

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Rompetrol Well Services S.A.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Rompetrol Well Services S.A. (the Company) with official head office in Ploiesti, Clopotei Street, No. 2 bis, identified by sole fiscal registration number RO1346607, which comprise the statement of financial position as at December 31, 2024, and the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of material accounting policy information.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at December 31, 2024, and of its financial performance and its cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016, approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs), Regulation (EU) No. 537/2014 of the European Parliament and of the Council of 16 April 2014 ("Regulation (EU) No. 537/2014") and Law 162/2017 („Law 162/2017"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Code of Ethics for Professional Accountants (including International Independence Standards) as issued by the International Ethics Standards Board for Accountants (IESBA Code) together with the ethical requirements that are relevant to the audit of the financial statements in Romania, including Regulation (EU) No. 537/2014 and Law 162/2017 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

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

For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Description of each key audit matter and our procedures performed to address the matter

Key Audit Matter	How our audit addressed the key audit matter
<p><i>Fair value measurement of equity instruments designated at fair value through other comprehensive income (FVOCI)</i></p> <p>Disclosures on Fair value measurement for investment in equity instruments are included in Note 1.2 h), 1.3 (iii), 1.6 and Note 11 respectively.</p>	
<p>Investments in equity instruments are presented under financial assets having a fair value recognized through other comprehensive income of RON 20,080 thousand as at 31 December 2024.</p> <p>The Company has participations below 10% in Rompetrol Rafinare S.A. (a listed entity) and Rompetrol Logistics S.R.L. (a non-listed entity), as presented in Note 11. Both investments are measured at fair value through other comprehensive income.</p> <p>The fair value of investment held in Rompetrol Rafinare S.A. was measured based on quoted prices in active markets.</p> <p>The investment held in Rompetrol Logistic S.R.L. is measured at fair value of RON 19,160 thousand as at 31 December 2024, for which quoted prices in an active market are unavailable and whose value is determined by internal valuation techniques that generally use non-observable data (level 3 inputs). Applied internal valuation techniques can be subjective in nature, involving various complex assumptions and estimates, that led to a change in the valuation method applied in current year. In this process, some elements had been identified that required restatement of prior periods.</p> <p>As of 31 December 2024, the Company involved an external expert to determine the fair value for the Company's investment in Rompetrol Logistic. The measurement involved significant judgement and estimates.</p>	<p>We audited management's assessment of the fair value of financial assets of RON 20,080 thousand as of 31 December 2024. Specifically, our work included, but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ▪ We analysed the key assumptions used in the valuation report prepared by an external expert, by analysing their consistency with the relevant available market information and the business plans used, as well as the sensitivity analysis of the fair value to changes in the significant assumptions; ▪ We evaluated if the valuation assessment included all factors that influence the fair value of investment at the end of the reporting period and its compliance with International Financial Reporting Standards requirements; ▪ We involved our valuation specialists to assist us in evaluating specific assumptions applied (i.e. the discount rate, marketability discount, minority discount) and methodologies applied in the valuation of the financial asset presented in the valuation report prepared by the external expert, including the management judgement in the valuation method applied; ▪ We checked the mathematical accuracy of the valuation model for determining the fair value of the financial assets considering the ownership percentage; ▪ We evaluated the competence, capabilities and objectivity of management's external valuator. ▪ Specifically for the fair value of financial asset quoted in an active market, we checked the latest available price/share and the mathematical accuracy of the fair value as of 31 December 2024.

Key Audit Matter	How our audit addressed the key audit matter
We considered this matter to be a key audit matter due to the magnitude of the amounts involved, the high level of subjectivity in respect of assumptions underlying the fair value assessment and the significant judgements and estimates that need to be made by management over the determination of the fair value of financial assets not quoted in an active market.	Furthermore, we assessed the adequacy of the Company's disclosures about fair value measurement of equity investments, change of estimate and restatement of prior periods.

Key Audit Matter	How our audit addressed the key audit matter
<i>Assessment for impairment of property, plant and equipment and right of use assets</i>	
Disclosures on property, plant and equipment and right of use assets, including impairment, are presented in Note 1.2 e) and i), 1.3 (ii), Note 8 and Note 18 respectively.	
<p>Property, plant and equipment of RON 22,506 thousand (out of which advances and tangible assets in progress of RON 2,275 thousand) and right of use assets of RON 10,143 thousand are significant to our audit because of the magnitude in the statement of financial position as at 31 December 2024. Also, we considered this matter to be one of most significance in the audit due the high level of subjectivity in respect of assumptions underlying impairment analysis and significant judgements and estimates made by the management.</p> <p>Under the International Financial Reporting Standards, an entity is required to assess whether triggers for potential impairment or reversal of impairment previously recorded exist. The assessment of whether there is an indication that an asset may be impaired, or an impairment may be reversed requires significant judgement, as it involves consideration of various sources of information, including factors related to the economic environment and industry specific factors.</p>	<p>We audited the impairment test performed by management. Specifically, our work included, but was not limited to the following procedures:</p> <ul style="list-style-type: none"> ▪ We analyzed the key assumptions used for estimating the future cash flows, by analysing their consistency with the relevant available market information and the business plans of the Company, as well as the sensitivity analysis of the recoverable amounts to changes in the significant assumptions; ▪ We evaluated if the impairment assessment included all assets for which impairment indicators existed at the end of the reporting period; ▪ We assessed the historical accuracy of management's budgets and forecasts by comparing them to actual performance and to prior years; ▪ We involved our valuation specialists to assist us in evaluating the discount rate applied and methodologies / models used by the Company for the impairment assessment of property, plant and equipment and rights of use assets;

Key Audit Matter	How our audit addressed the key audit matter
<p>In the current year, local industry of oilfield services has recorded a slight recovery, with a different mix of services being performed in the upstream segment (i.e. higher level of primary cementing operations as well as stimulation activities). This aspect had a significant positive effect on the Company's results. However, the upstream segment continued to record relatively low investments and work levels from customers in the area of new well's projects, taking into account the overall evolution of oil and gas industry over the past few years, the volatility of the crude oil price, current macroeconomic and geopolitical context (which have an impact on evolution of interest rates, payroll costs, general increase of prices etc.) that continue to led to uncertainties in the market. These aspects might impact the Company's performance and therefore impairment indicators were identified.</p> <p>As of 31 December 2024, the management has performed an impairment assessment in respect of the Company's property, plant and equipment and rights of use assets. As a result of the impairment assessment, the estimated value in use (VIU) is reasonably higher than the net book value of the assets, resulting in a reversal of the impairment adjustment, of RON 509 thousand, recorded in previous periods.</p> <p>The impairment assessment process is complex, requires significant management judgments and is based on assumptions that are affected by expected future market conditions. For this reason, we have considered this as a key audit matter.</p>	<ul style="list-style-type: none"> ▪ We checked the mathematical accuracy of management's cash flow model for determining the value-in-use and its conformity with the requirements of the International Financial Reporting Standards. <p>Furthermore, we assessed the adequacy of the Company's disclosures about Impairment testing of property, plant and equipment and rights of use assets.</p>

Other information

The other information comprises the Annual Report of the Board of Directors as well as Remuneration Report, but does not include the financial statements and our auditors' report thereon. Management is responsible for the other information.

Our audit opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the Order of the Minister of Public Finance no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters.

Report on Other Legal and Regulatory Requirements

Reporting on Information Other than the Financial Statements and Our Auditors' Report Thereon

In addition to our reporting responsibilities according to ISAs described in section "Other information", with respect to the Annual Report of the Board of Directors and Remuneration Report, we have read these reports and report that:

- a) in the Annual Report of the Board of Directors we have not identified information which is not consistent, in all material respects, with the information presented in the accompanying financial statements as at December 31, 2024;
- b) the Annual Report of the Board of Directors includes, in all material respects, the required information according to the provisions of the Ministry of Public Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments, Annex 1 articles 15 - 19;
- c) based on our knowledge and understanding concerning the Company and its environment gained during our audit of the financial statements as at December 31, 2024, we have not identified information presented in the Annual Report of the Board of Directors that contains a material misstatement of fact.
- d) the Remuneration Report identified above includes, in all material respects, the required information according to the provisions of article 107 (1) and (2) from Law 24/2017 on issuers of financial instruments and market operations.

Declaration on the Report on corporate income tax information for the year 2023

For the financial year ended December 31, 2023, the Company had an obligation, under articles 60²-60⁶ from Annex 1 of the Ministry of Public Finance Order no. 2844/2016 approving the accounting regulations compliant with the International Financial Reporting Standards, with all subsequent amendments, to publish a Report on corporate income tax information. The Company published this report in accordance with the requirements of article 60¹⁰ of the Ministry of Public Finance Order no. 2844/2016 with all subsequent amendments.

Our audit opinion on the financial statements does not cover the Report on corporate income tax information for the year ended December 31, 2023 and we do not express any form of assurance conclusion thereon.

Other requirements on content of auditor's report in compliance with Regulation (EU) No. 537/2014 of the European Parliament and of the Council

Appointment and Approval of Auditor

We were appointed as auditors of the Company by the General Meeting of Shareholders on 25 April 2024 to audit the financial statements for the financial year end December 31, 2024. Total uninterrupted engagement period, including previous renewals (extension of the period for which we were originally appointed) and reappointments for the statutory auditor, has lasted for 17 years, covering the financial periods end December 31, 2008 till December 31, 2024.

Consistency with Additional Report to the Audit Committee

Our audit opinion on the financial statements expressed herein is consistent with the additional report to the Audit Committee of the Company, which we issued on the same date as the issue date of this report.

Provision of Non-audit Services

No prohibited non-audit services referred to in Article 5(1) of Regulation (EU) No. 537/2014 of the European Parliament and of the Council were provided by us to the Company and we remain independent from the Company in conducting the audit.

In addition to statutory audit services and services disclosed in the annual report and in the financial statements, no other services which were provided by us to the Company, and its controlled undertakings.

Report on the compliance of the electronic format of the financial statements, included in the annual separate report with the requirements of the ESEF Regulation

We have performed a reasonable assurance engagement on the compliance of the financial statements presented in XHTML format of Rompetrol Well Services S.A. (the Company) for the year ended 31 December 2024, with the requirements of the Commission Delegated Regulation (EU) 2019 /815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format (the "ESEF Regulation).

These procedures refer to testing the format and whether the electronic format of the financial statements (XHTML) corresponds to the audited financial statements and expressing an opinion on the compliance of the electronic format of the financial statements of the Company for the year ended 31 December 2024 with the requirements of the ESEF Regulation. In accordance with these requirements, the electronic format of the financial statements, included in the annual report should be presented in XHTML format.

Responsibilities of the Management and Those Charged with Governance

The Management of the Company is responsible for the compliance with the requirements of the ESEF Regulation in the preparation of the electronic format of the financial statements in XHTML format and for ensuring consistency between the electronic format of the financial statements (XHTML) and the audited financial statements.

The responsibility of the Management also includes the design, implementation and maintenance of such internal control as determined is necessary to enable the preparation of the financial statements in ESEF format that are free from any material non-compliance with the ESEF Regulation.

Those charged with governance are responsible for overseeing the financial reporting process for the preparation of financial statements, including the application of the ESEF Regulation.

Auditor's Responsibility

Our responsibility is to express an opinion providing reasonable assurance on the compliance of the electronic format of the financial statements with the requirements of the ESEF Regulation.

We have performed a reasonable assurance engagement in accordance with ISAE 3000 (revised) Assurance Engagements Other Than Audits or Reviews of Historical Financial Information (ISAE 3000 (revised)). This standard requires that we comply with ethical requirements, plan and perform our engagement to obtain reasonable assurance about whether the electronic format of the financial statements of the Company is prepared, in all material respects, in accordance ESEF regulation. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material non-compliance with the requirements of the ESEF Regulation, whether due to fraud or error.

Reasonable assurance is a high level of assurance, but it is not guaranteed that the assurance engagement conducted in accordance with ISAE 3000 (revised) will always detect material non-compliance with the requirements when it exists.

Our Independence and Quality Management

We apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, which requires that we design, implement and operate a system of quality management, including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have maintained our independence and confirm that we have met the ethical and independence requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code).

Summary of procedures performed

The objective of the procedures that we have planned and performed was to obtain reasonable assurance that the electronic format of the financial statements is prepared, in all material respects, in accordance with the requirements of ESEF Regulation. When conducting our assessment of the compliance with the requirements of the ESEF Regulation of the electronic reporting format (XHTML) of the financial statements of the Company, we have maintained professional skepticism and applied professional judgement. We have also:

- obtained an understanding of the internal control and the processes related to the application of the ESEF Regulation in respect of the financial statements of the Company, including the preparation of the financial statements of the Company in XHTML format
- tested the validity of the applied XHTML format
- checked whether the electronic format of the financial statements (XHTML) corresponds to the audited financial statements

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

Opinion on the compliance of the electronic format of the financial statements with the requirements of the ESEF Regulation

Based on the procedures performed, our opinion is that the electronic format of the financial statements is prepared, in all material respects, in accordance with the requirements of ESEF Regulation.

On behalf of,

Ernst & Young Assurance Services SRL
15-17, Ion Mihalache Blvd., floor 21, Bucharest, Romania

Registered in the electronic Public Register under No. FA77



Name of the Auditor/ Partner: Ivanovici Alice Andreea
Registered in the electronic Public Register under No. AF3617

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Firma de audit: ERNST & YOUNG ASSURANCE SERVICES S.R.L.
Registrul Public Electronic: FA77

Autoritatea pentru Supravegherea Publică a
Activității de Audit Statutar (ASPAAS)
Auditor financiar: Ivanovici Alice Andreea
Registrul Public Electronic: AF3617

Bucharest, Romania
28 March 2025