of attorney are exercised only in the manner desired by the shareholder.

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

Decisions adopted by the general meetings of shareholders during 2023:

Ordinary General Meeting of ROMPETROL WELL SERVICES S.A. Shareholders of **April 26, 2023** decided the following:

- approves of the annual individual financial accounts having as closing day the day of December 31,2022, prepared according to the International Financial Reporting Standards, based on the Report of administrators and the Report of financial auditor of the Company.
- approves of the allocation of the profits, determined according to the law, as well as the distribution of dividends for 2022 financial year, respective 0.008805 lei gross value/share;
- rejects of the change of the destination of the reserves constituted from the net profit of the company obtained in the previous years (retained earnings) in the amount of RON 12,854,939.98955, and the distribution of this amount as dividends to shareholders, respectively RON 0.0462091 gross / share;
- rejects of the change of the destination amount of RON 25,831,972.40130 from other reserves and the distribution of this amount as dividends to shareholders, respectively RON 0.0928570 gross / share;
- approves the Income and Expenditure Budget and the Investment plan for 2023;
- approves the monthly gross remuneration of the members of the Board of Directors for the financial year 2023, and the general limit of the additional remuneration of the Board of Directors members to whom specific positions within the Board of Directors, as follows:
 - a monthly gross remuneration of 2.564 USD for the Chairman of the Board of Directors;
 - a monthly gross remuneration of 1.709 USD for the Members of the Board of Directors;
 - a monthly net remuneration of 2.000 RON for the Chairman of the Audit Committee;
 - a monthly net remuneration of 1.000 RON for the Members of the Audit Committee.
- approves of the Remuneration Report for the Company's management structure, for 2022, submitted to the consultative vote of the OGMS;
- approves of the discharge of liability of the Company directors for their activity carried out during the financial year 2022, based on the presented reports;
- approves the termination of Mr. Yedil Utekov's mandate as a member of the Board of Directors following his request starting with the 01st of May 2023 (last day in office being April 30, 2023);
- approves the election of Mr. Batyrzhan Tergeussizov as a member of the Board of Directors of the Company for a mandate starting with 01.05.2023 and will expire on 30.04.2026 (the date of expiry of the mandate of the current members of the Board of Directors);
- approves 22.06.2023 as Registration Date, according to art. 87 (1) of the Law no. 24/2017;
- approves 21.06.2023 as Ex Date, according art. 2 para. 2 letter l from Regulation no. 5/2018;
- approves 12.07.2023 as Payment Date, according art. 87 para. 2 of the Law no. 24/2017;

- approves empowering Mr. Stefan Georgian Florea, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this OGMS and to carry out any and all requisite proceedings for such adopted resolutions to be registered, rendered enforceable, against third parties and published, the said proxy being entitled to subdelegate third parties to act for such purpose.

Ordinary General Meeting of ROMPETROL WELL SERVICES S.A. Shareholders of **July 20, 2023** decided the following:

- rejects to hold the directors of the company liable for the damages in the estimated amount of 3,769,106 lei caused by them to the company through the conclusion by Rompetrol Well Services - S.A. of the contracts regarding the dedicated services of management assistance and specialized technical consultancy and the designation of the shareholder KJK Balkan Holding S.à.r.l. for the commencement of the legal action against de liable directors of the company.
- rejects the instruction to the management of Rompetrol Well Services - S.A. and to its employees with responsibilities related to the company's control and accounting to calculate the amounts paid by the company to KMG Rompetrol - S.R.L., as a result of the company's conclusion of the contracts regarding the dedicated services of management assistance and specialized technical consultancy, in order to calculate the damages caused to the company by concluding and performing the mentioned contracts;
- rejects the election of the directors of the company for a mandate of 2 years, which begins on the date of election of the directors and which ends at the end of the term of the 2 years from the date of their election, in order to replace the directors against whom the liability action for damages is initiated.
- 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 the following dates:
- (i) 09.08.2023 as Registration Date, according art. 87 para. (1) from Law no. 24/2017
- (ii) 08.08.2023 as *Ex Date*, according art. 2 para. 2 letter. 1 from Regulation no. 5/2018.
- approves empowering Mr. Stefan Georgian Florea, General Manager and member of the Board of Directors, to conclude and/or sign for on behalf of the Company and/or of its shareholders the resolutions which are to be adopted within this 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.

Shareholders' right to dividends

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

6.4. Transparency, communication, financial reporting

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

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

During 2023, reports and press releases related to the financial results, the convocation and decision of the GMS, periodic reporting (monthly, quarterly, half-yearly, annual), etc., were prepared. The information that was the subject of the mandatory reports - the current and periodic reports were communicated to the market operator, the Bucharest Stock Exchange, the Financial Supervisory Authority and were available by posting on the Company's website, rompetrolwellservices.kmginternational.com in the Investor Relations Section.

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

In accordance with the legal provisions, the financial and accounting statements and those regarding the operations of Rompetrol Well Services S.A. are audited by Ernst & Young Assurance Services SRL, independent financial auditor, appointed by the general meeting of shareholders on 27.04.2022 for a period of 2 years.

Contact for Investor Relations

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

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

The Company has continuously adapted the internal control mechanism as a set of procedures and work methods with the aim of preventing facts contrary to the economic interests of the Company and the regulated framework for carrying out the activity, identifying deficiencies and establishing the necessary measures to restore the framework regulated. It mainly concerns financial relationships, phenomena and processes, with the aim of ensuring a good functioning of the economic activity. Also, the aspects of opportunity, necessity and efficiency of the operations carried out by the Company are analyzed. In terms of financial reporting procedures, both internal and external reporting procedures are developed at the level of the Company. The procedures are reviewed periodically by the functional departments of the Company. Financial reporting systems are based on principles, rules and legal regulations in force.

6.5. Social responsibility

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

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

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

Sustainability

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

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

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

In 2023 RWS obtained a rating from Sustainalytics, as a Low Risk company, positioned in the top 5% of all companies in the energy services industry.

Involvement in the communities

Over the years, Rompetrol Well Services S.A. has developed strong partnerships with representatives from academia and civil society, aiming to strengthen the 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 opportunities for sustainable development.

In 2023, Rompetrol Well Services, in partnership with the Blejoi Commune City Hall, set up a learning space in the schoolyard, reading rooms, and donated books, textbooks, and chessboards for study. Through the "Chess in School" project, chess lessons were organized both physically and online, visits and open hours were held, chess competitions for children from the counties of Constanța, Prahova, as well as nationally and internationally. The company supported the development of a chess manual for the first, second, and third years of study, which were printed and distributed to children both in urban and rural areas nationwide.

In the fall of 2023, over 400 people, including Rompetrol employees and their families, participated in the tenth edition of the Rompetrol Run and Care event, which took place on Saturday, September 23rd in IOR Park in Bucharest, to support the M.A.M.E. Association and their mission. The approximately 3000 kilometers covered are converted into liters of fuel, which will be donated by Rompetrol to support the M.A.M.E. Association, an organization that has been providing support, counseling, and psycho-socio-medical recovery for sick children and those with limited material resources and their families since 2009.

In partnership with the Humanitarian Organization "CONCORDIA," Rompetrol Well Services continued to support the activities of children in foster care in Prahova County and young people in social housing or enrolled in vocational training courses.

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

2023 marked the 23rd anniversary of our traditional career-ready internship program, where we have been training future industry professionals for the past 22 years. Trainees enrolled in the program were given introductory sessions through theoretical modules aimed at helping to better understand the oil and gas industry, the fundamentals of an upstream activity and its economic implications, followed by on-site training provided of mentors on the Rompetrol Well Services platform. The trainees assigned to Rompetrol Well Services received, at the end of the two-month program, two certifications: one as a graduate of the Rompetrol "Career Ready" program and one as a graduate of the personal development program, carried out together with partners from the Leaders Foundation.

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

7. Annexes

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

Not applicable.

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

On 20.03.2023, Mr. Yedil Utekov requested to take note of his resignation from the mandates of President and member of the Board of Directors and member of the Audit Committee, starting from 01.05.2023 (last day of mandate being 30.04. 2023).

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

d) list of affiliates of the company¹

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

The parent companies of Rompetrol Well Services S.A. (shareholders of National Company "KazMunayGas" JSC) are the national company JSC Sovereign Investment Fund of Kazakhstan "Samruk-Kazyna" (67.42%), the National Bank of the Republic of Kazakhstan (9.58%) and Ministry of Finance of the Republic of Kazakhstan (20%) - being companies based in Kazakhstan, wholly owned by the State of Kazakhstan and listed shareholders (3%).

The affiliated parties are indicated below:

1. Companies with the headquarter in Romania
 - Oilfield Exploration Business Solutions S.A.
 - Rompetrol Downstream S.R.L.
 - Rompetrol Rafinare S.A.
 - Rompetrol Logistics S.R.L.
 - Rominserv S.R.L.
 - Rom Oil S.A.
 - Global Security Sistem S.A.
 - Midia Green Energy S.A.³
 - Rompetrol Petrochemicals S.R.L.
 - Rompetrol Quality Control S.R.L.
 - Rompetrol Financial Group S.R.L.
 - Rompetrol Gas S.R.L.
 - Midia Marine Terminal S.R.L.
 - KMG Rompetrol S.R.L.
 - Byron Shipping S.R.L.
 - Rompetrol Energy S.A.
 - KMG ROMPETROL DEVELOPMENT S.R.L.
 - Fondul de Investitii in Energie Kazah-Roman S.A.
 - KMG Rompetrol Services Center SRL⁴
 - Rompetrol Renewables S.R.L.⁵

2. Companies with the headquarters abroad
 - KMG International N.V.⁶
 - Byron Shipping LTD
 - Intreprinderea Mixtă "Romp petrol Moldova" S.A.
 - Rompetrol Georgia LTD
 - Rompetrol France SAS
 - Dyneff SAS

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

² Named Rompetrol Group until March 2014

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

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

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

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

- TRG PETROL TICARET ANONIM ŞİRKETİ
- Rompetrol Bulgaria JSC
- KazMunayGaz Trading A.G.
- DPPLN SAS (Depot Petrolier de Port-la-Nouvelle SAS)
- Dyneff Retail SAS
- DYNEFF ESPAGNE SL;
- DYNEFF GAS STATIONS NETWORK SL;
- DYNEFF Trading SL;
- EPPLN SAS;
- NATGAS France SAS;
- BIO ADVANCED ENERGY SAS;
- DP FOS SA;
- SPR SA;
- ANEO SAS;
- BOISSONNADE COMBUSTIBLES SAS;
- "Paul ORRIOLS" COMBUSTIBLES DE CERDAGNE SAS;
- ETS ROSSIGNOL SAS;
- PLANTIER SAS;
- ORCEYRE SAS;
- AUBAC SAS;
- TPDT SARL;
- ABC CARBURANTSALLO BEZIAT CARBURANTS SAS;
- GERAUD-TAMPIER SAS;
- DAVID RECOULES SAS;
- ALEGRI SAS.
- BENON JV
- Neel Fraisse SAS
- Travaux Forestiers Zaplotny SAS;
- Bois Energie des Territoires D'auvergne SAS;
- France Habitat ENR SAS;
- Global'ethic Delta

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

Batyrzhan TERGEUSSIZOV

CHAIRMAN OF THE BOARD OF DIRECTORS

Georgian Stefan FLOREA

GENERAL MANAGER

Luiza Roxana MOISE

FINANCIAL MANAGER

**Status of compliance of the BSE Corporate Governance Code
as of December 31th, 2023**

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 and 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; 	YES		
<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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<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. Batyrzhan Tergeussizov

GENERAL MANAGER,

Mr. Georgian Stefan Florea

FINANCE MANAGER,

Mrs. Luiza Roxana Moise

AFFIDAVIT

The undersigned, **Batyrzhan Tergeussizov**, 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 statements on December 31, 2023 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,
Batyrzhan Tergeussizov

General Manager
Georgian Stefan Florea

Finance Manager,
Roxana Luiza Moise

S.C. Rompetrol Well Services S.A.

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