

REPORT

OF OIL TERMINAL SA' BOARD OF MANAGERS

**For financial year ended on
the 31st December 2018**

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1. The company' PRESENTATION

1.1 Identification data report and issuer

Board of Directors' annual report issued according to:	<ul style="list-style-type: none"> - Art. 63 of Law no. 24/2017 regarding the financial instruments and market operations - Art. 126 of ASF Regulation no.5/2018 regarding issuers of financial instruments and market operations, Annex no. 15 - Art. 56 of EGO 109/2011 regarding corporate governance of public companies (altered by Law no.111/2016) - Provisions pf Mandate contract regarding the performance indicators monitoring and report
Financial year	Year 2018
Report date	18 March 2019
Commercial company name	OIL TERMINAL S.A.
Social headquarter	No. 2, Caraiman str., CONSTANTA, ROMANIA
Phone/fax number	0040 241 702600 / 0040 241 694833
Unique registering code at the Commerce Registrar Office	RO 2410163
Order number at the Commerce Registrar	J/13/512/1991
The subscribed and paid social capital	58,243,025.30 Lei
Regulated market on which issued securities are traded	Bucharest Stock Exchange, Standard rank
The main characteristics of the securities issued by the commercial company	582,430,253 shares with a nominal value of 0.10 lei, nominative, indivisible, with equal voting right, freely traded in Bucharest Stock Exchange under symbol OIL on 30.01.1998
Applicable accountant regulations	MFP' order no.2844/2016 for Accountant regulations approval according to International standards of financial report
Audit	Individual annual financial situations issued on 31.12.2018 are audited
Report currency	Romanian leu (RON) –all amounts are presented in RON, if not mentioned otherwise

1.2 OIL TERMINAL' main activity

Oil Terminal SA is the largest operator of oil products in Constanta Port, which object of activity includes services supplies regarding receiving, loading, discharging, storage and conditioning of crude oil, oil, petrochemical and liquid chemical products for import, export and transit (cod CAEN 5224- handlings).

1.3. Oil Terminal establishment date

OIL TERMINAL, 120 year-old is a shares company established according to provisions of Law 15/1990 regarding reorganization of state economic companies as independent administrations and commercial companies and Government Decision no.1200/1990 regarding the establishment of stock commercial companies in industry with legal form as stock company.

Accomplishing the criteria of Bucharest Stock Exchange, on 30.01.1998, OIL TERMINAL SA was listed on stock exchange raate, rank I, providing investors safety and security, informational transparency and the possibility to trade shares on an organized market.

Bucharest Stock Exchange applied a new market segmentation, and Oil Terminal' shares were included in Standard category, swince 5 January 2015.

1.4 The company' mission, vision and values

OIL TERMINAL' mission – development of partnership relationships by adapting the offer regarding the services supplies of receiving, storage, conditioning and delivery of crude oil, petroleum, petrochemical and liquid chemical products into and from maritime vessels and river barges, railcars, oil pipelines, loading into trucks and vessels' bunkering, for the clients and interested parties' requirements' satisfaction.

Vision - OIL TERMINAL SA will be a leader of services between oil terminals in the Black Sea area.

OIL TERMINAL SA' **values** are oriented for:

- Focus on clients' needs;
- Excellent services supplies for our clients;
- Flexibility to quickly answer the clients' needs;
- Dedication to the highest professional standards;
- Development, satisfaction and loyalty of our employees;
- Team work is the key for the successful cooperation inside the company for its future development;
- Value increase for shareholders.

1.5 Development strategy and strategic objectives

Oil Terminal SA proposes to keep on being a viable company to implement an overall development strategy on average and long term being structured on the following partial strategies focused on the following strategic objectives:

Partial strategies	Objectives
Investments and maintenance strategies	Achievement of investments and maintenace plans by complying with the execution term and the contracted value
Marketing strategy	Maximization of the company' revenues by promoting Oil Terminal' image as trustful partner
Service supply strategy on technological flow	Appropriate management of the client's product
Organizatorical strategy	Provision of a modern management by implementing and maintaining the risks, control and corporate governance' management processes inside the company

Financial strategy	Best dimensioning and usage of own financing resource by providing the company' development strategy
Staff training strategy	Continuous provision of trained staff, motivated and able to achieve its object of activity
Environment strategy	Prevention and limitation of negative effects on the environment
Strategy for quality, environment, safety and security integrated management systems implementation	Approach of Quality Management Systems as the organization' strategic decision to improve its overall performance and initiatives supply for a long lasting development.

1.6 Shareholding structure

The shareholding' structure on 31 December 2018

Shareholder' name	Shares number	Total nominal value	Contribution (%)
Romanian Satate through the Ministry of Energy	347,257,973	34,725,797.30	59.62%
Dumitrescu Sebastian Valentin	90,806,319	9,080,631.90	15.59%
Legal persons	60,683,255	6,068,325.50	10.42%
Physical persons	83,682,706	8,368,270.60	14.37%
Total capital	582,430,253	58,243,25.30	100,0%

1.7 The company' organization

The company' organization is presented in the flowchart, of pyramidal type, specific for an organizational structure of hierarchical – functional type.

The organizational structure contains the following hierarchical levels:

Shareholders General Assembly

Board of Directors

General Director

Executive Directors

Departments Chiefs

Functional and operational departments chiefs in the General Director' subordination, executive directors and departments' chiefs

Execution staff

According to this organizational structure, the management is achieved by objectives and programs ordered from up to down and executed from down to up, according to efficiency criteria and professional responsibility. Each department has its own responsibilities, being part of the company' Regulation of organization and running, these jointed elements running as a whole.

For the company' staff, the charges, responsibilities and competences are contained in each position' job sheet.

2. IMPORTANT EVENTS

Important events in 2018:

By the Board of Directors' Decision no.3/25.01.2018, it advised the 2-month extension of managers' mandate appointed by the Shareholders General Ordinary Assembly' Decision no.26/24.11.2017.

By the Shareholders General Ordinary Assembly' Decision no.1/28.02.2018, the followings were adopted:

- it approves the Board of Directors' interim members' monthly gross fixed indemnity amount' alteration, provided in the mandate contracts concluded with the company and of managers and directors' remunerations limits, to put in the agreement with the provisions of art. 18 of EGO no.90/2017 regarding some fiscal-budgetary measures, some normative acts' alteration and addition and some terms' prorogation.
- it approves the 2-month period extension of the managers' mandate period, managers appointed by Shareholders General Ordinary Assembly' decision no. 26/24.11.2017.

By the Shareholders General Ordinary Assembly' Decision no.2/28.02.2018, it approves the conclusion of a consulting, legal assistance and representation contract for the contestation of fiscal warehouse cancellation measures.

By the Shareholders General Ordinary Assembly' Decision no.3/28.02.2018, it approved the Budget of Revenues and Expenses for 2018

By the Board of Directors' Decision no.23/01.03.2018, it approved the procedure to start the company' managers' recruitment and selection according to EGO 109/2011 with further alterations and additions.

By the Board of Directors' Decision no.32/19.03.2018, it approved Societatea Oil Terminal SA' Board of Directors' Report for the financial year concluded on 31.12.2017.

By the Board of Directors' Decision no.33/19.03.2018, it approved the Plan of measures for safety of personal character data, issued in order to implement EU Regulation 2016/679' provisions.

By Shareholders General Ordinary Assembly' decision no.5/04.04.2018, the followings were adopted:

- the appointment as the Board of Directors' members, by the cumulative vote method, according to provisions of EGO 109/2011, the followings:
 - Ciprian-Dragos LAZARIU
 - Toma- Bogdan COSTREIE
 - Cristian-Florin GHEORGHE
 - Ramona UNGUR
 - Paul CONONOV
 - Radu Cristian POP
 - Ovidiu -Aurelian ANDREI
 - the recalling from Societatea OIL TERMINAL SA' Board of Directors' members, further the fact they were not re confirmed by cumulative vote, according to art. 32 item (7) of EGO no.109/2011 regarding the corporate governance of public companies, approved with further alterations and additions, the followings:
 - Andrei-Ionut ONOFREI
 - Nicolae CIMPEANU
 - approval of managers mandate period, managers appointed by cumulative vote for a 4-year period.
 - approval of the settling of managers monthly fixed indemnity equal to twice (2) the average of the last 12 months of monthly gross average earning for the activity ran according to the main object of activity recorded in the company at the rank level according to classification of national economy' activities, communicated by the Statistics National Institute, previous the appointment, calculated complying with the provisions of EGO no.79/2017 for alteration and addition of Law no.227/2015 regarding Fiscal Code.
 - approval of mandate contract form and content to be concluded with the company' managers appointed by cumulative vote.
- By the Shareholders General Ordinary Assembly' Decision no.6/04.04.2018, it approved the maintenance of guarantees structure related to additional act no.6/28.07.2017 of credit contract no.C12002013014744/05.09.2013 for the credit line increase from 5,000,000 RON to 10,000,000 RON up to the present facility going on due date, namely 01.09.2018.

By the Shareholders General Ordinary Assembly' Decision no.43/13.04.2018, it appointed as Chairman of the Board of Directors, Mr. Gheorghe Cristian – Florin. Societatea Oil Terminal SA' Board of Directors' Chairman mandate period is 4 years, since the appointment date as manager, namely until 03.04.2022.

By the Shareholders General Ordinary Assembly' Decision no.44/13.04.2018, it settled the components of advisory committees running inside the Board of Directors as follows:

Audit Committee: UNGUR Ramona – Chairman, LAZARIU Ciprian – Member, POP Radu – Member

Nomination and Remuneration Committee: COSTREIE Toma-Bogdan – Chairman, POP Radu – Member, ANDREI Ovidiu Aurelian – Member, UNGUR Ramona – Member, CONONOV Paul – Member

Development and Strategies Committee: ANDREI Ovidiu Aurelian – Chairman, LAZARIU Ciprian – Member, UNGUR Ramona – Member, COSTREIE Toma-Bogdan – Member, CONONOV Paul – Member

By the Shareholders General Ordinary Assembly' Decision no.9/25.04.2018, the followings were adopted:

- approval of the financial situations for 2017, issued according to International Financial Reporting Standards (IFRS)
- approval of the financial year 2017' annual report issued according to CNVM Regulation 1/2006.
- approval of net profit for financial year 2017 in an amount of 5,478,961 lei' distribution, as follows:

Legal reserves	286,751 lei
Other reserves representing fiscal facilities provided by law	179,857 lei
Employees participation to profit	501,235 lei
Dividends to be paid to shareholders	4,511,118 lei
Own financing source	0 lei

- approval of settling of gross dividend per share for 2017 as 0.00774534 lei/share.
- approval of settling the date of 06.06.2018 as dividends payment date to shareholders.
- approval of payment methods.
- approval of the empowerment of the Board of Directors to appoint the payment agent according to regulation framework applicable for dividends payment.
- approval of managers' management discharge for the activity run in the financial year 2017.

By the Shareholders General Ordinary Assembly' Decision no.10/25.04.2018, it took note of the information regarding the company' Plan of measures for the personal data safety issued in order to implement UE Regulation 2016/679 provisions.

By the Shareholders General Ordinary Assembly' Decision no.46/25.04.2018, it approved the management component of the management plan according to EGO 109/2011 with further alterations and additions.

By the Shareholders General Ordinary Assembly' Decision no.48/25.04.2018, it approved the start of the recruitment and selection procedure for general director and financial director to put in practice the provisions of EGO 109/2011 with further alterations and additions.

By the Shareholders General Ordinary Assembly' Decision no.51/02.05.2018, it approved "Ethic code and Societatea Oil Terminal SA' executive and administrative management and employee' behaviour regulation – Issue 2018"

By the Shareholders General Ordinary Assembly' Decision no.53/11.05.2018, it approved the interm simplified financial situations revised on 31.03.2018, issued according to applicable Accounting regulations, namely Public Finances Ministry' order no.2844/2016 for Accounting regulations' approval according to International Standards of Financial Report

By the Shareholders General Ordinary Assembly' Decision no.54/11.05.2018, it approved Societatea Oil Terminal SA' Board of Directors' report for Trimester I 2018, issued according to Annex no.30 of CNVM no.1/2006' Regulation.

By BoD' Decision no.70/02.07.2018, according to EGO 109/2011' provisions, it appointed Mr. Viorel Sorin CIUTUREANU, as general manager of the company

- it settled the general director' mandate period for 4 years, since 02.07.2018 until 01.07.2022
- it approved the mandate form and content to be concluded with general director appointed according to EGO 109/2011' provisions with further alterations and additions

By BoD' Decision no.71/02.07.2018, according to EGO 109/2011' provisions, it appointed Mrs. Adriana FRANGU, as financial manager of the company

- it settled the general director' mandate period for 4 years, since 02.07.2018 until 01.07.2022
- it approved the mandate form and content to be concluded with financial director appointed according to EGO 109/2011' provisions with further alterations and additions

By BoD' Decision no.74/02.07.2018, it approved the Actions plan to implement Societatea Oil Terminal SA' Development strategy (2016-2025)- developments stage – Year 2018

By AGOA' decision no. 12/11.07.2018, it approved the guarantees structure related to investments credit in an amount of 25,495,572 lei

By AGOA' decision no.13/11.07.2018, the followings were approved:

- it took act of information regarding the credit line extension approval in an amount of 10,000,000 ron for a 12 - month period
- it approved to maintain the guarantees structure related to credit line extension in an amount of 10,000,000 lei

By AGOA' decision no.15/11.07.2018, the followings were adopted:

it took act of the information regarding ANAF' decision to reduce by 50% the guarantee value related to fiscal warehouse

it took act of information regarding the trades concluded according to art.52 paragraph 3 of EGO 109/2011

By AGEA' decision no.17/11.07.2018, it approved to contract an investments credit on long term in an amount of 25,495,572 lei to upgrade shoretank T30 in South Storage Farm and to purchase two skids for oil product fiscalized measurement

By BoD' decision no. 79/10.08.2018, it approved the Simplified interim financial situations revised on 30.06.2018, issued according to applicable Accountancy regulations, audited by the financial auditor Romar – Co Audit.

By BoD' decision no. 80/10.08.2018, it approved the Accountancy reporting on 30 June 2018, issued according to MFP' order no.253/11.07.2018

By BoD' decision no.81/10.08.2018, it approved Societatea Oil Terminal SA' Board of Directors' report for Semester I 2018, issued according to Annex no.14 of ASAF Regulation no.5/2018

By BoD' decision no. 82/10.08.2018, it advised to conclude an insurance policy for the company' managers' civil liability, with an indemnity of 1 million euros

By BoD' decision no. 83/10.08.2018, it approved the company' General Director to sign a protocol conclusion of the Work collective contract applicable in the company with OIL TERMINAL' representatives. The protocol' object is represented by application of provisions art.53 of Work code for a period of 10 working days (period 20.08.2018-26.10.2018)

By BoD' decision no. 86/10.08.2018, it approved to alter the company' organizational chart and to update Societatea Oil Terminal SA' Regulation of organization and run

By BoD' decision no. 87/13.08.2018, it approved the corrected Program of physical and valoric services supplies related for 2018

By BoD' decision no. 89/31.08.2018, it approved Oil Terminal SA' Management structure for the period 2018-2021, part of the company' Management plan

By BoD' decision no. 95/05.09.2018, it authorized the company' executive management to organize the acquisition procedure in order to contract/appoint an authorized intermediary by ASF to issue the offer proportional prospectus.

By BoD' decision no. 96/17.09.2018, it approved OIL TERMINAL SA' Management plan for the period 2018-2021, according to provisions of art. 30 paragraph 2 of the Emergency Ordinance

regarding the public companies' corporate ordinance, with further alterations and additions by Law no.111/2016 and the Application Regulations approved by Government decision no.722/2016.

By Decision no.99/21.09.2018, it approved the annual Acquisitions program for 2018.

By AGOA' Decision no.20/10.10.2018, the corrected Budget of revenues and expenses for 2018 was approved

By AGOA'Decision no.21/10.10.2018, it approved the general limitsfor mandate co ntract directors' monthly fixed indemnity

By AGOA' Decision no.22/10.10.2018, it approved the value of 1 million Euros representing the indemnity limit of the insurance policy for the company' managers' civil liability

By AGOA' Decision no.23/10.10.2018, it took act of information regarding the Semester report on the management activity for semester I 2018

By Board of Directors' Decision no.109/17.10.2018, it approved the acquisition of insurance policy for managers and general director with 12 – month availability

By Board of Directors' Decision no.115/29.10.2018, it approved their indicators and percentages for general director and fnancial director, annex of mandate contracts

By Board of Directors' Decision no.116/29.10.2018, it advised the settling of nonexecutive managers' remuneration' variable component as 12 monthly fixed indemnities and its calculation method

By Board of Directors' Decision no.117/29.10.2018, it apppointed BURSA ROMANA DE MARFURI SA (Romanian Goods Market) as ASF authorized intermediary, to issue the offer proprtionated prospect to go on the social capital increase procedure

By Board of Directors' Decision no. 119/29.10.2018, it approved the Management Plan updating for 2018-2022

By AGEA' Decision no.25/29.10.2018, it approved the extension of credit contract no.1403/27.11.2015 up to the amount of 47,017,708 ron, representing issue facility of Bank guarantee letter for Fiscal warehouse authorization constituted in Ministry of Public Finances (MFP) – Management General Direction of Large Tax Payers (DGAMC) – ANAF, until 01.11.2020

By AGEA' Decision no.28/29.10.2018, it approved the addition of art. 6 – Societatea Constitutive act "Object of activity", by introducing new CAEN codes, necessary for the company good running

By AGOA' Decision no.29/29.10.2018, it approved the maintenance of guarantees structure constituted related to extension until 01.11.2020 of credit contract no. 1403/27.11.2015 up to the amount of 47,017,708 ron, representing issue facility of Bank guarantee letter for Fiscal warehouse authorization constituted in Ministry of Public Finances (MFP) – Management General Direction of Large Tax Payers (DGAMC) – AN

By AGOA' Decision no.30/29.10.2018, it approved the non executive managers' financial and non financial performance indicators

By Board of Directors' Decision no. 122/02.11.2018, it approve the revised simplified interim financial reports on 30.09.2018, issued according to applicable Accountancy regulations, namely Order no.2844/2016 for the Accountancy regulations approval according to International Standards of Financial Report.

By Board of Directors' Decision no. 123/02.11.2018, it approved Societatea Oil Terminal SA' Board of Directors' report for trimester III 2018, ended on 30.09.2018

By Board of Directors' Decision no. 126/10.12.2018, it approved general director' remuneration variable component quantum

By Board of Directors' Decision no. 127/10.12.2018, it approved financial director' remuneration variable component quantum

By Board of Directors' Decision no. 130/10.12.2018, it approved Acquisitions plan for 2019

By AGOA' Decision no.32/10.12.2018, it approved the settling of the company' non executive managers remuneration' variable component quantum as 12 monthly gross fixed indemnities

By AGOA' Decision no.33/10.12.2018, it approved the additional acts' form and content to be concluded for the non executive managers' mandate contracts

By AGOA' Decision no.34/10.12.2018, it took act of information regarding the trades concluded according to art. 52 paragraph 3 of EGO 109/2011 and MO 704/2014

By Board of Directors' Decision no.137/19.12.2018, it approved the alteration of economic financial indicators values at the level settled in the following annexes:

- Annex no.1 Budget of revenues and expenses for 2018
- Annex no.2 Detail of economic financial indicators provided in the budget of revenues and expenses and their distribution on trimesters

3. OIL TERMINAL PERFORMANCES

3.1 Operational results

The services supplies physical programme achieved in the period 2016-2018, on petroleum and petrochemical products:

Products	2018	2017	2016
Crude oil (thousand tons)	3,096	3,163	3,038
Gasoline (thousand tons)	833	705	867
Gas oil (thousand tons)	1,096	1,154	1,273
Fuel oil (thousand tons)	136	211	295
Chemical products (thousand tons)	445	429	462
Other products	1	-	-
Total	5,607	5,662	5,935

3.2 Financial results

Indicators	Achieved 31.12.2018 (mil.lei)	Achieved 31.12.2017 (mil.lei)	2018/2017 (▲ / ▼ %)
Net turnover	146.0	158.0	▼ 7.6%
Revenues from operation	146.4	158.4	▼ 7.6%
Operation expenses	143.0	152.0	▼ 5.9%
Operational profit	3.35	6.4	▼ 47.7%
Financial revenues	0.4	0.4	-
Financial expenses	1.9	1.5	▲ 26.7%
Financial result	(1.4)	(1.2)	▲ 16.7%
Total revenues	146.8	158.8	▼ 7.6%
Total expenses	144.9	153.6	▼ 5.7%
Gross profit	1.9	5.2	▼ 63.5%
Net profit	0.28	5.0	▼ 94.4%
EBITDA	18.5	9.5	▲ 94.7%
Net profit/share-EPS (lei/share)	0.002037	0.045133	▼ 95.5%
Gross margin from sales (gross profit/turnover) x 100 (%)	1.3	3.3	▼ 60.6%

Contributions to the state consolidated budget

The total amounts due to the state consolidated budget in 2018, VAT included are in an amount of 51.3 mill.lei, from which the most important are represented by:

VAT to be paid	8.8 mil.lei
Oil royalty	5.9 mill.lei
Taxation on salary and related contributions	32.9 mill.lei
Profit taxation	1.6 mill.lei
Other taxations and taxes	2.1 mill.lei

3.3 Investments

The investment program had in view:

- Continuation of works for gas oil bunkering metering facilities upgrading in jetties 70 and 75;
- Continuation of gas oil metering facility' upgrading in Port Storage Farm ;
- Upgrading of shore tank T34S – South Storage Farm;
- Aboveground laying of pipelines network in Port Storage Farm – South Storage Farm (T1 and T2);
- Upgrading of shore tank T30S – South Storage Farm;
- Repair of lighting system and electric couplings in facility of 10,000 CM and 31,500 CM – South Storage Farm

On 31.12.2018, the achievement degree of the Investments and equipment program was exceeded by 4.5% comparing to the planned and approved by the Budget of revenues and expenses for 2018.

3.4 Societatea' stock indicators

The main shareholder is Romanian State through Energy Ministry, owning 59.62% of social capital.

On 31.12.2018, the shares were traded at the value of 0.1480 lei/share (closing price).

Emission information	
Shares total number	582,430,253
Nominal value	0.1000
Social capital	58,243,025.30
Stock indicators on 31.12.2018 according to BVB	
Capitalization	86,199,677.44
PER	17.32
P/BV	0.19
EPS	0.01
DIVY	5.23
Gross dividend (2017)	0.
	0.007745

In 2018, there were no Oil Terminal SA' acquisition of own shares activities. Oil Terminal SA has no branches, there are no shares issued by the company mother owned by branches.

In 2018, the company did not issue obligations.

4. ANALYSIS

4.1 Elements of general evaluation

Tariffs

Tariffs for the crude oil and petroleum products handling through oil terminal are regulated ones, namely tariffs settled by the National Agency for Mineral Resources (ANRM) and approved by ANRM' president'

order, according to oil agreement concluded between the Company and Agency, according to Government order no.886/2002.

Tariffs for crude oil and petroleum products handling and storage are settled per products (crude oil, gasoline, gas oil and biodiesel), per the supplies related to products, per periods of handled quantities and periods of storage.

In 2018, tariffs approved by ANRM' order no. 251/01.11.2016 and ANRM' Order no.156/03.08.2018.

Other tariffs, namely fuel oil, chemical products services supplies, hires, different laboratory analyses are unregulated tariffs, approved according to provisions of art. 18 paragraph 4.1 of the company' Constitutive Act.

Implemented management systems:

Since 2012, up to now, further Government ordinance no.119/1999' provisions' appliance regarding the intern/managerial control and the preventive financial control, republished with further alterations and additions, and further the implementation and compliance, initially with Order no.946/2005 provisions for the Internal/managerial control code, containing internal/managerial control standards for public entities and to develop intern/managerial control systems, with further alterations and additions, and further, after order no.946/2005' cancelation, further implementation and compliance with provisions of Order no.400/2015 for the intern/managerial control code for public entities, with further alterations and additions, Societatea Oil Terminal SA has an intern managerial control system, which structure and application allow the management (General Director and Board of Directors) to supply a reasonable ensurance that the managed funds in order to achieve the general and specific objectives were used legally, regularly, efficiently and economically

According to the selfevaluation, on 31 December 2018, the intern managerial system of Societatea Oil Terminal SA complies with the standards contained in the Intern managerial control code. The implementation and compliance degree of intern managerial system complies with the Synthetic situation of selfevaluation results on 31.12.2018 (16 implemented standards) and with the statements of the Report on the intern managerial control system on 31 December 2018.

Since 13.05. 2003, Bureau Veritas Quality Management certified for the first time the management systems implemented in OIL TERMINAL, in force now and continuously improved according to requirements of ISO 9001:2008 standards (quality management and 9001:2015 updated requirements).

According to ISO CEI 17025:2005, laboratories were authorized by RENAR National Entity for 23 laboratory trials.

In view to provide compliance with the management system requirements, intern audits are planned, with trained auditors and extern audits of the above-mentioned companies.

In order to accomplish the requirements regarding the authorized economic operator, but also of major impact importance objectives, it started standards SR EN ISO 14001/2015 and OHSAS 18001/2008 implementation, following the certification stage for the two mentioned standards.

In November 2016, AFER-ASFR inspected the management system of rail security in view to authorize it and to issue the authorization for rail security in OIL TERMINAL, according to Directive 2004/49/EC, applied in Law no.55/2006.

Informational:

IT infrastructure is achieved on Microsoft platform

Since 2000, in Oil Terminal, Socrate Plus integrated systems system was implemented, platform providing data exchanges in a joint framework, joint interface for development and upgrading, a high level of accessibility, high productivity by data updating flexible regulation and wide data exchanges interfaces. The

integrated system runs according to a special server dedicated to this application, its data basis is daily updated after office hours completion.

Since 2014, users documents back up system has been implemented by a server dedicated to this activity. Back up automatically runs once a week, for the majority of users connected to Societatea Oil Terminal SA; PC network.

Environment:

Due to the handled petroleum and petrochemical products volume, Societatea OIL TERMINAL SA is under the incidence of Law 59/2016, Oil Terminal SA, regarding the risks of major accident in which high risk substances are involved.

Legally:

Oil Terminal is involved in a number of 89 litigations pending on, in 56 litigations, it is claimant or claiming part, in 33 litigations it is defendant. After some litigations completion risk evaluation, on the company' expense, the possible cash outflows were estimated, provisions being constituted for a number of 13 litigations.

None of these files has risks connected to the company' activity stability and continuity.

Financial:

The company' operational and financial results recorded an upwards trend in 2018 comparing to 2017 and the Budget of revenues and expenses approved are as follows:

Indicators	M.U.	Budget of revenues and expenses Year 2018	Achieved year 2018	(▲ ▼ %)	Achieved Year 2017	(▲ ▼ %)
0		1	2	3=2/1	4	5=2/4
EBITDA (million lei)	Mil lei	14.4	18.5	▲ 28.5%	9.5	▲ 94.7%
Total quantities achieved (tons)	Mii to	5,299	5,607	▲ 5.8%	5.662	▼ 1.0%
Operation revenues (million lei)	Mil lei	140.5	146.4	▲ 4.2%	158.4	▼ 7.6%
Operation expenses (million lei)	Mil lei	137.5	143.0	▲ 4.0%	152.0	▼ 5.9%
Operation expenses (%turnover)	%CA	98.1%	98.0%	- 0.1 p.p.	96.2%	+ 1.8 p.p.
Gross profit margin (%turnover)	%CA	0.7%	1.3%	+ 0.6 p.p.	3.3%	- 2.0 p.p.
Valoric output (lei/employee)	Lei/pers	141,593	157,886	▲ 11.5%	168,174	▼ 6.1%
Employees average number	Pers.	992	927	▼ 6.6%	942	▼ 1.6%
Investments– public domain (million lei)	Mil lei	9.6	11.0	▲ 14.6%	19.4	▼ 43.3%
Investments – company (million lei)	Mil lei	12.6	12.2	▼ 3.2%	9.6	▲ 27.1%

Economic financial indicators achieved in 2018 comparing to Budget of Revenues and Expenses 2018

Indicators	Budget of	Achieved	
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	revenues and expenses Year 2018 (thousand lei)	Year 2018 (thousand lei)	(▲ ▼ %)
0	1	2	3 = 2/1
Net turnover	140,115	145,963	▲ 104.2
Operation revenues	140,460	146,360	▲ 104.2
Operation expenses	137,480	143,009	▲ 104.0
Operational profit	2,980	3,351	▲ 112.4
EBITDA	14,420	18,505	▲ 128.3
Financial revenues	360	412	▲ 114.4
Financial expenses	2,340	1,857	▼ 79.4
Financial result	(1,980)	(1,445)	▼ 73.0
Total revenues	140,820	146,772	▲ 104.2
Total expenses	139,820	144,866	▲ 103.6
Gross profit	1,000	1,906	▲ 190.6
Net profit	106	281	▲ 265.1

Indicators achieved on 31.12.2018 comparing to approved Budget of revenues and expenses 2018 shows an increase of turnover by 4.2%, operation expenses increase together with revenues' increase, a gross profit in increase by 90.6% recorded.

Economic financial indicators achieved in 2018 comparing to 2017

Indicators	Achieved year 2018 (thousand lei)	Achieved year 2017 (thousand lei)	(▲ ▼ %)
0	1	2	3 = 1/2
Net turnover	145,963	158,032	▼ 92.4
Operation revenues	146,360	158,420	▼ 92.4
Operation expenses	143,009	152,004	▼ 94.1
Operational profit	3,351	6,416	▼ 52.2
EBITDA	18,505	9,546	▲ 193.9
Financial revenues	412	361	▲ 114.1
Financial expenses	1,857	1,543	▲ 120.3
Financial result	(1,445)	(1,182)	▲ 122.3
Total revenues	146,772	158,781	▼ 92.4
Total expenses	144,866	153,547	▼ 94.3
Gross profit	1,906	5,234	▼ 36.4
Net profit	281	4,978	▼ 5.6

Services supplies physical programme

Indicators	MU	Budget of revenues and expenses	Achieved Year 2018	(▲ ▼ %)
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		Year 2018		
0	1	2	3	4=3/2
Handled quantities, from which:	Thousand tons	5,299	5,607	▲ 105.8
Crude oil		3,035	3,096	▲ 102.0
Gasoline		819	833	▲ 101.7
Gas oil		994	1,096	▲ 110.3
Fuel oil		60	136	▲ 226.7
Chemical products		390	445	▲ 114.1
Other products		1	1	100.0

Physical programme achieved in 2018 increases by 5.8% than the approved level for 2018.

Services supplies physical programme achieved in 2018 comparing to 2017

Indicators	MU	Budget of revenues and expenses Year 2018	Achieved Year 2018	(▲ ▼ %)
0	1	2	3	4=3/2
Handled quantities, from which:	Thousand tons	5,607	5,662	▼ 99.0
Crude oil		3,096	3,163	▼ 97.9
Gasoline		833	705	▲ 118.2
Gas oil		1,096	1,154	▼ 95.0
Fuel oil		136	211	▼ 64.5
Chemical products		445	429	▲ 103.7
Other products		1	-	-

Physical programme achieved in 2018 was by 1% less than the level achieved in 2017 following the correction of physical programme for semester II 2018.

Total revenues

Revenues from operation achieved on 31.12.2018 comparing to approved Budget of revenues and expenses 2018

Indicators	MU	Budget of revenues and expenses Year 2018	Achieved Year 2018	(▲ ▼ %)
0	1	2	3	4=3/2
Revenues from operation, from which:	Thousand lei			
Revenues from waste products' sale		2,200	2,096	▼ 95.3
Revenues from supplied services		137,165	142,873	▲ 104.2
Revenues from hires		290	484	▲ 166.9
Revenues from different activities		460	510	▲ 110.9
Revenues from penalties		60	86	▲ 143.3
Other revenues from operation		285	311	▲ 109.1
Total revenues from operation	Thousand lei	140,460	146,360	▲ 104.2

Revenues from operation achieved increased by 4.2% comparing to the budget level, on the supplied services, owning a percentage of 97.9% in turnover.

Revenues from operation achieved in 2018 comparing to 2017

Indicators	MU	Budget of revenues and expenses Year 2018	Achieved Year 2018	(▲ ▼ %)
0	1	2	3	4=3/2
Revenues from operation, from which:	Thousand lei			
Revenues from waste products' sale		2,096	2,016	▲ 104.0
Revenues from supplied services		142,873	155,123	▼ 92.1
Revenues from hires		484	418	▲ 115.8
Revenues from different activities		510	475	▲ 107.4
Revenues from penalties		86	109	▼ 78.9
Other revenues from operation		311	279	▲ 111.5
Total revenues from operation	Thousand lei	146,360	158,420	▼ 92.4

Financial revenues achieved on 31.12.2018 are in an amount of 412 thousand, increasing by 14% comparing to 2017.

Total expenses

Total expenses achieved are in an amount of 144,866 thousand lei, more by 3.6% (5,046 thousand lei) comparing to corrected Budget of revenues and expenses level of 139,820 thousand lei.

Total expenses level achieved complies with provisions of art. 10 paragraph (1) letter b) of GD no.26/2013, correlated with the total revenues achievement degree and with approved efficiency indicators (total revenues achievement degree 104.2%, total expenses achievement degree 103.6%).

Operation expenses achieved on 31.12.2018 comparing to level approved by Budget of revenues and expenses 2018

Indicators	Budget of revenues and expenses (thousand lei)	Achieved (thousand lei)	▲ ▼ (%)
0	1	2	3=1/2
Material expenses, from which:	5,614	6,755	▲ 120.3
- consumables expenses, from which:	4,414	5,483	▲ 124.2
- fuel expenses	1,214	1,268	▲ 104.4
Other external expenses (energy and water)	4,000	4,107	▲ 102.7
Employees expenses, from which:	79,599	79,390	▼ 99.7
- salaries expenses	76,687	76,501	▼ 99.8
- social protection expenses	2,912	2,889	▼ 99.2
- other employees expenses	13,870	13,751	▼ 99.1
Tangible and intangible assets amortization expenses	29,447	33,960	▲ 115.3
External supplies expenses, from which:	6,640	11,218	▲ 168.9
- maintenance (maintenance and repairs)	5,595	5,948	▲ 106.3
- oil royalty	17,212	16,794	▼ 97.6
- other services supplied by third parties	943	1,455	▲ 154.3
Regulations and depreciations for value loss and provisions, from which:	6,932	4,112	▼ 59.3
-expenses regarding regulations and provisions	5,989	2,657	▼ 44.4
- revenues from provisions and regulations for depreciation or value loss	4,000	3,331	▼ 83.3
Total operation expenses	137,480	143,009	▲ 104.0

Total operation expenses recorded on 31.12.2018 comply with provisions of art.10 paragraph (1) letter b) of GD no.26/2013 being correlated with the total revenues achievement degree, in compliance with the approved efficiency indicators.

Operation expenses achieved on 31.12.2018 comparing to the previous year

Indicators	Achieved year 2018 (thousand lei)	Achieved Year 2017 (thousand lei)	▲ ▼ (%)
	1	2	3=1/2
	0		
Material expenses, from which:	6,755	9,572	▼ 70.6
- consumables expenses, from which:	5,483	7,605	▼ 72.1
- fuel expenses	1,268	1,282	▼ 98.9
Other external expenses (energy and water)	4,107	4,096	▲ 100.3
Employees expenses, from which:	79,390	73,487	▲ 108.0
- salaries expenses	76,501	60,180	▲ 127.1
- other employees expenses	2,889	13,307	▼ 21.7
Tangible and intangible assets amortization expenses	13,751	12,275	▲ 112.0
External supplies expenses, from which:	33,960	58,528	▼ 58.0
- maintenance (maintenance and repairs)	11,218	30,184	▼ 37.2
- oil royalty	5,948	6,326	▼ 94.0
- other services supplied by third parties	16,794	22,018	▼ 76.3
Regulations and depreciations for value loss and provisions, from which:	1,455	-9,144	▲ -15.9
-expenses regarding regulations and provisions	4,112	2,749	▲ 149.6
- revenues from provisions and regulations for depreciation or value loss	2,657	11,893	▼ 22.3
Other operation expenses	3,591	3,190	▲ 112.6
Total operation expenses	143,009	152,004	▼ 94.1

Operation expenses achieved on 31.12.2018 decreases by 5.9% comparing to the same period of the previous year, from 152 mill. Lei to 143 mill. Lei.

4.2 Technical level evaluation

OIL TERMINAL S.A. Constanta has 3 storage farms, with a total storage capacity of 1.4 mill. CM, from which:

- **North Storage Farm**, storage capacity for crude oil and petroleum products capacity of 420,000 CM.
- **Port Storage Farm**, located in Port area, jetty 69 with, with a storage capacity of 102,000 CM with the following destination:
 - petroleum products –refuge shore tanks if damage occurs;
 - chemical products – stock' ensurance for jetty operation.
- **South Storage Farm**, storage capacity of 910,000 CM for crude oil, petroleum and petrochemical products.

Each storage farm, according its specific, is provided with:

Shoretanks with capacities between 1,500 CM and 50,000 CM, of metallic construction, cylindrical, vertically located –above ground, safety protection belts, fixed or floating roof, with the stored product quantity remotely measured and with fire fighting system;

Facilities for petroleum, petrochemical and liquid chemical products loading-discharging consisting of rail platforms with a total length of abt. 30 kms, provided with remote loading facilities;

Transport pipelines with diameters between 100 and 1000 mm, for withdrawals inside the storage farms, the connection among them and the jetties where vessels are operated;

Pump houses achieving flows between 300 cm /h and 2,000 cm/h (pumps KSB South sf.);

Remote flowmeters facilities located in the very neighbourhood of loading/discharging jetties for gas oil, gasoline, crude oil' discharging;

Laboratories provided with apparatus to determine specific physical, chemical tests;

Facilities on jetty for products' loading into barges (crude oil, gas oil, gasoline, fuel oil) and for vessels' light and heavy fuel bunkering in all oil jetties

Oil terminal has 7 operational jetties in Constanta port with depths between 13-17 m, allowing operation of vessels with a capacity up to 150,000 dwt.

Jetties are provided with coupling facilities at vessels for loading, discharging, hydraulically with a diameter of 12", 16". operated as follows:

OIL TERMINAL SA is interconnected with Romanian refineries by transport company CONPET SA Ploiesti for crude oil' transport from terminal to refineries, by underground pipelines being part of national transport network.

Terminal is also connected to the national rail system, road system and Danube-Black Sea canal.

Main achieved products and/or supplied services

a) Main delivery markets for each product or service

In 2018, clients with an outstanding percentage in turnover (86.3%) are:

1. Petrotel Lukoil S.A. Ploiesti (33.7%) – for crude oil, gasoline and gas oil services supplies;
2. OMV Petrom S.A. Bucharest (16.0%) – for fuel oil, gasoline, gas oil, crude oil and chemical products services supplies;
3. Oscar Downstream (12.5%) – for gas oil services supplies;
4. Vitol S.A. Geneva (8.8%) – for gas oil services supplies;
5. Mol Romania Petroleum Products (5.3%) - %- for gas oil services supplies;
6. A.N.R.S.P.S. (2.2%) – for gas oil services supplies
7. Rompetrol Rafinare (2.2%)- for crude oil, gasoline, chemical products services supplies.
8. Mol PLC (2.1%) – for gas oil services supplies
9. Litasco (2.1%) – for crude oil services supplies;
10. Mitsubishi International (1.4%) – for chemical products services supplies

b) The percentage of each product or service category in the incomes and in the total turnover of the commercial company in the latest three years

Petroleum products	Year 2018 (th.lei)	% *	% **	Year 2017 (th.lei)	% *	% **	Year 2016 (th.lei)	% *	% **
Crude oil	56,182	38	38	58,273	37	37	60,456	38	37
Gas oil	52,649	36	36	54,154	34	34	52,566	33	32
Gasoline	12,406	9	8	10,764	7	7	11,796	7	7
Fuel oil	12,075	8	8	11,258	7	7	10,483	6	7
Chemical products	4,151	3	3	15,535	10	10	18,676	12	12
Other products and services	8,500	6	6	8,048	5	5	6,602	4	4
Turnover	145,963	100	-	158,032	100	-	160,579	100	-
Other operating and financial revenues	809		1	749		-	1,684		1
Total revenues	146,772		100	158,781		100	162,263	-	100

*% in turnover

**** in total revenues**

Analysing the data comparing to years 2017 and 2016, it is noticed a revenues' decrease by 7.6% in 2018 than 2017 and a decrease by 9.5% than 2016.

The achieved turnover value in 2018 recorded a decrease by 7.6% than 2016 comparing to 2017 and by 9.1% comparing to 2016, as follows:

- For gas oil service supply value decreased by 3.6% than 2017 and by 7.1% than 2016;
- for crude oil service supply, a decrease by 2.8% than 2017 and an increase by 0.2% than 2016;
- for gasoline service supply there is an increase by 15.3% than 2017 and by 5.2% than 2016;
- for chemical products services supplies value increased by 7.3% than 2017 and by 15.2% than 2016.
- fuel oil service supply value decreased by 73.3% than 2017 and by 77.8% than 2016;

c) New products taken into account for which an outstanding volume of assets will be given in the future financial year and these products development level.

Further the services supplies requests Oil Terminal received in 2018, a number of 17 contracts/additional acts to the existent ones were signed for new clients or products, leading to a total additional handling of 37 thousand tons for petroleum and chemical products with an invoiced amount of 1,244,000 lei, from which:

- chemical products – 18 thousand tons – 352,000 lei
- petroleum products – 19 thousand tons – 892,000 lei

4.3 Technical material supply activity

The acquisition activity in Oil Terminal runs according to the Acquisition Internal Regulation approved by the Board of Directors' Decision no.95/11.09.2017, Operational procedure regarding the Acquisitions annual programme' issue and updating, code PO-09.01 and Acquisition Management system procedure, code PS-08-07.

The company purchases investments, repairs, maintenance services works, independent equipments, stuff, utilities, guard services, greenings, auditor, evaluations, etc.

The company Oil Terminal S.A. Constanta has no recorded received stocks as a service supplier, the technical material supply activity is mainly from local sources being aimed for materials supply for repairs works, maintenance, labour safety, administrative, equipment, fuel for its own cars and for railtrucks' work.

By address 4820/21.07.2016, ANAP communicated that Oil Terminal has not the quality as contractant authority/entity according to Laws 98-100/2016 regarding public acquisitions and has no obligation to apply these.

4.4 Oil Terminal' outstanding fusions or reorganizations during financial year 2018

During 2018, there were no fusions or reorganizations of Societatea.

The company has no branches in the country or abroad.

4.5 Assets' acquisitions and/or alienation

On 31.12.2018, in the company' patrimony, there are registered fixed assets in an amount of 513,968 thousand lei, increasing by 8,113 thousand lei (1.6%) comparing to the same period of 2017.

Except the assets' acquisitions necessary for the company' run, their most part representing the going on the works for bunkering metering facilities, of shoretanks in the storage farms and the fixed assets' maintenance works and of facilities in Oil Terminal, and the goods out of work in legal terms, the company had no other types of trades with fixed assets in 2018.

In 2018, the company recorded revenues from fixed assets' sales in an amount of 47 thousand lei, representing fixed assets approved to be out of work, as they had severe wear and tear, with no safety operation, the expenses of repairs and maintenance were economically unjustifiable.

4.6 Evaluation of sale activities

4.6.1 Evolution of sequential sales on intern and/or extern market and of sales prosections on average and long term

Physical programme achieved on 31.12.2018 inceased by 5.8% (308 thousand tons) comparing to the corrected Services supplies physical programme and decreased by 1% (55 thousand tons) comparing to 2017.

Structure of quantities achieved in 2018 comparing to the approved Physical programme and the achieved physical programme 2017

No.	Products	Year 2017	Year 2018				± (thousand tons)	▲▼ (%)
		Acheived (thousand tons)	Approved (thousand tone)	Achieved (thousand tons)	± (thousand tons)	▲▼ (%)		
0	1	2	3	4	5=4-3	6=4/3	7=4-2	8=4/2
	Total services supplies, from which:	5,662	5,299	5,607	+ 308	▲ 105.8	- 55	▼ 99.0
1	Crude oil	3,163	3,035	3,096	+ 61	▲ 102.0	- 67	▼ 97.9
2	Gasoline	705	819	833	+ 14	▲ 101.7	+ 128	▲ 118.2
3	Gas oil	1,154	994	1,096	+ 102	▲ 110.3	- 58	▼ 95.0
4	Fuel oil	211	60	136	+ 76	▲ 226.7	- 75	▼ 64.5
5	Chemical products	429	390	445	+ 55	▲ 114.1	+ 16	▲ 103.7
6	Other products	-	1	1	0	100.0	+ 1	▲

Turnover achieved in 2018 is in an amount of 145,963 thousand lei, namely, 31.3 mill. Euros, reported to the official exchange rate of 1 Euro = 4.6639 lei, available on 31.12.2018 for financial year 2018 completion.

Main clients on internal and external market in 2018 comparing to 2017:

Internal clients	% in Turnover	
	Year 2018	Year 2017
Petrotel Lukoil	33.7	25.8
OMV Petrom	16.0	16.0
Oscar Downstream	12.5	10.6
Mol România Petroleum Products	5.3	6.7
Rompetrol Rafinare	2.2	2.2
National Administration of State Reserves	2.2	2.0

External clients	% in Turnover
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	Year 2018	Year 2017
Vitol SA Geneva	8.8	13.6
Mol PLC	2.1	-
Litasco	2.1	5.4
Mitsubishi International GMBH	1.4	1.5
Euronova Energies	1.4	3.6
Island Petroleum LTD	1.0	0.8

For 2018, turnover was initially founded on a services supplies physical programme of 5,617 thousand tons, further corrected by decreasing to 5,299 thousand tons, determining a turnover of 140,115 thousand lei. the revenues and expenditures budget was based on a services supplies physical program of 5,736 thousand tons and o turnover of 155,500 thousand lei.

On average term (years 2019 - 2020) and on long term (year 2021) it estimates a quantitative and valoric services supplies programme, as follows:

- for 2019 -5,518 thousand tons and valoric 143,148 thousand lei
- for 2020- 5,628 thousand tons and valoric 146,011 thousand lei
- for 2021 – 5,741 thousand tons and valoric 148,931 thousand lei

4.6.2 The situation of competition in the commercial company' field of activity, of the company' products and services contribution on the market and of the main competitors

On internal market, Oil Terminal S.A. Constanta is the largest terminal for import and export of crude oil, petroleum and chemical products at the Black Sea.

Referring to the services entire sector in the oil field, we have as competitors:

- Midia port terminal;
- Terminals in Romanian Danube Ports (Galati, Giurgiu, Drobeta Turnu Severin);
- Reni terminal;
- Port operators Minmetal and Frial for liquid fertilizers export.

Analysing the above mentioned competitors activity, the followings are to be mentioned:

Midia port terminal:

In March 2009, rompetrol Rafinare put in work its own terminal (mono buoy) located at 8.6 km in the Black Sea to discharge the necessary crude oil for refining without needing Oil Terminal' services. After this date, crude oil vessels for Rompetol haven't been discharged by our company but when technical matters or heavy weather term occurred in mono buoy. This generated a shortage of about 4 millions tons crude oil/ year in Oil Terminal' activity, and an annual shortage regarding the royalty' value that Romanian state should have cashed from the handled quantity.

For the increase of products export achieved by Petromidia refinery, Midia Marine Terminal (MMT) upgraded and extended jetty no. 9' capacity (terminals 9A, 9B, 9C) in 2008 and the dredging of the Group' seven jetties in Midia port. Works allowed triplication of finite products transfer capacity to over 350,000 tons/month and the maritime vessels' berthage with a capacity more than 10,000 dwt and of barges of 2,000 dwt.

In 2018, through Marine Midia Terminal, over 5.5 million tons crude oil and other raw materials used for processing in Petromidia refinery were discharged and about 2 million tons products for export were loaded.

Terminals of Romanian Danube ports (Galati, Giurgiu, Drobeta Turnu Severin):

Through Danube terminals, gasoline and gas oil loading/discharging into/from river barges operations are effected.

- through Drobeta Turnu Severin terminal. Refineries OMV Petrom and Petrotel Lukoil handle gasoline and gas oil' loading operations from railcars by direct transshipment into river barges discharging in

Danube ports of Austria, Slovakia, Hungary. Bioethanol discharging operations from barges loaded in Hungary for the two above-mentioned refineries;

- in 2014, MOL built a new terminal in Giurgiu port, where it discharges gasoline and gas oil barges loaded in river barges in Rompetrol Rafinare and other Danube ports of Hungary and Slovakia
- through Galati terminal, small quantities of gas oil and fuel oil are handled, mainly arrived in railcars from Russia/Ukraine. The storage farm has rail lines with a great gauge, Russian type, with connection in Ukraine, so that it is not necessary to transfer the railcars from CFR type to be discharged/loaded in this storage farm.

Reni terminal:

This terminal is our competitor regarding the loaded product handling in Serbia port. This has a small storage capacity, of about 5 thousand tons, the draft on Danube allowing the operation of vessels with capacities up to 5-6 thousand dwt. For larger quantities, the clients call for Oil Terminal' services.

Liquid fertilizers and vegetal oils export:

In Constanta port, there are two port operators with shore tanks for liquid fertilizers storage (urea): Frial with a capacity of 15,000 CM and Minmetal/ Ameropa with shore tanks of 20 thousand CM.

In 2016 and 2017, the two owners changed the shore tanks' destination from liquid fertilizers to vegetal oils, according to market requests.

Therefore, Azomures, fertilizers producer reverted to Oil Terminal for urea loading into maritime vessels, the exported quantity being 38,800 tons in 2018.

Urea import was of about 22,000 tons, made by the company HGM Logistic. This was achieved due to the three urea plants closing belonging to the company INTERAGRO.

4.6.3 Significant dependency on one client or a group of clients whose loss would have a negative impact on the company' revenues

a) The loss of some traditional clients which handled business through Oil Terminal.

- a mono buoy construction by Rompetrol Rafinare through which the crude oil necessary for its own refining activity is discharged and petroleum products exports;
- development of Midia port by Rompetrol Rafinare through which crude oil import and exports are directly made, without using Oil Terminal' facilities;
- crude oil from internal production processing by OMV Petrom, client with a significant contribution to the turnover and stoppage of crude oil import handled through the oil terminal.

b) Diminishings of activity or unpredictable events, force majeure events having affected the clients' activity regarding liquid chemical products (Chimcomplex Borzesti, Oltchim SA Ramnicu Valcea and Interagro SA Bucharest).

c) Variation of petroleum and chemical products quotations on the international market (soda, liquid fertilizers, methanol etc.) leading to the transited quantities decrease in certain periods of time.

4.7 Human resources

The company' employees number and training level and the work force union trade participation degree

By Shareholders General Ordinary Assembly' Decision no.3/28.02.2018, it approved Budget of revenues and expenses for a number of 1,012 employees, and on 31.12.2017, it recorded a number of 985 employees, on 31.12.2018, structured on the following training levels:

- higher education employees 175 from which 34 with management positions;
- medium/ gymnasium education employees 824 from which 751 qualified employees and 59 unqualified

The work force union trade participation was 95% in 2018.

The evaluation of necessities specific for each position and employee was held in 2018, according to the training plan.

Regarding the employees training and education, Oil Terminal SA Constanta considers of major importance the employees training according to legislative alterations, authorized instructions and regulations for the performances increase and the company' development

During 2018, the employees' participation in trainings:

- trainings with external trainers and vocational authorizations, according to legislation in force: 181 employees;
- trainings/ internal reauthorization: all employees

The relationship between manager and employees, and of any conflictual elements of these relationships

In 2018, there were no conflictual elements between employees and the company' managers

4.8 Matters connected to the issuer's main activity on the environment

According to Law 59/2016, Oil Terminal SA is classified as objective with major risk, running its activity according to Environment Authorizations no. 343/13.09.2013 for Port Storage Farm, 439/14.11.2013 for North Storage Farm, 504/13.12. 2013 for South Storage Farm,(revised on 09.12.2014) and to Waters Administration Authorization no. 285/06.11.2018.

Compliance with the authorizations requirements means to comply with the legal provisions and management systems maintenance in environment and safety field, to ensure running in the planned parameters of all facilities and equipments, according to the maintenance programs and permanent concern for facilities upgrading.

The company' management thinks the historical pollution is one of the main present environment matters and is concerned to minimise the negative impact matters on the environment. In this regard, some actions are effected:

- the historical activity affected ground, underground and water table monitoring and greening in North Storage Farm, South Storage Farm and the residential area in the North Storage Farm' neighbourhood, by drawing out the petroleum product polluted water;
- measurement of water table piezometric level and of the product' layer; height, drawing out the oil polluted water by emptying it;
- effectment of Trial report son the ground samples taken from the technical accidents areas at pipelines, until the ground bringing to the initial parameter;
- greening works were effected and are going o non the pipelines network, catching pipes reestblishment and rain waters distribution, fittings, pipelines parts replacement, ground' greening have been made, so that the impact on the port aquatorium to be significantly reduced.
- the residues administration and their ellimination by authorized companies

Now, environment factors monitoring is achieved: water, air, soil, water table, according to Environment Authorities and Waters Administration authorization, namely:

- **for water environment factor:** monitoring of waste waters indicators evacuated in RAJA and CNAPMC' sewage, in order to maintain their values in the imposed limits. Once the waste waters facility put in use in CN APMC, the influence on the current activity on the natural issuer was elliminated;
- **for water table:** measurement of its piezometric level and the product layer height, draining by water and petroleum product' drawing out/pumping;
- **for soil environment factor:** indicators "petroleum product" and metals atre monitored semestrially/annually; visual daily checking of facilities' tighting systems;
- **for air environment factor:** COV (volatile organic compounds) indicator value is mmonitored in South Storage Farm area, where gasoline is stored, and benzene and toluen indicators are

monitored in Oil Terminal' three storage areas. Annually, the emissions comin from termic stations are monitored (powders, carbon monoxide, sulphur oxides and nitrogen oxides).

In order to minimise the negative impact on environment factors, the followings were achieved:

- investments/updatings works of petroleum products storage facilities (upgrading of R34S,R19S, R19P, R23P);
- replacement of petroleum products transport pipelines parts;
- aboveground drawing of some parts of pipelines network in the area MIM-Port Storage Farm (works were done for pipeline – Crude oil 1), etc.

4.9. The research and development activity

Oil Terminal did not effect expenses of research and development in 2018 and does not anticipatesuch expenses for 2019.

4.10 The risk and managerial internal control' management

Policy and objectives of the company regarding the risk management

Having in view the provisions of SGG Order no.400/2015 for the Code of internal/managerial control of public entities, complying with the company' management commitment and the targeted measures by: "The company' policy and commitment in the risk management" and according to "Statement regarding the commitment and BoD' policy of Societatea Oil Terminal SA for risk management policy implementation and internal/managerial control system development", the organizatoric, procedural and methodologic framework was provided and kept for the risk management process and risk continuous implementation and development, in the company' departments and integrately, in view to manage the risks the most efficiently, economically possible in view to achieve the company' objectives in the targeted aims.

By the Risk management system procedure, implemented and being informed of by the entire staff, the followings were provided:

- risk management process' steps, regulations and responsibilities;
- methodology regarding strategy applied to risk (answer type to risk) and work methodology regarding the risks identification, management, evaluation and ranking;
- scales for risk impact and occurence probability measurement and for those associated with the tolerance limits at risk, to settle the exposure to risk and the risk profile, and for the risks keeping in the tolerance limits approved and accepted;
- recordings, informational circuit and flow, highlighted by the process chart and the whole documentation proving that the risk management system is implemented and works for the overall and integrated risks control on the company' all activities.

For the risks' good management, on the company' all managerial levels, according to Risk management syste procedure and the the Internal/managerial control system development' monitoring, coordination and methodological guidance committee' decision, by the company' manager' internal decision, responsible employees were appointed for the risks in the company' departments management, being constututed teams for risks' management to analyse, evaluate and rank the risks associated to specific objectives, to formulate proposals regarding the most appropriate answer for each identified risk and to analyse periodically the control measures implementation to keep the risks in the agreed tolerance limits.

We show that, the specific objectives were monitored and evaluated semestrially by the associated result indicators, being put together with the company' specific risks in the risks' register. On the company' level, the specific objectives, arisen from the company' general objectives, are assimilated as risk management objectives, these being integrated and correlated to the general (strategic) objectives.

By the Development Program of internal/managerial control system, the following actions were provided and achieved:

identification and evaluation of main risks of activities in departments, linked to their specific objectives;

settling of identified and evaluated risks management measures in the activities inside the departments;
 filling in and updating of risks registrar;
 centralization of main risks and issue of risks registrar at the company' level affecting the company' general and specific objectives achievement.
 Centralization of intern control measures settled to be able to provide an efficient, appropriate of risks and issue of the plan for the centralized control measures implementation in the company under the risks management team survey;
 Issue, semestrially of the Conclusions note regarding the risks management process by the Risks management team.

After the management' analysis, as proposals to improve the risks management management, the followings were mainly settled:

1. monitoring, evaluation and reporting risks management process' efficiency regarding the work premises, the occurred changes and the objectives, the corruption risks included (risks associated both to specific objectives and to sensitive functions), and periodic updating of "Risks registrar" together with the updating of "Plan of internal control measures implementation" for the risks management in the approved risk tolerance and to reach the activities/processes objectives and taegets, and of the company' development strategy on average and long term.
2. identification, monitoring, evaluation and reporting of the risks strategy efficiency and of adopted managerial intern control instruments by "Risks registrar" and "Plan of internal control measures implementation" according to Order no.400/2015 SGG' requirements, with further alterations and additions and provisions of "Risk management system procedure code PS-02Ed.I.RO"
3. identification, monitoring, evaluation and reporting of the management level of "corruption risks associated to both specific objectives and sensitive functions"), according to Order no.400/2015 SGG, with further alterations and additions, with provisions of "Risk management system procedure code PS-02" with provisions of GD. No.583/2016 regarding the approval of Anticorruption national strategy approval for the period 2016-2020, of the performance indicators set, risks associated to strategy objectives and measures and of control indicators and of publishing standards of public interest information" according to provisions of "Integrity plan for SNA 2016-2020 implementation in Oil Terminal SA".
4. submission of dates in "Risks registrar" and " Plan to implement the control measures", corruption risks included, to the Internal Audit Department and the Management Financial Control and Internal Survey Department to support and achieve the ensurance and control aims according to the objectives approved by the scheduled documents;
5. maintenance and development and internal/managerial control system compliance at the company' level, according to action directions of "Company' overall development strategy" and according to action directions of 'Program of internal/managerial control system development", complying with the provisions of GD no.119/1999 republished with further alterations and additions and managerial intern control of the public entities' Managerial intern control code approved by Order SGG no. 400/2015 SGG, with further alterations and additions.

The company' exposure to price, credit, liquidity and cash-flow risk

Price risk

The company exposure to the price risk is monitored by management accounting and the costs calculation activity, containing the following matters:

the company' production expenses formation method ;
 the expenses' grouping and behaviour comparing to the generating factors and their character;
 presettling of the costs level and structure for each service supply and for the whole planned service supply;
 production expenses current analitical recording on management accounting and calculation of the indicators required by the calculation methods used;

production expenses level compared analysis and the expenses structure and, of the costs calculated according to them, using to decisions optimization in the service supply valoric side of the management.

The initiated and run pragmatic actions, in view to achieve the management accounting objectives, follow:

- determination of products' costs;
- determination of the profitability on products;
- issue and deliver of information necessary to issue, follow and control the revenues and expenditures budget and the updating of indicators contributing to decisions' optimization at the company' management level.

Therefore, the costs calculation, on the services supplies settling base in the company, represents the main instrument for prospection, identification and mobilization of the company' internal reserves as:

1. the costs calculation supplies information on the achieved valoric side for the past expenses and for the present ones;
2. the service supply cost level is an economical criterium for the company' activity' efficiency
3. the tariffs correct settling is an important instrument for the company' managerial ruling;
4. the costs calculation is an important instrument for the company' financial planning;
5. organising the management accounting at the company'level and on eacg service supply, the costs can be followed in dynamics.

By following the costs' dynamics periodically per conventional ton of product (every six months) a balance is provided between the average cost on product ton and the achieved average on the same measure unit, so that the services supplied to be efficient and to bring plus value.

Credit risk

Credit risk is the risk of financial loss for Societate arising when a client or a business partner doesn't succeed to achieve contractual obligations. Societatea is exposed mainly to crddit risk arisen from the services supplied to the clients. Annually, the contracts content regarding the services supplies for all liquid petroleum products are approved by National Agency of mineral Resources' order. In these contracts, the commercial terms to fulfill the service supplied by the company to clients are presented:

- payment of services supplied in maximum 30 days;
- accessories calculation (penalties and delay interests) for the payment uneffectment in contractual terms by clients;
- in certain situations, well contractually stated, the revenues are cashed in advance;
- if the invoices are not paid in the term stipulated in contract, OIL TERMINAL has the right to retain the transited cargo, until the amounts due by the clients payment.

Liquidity risk

The risk of liquidity arises from the management of working capital and the financing expenses and main amount reimbursement for the company' credit instruments.

Oil Terminal monitors the compliance of payment terms provided in commercial contracts by clients, in order to ensure that there is enough cash to allow the financial obligations complying to third parties (materials, services suppliers, employees, banks, state financial institution s, etc) when these obligations are due for payment.

To achieve this objective, the company took the following measures:

- monitoring of cashings in contractual term;
- contractation of a credit line type work capital and its use only in situations when the current cash balance is not enough for the due payments effectment;
- keeping of a cash balance to satisfy the payments necessities;

- issuing of a cash flow, weekly.

By applying the above- mentioned measures, the company has enough liquid resources to achieve its obligations in all reasonable predicted situations.

The liquidity indicators provides the guarantee to cover the current debts from current assets. The current liquidity represents the ratio between the curent assets and the current debts, recording in 2018 the value of 1.35 than 1.37 in 2017.

The immediate liquidity (acid test) represents a ratio between the diminished current assets by stocks and the current debts, this indicator' value being 1.32 in 2018 than 1.31 in 2017.

Debts balance on 31 December 2018, from which:

	Net value	Contractual value	<12 months	1-2 years	2-5 years
Balance of debts on 31.12.2018 from which:					
Commercial debts and other current debts	11,912,970	11,912,970	11,912,970	-	-
Debts regarding taxes and fees	6,457,724	6,457,724	6,457,724	-	-
Loans	39,455,933	60,686,715	2,390,419	12,207,095	24,858,419
TOTAL	57,826,627	79,057,409	20,761,113	12,207,095	24,858,419

Other debts:

Debts regarding tax on postponed profit	32,201,864				
TOTAL	32,201,864				

On 31.12.2018, taxation on postponed profit related to reserves from reevaluation in balance on 31.12.2018, constituted on own capitals is in a total amount of 32,201,864 lei, recorded as follows:

- 25, 943,248 lei recorded through account , 'reported result arisen from accountancy errors correction" on 31 December 2014 according to IAS 8 "Accountant policies, alterations of accountancy estimations and errors", representing taxation on postponed profit constituted on own capitals related to reserves from reevaluation, for 2011-2014
- 2,779,766 lei recorded on 31 December 2015 representing taxation on postponed profit constituted on own capitals related to reserves from reevaluation, for 2015
- (98,436) lei recorded on 31 December 2016 representing taxation on postponed profit related to reserves fro reevaluation for the ceased/scrapped assets transffered in reported result, for 2016
- 5,494,500 lei recorded on 31 December 2017 representing taxation on postponed profit constituted on own capitals related to reserves from reevaluation, for 2017
- (1,684,738) lei recorded on 31 December 2017 representing taxation on postponed profit recognized on canceled own capitals, related to reserves from reevaluation used for 2017, for assets reevaluation record, for 2017
- (119,495) lei recorded on 31 December 2017 taxation on postponed profit recognized on canceled own capitals, related to reserves from reevaluation transffered in reported result, representing surplus from assets reevaluation postponed profit taxation constituted on own capitals in an amount of 2,779,766 lei was recorded, so that, on for ceased/scrapped assets in 2017.

- (112,981) lei recorded on 31 December 2018 taxation on postponed profit recognized on canceled own capitals, related to reserves from reevaluation transferred in reported result, representing surplus from assets' reevaluation for the ceased/scrapped assets in 2018

In 2018, taxation on postponed profit, constituted on own capitals was diminished by the amount 112,981 lei, representing taxation on postponed profit canceled on own capitals, related to reserves from reevaluation for the ceased/scrapped assets transferred in reported result, so that, on 31.12.2018, the balance of taxation account on postponed profit is 32,201,864 lei.

Taxation on postponed profit canceled, recognized on 31 December 2018 in overall result report is (112,981) lei.

Cash-flow risk

In 2018, the net cash flow from the operating activity is of 12,560 thousand lei, increasing by the amount of 3,434 thousand lei comparing to 2017.

The cash flow from the investments activity includes mainly payments for investments in tangible and intangible assets in an amount of 23,194 thousand lei.

Comparing to the previous year, the used net cash flow in investments decreases by 6,898 thousand lei. The cash flow from financing activities is 4,475 thousand lei and is represented by cash inflows from loans in an amount of 9,714 thousand lei, cash outflows representing payments for loans in an amount of 1,115 thousand lei for 2018 and payments for dividends in an amount of 4,124 thousand lei.

Program of internmanagerial control system development

In 2018, according to the Program of managerial intern control system development issued, updated and approved for the company, the following actions were mainly settled and achieved:

- Provision of premises and terms necessary to know and comply with the normative acts' provisions regulating the employees' behaviour at job and for frauds and disorders' prevention and report, by adopting and implementing the employee' Ethic Code and Behaviour rules in Societatea Oil Terminal SA and of Operational procedure' rules regarding the disorders' notice.
- Achievement of procedural and organizatoric premises and terms to provide the employees' behaviour rules' application and compliance' monitoring, according to Ethic Code and Behaviour rules in Societatea Oil Terminal SA and the specific Professional behaviour rules for the activity/position, by the company' management, the departments' chiefs, the responsible employee with the ethic advice and the authorized employee for the claims' receiving;
- identification and inventory of positions considered to be sensitive (positions considered to be especially exposed to corruption); settling and implementation of some enough and appropriate measures in order to reduce the risks of sensitive positions to an acceptable level;
- updating and approval of specific and individual objectives complying with the general objectives, overall mission and strategy of the company' development;
- implementation and maintenance of a management system of the functional risk, regarding the risks' best management in order to reach the company' objectives to the proposed targets, for the objectives/activities and the corruption risks
- settling of intern control measures to keep the risks at an acceptable tolerance level in the risk tolerance limits approved by the company' management
- periodic addition and updating of the Risks registrar for the department and entity
- integration and implementation of the Statement regarding Societatea Oil Terminal SA' Board of Directors' commitment and policy' requirements, regarding the risk management policy implementation and intern/managerial control system development at all hierarchical and managerial levels
- Implementation and monitoring of the company' management' commitment and policy' provisions of the risk' management at all hierarchical and managerial levels
- identification of the procedurable activities and their formalization by issuing, approval of the formalized procedures per activities according to Societatea Oil Terminal SA' Program of intern/managerial control system development

- annual organization and running of the managerial intern control system selfevaluation operation

Evaluation of the risks management system' efficiency degree, in departments and company, by the Risks Management team, the results regarding the risks management process are reported in the "report regarding the risks management process", "Risks registrar", "Plan for the control measures' implementation" and according to the risks management process by "Conclusions note regarding the risks' management process".

The stage of the identified and managed risks by the Risks management team in the analysis, evaluation and management of risks' meetings give the following hierarchy of the risk tolerance level, on 31.12.2017, as follows:

- on 31.12.2018, a number of 102 associated risks are identified, analyzed, evaluated and managed, both for the company' departments' specific objectives/activities/ processes and partial strategies objectives arisen from the company' development strategy, as follows:
 - o 91 risks of "allowable" – percentage 89.22%
 - o 10 risks of "high allowance" – percentage 9.80%
 - o 1 risk of "low allowance" – percentage 0.98%
 - o 0 risks of "unallowable" – percentage 0%

Evolution of the managerial intern control system' implementation and compliance stage in Societatea Oil Terminal SA, in the period 2012-2018

According to provisions of the Managerial/intern control system report on 31 December 2012, according to managerial/intern control system selfevaluation results, got on 31 December 2012, Societatea Oil Terminal SA had a partially complying managerial/intern control system with the standards contained in the Managerial/intern control code, at that date 13 standards of 25 ones being implemented, according to OMFP no.946/2005 provisions with further alterations and additions.

On 31.12.2018, Societatea Oil Terminal SA owns a managerial/intern control, "complying with" with the standards contained in Managerial/intern control code, all 16 standards being implemented according to provisions of Order no.600/2018, according to Report on the managerial/intern control system on 31 December 2018.

4.11 Prospective elements regarding the company' activity

Uncertainty trends, elements, events or factors affecting or that could affect the company' liquidity, comparing to the same period of the previous year

The company' liquidity could be affected by:

- unachievement of planned services supplies program for the current year following the clients planned commercial activity decrease for 2018;
- uncashing of receivables in the term provided in the services supplies contracts concluded with clients, namely, in 30 days since the fiscal invoice issue;
- entry into default/insolvency of some clients;
- some clients' activity reduction or some unpredictable events' occurrence, as force majeure cases;
- variation on the international market of the petroleum, liquid petrochemical products quotations leading to the transited quantities decrease in some periods of time and of the revenues to be invoiced;
- calculation of some extra impots and taxes than the duties to the state and local budget settled by the company, following some fiscal controls;
- loss of some litigations which object is represented by various claims of claimant clients.
- Legislative alterations with influence on terminal' object of activity, as ANAF Order no.3236/27.12.2018, by which oil products traders authorization terms were altered, that could affect gas oil loading into trucks activity
- Until 30.04.2019, it is necessary to get the re authorization to use a special Customs and temporary storage regime conditioned on the previous getting of an authorization for global guarantee usage,

according to provisions of Decision no.145/25.06.2018 of Customs General Direction and of Order no.2671/2017 of ANAF President.

If the guarantee communicated by Customs Direction of 866 million can't be ensured by terminal, the services supplies activity will be significantly affected.

Capital, current and anticipated expenses on the company' financial situation comparing to the same period of the previous year

The investments activity in the company Oil Terminal SA Constanta runs in two main directions:

1. Investments objectives for the company own patrimony;
2. Investments objectives related to the public domain, according the Minimum program regarding the petroleum terminal rehabilitation and upgrading, annex of the Lease Oil Agreement concluded with the National Agency of Mineral Resources.

For 2018, investments expenses are in an amount of 23,471 thousand lei, constituted on the investments financing source level, from which credits reimbursements for investments in an amount of 1,275 thousand lei and investments expenses in a value of 22,196 thousand lei.

In 2018, total investments expenses in a value of 23,194 thousand lei were recorded, increasing by 4.5% (998 thousand lei) comparing to the approved level for 2018 (22,196 thousand lei).

The expenses value for investments achieved in 2018 decreases by 19.9% (5,779 thousand lei) comparing to 2017.

Structure of investments expenses achieved in 2018 comparing to the approved level by corrected Budget of revenues and expenses

	INDICATORSI (thousand lei)	Year 2018		
		Budget of revenues and expenses	Achieved	%
0	1	2	3	4=3/2
	EXPENSES FOR INVESTMENTS, from which:	22,196	23,194	104.5
1	Investments going on	9,720	9,774	100.6
2	New investments	2,420	2,420	100.0
3	Upgradings	4,640	5,848	126.0
4	Facilities(other acquisitions of tangible assets)	5,416	5,152	95.1

Investments expenses achieved in 2018 (acquisition, development and upgrading of assets expenses) in an amount of 23,194 thousand lei, were financed both from own sources and from extern sources (credits for investments approved by AGEA' Decision no.10/19.06.2017 and AGEA'Decision no.17/11.07.2018), as follows:

- By AGEA' Decision no.10/19.06.2017, it approved to contract an investments credit on long term, in an amount of 26.77 mill. Lei (VATincluded), for investments objectives financing in state public domain, namely , "Above ground position of crude oil pipeline network (T1 and T2) Port Storage Farm" and , 'Upgrading of shoretank R34/S"
- By AGEA'Decision no.17/11.07.2018, it approved to contract an investments credit on long term, in an amount of 23.72 mil. lei (VATincluded) for the following investments o
- Bjectives financing:Upgrading of shoretank T30S – South Storage Farm and acquisition of 2 pieces oil product fiscalized determination

In 2018, it used both the difference of 4.6 mill. Lei (VAT excluded) remained from the credit total value for investments contracted in 2017 with Bsnpcost, and the amount of 5.57 mill.lei (VAT excluded) from total value (23.72 mill.lei, VAT included) of investments credit contracted on 29.10.2018 with Banca Comerciala Romana SA.

Private domain (Oil Terminal)

- Upgrading of gas oil bunkering flowmeters skids jetties 70 and 75
- Upgrading of gas oil flowmeters Port Storage Farm
- Design of rail line (future rail line 5) South Storage Farm platform;
- Common metallic scaffold line L2 and L3 rail platform South Storage Farm (company's patrimony)
- Upgrading lighting system for gas oil skids flowmeters (gasoline, gas oil, crude oil, calibration)
- Updating of roof and first sleeve for shore tank 23 Port Storage farm;
- Upgrading of lighting system and electric drives in shore tanks area of 10,000 and 31,500 CM in South Storage Farm
- Depollution boat
- Radar tank remote control, 8 pieces
- Master flowmeter
- Operation systems and different licenses (windows, office)
- IT peripheral equipments (PC, laptop, server, printer)
- Laboratory apparatus
- Different equipments/facilities
- Auto skid flowmeter
- Wind shelter cabin jetty 69

State public domain

- Addition and updating of project 'Upgrading R30/S- South Storage Farm'
- Upgrading of gas oil flowmeter facility Port Storage Farm
- Upgrading R34/S
- Aboveground location of pipeline network Port Storage Farm – South Storage Farm (T1 and T2)
- Upgrading R30/S – South Storage Farm

Events, trades, economic changes significantly affecting the revenues from the main activity

Events significantly affecting the revenues from main activity:

1. Decrease of products quantities handled through terminal. The revenues from the main activity are significantly affected by decrease of the handled products quantities, that continuously decreased as a consequence of the market terms change. In 2013, the petroleum products handling decreased by 70% comparing to 2005, from 13.6 mill. tons to 4.1 mill. tons. Since 2014, the handled quantities increased from 5.2 mill. tons to 5.9 mill. tons in 2016, in 2017 the handled quantities (5.6 mill. tons) decreased by 1% comparing to 2017.
2. Gas oil deliveries from Oil Terminal were of about 100 thousand tons less than those of the services supplies program. This fact was due mainly to the diminishing of quantities loaded in river barges that decreased from 251 thousand tons in 2016 to 91 thousand tons in 2017.
3. Closing/ redimensioning of the production capacities. The decreased refining limits and the negative financial results recorded by Romanian refineries might lead to their activity's decrease. The industrial activity contraction at macro and microeconomic level. The macroeconomic context at national and international level determines restraints at the industrial activity level, affecting Oil Terminal's activity. Opening of new refining capacities in middle east and oil products getting, approved by the European Community can have a major impact on oil production in Romania and Europe due to lower prices introduced on the consumption market.
4. The commercial policy applied by Oil Terminal's main clients (Petrotel Lukoil, OMV Petrom Oscar Downstream and Vitol) decisively influences the volume of services supplies handled in the oil terminal. Gas oil quantities blended with biodiesel were of only 166 thousand tons comparing to those taken in consideration when services supplies plan issuing of 460 thousand tons. This blended

quantities diminishing occurred as the client – Oscar Downstream delivered over 9 thousand tons gas oil blended with biodiesel from the total of 649 thousand tons dispatched from Oil Terminal.

5. Entry in insolvency of some clients determines the unachievement of the planned services supplies program and recording of some receivables losses, influencing the general liquidity.

4.12 Litigations

On 31.12.2018, Societatea Oil Terminal is involved in a number of 89 files pending on courts, from which 56 files it is a claimant or contesting party and in 33 files it is a defendant.

The management periodically analyses the situation of litigations going on, after consulting its legal advisors, decides on the necessity to create provisions for the amounts involved or for their presentation in the financial reports.

Oil Terminal records on 31 December 2018 provisions for litigations in an amount of 1,362,024 lei.

Having in view the existent information, the company's management considers that the outstanding litigations going on are the followings:

I. File no.1517/118/2012, creditor: Oil Terminal SA and debtor: SC Byotech Prod General, by which the defendant is obliged to pay the total amount of 251,185 lei.

By Civil sentence no. 16622/24.10.2012, Constanta Court admits the summons submitted by the claimant OIL TERMINAL SA, in contradictory with the defendant SC Byotech Prod General SRL. It obliges the defendant to pay the amount of 164,066 lei, to the claimant, representing the countervalue of VAT for the excise of 863,504 lei and the amount of 87,119 lei, representing delay penalties. It obliges the defendant to pay to the claimant court expenses in an amount of 8,255.70 lei.

Request of enforcement was submitted. The bailiff put garnishment to all the debtor's accounts. Until the present date, the debt hasn't been recovered due to funds' lack.

For this file, a provision of 246,970 lei was constituted.

II. File no.11403/212/2011 pending on Constanta Court, by which the claimants Iasar Ana, Iasar Tair, Iasar Doina, Iasar Sevinci, Iasar Esan, Iasar Ghiulgean, Iasar Ssbria request the claimants Oil Terminal SA, Oil Prod SRL, Eco Petroleum SA to pay the materials damages in an amount of 30,000 lei and moral damages in an amount of 60,000 lei.

By Conclusion of 26.06.2013, the file will be suspended by its own, according to art.36 of Law no.85/2006, due to Oil Prod SRL's insolvency.

With appeal in the term provided by art. 244 index 1 paragraph 2 Code of civil procedure.

For this file, a provision of 90,000 lei was constituted.

III. File no.3752/118/2016 pending on Constanta court, in contradictory with Romania Audit Office with object: contestation against decision no. 35/19.05.2016 by which Oil Terminal SA asks for the cancellation of measures ordered by the control entity.

The action was submitted on 06.06.2016. By Civil sentence no.580/13.04.2018, Constanta Court of Justice rejected the action submitted by Oil Terminal SA as groundless. Oil Terminal SA appealed in legal term, the file has not yet a term in Constanta Court of Appeal, in file no. 10/36/2019.

For this file, the amount of 139,341 lei was recorded in the account – Assets and the amount of 150 lei was recorded in the account- provisions for litigations.

IV. File 2884/245/2011 pending on Iasi Court of Justice, in contradictory with the complainant SNTFC – CFR and the defendants Oil Terminal, Oscar Downstream SRL and CFR MARFA.

Action in claims submitted by SNTFC – CFR, RTF CALATORI IASI and SNTF CFR MARFA SA SUC. IASI to Iasi Court of Justice on 27.22.1011, by which the complainants ask the court to give a decision, by which the defendants SC Oscar Downstream and Oil Terminal SA to be obliged to pay the amount of 44,400.98 lei, representing the countervalue of 12,075 kgs gas oil. The request is the object of file no. 2884/245/2011. By the conclusion of 21.06.2011, the court suspended the present file's solution until the criminal file's solution.

The litigation is pending on again and, by Civil sentence no.14336/21.12.2018, the court rejected as groundless, the defendants OIL TERMINAL and OSCAR DOWNSTREAM SRL' passive procesual quality lack, invoked by contestation, admitted the summons submitted by SNTFC-CFR, RTF CALATORI IASI incontradictory with the defendant SNTF CFR MARFA SA SUC. IASI, obliged the defendant SNTF CFR MARFA SA SUC IASI to pay the claimant the amount of 44,400,98 lei, rejected the summons submitted by the claimant SNTFC – CFR, RTF CALATORI IASlin contradictory with the defendants SUC. OIL TERMINAL CONSTANTA and SC OSCAR DOWNSTREAM SRL, as groundless, rejected the summons for guarantee of OIL TERMINAL SA CONSTANTA, submitted by the defendant SC OSCAR DOWNSTREAM SRL, as being without object and obliged the defendant SNTF CFR MARFA SA SUC. IASI to pay the claimant the amount of 2,387 lei, representing court expenses – stamp tax.

The decision can be appealed in 15 days since communication, until the present date, the civil sentence has not been communicated yet.

For this file, a provision of 44,401 lei was constituted.

V.File 4010/87/2015, pending Teleorman court, in contradictory with Interagro SRL with object : insolvency.

Oil Terminal SA submitted an recording request to statement of affairs for the amount of 1,557,336.05 lei.

By decision no.317/16.06.2016, court gave the following solution:

- "it admits the call for abstention and replacement of legal administrator, submitted by ZRP Insolvency SPRL
- It orders the interim legal administrator replacement represented by legal administrators holding made of CITR Bucharest branch and ZRP Insolvency SPRL by the interim legal administrator CITR Bucharest branch SPRL.
- It rejects as groundless the exception of conexing inadmissibility submitted by the creditor Attorney Ciobanu Crina Ionela.
- It rejects as groundless the exception of conexing request lateness submitted by creditor SC AUTOCORA SRL
- It admits the conexing request
- It orders to submit the file no.4010/87/2015 and the associated files regarding the debtor SC INTERAGRO SRL to Bucharest court, section VII CIVIL, the firstly settled court to solve up the file no. 36095/3/2015 regarding the debtor SC INTERAGRO SA"

By decision no.1617/13.10.2016, Bucharest Court of appeal rejected the appeals submitted by SC AUTOCORA SRL and SC INTERAGRO SA, as groundless.

File no.36095/3/2015, pending on Bucharest Court of Justice, the term of 05.10.2018, the court gave the following inetrim solution: it admits the requests of debtor SC INTERAGRO SA, by special administrator Cadar Marcel and judiciary administratyor CITR FILIALA Ilfov SPRL. According to art.132 paragraph 2 of Law no.85/2014, it orders the reorganization plan deposit extension by 30 days, the next term is for 01.04.2019.

The decision is final and appealed in 7 days since communication

For this file, a regulation for the debt depreaciation in an amount of 1,557,336 lei was constituted.

VI.File no.2380/118/2013 and File no.2380/118/2017 pending Constanta court. Firstly a request to record to the statement of affairs with the amount of 242,498.99 lei was submitted. On term 02.06.2014, it ordered the bankruptcy, information address of 04.06.2014.

Further, on term 19.08.2014- court remaining in pronouncing on the legal administrator' request for the company' bankruptcy. On 26.08.2017 the court gave the interim decision no.2201 and it orders the bankruptcy of debtor according to art.107 paragraph -1 letter a,c,b. As legal liquidator, Global Insolvency was appointed. Sentence was communicated on 15.09.2014.

Term for the debt recording 10.10.2014. On 07.10.2014 the company recorded to the statement of affairs for the amount of 1,291,599.10 lei.

Term:17.11.2014-bankruptcy

On 24.11.2014 legal liquidator is confirmed to be Spectrum Insolvency IPURL and his fee is approved.

On 29.01.2015, the liquidator communicated the recording to the statement of affairs with the amount of 1,068,322.18 lei.

The company deposits contestation for recording to the statement of affairs on 04.05.2015.

On 20.05.2015, the court orders: „it pends on again the file. It settles term for 15.06.2015, when the parties are cited with a copy of the present decision, the court discussing the administration of evidence with the legal accountant expertise to settle: 1. the debts value of creditor SC OIL TERMINAL SA arisen after the insolvency procedure opening and after the debtor' bankruptcy, arisen from hire contracts concluded with the debtor; 2. the value of payments effected by debtor SC OIL TERMINAL SA to the creditor further the insolvency procedure opening and further the debtor' bankruptcy; 3. value of devt owned by the creditor SC OIL TERMINAL SA, arisen after the insol;vency procedure opening until the bankruptcy, by deducting the payments effected by the debtor after the insolvency procedure opening i two alternatives:1. by deducting the payments eected by debtor, both from the debts value, arisen before the insolvency procedure opening - recorded in the final table of debtor' obligations and from the value of debts arisen after the insolvency procedure opening until the debtor' bankruptcy; 2. by deducting the paymemts effected by debtor only from the debts value arisen after the insolvency procedure opening until the debtor' bankruptcy”.

By decision no.303/08.02.2016, court partly admits the contestation submitted by the creditor SC OIL TERMINAL SA in contradictory with the defendant SPECTRUM INSOLVENCY IPURL, legal administrator of debtor SC OIL PROD SRL. It orders the recording in the final table consolodated of debtor' debts SC OIL PROD SRL of the debt in a total value of 1,199,000.71 lei of creditor SC OIL TERMINAL SA.

The civil sentence has not been communicated yet.

The next term was settled for 15.04.2018.

For these files, a regulation for the debt depreciation in an amount of 1,304,907 lei was constituted.

VII.File no.166/118/2018 pending on Constanta Court of Justice, having as parties Oil Terminal SA in contradictory with ANAF-Galati Region al General Direction of Public Finances – Commission for Excisable products operators authorization – through representative Constanta Public Finances.

Oil Terminal SA deposited, on 11.01/2018 a request in Constanta Court of Justice, by which it requested the suspension of Decision no.2/21.12.2017' effects, by which it ordered the recalling of Fiscal warehouse authorization no.RO0070413DD02of 22.10.2015, until the first instance solution regarding the above mentioned decision cancelation. The first term was on 08.03.2018.

By Decsion no. 419/15.03.2018, given by Constanta Court of Justice, it ordered the suspension of Decision no.2/21.12.2017, issued by National Agency of Fiscal Administration – Galati Tregional General Direction of Finances - Commission for Excisable products operators authorization, until the first instance solution. ANAF appealed on 26.04.2018. By Decision no. 854/20.06.2018, Constanta Court of Appeal rejected the appeal as groundless. Civil sentence was communicated on 09.07.2018

For this file, a provision of 1,050 lei was constituted.

VIII.File no. 4456/118/2018, pending on Constanta Court of Justice, having as parties Oil Terminal SA, in contradictory with ANAF-Galati Region al General Direction of Public Finances – Commission for Excisable products operators authorization – through representative Constanta Public Finances.

On 24.07.2018, Oil Terminal SA deposited in Constanta Court of Justice, an administrative contestation, by which it requested Decision no. 2/21.12.2017' cancelation namely Decision no. 2/16.02.2018' cancelation, by which ANAF - Galati Region al General Direction of Public Finances – Commission for Excisable products operators authorization ordered the recalling of Fiscal warehouse authorization issued on 22.10.2015.

The request is the object of file no.4456/118/2018, pending on Constanta Court of Justice.

Constanta Court of Justice gave the first term in file no. 4456/118/2018 for 12.03.2019.

For this file, a provision of 50 lei was constituted.

IX.File no. 1571/93/2018, pending on Ilfov Court of Justice, debtor ROTTCO CONSULT SRL. A request was submitted to be recorded in debtors list for the amount of 2,344.04 lei, deposited on 31.07.2018. On term of 03.10.2018, court ordered to evaluate the debtor' goods. The next term is 26.03.2019.

For this file, a regulation for the receivable depreciation of 4,730 was constituted

X.File no. 2142/118/2018, pending on Constanta Court of Justice, debtor MASTER CHEM OIL DMCC.
 The claims action deposited on 04.04.2018, by which we ask for cutter stock storage payment in an amount of 219,977.21 lei (October 2017-February 2018).
 Further, written notes regarding claims increase to the amount of 601,336.89 lei (145,025.97 USD) were deposited.
 On term of 14.02.2019, the court was pending on giving a solution.
 On term of 28.02.2019, Court postponed the solution until 14.03.2019.
 The solution is postponed for 28.02.2019.
 For this file, a regulation for the receivable depreciation in an amount of 990,482 lei was constituted.

4.13 Important events after 31 December 2018

I. Board of Directors' Decisions on 18.01.2019

By BoD' Decision no.2/18.01.2019, it approved the Programme of physical and valoric services supplies for 2019

By BoD' Decision no.3/18.01.2019, it approved the Plan of actions for Societatea Oil Terminal SA' development strategy implementation (2016-2025)- Development stage Year 2019.

By BoD' Decision no.6/18.01.2019, it approved the alteration of Societatea' organization and running regulation, with applicability 01.02.2019.

II. Oil Terminal owns a Customs warehouse authorization used for goods placement in Customs warehouse or in temporary storage, available until 30.04.2019, without possibility of extension.

According to provisions of art.15, paragraph (1) together with those of art. 250 paragraph (1) of Commission Delegate Regulation (EU) 2446/2015, usage authorizations of special regimes and/or temporary storage must be re evaluated.

Having in view provisions of Decision 145/25.06.2018 and Order no.2671/2017 of ANAF'President, Oil Terminal started the steps to get the Global Guarantee Authorization necessary for Customs Warehouse Authorization since 01.05.2019.

Further the request to get a usage authorization of global guarantee, deposited by Oil Terminal in Customs decisions' centralized system, the company got the address no.1108/23.01.2019, from Galati Customs Regulations Dept. – DRV, which settled a quantum of the global guarantee in an amount of 866,291,777 lei, after having analyzed the documents deposited and the volume of goods handled in the latest 12 months in oil terminal.

The reference quantum of global guarantee was calculated according to Annex of General director' decision of Customs General Direction no.145/25.06.2018, chapter IV "reference quantum of global guarantee".

On 01.02.2019, Oil Terminal deposited the second request in Customs Decision centralized system, by which it agreed the amount proposed by Customs Authority, by address 1108/23.01.2019, but with a quantum reduced to 30%, therefore, the amount necessary for the guarantee is 259,887,533 lei.

On 28.02.2019, in Oil Terminal SA' headquarter, Galati Customs Regional Direction, Customs Regulations Dept. had a control, after which the approval of request to reduce the global guarantee to 30% occurs.

We mention that, clients handling the largest products quantities through oil terminal (owners of goods handled through oil terminal), who have now or had in past guarantee letters opened in Constanta Customs Office for and in Oil Terminal SA' name, expressed their verbal agreement to participate to collateral guarantees in order to support the activity for the products being the object of Customs warehouse.

III. Board of Directors met in meeting on 18.03.2019 convenes shareholders General Ordinary Assembly on 24.04.2019. The Shareholders General Ordinary Assembly' day agenda is the following:

1. Approval of financial reports for 2018, issued according to International Standards of Financial Reporting (IFRS), containing: financial position report, overall result report, own capitals alterations report, cash flows report, notes of financial reports, according to Board of Directors' report and the independent financial auditor.
2. Approval of net profit distribution for financial year 2018 in an amount of 286,326 lei, as follows:

- Legal reserve: 95,537 lei
 - Other reserves representing fiscal facilities provided by law: 139,934 lei
 - Employees participation to profit: 5,086 lei
 - Shareholders' dividends 50%: 25,428 lei
 - Shareholders' dividends 35% from own financing source: 7,119 lei
 - Own financing source: 13,222 lei
3. Settling of gross dividend proposed to be given to shareholders in a quantum of 0.00005588 lei/share.
 4. Settling of date 07.06.2019 as dividends payment date to shareholders.
 5. Authorization of the Board of Directors to appoint the payment agent according to applicable regulation framework for dividends payment. The dividends payment will be effected in lei, only to shareholders registered in Shareholders Registrar (kept by "Depozitarul Central" SA) on the registration dates settled by the Shareholders General Assembly, the shareholders will be informed on the payment method before the payment start date.
 6. Approval of managers' administration discharging for the activity held in financial year 2018.
 7. Approval of financial year annual report for 2018, issued according to AF Regulation 5/2018.
 8. Presentation of Annual report of Nomination and Remuneration Committee regarding the remunerations and other advantages given to managers and general director during financial year 2018, the accomplishment way on 31.12.2018 of performance criteria and objectives settled in mandate contracts.
 9. Information on the social capital increase process' stage.
 10. Approval of the company' acquisition for consulting, assistance and/or representation legal services for the company' social capital increase.
 11. Information regarding Semester report on the management activity for semester II 2018 according to art. 55 of EGO no.109/2011.
 12. Information regarding fiscal warehouse guarantee diminishing .

IV. Board of Directors, met in meeting of 18.03.2019 convenes Shareholders General Extraordinary Assembly on 24. (25.) 04.2019, Shareholders General Extraordinary Assembly is the following:

1. Approval to constitute a guarantee package necessary to get the authorization to use global guarantee according to ANAF Order no.2671/2017 and of DGV Decision no.145/2018.
2. Approval of guarantees constitution to get authorization of global guarantee necessary to receive goods in Customs warehouse according to provisions of ANAF Order no.2671/2017 and DGV Decision no.145/2018.
3. Empowerment of general director, financial director, development director, chief of acquisitions dept. and chief of legal-litigations dept. or their legal representatives to represent the company in relation with a credit entity, a financial institution, an authorized insurance company or an insurance broker, public notary to sign in the name and for the company contracts, their additional acts and any necessary mentions for the contractual relation.
4. Approval of OIL TERMINAL SA' association proposal with other companies in order to constitute Romanian National Committee for Oil International Council (CNR-CMP) and to get associate member position for OIL TERMINAL SA.

5. THE COMPANY' TANGIBLE ASSETS

Location and characteristics of main output capacities in the company' propriety

North Storage Farm and South Storage Farm are located in Constanta city area and Port Storage Farm is located in Constanta Port;

The three storage farms distribute the activities of receiving, storage, conditioning and delivery of crude oil, petroleum, petrochemical and liquid chemical products for import, export and transit, all being monitored by an unique strategy;

Oil Terminal SA Constanta effects services supplies regarding loading, discharging and conditioning of the following products: crude oil, gasoline, gas oil, petrochemical and liquid chemical products;

Each storage farm is provided with crude oil, petroleum, petrolchemical and liquid chemical products loading-discharging platforms, shoretanks due to their storage, pumps houses, pipelines connecting the different storage farm technical equipments;

Port Storage Farm is provided with jetties, especially equipped petroleum vessels operation. For crude oil, gas oil, gasoline, the facilities are provided with remote flowmeters;

Loading/discharging platforms for railcars with a capacity of about 20,000 tons/24 hours are represented by a restraint rail area, especially provided for oil and liquid chemical products railcars' loading/discharging. Parallel to rail car sector, there are mounted collecting pipelines through which the products are discharged by free fall. The collectors are connected to the pumping equipments by transport pipelines;

Transport pipelines with diameters between 100 and 1000 mm;

Pump houses achieving flows between 300 cm³/h and 2,500 cm³/h are generally closed buildings, inside which the pumps ensuring the existent products in the storage farm are handled. They are electrically actioned. Inside the pumps houses there are suction and repression pipelines mounted, and the closing fittings;

Shoretanks with capacities between 1,500 cm³ and 50,000 cm³, are specialized for liquid products storage. They are of metallic construction, cylindrical, vertically located –above ground, safety protection belts, fixed or floating roof, some provided with concrete protection belts, others in earth or concrete retention tanks. The shoretanks are provided with fire fighting system and according to the stored products kind, with thermal isolation or heating coils;

Laboratories are provided with apparatus to determine specific physical, chemical tests.

The commercial company proprieties' degree of wear

From the physical state and maintenance of fixed assets put in use point of view, the wear state for the facilities, technological equipments and shoretanks in the company' patrimony, according to Register regarding the classification and fixed assets use normal periods, is thought to be over 50%.

Among these fixed assets, a percentage of 80% consumed the useful lifetime provided in the technical books of these fixed assets.

For the rest of the facilities, periodic revisions and capital repairs are effected so that to ensure all work terms safety.

Amortization is calculated at the accountant value (acquisition cost or reestimated value), using the linear amortization method, for the assets estimated lifetime, the next month since its put in use and is included monthly in the company' costs.

The estimated useful lifetimes are:

Category	Useful lifetime (year)
Buildings	8-40 years
Technological equipments (cars, equipments, work facilities)	3-24 years
Apparata and equipments for measurement, control, regulation	2-24 years
Transport ways	3-16 years
Furniture, office equipment and other tangible assets	2-16 years

On 31.12.2017, the company recorded the fixed assets reevaluation according to an Evaluation report issued by an authorized assessor, ANEVAR' titular member. The evaluations frequency depends on the reevaluated fixed assets fair values alterations. If the fixed assets , which fair values don't have significant alterations, there is no need to have reevaluations.

On 31.12.2018, the tangible assets fair value, determined by the reestimated value is as followings:

Fields	321,521,535 lei
Constructions group	144,013,442 lei
Technical facilities and cars	25,591,207 lei
Other facilities, equipment and furniture	1,993,809 lei
Tangible assets going on	16,516,506 lei

The lands are not amortized as they mean an unlimited lifetime.

Possible matters regarding the propriety right on the company' tangible assets

It's not necessary.

6. THE MARKET OF THE SECURITIES ISSUED BY THE COMPANY

The full subscribed and paid capital is 58,243,025 lei distributed in 582,430,253 shares with a nominal value of 0.10 lei.

Oil Terminal SA' shareholding structure on 31.12.2018:

Shareholders	Shares number	Contribution (%)
Ministry of Energy	347,257,973	59.62%
Dumitrescu Sebastian Valentin	90,806,319	15.59%
Legal persons	60,683,255	10.42%
Physical persons	83,682,706	14.37%
TOTAL	582,430,253	100.00%

Romanian and foreign markets, where securities issued by the company are negotiated

Oil Terminal SA is a public company, according to Law no.24/2017 regarding the issuers of financial instruments and market operations, being registered in the National Commission of Securities. Shares issued by Oil Terminal SA are traded on the regulated market, Bucharest Stock Exchange, in department Capital titles, Standard Class, under symbol OIL.

OIL TERMINAL' policy regarding the dividends

GD no.64/2001 art 1 paragraph (1) letter f)- copmercial companies with major state capital submit for approval to Shareholders General Assembly "minimum 50% from the state or local budget payments, for independant administrations, or dividends for national companies, national and commercial companies with full or state capital"

GD no.64/2001art. 1 paragraph (1) letter g) – regarding profit distribution in national companies, national and commercial companies with full or state major capital, and in independant administrations, approved with alteration by Law no.769/2001 with further alterations and additions – "undistributed profit per destinations provided in letter a) -f) it distributes to other reserves and constitutes own financing source, being able to be distributed as dividends or state or local budget dividends or payments for independant administrations" and according to alterations brought to GD no.64/2001 through:

EGO no.114/2018 art.43 – "economic operators with full or major state capital applying provisions of GD no.26/2013 regarding the enhance of financial discipline on some economic operators level, in which state or administrative territorial units are unique or major shareholders or if they own directly or indirectly a major share, approved with additions by Law no.47/2014, with further alterations and additions, distribute and pay, in legal term of 60 days since the financial reports for 2018 approval as dividendsor payments to state budget, for independant administrations, 35% of the amounts distributed to other reserves, according to art. 1

paragraph (1) letter g) of Government Ordinance no.64/2001 (...), found in availabilities accounts and bank accounts and those related to investments on short term on 31 December 2018, which, on that date, are not engaged, by acquisition contracts, to be used as own financing sources”

Shareholders entitled to receive the distributed dividends from the net profit achieved in the financial year 2018 are those recorded in the Shareholders registrar on the recording date.

The dividends are paid to the shareholders proportionally with the participation rate at the social capital.

In 2016-2018, the distributed dividends situation was the following:

Dividends - lei	Year 2018	Year 2017	Year 2016
Due gross dividends	32,547	4,511,118	14,225,638
Due net dividends	-	4,420,603	13,939,717
Paid dividends	-	4,056,135	12,906,480
Accumulated dividends (unpaid on 31.12.	1.565.838	1,297,694	241,834

Value of distributed dividends from the distributed net profit decreased during the latest 3 years, further:

- diminishing of physical programme by 1% comparing to 2017 and by 5.5% comparing to 2016
- reduction of turnover by 7.6% 2018 comparing to 2017 and by 9.1% comparing to 2016
- reduction of net profit by 94.4% 2018 comparing to 2017 and by 98.2% comparing to 2016

The gross dividends/share in the period 2016-2018 is as follows:

Year	Gross dividend lei/share
2016	0.02442462
2017	0.00774534
2018	0.00005588

Dividends payment date will be settled complying with provisions of art.178 paragraph (2) of Financial Survey Authority Regulation no.5/2018: „For dividends, Shareholders General Assembly settles the payment date in a working day after the most 15 working days the registration date, but not later than 6 months from Shareholders General Assembly date to settle the dividends”

The company’ activities to own shares’ acquisition

Oil Terminal SA did not effect trades with object the own shares acquisition and does not have own shares at the end of 2018.

Number and nominal value of shares issued by company mother owned by branches

Oil Terminal SA has no branches, there are not shares issued by the company mother and owned by branches.

Bonds and/or other receivables titles issue

Oil Terminal SA has not issued bonds or other receivables titles.

7. THE COMPANY MANAGEMENT

7.1 List of OIL TERMINAL’ managers

The company’ management is provided by a Board of Directors, made of 7 members.

In the period 01.01.2018-31.12.2018, the Board of Directors' structure was:

No.	Name/first name	Birth date	Profession	Position
1.	CRISTIAN - FLORIN GHEORGHE	03.08.1975	Engineer	Manager 01.01.2018 - present BoD' Chairman – 20.01.2017-02.04.2017
2.	TOMA – BOGDAN COSTREIE	13.11.1976	Legal adviser	Manager 01.01.2018 – present
3.	OVIDIU AURELIAN ANDREI	25.08.1967	Engineer/Legal adviser	Manager 10.01.2018-present
4.	NICOLAE CIMPEANU	29.10.1967	Economist	Manager 11.07.2018-04.04.2018
5.	PAUL CONONOV	03.02.1965	Engineer	Manager 01.01.2018-present
6.	ANDREI IONUT ONOFREI	10.12.1085	Legal adviser	Manager 01.01.2018-04.04.2018
7.	RAMONA UNGUR	09.08.1973	Economist	Manager 01.01.2018-present
8.	CIPRIAN DRAGOS LAZARIU	26.05.1977	Economist	Manager 04.04.2018 – present
9.	CRISTIAN RADU POP	17.09.1974	Economist	Manager 04.04.2018 – present

7.2 List of the company' executive management members:

Oil Terminal SA' executive management in 2018:

No.	Name/first name	Position
1.	Viorel Sorin CIUTUREANU*	General Director 06.07.2012 – 01.07.2018 General Director 02.07.2018 – present
2.	Adriana FRANGU*	Economic Director 10.07.2012 – 01.07.2018 Financial Director 02.07.2018 - present
3.	Marieta Elisabeta STASI	Development Director 01.08.2017 –present
4.	Gabriel DARABAN	Commercial Director 10.07.2012 - present
5.	Nicu STEFAN	Investments and Infrastructure Safety 01.08.2017 – 31.08.2018
6.	Emil ROHAT	Technical Director 04.01.2011 - present

*On 02.07.2018, the selection procedure for the company' General Director and Financial Director was concluded, according to provisions of EGO 109/2011 regarding the public companies' corporate governance, with further alterations and additions.

According to legal provisions in force, the selection procedure of OIL TERMINAL SA' General Director and Financial Director was run by the Committee of Nomination and Remuneration mandated by the Board of Directors without involving an independent expert specialized in human resources recruitment.

Following the conclusion of selection and the recommendation of the Committee of Nomination and Remuneration, the company' Board of Directors, met on 02.07.2018, appointed for the position of general director, Mr. Viorel-Sorin CIUTUREANU and for the position of financial director Mrs. Adriana FRANGU. The mandates for the two directors is of 4 years, since 02.07.2018 until 01.07.2022.

Executive management members, namely, Development Director – Marieta Elisabeta STASI, Technical Director – Emil ROHAT, Commercial Director – Gabriel DARABAN are employees of the company, according to work individual contracts concluded for an undetermined period.

On the present report date, there are no participations of directors Sorin Viorel CIUTUREANU, Adriana FRANGU, Marieta Elisabeta STASI, Emil ROHAT, Gabriel DARABAN to the company's social capital.

8. FINANCIAL ACCOUNTANCY REPORT

Individual financial reports issued according to Public Finances Ministry Order no.2844/2016 with further alterations and additions, for Accountancy regulations according to International Standards of Financial Report ("IFRS") are audited by Societatea's statutory auditor.

According to Public Finances Ministry Order no.2844/2016, Public Finances Ministry Order no.2844/2016 represent standards adopted according to procedure stipulated by Regulation (EC) no.1606/2002 of European Parliament and Council of 19 July regarding application of International Accountancy Standards. We mention that, since financial year 2013, OIL TERM INAL SA' annual financial reports are issued according to IFRS.

	-lei- Year 2018	Year 2017	Year 2016
Patrimonial elements			
ASSETS			
FIXED ASSETS			
Intangible assets	3,860,536	3,924,103	3,609,380
Tangible assets	493,059,993	473,033,868	458,409,851
Tangible assets in execution	16,516,506	27,667,706	2,310,795
Financial assets	531,404	1,229,532	809,075
Total fixed assets	513,968,439	505,855,209	465,139,101
CURRENT ASSETS			
Stocks	456,427	1,532,514	1,055,927
Clients and assimilated accounts	16,005,581	12,727,119	16,478,491
Other receivables	3,520,795	2,878,661	1,894,626
Fees and taxes to be recovered	-	3,519,242	1,035
Cash and cash equivalents	7,948,994	13,410,392	26,001,896
Total current assets	27,931,797	34,067,928	45,431,975
Total assets	541,900,236	539,923,137	510,571,076
OWN CAPITALS			
Social capital	58,243,025	58,243,025	58,243,025
Other elements of own capitals	(3,257,283)	(3,370,263)	320,003
Reserves from reevaluation	232,347,173	233,139,364	210,424,839
Legal reserves	5,127,105	5,031,568	4,744,817
Other reserves	174,715,402	174,575,468	174,395,611
Surplus achieved from reevaluation reserves	6,615,332	5,823,139	4,680,864
Result reported without IAS 29	396,930	396,930	396,930
Result reported arisen from accountant errors correction	(25,839,366)	(25,839,366)	(25,839,366)
Current profit	281,240	4,977,726	15,419,450

Profit distribution	(235,471)	(466,608)	(1,193,812)
Total own capitals	448,394,087	452,510,983	441,592,361
DEBTS ON LONG TERM			
Loans on long term	37,065,514	27,350,980	7,331,250
Debts regarding tax on postponed profit	32,201,864	32,314,845	28,624,578
Total debts on long term	69,267,378	59,665,825	35,955,828
CURRENT DEBTS			
Long-term loans – current part	2,390,419	1,275,000	1,815,458
Commercial debts	7,759,454	15,589,749	11,452,246
Debts regarding impots and taxes	6,457,724	4,427,793	5,727,672
Other current debts	4,153,516	3,577,392	2,276,884
Total current debts	20,761,113	24,869,934	21,272,260
TOTAL DEBTS	90,028,491	84,535,759	57,228,088
Provisions	3,433,479	2,823,079	11,688,173
Subventions	44,179	53,316	62,454
Total own capitals and debts	541,900,236	539,923,137	510,571,076
Accountancy net asset	451,871,745	455,387,378	453,342,988

Fixed assets

In the fixed assets structure, there are investments made for the company own domain and the investments made for public domain, according to Lease oil agreement for crude oil and petroleum products handling. On 31.12.2018, fixed assets increased by 8.1% (1.6%) comparing to 31.12.2017, due to tangible assets increase.

Tangible assets

The tangible assets net value increased by 4.2% comparing to 31.12.2017, namely by 20,026,125 lei, due to some investments expenses having as financing sources both own sources and extern sources (credits for investments), as follows:

- +33,989,427 lei put in work from the tangible assets going on
- - 13,641,973 lei lei tangible assets amortization in 2018
- - 492,856,753 lei outgoings of tangible assets in 2018
- + 171,527 lei outgoings cumulated amortization in 2018

Tangible assets going on

Tangible assets going on in an amount of 16,516,506 lei represent uncompleted investments on 31.12.2018. The tangible assets going on net value decreased by 11.1 mill. Lei (40.3%) comparing to 31.12.2017, further some completed investments put in use in a value of 34 mill. Lei and the investments expenses recorded in 2018 in a value of 23 mill. Lei.

Intangible assets

Intangible assets recorded in Societatea OIL TERMINAL' bookkeeping are informational programs/licenses for these, bought from third parties and the leasing of the shoretanks, crude oil and oil products transport pipelines, pumping facilities and other equipments, concluded with the National Agency for Mineral Resources.

On 31.12.2018 there were no intangible assets' depreciation found.

On 31 December 2018, Societatea did not re evaluate intangible assets. The latest re evaluatio recorded on 31.12.2017, according to an Evaluation report issued by an authorized evaluator, ANEVAR' titular member.

Fair value on 31.12.2018 so determined, by the re evaluated value method, is as follows:

- Oil Agreement leasing 3,660,453 lei
- Computer programs /licenses related to these 200,083 lei

Financial assets

On 31.12.2018, the financial assets balance is in the amount of 531,404 lei, decreasing by 698,128 lei (56.8%) comparing to previous year, representing:

- 1,087 lei - financial guarantees (guarantees given to suppliers), from which 785 lei for supplier Telecomunicatii CFR and 302 lei for supplier Compania Nationala CFR SA;
- 530,317 lei – other fixed debts. Balance on 31.12.2018 is less by 56.8% (698.348 lei) comparing to 31.12.2017 and represents:
- 2 guarantee letters in an amount of 1,590 lei, in Compania Nationala Administratia Porturilor Maritime' favour;
- Guarantee for tokens use for Bancpost in an amount of 1,013 lei;
- Guarantee in an amount of 528,727 lei in in Compania Nationala Administratia Porturilor Maritime' favour.

Current assets

On 31.12.2018 the total current assets decreased by 18% (6.1 mill. lei) comparing to the same period of past year, due to initially planned services supplies physical programme correction , being the base for operation revenues.

Cash flow and cash flow equivalent

On 31.12.2018 the cash flow and cash flow equivalent decreased by 40.7% comparing to 31.12.2017.

In 2016-2018 the total assets had the following values:

	Lei -					
	Year 2018	%	Year 2017	%	Year 2016	%
0	1	2	3	4	5	6
Immobilized assets	513,968,439	94.8	505,855,209	93.7	465,139,101	91.1
Current assets	27,931,797	5.2	34,067,928	6.3	45,431,975	8.9
Total assets	541,900,236	100	539,923,137	100	510,571,076	100

Own capitals

Own capitals decreased by 0.9% (4.1 mill. lei) comparing to 31.12.2017, mainly due to current profit record in an amount of 0.28 mill. Lei on 31.12.2018 comparing to 4.98 mill. Lei on 31.12.2017 tangible and intangible assets reevaluation record on 31.12.2017

The current assets determinant element is own capitals.

Own capitals' evolution in the period 2016-2018 is the following:

	Lei					
	Year 2018	%	Year 2017	%	Year 2016	%
0	1	2	3	4	5	6
Own capitals	448,394,087	82.7	452,510,983	83.8	441,592,361	86.5
Total liabilities	541,900,236		539,923,137		510,571,076	

Debts on long term

Debts on long term in an amount of 69,267,378 lei increased by 9,601,553 le (16.1) comparing to 31.12.2017, due to loans on long terms (credits for investments).

On 29.10.2018, the company signed with BCR an investments credit contract for financing the investments objectives "Upgrading of shoretank T30S" located in South Storage Farm and "Acquisition of skids for petroleum products fiscal determination" in an amount of 23,716,665 lei, with reimbursement term until 30.09.2028 and grace period until 30.09.2020..

In 2018, credit facility in an amount of 6,629,633 lei (cvalue VAT included), the difference up to the credit total value approved to be used in 2019.

We mention that, in 2018, the outstanding amount from investments credit total value, contracted in 2017 with Bancpost, namely the amount of 5.48 mill. Lei (value VAT included).

Current debts

On 31.12.2018, the debts on short term decreased by 16.5% comparing to 31.12.2017, mainly due to the commercial debts' diminishing to repairs and investments suppliers and to diminishing operation expenses according to the budget expensescorrected level.

The evolution of total debts in the last three years is as followings:

	Year 2018	%	Year 2017	%	Year 2016	%
0	1	2	3	4	5	6
Total debts	90,028,491	16.6	84,535,759	15.7	57,228,088	11.2
Total liabilities	541,900,236		539,923,137		510,571,076	

Total debts recorded on 31.12.2018 are in an amount of **90,028,491** thousand lei, representing:

- debts under 1 year 20,761,113 lei
- debts over 1 year 69,267,378 lei

Debts < 1 year: 20,761,113 lei

1. Loans on long term- current part 2,390,419 lei
2. Commercial debts 7,759,454 lei
3. Debts regarding impots and due taxes 6,457,724 lei
4. Other current debts (employees, shareholders) 4,153,516 lei

Debts > 1 year: 69,267,378 lei

1. Loans on long term 37,065,514 lei
2. Debts regarding impot on postponed income 32,201,864 lei

On 31.12.2018, the taxation account balance on postponed profit constitute don own capitals is of 32,201,864 lei, from which:

years 2011-2013 related to reserves from reevaluation 25,839,366 lei (constitued on 31 December 2014 according to IAS 8 "Accountancy policies, alterations of accountancy estimations and errors", related to reserves from reevaluation, recorded by account "Reported result arisen from accountancy errors' correction")

year 2014 on own capitals 103,882 lei

year 2015 on own capitals 2,779,767 lei

year 2016 on own capitals (98,437) lei (in 2016 taxation on postponed profit constitute don own capitals in an amount of 28,723,015 lei was diminished by the value 98,437 lei, representing taxation on postponed profit related to reserves from reevaluation for the leased/scrapped fixed assets transferred in the reported result).

Year 2017 on own capitals 3,690,267 lei (in 2017 taxation on postponed profit constitute don own capitals in an amount of 28,624,578 lei was increased by the value 3,690,257 lei, representing taxation on postponed profit related to reserves from reevaluation constituted/used in 2017 for the leased/scrapped fixed assets transferred in the reported result).

Year 2018 on own capitals (112,981) lei (in 2018 taxation on postponed profit, constituted on own capital in a value of 32,314,845 lei was diminished by 112,981 lei, representing taxation on postponed profit, canceled on own capitals, related to reserves from reevaluation for ceased/scrapped assets transferred in reported result).

On 31.12.2018 Societatea does not record debts to state budget, social insurances budget, bank financial institutions, investments suppliers, services supplies and goods deliveries and employees.

Provisions

On 31.12.2018, the total receivables recorded are in an amount of 3,433,479 lei, increasing by 21.6% (610,400 lei) comparing to 31.12.2017.

Structure of provisions in balance on 31.12.2018, in a total value of 3,433,479 lei is the following:

provisions for litigations in an amount of 1,362,024 lei.

The management periodically analyses the litigations going on, after having been advised by the legal advisers, it decides the necessity to create provisions for the amounts involved or their presentation in the financial situations.

Provisions for the employees' benefits in an amount of 1,098,684 lei, calculated according to the Work Collective Contract no.418/27.12.2017, in force in the period 01.01.2018-31.12.2019, by estimating the average salary, the average of the salaries number du eon retirement, the estimation of the period the salaries are paid on retirement and the estimation of the contributions due by the employer for the gross amounts calculated.

Other provisions for the employees participation to profit in an amount of 5,086lei, decreasing comparing to the previous year by the amount of 496,149 lei, according to GDno.64/2001 regarding the profit' distribution in the commercial companies with full or major state capital, with further alterations and additions, OMFP 144/2005 regarding the approval of the Mentionings for the amounts settling being the object of the profit' distribution and OMFP 418/2005 regarding some accountancy mentionings applicable to economic agents.

Other provisions in a total amount of 967,685 lei represent variable component for Board of Directors' members and mandate contract directors, work insurance contribution included.

8.2. Overall result report

	Year completed 31 December 2018	Year completed on 31December 2017	Year completed on 31 December 2016
Revenues from the suplied services	1143,866,799	156,015,743	159,561,475
Revenues from residual products sale	2,098,696	1,917,392	1,205,638
Other revenues from operation	(1,008,149)	9,631,343	1,458,031
Material expenses	(6,754,198)	(9,571,778)	(8,942,594)
Energy, water expenses	(4,107.444)	(4,095,608)	(3,743,473)
Employees expenses	(79,390,416)	(73,487,114)	(64,527,495)
Third parties services supplies expenses	(11,407,552)	(16,357,363)	(12,498,137)
Amortization expenses	(13,750,872)	(12,275,311)	(12,375,301)

Other expenses from operation	(26,196,286)	(45,361,829)	(39,710,623)
Result from operation	3,350,578	6,415,475	20,427,521
Financial revenues and expenses (net values)	(1,444,925)	(1,181,693)	(963,535)
Gross result of the year	1,905,653	5,233,782	19,463,986
Expenses regarding the taxation on profit	1,624,413	256,056	4,044,536
Year net result	281,240	4,977,726	15,419,450
Other elements of overall result:			
Elements that won't be re classified as profit and loss, from which:	905,172	21,308,809	689,738
Earnings from transferred/out of use properties	792,191	1,142,275	591,301
Surplus from the assets' reevaluation	-	23,856,800	-
Debt regarding the postponed taxation related to the reserve from reevaluation	(112,981)	3,690,266	(98,437)
Total overall result	1,186,412	26,286,535	16,109,188
Result per share (lei/share)	0.002037	0.045133	0.027659
Dilluted result per share (lei/share)	0.002037	0.045133	0.027659

Taxation on current and postponed profit of the company for 2018 and 2017 is settled on a statutory rate of 16%.

Taxation on current profit

The taxation on recognized profit in the account of profit and loss for 2016-2018 is as follows:

	Year completed on	Year completed on	Year completed on
	<u>31Dec.2018</u>	<u>31Dec.2017</u>	<u>31Dec.2016</u>
Current taxation expenses	1,624,413	256,056	4,044,536
Total expenses for taxation on profit	1,624,413	256,056	4,044,536

Reconciliation of the taxation effective rate for 2016-2018:

	Year completed on 31 Dec. 2018	Year completed on 31Dec.2017	Year completed on 31Dec.2016
Profit before the taxation on profit	1,905,653	5,735,017	19,463,986
Profit before the taxation on profit (sponsorship expense excluded)	1,980,653	5,780,017	19,488,986
Taxation on profit at the statutory rate of 16%	316,904	924,803	3,118,238
Effect of nondeductible expenses	739,603	507,298	694,823
Taxation of reserves from reevaluation	1,106,963	848,038	980,222
Effect of nontaxable revenues	(425,203)	(1,902,911)	(531,545)
Deductions from legal reserve	(15,286)	(45,880)	(168,357)
Reinvested profit	(23,568)	(30,292)	(23,845)
Sponsorships exemptions	(75,000)	(45,000)	(25,000)
Expense of taxation on profit	1,624,413	256,056	4,044,536

Proposal of the net profit distribution for 2018

Proposal of net profit distribution for 2018 had in view provisions of GD 64/2001 regarding profit distribution in national companies, national and commercial companies with full or major state capital and in independent administrations, approved with alterations and by Law no.769/2001, including alterations of art. 43 of EGO 114/2018 regarding some measures in public investments domain and of some fiscal budgetary measures, alteration and addition of some normative acts and prorogation of some terms.

No.	Element	Amount (lei)	Legal stipulation
a	Net profit year 2018	281,240	
b	Participation of employees to profit - provision	5,086	
	Net profit, rounded by provision for employees participation to profit (a+b), distributed for:	286,326	
1	Legal reserve	95,537	art.183 paragraph 1 Law 31/1990
2	Other reserves representing fiscal facilities	139,934	art.22 paragraph(1) Law no.227/2015
3	Employees participation to profit	5,086	art.1 paragraph (1) letter.e) GO no. 64/2001
4	Dividends 50%	25,428	art.1 paragraph1) letter.f) GO no.64/2001
5	Dividends 35 % from own financing source	7,119	art.1 paragraph (1) letter.g) GO no. 64/2001 added with art.3 EGO no.114/2018
6	Own financing source	13,222	art.1 paragraph (1) letter g) GO no. 64/2001 added with art.43 EGO no.114/2018

Proposal regarding the net profit distribution for 2018 will be submitted for approval in the Board of Directors and will be approved in AGA' meeting of 24.(25).04.2018.

8.3. Economic financial indicators

Indicators	Year 2018	Year 2017
Liquidity indicators		
Current liquidity	1.35	1.37
Immediate liquidity	1.32	1.31
Activity indicators (management)		
Clients' debts rotation speed (days)	35	33
Suppliers' credits rotation speed (days)	28	30
Intangible assets' rotation speed (rotation)	0.28	0.31
Total assets rotation speed (rotation)	0.27	0.29
Profitability indicators		
Profitability of the employed capital (%)	0.67	1.12
Gross limit from sales(%)	1.31	3.31
Result per base share (lei/share)	0.002037	0.045133
Risk indicators		
Indicator regarding the interests cover (number of times)	2.21	11.40

Liquidity indicators

The current liquidity indicator provides the guarantee of current debts' cover by the current assets, being usually liquid as easy to be capitalized, closet o the accountancy value.

The value got on 31.12.2018 is 1.35.

Activity indicators (management)

The debts rotation speed – clients expresses the company' efficiency to collect receivables and represents the number of days until the date when the debtors paid their obligations for the company.

The value got on 31.12.20178 is 3 days.

The credits rotation speed – suppliers expresses the credit days number for which the company gets from the suppliers.

The value got on 31.12.2018 is 28 days.

Profitability indicators

The profitability of the employed capital measures the permanent gross capitals performance (own capitals + debts on average and long term)

Limit of gross profit expresses the whole activity' profitability, the profit taken into consideration not being influenced by the taxation on profit.

8.4 Cash flow

	Year ended on 31.12.2018	Year ended on 31.12.2017	Year ended on 31.12.2016
Flow cash from operating activity			
Net profit	281,240	4,977.726	15.419.450
Regulations for non monetary elements			
Amortization and regulations from the fixed assets depreciation	13,750,872	11,719,629	11,786,004
Loss from fixed assets' disposal	257,060	217,089	147,529
Net movement of regulations for current assets	792,266	275,892	(90,669)
Net movement of provisions for risks and expenses	610,400	(8,865,094)	(138,342)
Profit/loss from intangible assets' immobilizations	-	(4,823)	-
Other regulations	1,768,323	(1,834,603)	(1,430,644)
Loss regarding interests	1,571,403	412,576	370,917
(Profit)/Loss from different currency exchange rate differences	(82,582)	785,392	618,143
Operational profit before other alterations in the current capital	18,667,742	2,706,058	11,262,938
Increases in stocks value	1,076,087	(476,587)	(396,464)
Increases of receivables	(401,354)	(750,870)	(1,244,204)
Increases/Decreases in commercial and of different kind debts value	(5,492,384)	3,082,272	(3,408,765)
Net paid interests	(1,571,403)	(412,576)	(370,917)
Net cash flow from the operating activity	12,559,928	9,126,023	21,262,038
Tangible and intangible assets			
Increases/decreases of assets on long term	(23.194.329)	(28,973,401)	(13,106,980)
Net cash flow used in investments activity	698.128	(420.457)	-
Cash flow from financing activities	(22,496,201)	(29.393.858)	(13.106.980)
(Increase)/Decrease of loans on short term			
Decrease of loans on long term	(1,115,419)	540,458	1,080,917
Paid dividends	9,714,534	20,019,730	(1,680,343)
Payments from financial leasing operations	(4,124,240)	(12,883,857)	(2,576,659)
Cash flow from financing activities	4,474,875	7,676,331	(3,176,085)
Increase/(decrease) of net cash and cash equivalents	(5,461,398)	(12,591,504)	4,978,973
Cash value and cash equivalents value on the year' start	13,410,392	26,001,896	21,022,923
Cash value and cash equivalents value on the year' end	7,948,994	13,410,392	26,001,896

9. CORPORATE GOVERNANCE

Regarding the compliance with Corporate Governance Statement provisions:

- a. Board of Directors' activity is evaluated annually in AGA;' meeting for financial reports approval, when shareholders also approve the managers' liability for the previous year.
- b. In 2018, 31 meetings of BoD took place, where all the company' managers took part, meetings held in the company' headquarter and by electronic means
- c. Board of Directors includes 3 independent managers (Lazariu Dragos Ciprian, Pop Radu Cristian, Ungur Ramona)

Remuneration and benefits provided to non executive managers and mandate directors

According to provisions of art. 39 paragraph (1) of EGO 109/2011 regarding

Corporate governance of public companies, remuneration and benefits provided to non executive managers and mandate contracts directors is as follows:

By AGOA' Decision no.5/04.04.2018, Board of Directors' members were appointed, according to EGO 109/2011' provisions, with further alterations and additions for a 4-year mandate.

On 02.07.2018, the selection procedure for General Director and Financial Director was completed, according to EGO no.109/2011 provisions regarding corporate governance of public companies, with further alterations and additions.

According to the Nomination and Remuneration Committee, Societatea Board of Directors appointed

On 02.07.2018 general director and financial director for a 4-year mandate, since 02.07.2018 until 01.07.2022.

Indemnities related to mandate contracts for the Board of Directors' members in an amount of 702,555 lei and indemnities related to mandate contracts directors in an amount of 495,666 lei refer to the gross fixed indemnity provided in 2018.

According to the recommendation of the Nomination and Remuneration Committee, the company' Board of Directors, on 02.07.2018, appointed general director and financial director for a 4-year mandate period, since 02.07.2018 until 01.07.2022.

Indemnities related to the Board of Directors' members mandate contracts in an amount of 702,555 lei and the indemnities related to mandate contracts for directors in an amount of 495,666 lei refer to the gross fixed indemnity given in 2018.

The company' managers remuneration:

Board of Directors' members remuneration, namely nonexecutive managers, is settled by the Shareholders General Assembly in the structure and limits provided by EGO no.109/2011, being structured from a monthly gross fixed indemnity and a variable component.

- The company' nonexecutive managers' monthly gross fixed indemnity:

The level of monthly gross fixed indemnity was settled according to provisions of art.37 paragraph (2) of EGO no.109/2011, being in an amount of 3,977 lei/pers., namely the average of the latest 12 months of the monthly gross average salary, communicated by INS, for the class level, before the appointment.

According to provisions of art. 4 – AGOA' Decision no.5/04.04.2018, the maximum level of the monthly gross fixed indemnity settled for managers is 7,954 lei/pers., namely 2 (twice) the fixed indemnity calculated according to art. 37 paragraph (2) of EGO no. 109/2011, quantum provided in art. 3.2 of the approved mandate contract.

The monthly gross fixed indemnity is given monthly without any correlation with the results got for the performance key indicators stipulated in the mandate contract.

The gross fixed indemnity related to nonexecutive managers for 2018 is in a total amount of 702,555 lei, from which 368,487 lei – gross fixed indemnity given in semester I 2018 and 334,068 lei gross fixed indemnity given in semester II 2018.

- Variable component for the company' nonexecutive managers:

According to art. 37 paragraph (2) of EGO no.109/2011, variable component is settled according to some financial performance key indicators (here-called ICP), approved by AGA.

Nonexecutive members' variable component quantum can't exceed maximum 12 monthly gross fixed indemnities.

Managers' variable component is given in correlation with the annual total level of financial and nonfinancial ICP accomplishment, approved in the mandate contract.

Nonexecutive managers'

Managers' variable component is constituted in the Budget of Revenues and Expenses as a provision regarding the mandate and is given after AGOA' meeting for approval of each financial year' Financial reports.

Nonexecutive managers' variable component for 2018:

According to art. 23 paragraph (3) of Annex no.2 approved by GD no.722/2016, variable component for 2018 represents the variable component on short term.

Variable component on short term is settled in a total amount of 668,136, as follows:

7,954 lei/pers. X 7 pers. X 12 monthly gross fixed indemnities = 668,136 lei.

According to art. 220 index 3 of Law no.227/2015 regarding Fiscal Code on the amount of 668,136 lei it applies the work insurance contribution in a rate of 2.25%, namely, the amount 15,033 lei.

Variable component on short term for 2018 in a total amount of 683,169 lei (work insurance contribution in an amount of 15,033 lei included) reflects in the Budget of Revenues and Expenses 2018 as provision and is given in 2019 after Annual financial reports 2018' approval bt AGOA, in correlation with the annual total degree of financial and nonfinancial ICP accomplishment, approved in the mandate contract.

Mandate contract directors remuneration for 2018:

According to art. 38 paragraph (1) of EGO no.109/2011, directors' remuneration is settled by the Board of Directors and can't exceed the remuneration level settled for the Board of Directors' executive members.

Remuneration is made of a monthly gross fixed indemnity settled in the limits provided in art. 37 paragraph (3) and a variable component.

Monthly gross fixed idemnity of General Director was settled in a quantum of 23,862 lei/gross, not exceeding 6 times the average of the latest monthly gross average salaryfor the activity run according to the company' main object of activity, at the class level, according to activities classification in the national economy, communicated by the National Institute of Statistics (INS) previous the appointment, being approved by Board of Directors' Decision no.70/02.07.2018, according to mandate contract. Monthly fixed indemnity related to period July-December 2018 is in total amount of 143,172 lei.

Monthly gross fixed idemnity of Financial Director was settled in a quantum of 22,514 lei/gross, not exceeding6 times the average of the latest monthly gross average salary for the activity run according to the company' main object of activity, at the class level, according to activities classification in the national economy, communicated by the National Institute of Statistics (INS) previous the appointment.

Monthly fixed indemnity was approved by Board of Directors' Decision no.71/02.07.2018, according to mandate contract.

Monthly fixed indemnity related to period July-December 2018 is in a total amount of 135,084 lei.

Total monthly gross fixed indemnity for 2 directors with mandate in period July-December 2018 = 278,256 lei (143,172 lei + 135,084 lei).

Total gross fixed indemnity in 2018 is in the amount of 495,666 lei, from which: fixed indemnity related to semester I 2018 for general director in an amount of 217,410 lei and fixed indemnity for 2 mandate contracts for semester II 2018 in an amount of 278,256.

Variable component for mandate directors:

According to provisions of art. 36 paragraph (3) of EGO no. 109/2011, Variable component for each mandate director is approved by the Board of Directors.

By Decision no.126 and no. 127 of 10.02.2018, Board of Directors approved the variable component quantum for 2018at a level of 6 monthly gross fixed indemnities for each mandate director, at the variable component level on average term (years 2019-2020) and long term (year 2021) at the level of 12 monthly gross fixed indemnities.

Variable component related to mandate directors is given in correlation with the annual total degree of financial and nonfinancial ICP accomplishment, approved on the mandate contract.

Mandate contract directors' variable component is constituted in the Budget of Revenues and Expenses as a provision regarding mandate contract and is given after AGOA meeting for approval of each fiancial year' Financial Reports.

- General Director' variable component for 2018:

For 2018, variable component approved is 6 monthly gross fixed indemnities, in a total amount of 143,172 lei (23,862 lei/month x 6 monthly gross fixed indemnities).

According to art. 220 index 3 of Law no.227/2015 regarding Fiscal Code on the amount of 143,172 lei, it applies the work insurance contribution in a rate of 2.25%, namely the amount of 3,221 lei.

Variable component for 2018 in a total amount of 146,393 lei (work insurance contribution in an amount of 3,221 lei included) is reflected in the Budget of Revenues and Expenses as a provision and is given I 2019 after AGOA' approval of Annual financial reports 2018, in correlation with annual total degree of financial and nonfinancial ICP approved in mandate contract.

- Financial Director' variable component for 2018:

For 2018, variable component approved is 6 monthly gross fixed indemnities, in a total amount of 135,084 lei (22,514 lei/month x 6 monthly gross fixed indemnities).

On the amount of 135,084 lei, it applies work insurance contribution in a rate of 2.25% in the employer's charge, namely the amount of 3,039 lei.

Variable component for 2018 in a total amount of 138,123 lei (work insurance contribution in an amount of 3,039 lei included) is reflected in the Budget of Revenues and Expenses as a provision and is given I 2019 after AGOA' approval of Annual financial reports 2018, in correlation with annual total degree of financial and nonfinancial ICP approved in mandate contract.

- **Other benefits**

According to provisions of art. 6A of mandate contracts concluded with Board of Directors' Chairman, Societatea' General Director and Financial Director benefited expenses discount regarding the mandate execution complying with approved Budget of revenues and expenses for 2018.

By AGOA' Decision no.22/10.10.2018, it approved the conclusion of an insurance policy for the company' managers and mandate directors' civil liability with a compensation limit of 1 million Euros, according to provisions of art. 39 paragraph (2) of EGO no.109/2011 with further alterations.

The stage of Performance Key Indicators achievement for 2018

Total degree achievement of performance key indicators (GT_{ICP}) is the amount of achievement degree of each ICP (GI_{ICP}) weighted with the percentage coefficient (W_{ICP}) related to each ICP

Calculation formula

$$GT_{ICP} = \sum_{i=1} GI_{iICP} \times W_{iICP}$$

where :

GT_{ICP} - Achievement annual total degree ICP

W_{ICP} - Coefficient of percentage for each ICP

GI_{ICP} - Achievement degree individual ICP

I_i - Individual indicator (Achievement degree %)

Achievement degree of each ICP (GI_{ICP}) is the achievement degree of each ICP, having in view the calculation method provided for each ICP, further percentaged with the percentage coefficient (W_{iICP}) for each ICPA.

Variable component of non executive managers and directors' remuneration will be directly proportioned with GT_{ICP} for each financial year.

If :

- GT_{ICP} ≥ 80%, variable component of remuneration is paid according to the presented calculation method
- GT_{ICP} < 80%, variable component of remuneration is not paid

Financial and non financial ICP 2018 related to Societatea' non executive managers

By AGOA' Decision no.30/29.10.2018, it approved the financial and non financial performance key indicators (here called ICP) and their percentage related to non executive managers:

A. Financial performance key indicators	25%
B. Non financial performance key indicators	75%, from which :
Operational indicators	25%
Corporate governance indicators	50%.

Structure of financial and non financial ICP, performance objectives related to each ICP, their percentage, achievement degree are presented in table no.1

For 2018, Total achievement degree of approved ICP for non executive managers is 100% and the approved percentage coefficient for each ICP was complied with and achieved.

Variable component of non executive managers' remuneration will be directly proportioned with GT_{ICP} achieved for 2018

No.	Performance key indicator related to non executive managers	Year 2018		Achievement degree % (GI _{ICP})	ICP percentages for variable component settling (W _{ICP})	Observations
		Approved	Achieved			
A. ICP FINANCIAL				25%		
1.	Outstanding payments	0	0	100%	2%	
2.	Operation expenses (less amortization and regulations and value impairments and provisions) – thousand lei	126,040	127,855	100%	4%	Target value for ≤100 % (year 2018) is in an amount of 126,040 thousand lei. Term : Indicatorul is achieved in a percentage of 100% as the approved term is complied with, providing that the company records net profit on 31.12.2018. Net profit achieved year 2018 = 281 thousand lei.
3.	Current liquidity	≥ 0.75	1.33	100%	8%	
4.	Patrimonial solvency	≥ 30%	82.74%	100%	3%	
5.	EBITDA- thousand lei	≥ 95% ≥ 13,699	18,505	100%	8%	Target value for ≥ 95% (year 2018)is in an amount of 13,699 thousand lei.
Financial achievement degree (GI _{ICP})				100%		
Total percentage (WT _{ICP}) achieved related to Financial ICP F					25%	
B. NON FINANCIAL ICP, from which :					75%	
B1. OPERATIONAL					25%	
1.	Critical technical accidents – no.	1	0	100%	5%	Number of critical accidents
2.	Indicele de realizare a măsurilor dispuse de controale externe	Minim 80%	87,5%	100%	5%	
3.	Achievement of investments annual valoric plan – thousand lei	≥ 100% 22,196	23,Target 194	100%	15%	Target value for ≥ 100% (year 2018) is in an amount of 22,196,000 lei Achieved= 23,194,328.69 lei
Achievement degree (GI _{ICP}) Operational				100%		

Total percentage achieved (WT_{ICP}) related to Nonfinancial – Operational ICP					25%	
B2. CORPORATE ORDINANCE					50%	
4.	Implementation and development of managerial intern control system	80%	94%	100%	15%	
5.	Settling of risk management policies and risk monitoring	80%	89,22%	100%	10%	
6.	Settling and reporting in term of performance key indicators	100%	100%	100%	10%	Reporting is considered to be achieved by putting together provisions of art. 57 paragraph (4) of EGO no.109/2011 with the capital market legislation. According to Financial Calendar, on 25.04.2019, Report 2018, issued according to audited annual financial reports) is presented.
7.	Increase of institutional integrity by including corruption prevention as an element of managerial plans.	80%	100%	100%	15%	According to: "report regarding the measures implementation stage of the Integrity plan for Anticorruption National Strategy' (2016-2020) for Societatea Oil Terminal SA' level, for 2018, registered under no. 156/17.01.2019", any integrity incident at the company' level was identified in the period (01.01.2018-31.12.2018), measures assumed in the Plan were complied with.
Achievement degree (GI_{ICP}) Corporate Governnace				100%		
Total percentage achieved (WT_{ICP}) related to non financial ICP –Corporate Governnace					50%	
Achievement total degree (GT_{ICP}) of ICP				100%		

FinancialandnonfinancialICPrelatedtomandatecontractsdirectors

For mandate directors (general director and financial director) financial and non financial ICP structure, performance objectives related to each ICP, their percentage, the achievement degree are presented in tableno.2.

A.Financial performance key indicators	50%
B.Indicatori cheie de performanță nefinanciari	50% , from which :
Operational indicators	25%
Corporate governance indicators	25%.

For 2018 the approvedachievement total degree of ICP for mandate directors is 100% and the approved percentage coefficient for each ICP was complied with and achieved

Table no.2

		Anul 2018			ICP percent	

No.	Performance key performance related to mandate directors	Approved	Achieved	Achievement degree % (GI _{ICP})	Weights for variable component settling (W _{ICP})	Observations
A. FINANCIAL ICP					50%	
1.	Outstanding payments	0	0	100%	4%	
2.	Operation expenses (less amortizations and regulations and impairments for value loss and provisions) – thousand lei	126,040	127,855	100%	8%	Target value for ≤100 % (an 2018) is in an amount of 126,040 thousand lei. Term : Indicator is achieved in a percentage of 100% as the approved term is complied with, providing that the company records a net profit on 31.12.2018 Achieved net profit year 2018=281 thousand lei.
3.	Immediate liquidity (acid test)	≥ 0.7	1.32	100%	6%	
4.	Patrimonial solvency	≥ 30%	82.74%	100%	16%	
5.	EBITDA- thousand lei	≥ 95% ≥ 13,699	18,505	100%	16%	Target value for ≥ 95% (year 2018) is in an amount of 13,699 thousand lei.
Financial achievement degree (GI_{ICP})				100%		
Total percentage (WT_{ICP}) achieved related to Financial ICP					50%	
B. NON FINANCIAL ICP					50%	
B1. OPERATIONAL					25%	
6.	Percentage of critical technical accidents – no	1	0	100%	5%	Number of critical accidents
7.	Consum tehnologic specific la țitei	95%	88.61%	100%	5%	
8.	Index of measures' achievement ordered by extern controls	Minimum 80%	87.5%	100%	5%	
9.	Achievement of investments annual valoric plan – thousand lei	≥ 100% 22,196	23,194	100%	10%	Target value for ≥ 100% (year 2018) is in an amount of 22,196,000 lei Achieved = 23,194,328.69 lei
Achievement degree (GI_{ICP}) Operational				100%		
Total percentage (WT_{ICP}) achieved related to Non financial ICP - Operational					25%	
B2. CORPORATE GOVERNANCE					25%	
10.	Implementation and development of managerial intern control system	80%	94%	100%	5%	
11.	Clients' satisfaction	≥60%	90%	100%	5%	

12.	Settling of risk management policies and risk monitoring	80%	89,22%	100%	5%	
13.	Settling and reporting in term of performance key indicators	100%	100%	100%	5%	Reporting is considered to be achieved by putting together provisions of art. 57 paragraph (4) of EGO no.109/2011 with the capital market legislation. According to Financial Calendar, on 25.04.2019, Report 2018, issued according to audited annual financial reports) is presented.
14.	Increase of institutional integrity by including corruption prevention as an element of managerial plans	80%	100%	100%	5%	According to: "report regarding the measures implementation stage of the Integrity plan for Anticorruption National Strategy' (2016-2020) for Societatea Oil Terminal SA' level, for 2018, registered under no. 156/17.01.2019", any integrity incident at the company' level was identified in the period (01.01.2018-31.12.2018), measures assumed in the Plan were complied with.
Achievement degree (GI_{ICP}) Corporate governance				100%		
Total percentage (WT_{ICP}) achieved related to Non financial and nonfinancial ICPI – Corporate governance					25%	
Achievement total degree (GT_{ICP}) of ICP 100%						

10.SPONSORSHIPS

The activity of sponsorship runby OIL TERMINAL is achieved according to provisions of law no.32/1994 regarding sponsorship, with furthe alterations and additions.

In 2018, sponsorship actions started after the budget of revenues and expenses for 2018 approval, complying with the approved expenses on fields of interest.

Situation of sponsorship expenses comparing to the Budget of revenues and expenses' level is as follows:

Sponsorship expense type (lei)	Budget of Year 2018	Achievements Year 2018	Achieved / Budget of revenues and expenses (%)
Cheltuieli de sponsorizare în domeniul medical și Sponsorship expenses in medical and health field	30,000	30,000	100%
Sponsorship expenses in education, training, social and sport, from which:	25,000	25,000	100%

- for sport clubs	5,000	5,000	100%
Sponsorship expenses for other actions and activities	20,000	2,000	100%
Total	75,000	75,000	100%

11.PROPOSAL OF THE BOARD OF DIRECTORS

11.1 Approval of financial reports concluded on 31.12.2018

Financial reports for 2018 will be submitted to be advised to the Board of Directors' meeting of 18.03.2019, being approved by AGA of 24 (25) 04.2019.

Financial reports for 2018 include:

- Financial position report on 31.12.2018
- Overall result report on 31.12.2018
- Own capitals alterations report on 31.12.2018
- Cash flows report on 31.12.2018
- Notes of financial reports concluded on 31.12.2018

11.2 Approval of net profit distribution for financial year 2018

Proposal regarding net profit distribution for 2018 will be submitted to be advised to the Board of Directors' meeting of 18.03.2019, being approved by AGA of 24 (25).04.2019.

12.OUTSTANDING TRADES

12.1 Trades-with state propriety entities

In period 01.-31.12.2018, Societatea ran the following trades with state propriety entities:

Partner	Unpaid amounts on 31 December 2017	Acquisitions in period 01.01-31.12.2018	Discounts in period 01.01-31.12.2018	Undiscounted amounts on 31 December 2018
OLTCHIM SA	80,803	484,966	504,621	61,148
S.N.T.F.M CFR MARFA SUCURSALA MUNTENIA DOBROGEA	1,239	24,718	23,751	2,206
ADMINISTRATIA NATIONALA A REZERVELOR DE STAT SI PROBLEME SPECIALE – UNITATEA TERITORIALA 515	-	3,875,233	3,875,233	-
CHIMCOMPLEX SA	112,458	1,011,193	1,061,750	61,901
ROMPETROL RAFINARE SA	775,341	3,361,082	4,042,876	93,547
OMV PETROM SA	1,694,014	27,183,188	24,354,656	4,522,546
TOTAL	2,663,855	35,940,380	33,862,887	4,741,348

Partner	Unpaid amounts on 31 December 2017	Acquisitions in period 01.01-31.12.2018	Discounts in period 01.01-31.12.2018	Undiscounted amounts on 31 December 2018
ADMINISTRATIA NATIONALA APELE ROMANE ADMINISTRATIA	1,229	4,691	5,920	-

BAZINALA DE APA DOBROGEA LITORAL				
ADMINISTRATIA NATIONALA APELE ROMANE	-	2,479	2,479	-
AGENTIA DE PROTECTIE A MEDIULUI	-	900	900	-
AGENTIA NATIONALA PENTRU RESURSE MINERALE	-	3,260	3,260	-
ASOCIATIA DE ACREDITARE DIN ROMANIA - RENAR	-	11,466	11,466	-
ASOCIATIA DE STANDARDIZARE DIN ROMANIA	-	7,002	7,002	-
AUTORITATEA RUTIERA ROMANA-ARR	-	3,421	3,421	-
AUTORITATEA FERROVIARA ROMANA AFER	540	103,445	103,428	557
AUTORITATEA NAVALA ROMANA	-	13,971	13,971	
BANCA DE EXPORT IMPORT A ROMANIEI (EXIMBANK)	-	30	30	-
BIROUL ROMAN DE METROLOGIE LEGALA	2,622	15,706	18,328	-
BURSA DE VALORI	-	8,925	8,925	-
C.N.C.F. CFR SA	17,438	196,192	212,964	666
CAMERA DE COMERT SI INDUSTRIE A ROMANIEI	-	23,946	23,946	-
CAMERA DE COMERT, INDUSTRIE, NAVIGATIE SI AGRICULTURA CONSTANTA	-	7,501	7,501	-
CAPITANIA ZONALA	-	2,307	2,307	-
CENTRUL NATIONAL DE CALIFICARE SI INSTRUIRE FERROVIARA - CENAFER	478	7,210	7,688	-
CERONAV	-	4,752	4,752	-
COMPANIA NATIONALA ADMINISTRATIA PORTURILOR MARITIME	39,293	2,903,263	2,917,717	24,839
COMPANIA NATIONALA DE ADMINISTRARE A INFRASTRUCTURII RUTIERE - CNAIR	-	3,609	3,609	-
COMPANIA NATIONALA PENTRU CONTROLUL CAZANELOR, INSTALATIILOR DE RIDICAT SI RECIPIENTELOR SUB PRESIUNE-C.N.C.I.R	2,083	5,415	7,498	-
COMPANIA NATIONALA POSTA ROMANA	-	118	118	-
CONPET	-	25,998	25,998	-
DEPOZITARUL CENTRAL	1,470	24,393	2,569	294
DIRECTIA DE SANATATE PUBLICA JUDETEANA CONSTANTA	-	490	490	-
ELECTRIFICARE CFR SUCURSALA CONSTANTA	-	67,337	50,839	16,498

ENEL ENERGIE	309,108	1,732,189	2,041,297	-
ENGIE ROMANIA	168,093	1,723,550	1,586,510	305,133
FORMENERG	-	50,266	50,266	-
INCD INSEMEX	-	105,196	24,157	81,039
INSPECTIA DE STAT PT.CONTROLUL CAZANELOR, RECIPIENTELOR SUB PRESIUNE SI INSTALATIILOR DE RIDICAT - ISCIR	-	2,550	2,550	-
INSPECTORATUL REGIONAL IN CONSTRUCTII SUD-EST	-	114,981	114,981	-
INSTITUTUL NATIONAL DE SANATATE PUBLICA	-	2,616	2,616	-
IPOCHIM	-	6,338	6,338	-
MONITORUL OFICIAL	-	16,608	16,608	-
OFICIUL DE CADASTRU SI PUBLICITATE IMOBILIARA	-	400	400	-
OFICIUL NATIONAL AL REGISTRULUI COMERTULUI DE PE LANGA TRIBUNALUL CONSTANTA	-	8,028	8,028	-
OMV PETROM	55,806	334,837	390,643	-
PRIMARIA MUNICIPIULUI CONSTANTA	-	174,724	174,724	-
RAJA	62,571	992,308	945,660	109,219
REGIA NATIONALA A PADURILOR ROMSILVA	-	16,101	-	16,101
ROMPETROL DOWNSTREAM	136,908	1,443,015	1,476,798	103,125
SPITALUL CLINIC JUDETEAN DE URGENTA SFANTUL APOSTOL ANDREI CONSTANTA	-	60	60	-
TELECOMUNICATII CFR	-	10,876	10,876	-
UM 0407-CENTRUL NATIONAL PENTRU SECURITATE LA INCENDIU SI PROTECTIE CIVILA	-	15,187	15,187	-
UNIVERSITATEA BABES-BOLYAI	-	932	932	-
UNIVERSITATEAMARITIMA	-	233	233	-
TOTAL	797,639	10,198,822	10,338,990	657,471

12.2 Trades according to Deputy Minister for Energy' Order no.704/18.08.2014

Trades are presented in Acquisition report according to Deputy Minister for Energy' Order no. 704/18.08.2014, including contracts concluded in period 01.01.2018 – 31.12.2018, with values more than the equivalent in lei of 100,000 Euros/acquisition for services and 500,000 Euros/acquisition for goods and works acquisitions according to request of MO 704/2014 and AGEA' Decision 11/24.10.2014.

Acquisitions are run according to Acquisitions Intern Regulation.

The situation related to period 01.01.2018 – 31.12.2018 is as follows:

TRIMESTER I

No.	Contract no.	Name	CPV	Economic operator	Contract value, lei VAT excluded	Contract type
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1.	16/27/31.01.2018	Safety and security services for Oil Terminal SA- North Storage Farm	79713000-5	Patrol Security Systems SRL	Unitary price – maximum estimated value 2,723,400.00	Services
2.	17/28/31.01.2018	Planned revisions and accidental repairs for LDE and LDH engines	50221000-0 Repairs and maintenance services for engines	Romania Euroest S.A.	Unitary price – maximum estimated value 600,000.00	Services
3.	33/59/23.02.2017	Planned revisions and accidental repairs for fire fighting cars	50111000-6 Administration, repairment and maintenance services for cars fleet	Socum Trans SRL	Unitary price – maximum estimated value 600,000.00	Services

TRIMESTER II

No.	Contract no.	Name	CPV	Economic operator	Contract value, lei VAT excluded	Contract type
1	74/187/17.05.2018	Slam and polluted ground evacuation North Storage Farm, Port Storage Farm and South Storage Farm	90522200-4 Elimination of contaminated soils	Oil Depol Service SRL	Unitary price – maximum estimated value 650,000.00	Services
2	Additional Act 1/27.06.2018 of contract 56/157/05.04.2018	Increase of electric energy supply tariff	65310000-9 Electric energy distribution	Tinmar Energy SA	Increase of tariff in period 01.07-2018-30.09.2018 from 264.71 lei/MWh to 329.91 lei/MWh estimated value of contract 2,379,384.95	Supply

TRIMESTER III

No.	Contract no.	Name	CPV	Economic operator	Contract value, lei VAT excluded	Contract type
1	Additional Act 2/29.08.2018 of Contract 56/157/05.04.2018	Increase of electric energy tariff	65310000-9 Electric energy distribution	Tinmar Energy SA	Increase of tariff in period 01.10.2018-30.04.2019 from 329.91 lei/MWh to 339.91 lei/MWh contract	supply

					estimated value 2,860,664.65	
2	96/276/31.08.2018	Upgrade of shoretank T30S- South Storage Farm	45247270-3 Shoretanks building works	Petroconst SA	19,480,270.29	works
3	100/285/14.09.2018	Periodic/accidental repairs/ maintenances for internal rail lines	50225000-8 Maintenance services of rail lines	Tehno Construct SRL	Unitary price – maximum estimated value 1,000,000	services

TRIMESTER.IV

No.	Contract no.	Name	CPV	Economic Operator	Contract value, lei TVA excluded	Contract type
1.	106/339/29.10.2018 (201810290206)	Investments credit on long term ia a value of 23,716,664.64 lei (VAT included) for investments objectives :- Upgrading shoretank T30/S and Petroleum products fiscal determination skids – 2 pieces	66113000-5(3) Credit provide services	Banca Comercială Română	Fixed interest of 5.49 % p.a., during the whole credit period; contract estimated value 8,090,000.00 lei	services
2.	132/455/18.12.2018	Electric power supply	65310000-9 Electric energy distribution	Tinmar Energy S.A.	Unitary price 368.9 lei/MW h contra ct estimated value 3,120,978.60 lei	supply
3.	138/467/21.12.2018	Services of employees transport to and from work point	60130000-8 (1) Road transport services for passengers	Timona S.R.L.	511,000.00 lei /year (2 shuttles/day Cireșica-Port Storage Farm și back și 2 shutles/day Cireșica - South Storage Farm and back)	services

12.3 Trades according to art.52 EGO 109/2011 with further alterations and additions, from which:

12.3.1 .Information of shareholders on the trades concluded with managers and directors, employees, shareholders having control on the company or a company controlled by these, according to art.52 paragraph (3) letter a) og EGO109/2011 with further alterations and additions:

Oil Terminal SA' Board of Directors, according to art.52 paragraph (3) letter a) of EGO 109/2011, informs its shareholders on any trade concluded with managers and directors, employees, shareholders having control on the company or with a company controlled by them, by putting on shareholders' disposal the documents reflecting essential data and information regarding these trades. The information obligation is in the board of directors' charge, where trades are concluded with husband, wife, relatives up to IV rak included of persons provided in paragraph (1).

Trades are reported no matter the amount.

Trades period 01.01.2018-31.12.2018

Trades under Shareholders General Assembly' information

In this period, the following trades to be reported to the Shareholders General Assembly by the Board of Directors according to art.52 paragraph (3) letter a) of EGO 109/2011:

12.3.1.1Trades with suppliers

It's not necessary

12.3.1.2Trades with clients

It's not necessary

212.3.2 Shareholders information regarding the trades concluded with another public entity or with a tutelary public authority, according to art. 52 paragraph (3) letter b) of EGO 109/2011 with further alterations and additions.

Oil Terminal SA' Board of Directors, according to art.52 paragraph (3) letter a) of EGO 109/2011, informs its shareholders on any trade concluded by the public entity with another public entity or with the tutelary public authority, if the trade has individually or in a series of trades, a value of at least the equivalent in lei of 100,000 euros.

Trades period 01.01.2018-31.12.2018

Trades under Shareholders General Assembly' information

In this period, the following trades to be reported to Shareholders General Assembly by the Board of Directors, according to art.52 paragraph (3) letter b) of EGO 109/2011:

În această perioadă au fost încheiate următoarele tranzacții care trebuie raportate de Consiliul de Administrație Adunării Generale a Acționarilor în baza art. 52 alin. (3) litera b) din OUG 109/2011:

12.3.2.1. Trades with suppliers:

No .	Legal act parties	Conclusion date and act number	Legal act kind	Object description	Total value(lei or other currencies)	Mutual receivables	Constituted guarantees	Payment terms and methods
1.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	Additional Act no. 2/ 01.02.2018 of contract 00093IDP 02/15.09.2014 (105/537/08.10.2014	Additional Act	Alteration offield hire in surface of 20.25 sq.m.	136.28 lei VAT excluded – remained total value 5,587.48 lei VAT excluded	It's not necessary	Good executio guarantee 487.00 lei VAT excluded indexed by inflation increase index for 2017, of 1.0332	Payment by PO in 5 working days since invoice receiving.
2.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	Additional Act no. 2/ 01.02.2018 of contract 00093IDP 02/15.09.2014 (105/537/08.10.2014	Additional Act	Alteration offield hire in surface of 140 sq.m.	590.80 lei VAT excluded – remained total value 14,179.20 lei VAT excluded	It's not necessary	Good executio guarantee 2,125.00 lei VAT excluded indexed by inflation increase index for 2017, of 1.0332	Payment by PO in 5 working days since invoice receiving.
3.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	09/03.01.2018	Order	Free access for 48 cars in Constanta, Midia, Basarabi ports	33,446.96 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 30 working days since invoice receiving.
4.	Compania Nationala Administratia	299/12.01.2018	Order	38port worker licenses and 69 annual visa	174.48 Euros VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days

	Porturilor Maritime S.A Constanta			for some employees in Port Storage Farm for 2018				since invoice receiving.
5.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	882/30.01.2018	Expense account address	Free access for 1 car in Constanta, port	418.79 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 23.01.2018
6.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1095/07.02.2018	Order	Free access for 31 employees in Constanta, port	639.22 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
7.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1252/12.02.2018	Expense account address	Free access for 3 cars in Constanta, port are replaced	24.18 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
8.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1095/07.02.2018	Order	Free access for 9 employees in Constanta, port	540.54 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
9.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1580/22.02.2018	Expense account address	Free access for 1 car in Constanta, port is replaced	8.06 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 19.02.2018
10.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1752/01.03.2018	Order	Work licenses in Constanta port (re new)	2,134.87 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving
11.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1893/09.03.2018	Expense account address	Free access in Port for foaming supply car)	45.39 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 06.03.2018
12.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	1929/12.03.2018	Expense account address	Free access for 3 cars in Constanta, port is replaced	24.18 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 06.03.2018

13.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	2208/14.0.2018	Expense account address	16 port worker licenses and 69 annual visa for some employees in Port Storage Farm for 2018	57.69 Euros VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
14.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	2597/12.03.2018	Expense account address	Free access for 5 cars in Constanta, port are replaced	40.30 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 30.03.2018
15.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	3326/12.03.2018	Expense account address	Advertising services	204.76 lei VAT	It's not necessary	It's not necessary	Paid in cash on 30.03.2018
16.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	3412/16.05.2018	Order	Agreement for project town planning certificate no.2018-394 Castrol building removal	1,294.62 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 16.05.2018
17.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	3644/24.05.2018	Expense account address	Replacement of free access in Constanta Port for bus B-92-EIY	8.06 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 15.05.2018
18.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	3922/31.05.2018	Order	Advise/survey jetties	4,194.00 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
19.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	3979/31.05.2018	Order	Issue of port access for Oil Terminal 2 employees	71.77 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
20.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	4463/03.07.2018	Order	Issue of port access for Oil Terminal 3 employees	63.90 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.

21.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	4581/09.07.2018	Expense account address	Replacement of Port free access tilting machine B-67-ZZL alteration	8.06 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 09.07.2018
22	Compania Nationala Administratia Porturilor Maritime S.A Constanta	5095/06.08.2018	Expense account address	Replacement protection for of Port free access tilting machine B-015423 by B-94-JSB	8.06 lei VAT excluded	It's not necessary	It's not necessary	Paid in cash on 27.07.2018
23.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	5283/20.08.2018	Order	Issue of port access for Oil Terminal 4 laboratory employees	172.71 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
24.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	5316/22.08.2018	Order	Free access for 54 cars in Constanta, Midia, Basarabi ports for 3 months since 01.09.2018	12,346.94 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 30 working days since invoice receiving.
25	Compania Nationala Administratia Porturilor Maritime S.A Constanta	5392/28.08.2018	Order	Renewal work license bunkering necessary for Constanta port work	2,134.87 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
26.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	6071/11.10.2018	Order	Issue of port access for Oil Terminal 3 employees	63.90 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
27.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	6270/24.10.2018	Order	Issue of port access for Oil Terminal 1 employees	21.30 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.

28.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	7036/21.11.2018	Order	Issue of port access for Oil Terminal 17 employees of Port Storage farm	478.78 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
29.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	7122/07.12.2018	Order	Free access for 6cars in Constanta, Midia, Basarabi ports for 1 year	418.01 lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 30 working days since invoice receiving.
30.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	7260B/26.11.2018	Order	Safety external audit for objective 'Advise/survey jetties'	4,192.29lei VAT excluded	It's not necessary	It's not necessary	Payment by PO in 5 working days since invoice receiving.
31.	Compania Nationala Administratia Porturilor Maritime S.A Constanta	Additional act no. 3 of 20.12.2018 of contract 404/223/20.10.2017	Additional Act	Extension of term for port infrastructure use, services for charterer's vessels provided in annex, safety services of maritime vessels towage and pilotage	5,000 lei VAT excluded	It's not necessary	Guarantee of good execution 1,850.00 lei VAT excluded	Payment by PO in 5 working days since invoice receiving.

12.3.2.2. Trades with clients

No.	Legal act parties	Conclusion date and act number	Legal act kind	Availability period	Contract object description	Estimated value (VAT excluded)	Mutual receivables	Constituted guarantees	Payment terms and means	Stipulated penalties
1.	S.C. OLTCHIM S.A. IN JUDICIAL	127/	Contract of	11.01.2018 -	Caustic soda discharging	1,500,000 lei	No	No	Services supplies fiscal invoice issued	Delay interests of 0.02% for each delay

	REORGANIZATION / EN REDRESSMENT AND OIL TERMINAL CONSTANTA S.A.	10.01.201 8	services supplies and dispatch no. 11/C/2017	31.12.2018	from railcars into maritime vessels by transshipment Caustic soda discharging from railcars into shoretank, storage, loading from shoretank into maritime vessels				by Oil Terminal is paid in 30 calendaristic days since invoice issue date, by payment order.	day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due teem of 0.01% for each delay day.
2.	S.C. OLTCHIM S.A. IN JUDICIAL REORGANIZATION/ EN REDRESSMENT AND OIL TERMINAL CONSTANTA S.A.	128/ 10.01.201 8	Contract of services supplies and dispatch no. 111/C/2017	11.01.2018 - 31.12.2018	Octanol and isobutanol discharging from railcars into maritime vessels by transshipment	400,000 lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since invoice issue date, by payment order.	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due teem of 0.01% for each delay day.
3.	ADMINISTRATIA NATIONALĂ A REZERVEI DE STAT SI PROBLEME SPECIALE Si OIL TERMINAL CONSTANTA S.A.	1781/ 25.04.201 8	Contract of storage and services supplies no.1/2018	25.04.2018 - 31.12.2018	Storage services supplies for gas oil	2,105,202.50 lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 20 calendaristic days since invoice issue date, by payment order.	If it exceeds the payment term, Depositor will pay some delay penalties as those provided for budgetary receivables per day from the due amount.
4.	ADMINISTRATIA NATIONALĂ A REZERVEI DE STAT SI PROBLEME SPECIALE Si OIL TERMINAL CONSTANTA S.A.	3566/ 22.08.2018	Additional act no.1 of Contract of storage and services supplies no.1/2018	13.08..2018 - 31.12.2018	By Additional act no.1/22.08.20 18, it altered the tariffs for crude oil and petroleum products handling according to ANRM'Order	2,211,347.16 lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 20 calendaristic days since invoice issue date, by payment order.	If it exceeds the payment term, Depositor will pay some delay penalties as those provided for budgetary receivables per day from the due amount.

					no.156/03.08.2018					
5.	ADMINISTRATIA NATIONALĂ A REZERVEI DE STAT SI PROBLEME SPECIALE Si OIL TERMINAL CONSTANTA S.	5171/11.1 0.2018	Contract of storage and services supplies no.25/201 8	11.10.2018 - 31.12.2018	2018Gas oil loading services supplies from shoretank into railcars	108,205 lei Contract of storage and services supplies no.1/2018 2,211,347.16 lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 20 calendaristic days since invoice issue date, by payment order.	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day.

12.4 Trades according to art. 234 paragraph a letter i) of ASF Regulation no.5/2018

Contracts concluded by the issuer with the same contractant, individually or cumulated, which value exceeds 10% from the net turnover or total revenue, related to the latest annual financial report.

Trades period 01.01.2018- 31.12.2018

12.4.1 Trades with suppliers

Contract no.	Contractor	Contract object	Contract value VAT excluded	Availability period	Payment terms and ways	Delay interests	Delay penalties	Guarantees and mutual receivables
96/276/31.08.2018	PETROCONST S.A.	Upgrading of shore tank T30 S – South Storage Farm	19,480,270 .29	Execution term 14 months since the work area delivery date.	60 calendaristic days since the invoice issue, in terms settled by bank credit contract with which the investment is financed.	If, from its exclusive fault, the executor does not fulfill its obligations of the contract, then, the purchaser is entitled to deduce from the contract price, as penalties, an equivalent amount of 0.02% /day from the contract price If the purchaser does not pay the invoices in 60 days since their receiving, this one has the obligation to pay, as delay penalties, an equivalent amount of 0.02% for each delay day for the uneffected payment.	If the purchaser does not pay the invoices in 60 days since their receiving, this one has the obligation to pay, as delay penalties, an equivalent amount of 0.01% for each delay day from the uneffected payment - There is no mutual receivables	- Quantum of contract good execution is 10% from the contract value. - There is no mutual receivables.

12.4.2 Trades with clients

No.	Legal act parties	Conclusion date and act number	Legal act kind	Availability period	Contract object description	Estimated value (VAT excluded)	Mutual receivables	Constituted guarantees	Payment terms and means	Stipulated penalties
1.	VITOL SA GENEVA AND OIL TERMINAL SA	439/17.11.2017	Additional Act no.4 Extension of Contract of services supplies and dispatch no.4/C/2016	01.01.2018 - 31.12.2018	Import/export of gas oil, fuel oil	4,000,000 USD	No	No	Payment of all invoices received by the Beneficiary during one calendaristic month, irrespective their issue date, will be effected in 10 days calculated since the first working day of the next month after the invoices' receiving	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day.
2.	PETROTEL LUKOIL SA PLOIESTI	491/15.12.2017	Contract of services supplies and	01.01.2018 - 31.12.2018	Import of crude oil, export of	40,000,000 Lei	No	No	Fiscal invoice of services supplies issued by Oil	Delay interests of 0.02% for each delay day from the amount

	AND OIL TERMINAL SA		dispatch no. 7/C/2018		gasoline, gas oil, fuel oil				Terminal is paid in 30 calendaristic days since the invoice issue, by payment order	unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day
3.	OSCAR DOWNSTREAM SRL MAGURELE AND OIL TERMINAL SA	587/ 10.01.2018	Additional Act of extension no.2 for extension of Contract of services supplies no.27/C/2016	01.01.2018 - 31.12.2018	Import of gas oil	24,000,000 Lei	No	No	Fiscal invoice of services supplies issued by Oil Terminal is paid in 30 calendaristic days since the invoice issue, by payment order	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day
4.	MOL ROMANIA PETROLEUM PRODUCTS SRL CLUJ NAPOCA	2100/ 23.05.2018	Contract of services supplies and dispatch no. 77/C/2018	01.06.2018 - 31.05.2018	Import-export of gasoline and gas oil	4,000,000 euro	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since invoice issue date, by payment order.	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpaid in due term of 0.01% for each delay day.
5.	OMV PETROM SA AND OIL TERMINAL SA	2666/ 29.06.2018	Contract of services supplies and dispatch no. 35/C/2018	01.07.2018 - 30.06.2019	Import of crude oil, export of gasoline, gas oil and other oil products	31,500,000 Lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since invoice issue date, by payment order.	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpaid in due term of 0.01% for each delay day.
6.	OMV PETROM SA AND OIL TERMINAL SA	3469/ 13.08.2018	Additional act no.1 of Contract of of services supplies and dispatch no. 35/C/2018	01.07.2018 - 30.06.2019	Additional act no.1 concluded on 13.08.2018 was issued after the publishing of National Agency for	31,500,000 Lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since invoice issue date, by payment order.	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpaid in due term of 0.01% for each delay day.

					<p>mineral Resources' President order no. 156/03.08.2018, regarding the approval of tariffs for crude oil and petroleum products handling in Official Gazette no.703/13.08.2018. The tariffs increase comes in force since 13.08.2018</p>					
7.	<p>MOL ROMANIA PETROLEUM PRODUCTS SRL CLUJ NAPOCA AND OIL TERMINAL SA</p>	<p>3483/13.08.2018</p>	<p>Additional act no.1 of contract of services supplies and dispatch no. 77/C/2018</p>	<p>01.06.2018 - 31.05.2018</p>	<p>Additional Act no.1 concluded on 13.08.2018 was issued after the publishing of National Agency for mineral Resources' President order no. 156/03.08.2018, regarding the approval of tariffs for crude oil and petroleum products</p>	<p>4,000,000 Euros</p>	<p>No</p>	<p>No</p>	<p>Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since invoice issue date, by payment order.</p>	<p>Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day.</p>

					handling in Official Gazette no.703/13.08.2018. The tariffs increase comes in force since 13.08.2018					
8.	PETROTEL LUKOIL SA PLOIESTI AND OIL TERMINAL SA	3467/ 13.08.2018	Additional Act of contract of services supplies and dispatch no. 7/C/2018	01.01.2018 - 31.12.2018	Additional act no.1 concluded on 13.08.2018 was issued after the publishing of National Agency for mineral Resources' President order no. 156/03.08.2018, regarding the approval of tariffs for crude oil and petroleum products handling in Official Gazette no.703/13.08.2018. The tariffs increase comes in force since 13.08.2018	40,000,000 Lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since the invoice issue, by payment order	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due tetm of 0.01% for each delay day.

9.	VITOL SA GENEVA AND OIL TERMINAL SA	3471/ 13.08.2018	Additional Act no.5 of Contract of services supplies and dispatch no.4/C/2016	01.01.2018 - 31.12.2018	Additional act no.5 concluded on 13.08.2018 was issued after the publishing of National Agency for mineral Resources' President order no. 156/03.08. 2018, regarding the approval of tariffs for crude oil and petroleum products handling in Official Gazette no.703/13.08 .2018. The tariffs increase comes in force since 13.08.2018	4,000,000 USD	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since the invoice issue, by payment order	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day.
10.	OSCAR DOWNSTREAM SRL MAGURELE AND OIL TERMINAL SA	3476/ 13.08.2018	Additional Act no.3 for extension of Contract of services supplies no.27/C/2016	01.01.2018 - 31.12.2018	Additional act no.3 concluded on 13.08.2018 was issued after the publishing of National Agency for mineral Resources' President	24,000,000 Lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since the invoice issue, by payment order	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due term of 0.01% for each delay day.

					order no. 156/03.08. 2018, regarding the approval of tariffs for crude oil and petroleum products handling in Official Gazette no.703/13.08 .2018. The tariffs increase comes in force since 13.08.2018					
11.	PETROTEL LUKOIL SA And OIL TERMINAL SA	5977/11.12. 2018	Additional Act no.2 of contract of services supplies and dispatch no. 7/C/2018	01.01.2019 - 31.12.2019	By Additional act no.2 concluded on 28.11.2018, it extended the availability term of Contract of services supplies and dispatch no.7/C/2018 for the period 01.01.2019-31.12.2019	49,,000,000 Lei	No	No	Services supplies fiscal invoice issued by Oil Terminal is paid in 30 calendaristic days since the invoice issue, by payment order	Delay interests of 0.02% for each delay day from the amount unpaid in due term and delay penalties due to invoices' unpayment in due tetm of 0.01% for each delay day.

13. STATEMENT OF CONFORMITY WITH CORPORATE GOVERNANCE

Corporate Governance Code provisions	It complies with	It doesn't comply or it complies partially with	The noncompliance' reason
A.1. All companies must have a Board internal regulation including the Board' reference terms/responsibilities and the company' top position, applying, among others, Section A' general principles.	It complies with		
A.2. Provisions for interests conflicts management must be included in the Board' regulation. Anyway, the Board' members must notify the Board on any interests conflicts occurred or that can occur and not take part to discussions (by nonpresentation included, when nonpresentation prevents the quorum formation excluded) and from voting to adopt a decision regarding the matter generating that interest conflict		It complies partially with	In Board of Directors' Organization and Running Regulation, there are no disposals regarding the interests conflicts management, on the company' web site, it is published "Trades with interested persons and interests policy"
A.3. Board of Directors or the Survey council must have at least five members.	It complies with		
A.4. The Board of Directors' majority must not have an executive position. At least Board of Directors or Survey Council ' one member must be independent for the companies of standard category. For the companies of Premium category, at least two nonexecutive members of Board of Directors or Survey Council must be independent. Each independent member of Board of Directors or Survey Council, if necessary, must submit a statement when he is nominated to be appointed or re appointed, and when any change of his status occurs, indicating elements according to which he is considered to be independent according to his character and judgement and according to the following criteria: A.4.1. he is not General/executive director of the company or of one company controlled by this and didn't have such a position in the latest five years; A.4.2. he is not an employee of the company or of one company controlled by this and didn't have such a position in the latest five years; A.4.3. he doesn't receive and didn't receive additional remuneration or other advantages from the company or from a company controlled by this, besides that for the nonexecutive manager position; A.4.4. he is not or wasn't an employee or he doesn't have or didn't have a indirectly with the company or with a company controlled by this, as a client, partner, shareholder, Board of Directors' member/manager, general/executive director or employee of a company, in the previous year, if, by its substantial character, this report can affect his objectivity; A.4.6. he is not and he wasn't external or internal auditor or partner or associated employee of the present external auditor or of the company or of other company controlled by this' employee, in the latest three years; A.4.7. he is not general/executive director of another company where another general/executive director of the company is a nonexecutive director;	It complies with		

<p>A.4.8. he wasn't the company' nonexecutive manager for a longer period than twelve years; A.4.9. he has no relative relations with a person in the situations mentioned in A4.1 and A4.4</p> <p>A4.9 there are no family affiliation with a person mentioned in items A4.1 and 4.4</p>			
<p>A.5. Other comitments and professional obligations relatively permanent of a Board' member, executive and nonexecutive positions in the Board of other non profit companies and institutions included, must be disclosed to shareholders and potential investors before nomination and during his mandate.</p>			It is going to be implemented
<p>A.6. Any Board' member must present information to Board regarding any relation with a shareholder owing directly or indirectly shares representing over 5% from the voting rights. This obligation refers to any kind of relation that can affect the member position regarding matters decided by Board.</p>	It complies with		
<p>A.7. Company must appoint a Board' secretary, responsible to support the Board' activity.</p>	It complies with		
<p>A.8. Statement regarding the corporate governance will inform if an evaluation of the Board under the Chairman or the nomination committee took place, ifit did, it will resume the key measures and the changes arisen from this. The company must have a policy' guide regarding the Board' evaluation containing the evaluation process' target, criteria, frequency.</p>	It complies with		
<p>A.9. Statement regarding the corporate governance must contain information regarding the Board and committees meetings number in the latest year, the managers (in person or in absence) and a report of the Board and commitees regarding these activities.</p>	It complies with		
<p>A.10. Statement regarding the corporate governance must contain information regarding the exact number of Board of directors or Survey council' independent members.</p>	It complies with		

B.1 Board must establish an audit committee, where at least one member must be independent nonexecutive manager. The members majority, the chairman included, must be proved having the appropriate training for the committee's positions and responsibilities. At least one member of the audit committee must have a proved, appropriate audit or accountant experience. For the companies of Premium category, the audit committee must have at least three members and the majority of the audit committee members must be independent.	It complies with		
B.2. The audit committee chairman must be an independent nonexecutive member.	It complies with		
B.3. According to its responsibilities, the audit committee must effect an annual evaluation of the internal control system.	It complies with		
B.4. Evaluation must have in view the internal audit position efficiency, the risk management and internal control reports, presented by the Board's audit committee, promptness and efficiency the executive management solves the deficiencies and weaknesses identified after the internal control and the presentation of relevant reports to Board	It complies with		
B.5. Audit committee must evaluate the interests conflicts regarding the company and its' branches' transactions with the affiliated parties.	It complies with		
B.6. Audit committee must evaluate the internal control system and the risk management system's efficiency.	It complies with		
B.7. Audit committee must monitor the legal and the generally accepted internal audit standards application. It must receive and evaluate the internal audit team reports.	It complies with		
B.8. Whenever the Code mentions reports and analyses initiated by the Audit committee, these must be followed by periodic reports (at least annually) or adhoc that must be submitted to the Board furtherly.	It complies with		
B.9. No shareholder can have a preferential treatment than the other shareholders regarding transactions and agreements concluded by the company with shareholders and their affiliates.	It complies with		
B.10. Board must adopt a policy providing that, any transaction of the company with any of the companies it has strong connections, which value is equal or larger than 5% of the company's net assets (according to the latest financial report) is approved by the Board after a compulsory opinion of the Board's audit committee and disclosed correctly to shareholders and to potential investors, as these transactions are events being object of reporting requirements.	It complies with		
B.11. Internal audits must be effected by a structurally separated division (internal audit department) of the company or by hiring a third party independent entity.	It complies with		
B.12. In view to achieve the internal audit department main functions, this must report functionally to the Board through the audit committee. For administrative reasons and in the management's obligations to monitor and reduce the risks, this must report directly to the general director.	It complies with		

<p>C.1. The company must publish on its web site the remuneration policy and include in the annual report a statement regarding the remuneration policy implementation during the annual period being the analysis' object. The remuneration policy must be stated so that it allows to shareholders to understand the principles and reasons according to which remuneration of Board' members, General Director and the Directorate' members in dualist system is made.</p> <p>This must describe the process management way and the taking of decisions regarding the remuneration, detail the executive management remuneration components (such as salaries, annual bonuses, stimulents on long term connected to shares value, benefits in kind, retirement fees and others) and describe the principles and presumptions of each component (performance general criteria related to any form of variable remuneration included).</p> <p>Additionally, the remuneration policy must mention the contract period to the executive director and the notice period provided in contract and the possible compensation for recalling without just cause. The report regarding the remuneration must present the remuneration policy for the persons identified in the remuneration policy during the annual period being the the analysis' object. Any main change occurred in the remuneration policy must be published on the company web site in due time.</p>	<p>It complies with</p>		
<p>D.1. The company must organize a service of Relationships with investors - mentioning to audience the responsible person/persons or the organizational entity. Besides the information imposed by legal provisions, the company must include on its web site a section dedicated to Relationships with investors, in Romanian and English, containing all interest information for investors, including:</p> <p>D.1.1 .Main corporative regulations: constitutive act, procedures regarding shareholders general assemblies;</p> <p>D.1.2. The company' management members' professional CV, other Board' members' professional commitments, including executive and nonexecutive positions in boards of directors of non profit companies and institutions;</p> <p>D.1.3. Current reports and periodic reports (trimester, semester and annual) - at least those provided in item D.8 - including the current reports with detailed information regarding the noncompliance with the present Code;</p> <p>D.1 .4.Information regarding the shareholders general assemblies: day agenda and the informational stuff; Board' members selection procedure; the reasons supporting the candidates proposals for the Board selection, together with their professional CV; shareholders' questions regarding the day agenda and the company' answers, the adopted decisions included;</p> <p>D.1.5. Information regarding the corporate events such as dividends payment and other distributions payments to shareholders, or other events leading to the shareholder' rights getting or limitation, including the limit terms and principles applied to these operations. That information will be published in a term allowing to investors to adopt investment decisions;</p> <p>D.1.6. Name and contact data of a person who can supply relevant information, on request;</p>		<p>It complies with</p>	

D.1.7. The company' presentations (for example presentations for investors, those regarding trimester results, etc.), financial situations (trimester, semester, annual), audit reports and annual reports.			
D.2. The company will have a policy regarding the annual distribution of dividends or other benefits to shareholders, proposed by General Director or by the Directorate and adopted by Board as a set of directives regarding the net profit distribution, the company intends to follow. The annual policy principles of distribution to shareholders will be published on the company' web site.		It complies with	The dividends' distribution is achieved according to legal provisions.
D.3. The company will adopt a policy regarding the previsions, public or no public ones. The previsions refer to quantified conclusions of some studies regarding the overall impact settling of a series of factors for a future period (so called hypotheses): by its kind, this projection has a high degree of uncertainty, the effective results being able to differ significantly from the initially presented previsions. Policy regarding previsions will settle the frequency, the period taken into account and the previsions content. If published, the previsions can be included only in annual, semester, trimester reports. Policy regarding previsions will be published on the company' web site.		It complies with	There is no policy regarding the predictions
D.4 Shareholders general assemblies regulations must not limit to shareholders' participation to general assemblies and their rights exercising. The regulations changes will come into force, the earliest, since the next shareholders general assembly.	It complies with		
D.5.External auditors will be present to shareholders general assembly when their reports are presented in those meetings	It complies with		
D.6.Board will present a brief appreciation on the internal control systems and significant risks management and opinions on some matters decided by the general assembly to the shareholders annual general assembly.	YES		
D.7. Any specialist, adviser, expert or financial analist can participate to the shareholders general assembly, according to a previous invitation from the Board. The accredited journalists can participate to the shareholders general assembly, if the Board' Chairman decides otherwise excluded.	YES		
D.8. Trimester and semester reports will include information in Romanian and English regarding the key factors influencing changes in sales, the operational profit, net profit and other relevant financial indicators, from a trimester to another, from one year to another one.		It complies with.	
D.9. A company will organize at least two meetings/conferences with analysts and investors each year. The information presented will be published in the section relationships with investors on the company' web site on the meetings/teleconferences.		NO	The measure is going to be implemented.
D.10. If a company supports different kinds of artistic and cultural expression, sport activities, educational or scientific activities and it considers that their impact on the company' inovative and competitive character is a part of its mission and development strategy, it will publish policy regarding its activity in this field.	YES		

Chairman of the Board of Directors,
Cristian Florin GHEORGHE

General Director,

Financial Director,

Sorin Viorel CIUTUREANU

Adriana FRANGU

OIL TERMINAL SA Constanța' Board of Directors presents the Non financial Statement according to Directive 2014/95/EU of European Parliament and Council regarding non financial information and information presentation referring to diversity of certain companies and great groups and provisions of item 39 of Public Finances Ministry Order no.2844/2016 for Accountancy regulations approval complying with International Standards of Financial Report.

OIL TERMINAL applies the directive since 2018 for the information regarding financial year 2017.

In this regard, OIL TERMINAL publishes relevant and useful information, necessary for its' activity development, performance and impact' understanding.

The present statement contains information about environment, social, staff matters, complying with human rights , corruption and bribery fight.

Business pattern description

Business environment

Oil Terminal is the only oil terminal in Constanta port, which main activity is services supplies of crude oil, petroleum and petrochemical products and other finite products or raw liquids' receiving, loading, discharging for import, export and transit. Oil Terminal was established according to Law no.15/1990, by Romanian Government Decision no. 1200/12.11.1990, as a joint-stock company, according to Law no.15/1990 regarding commercial companies, republished, with further alterations and additions, being a public company, according to terminology stipulated by Law no.297/2004 regarding capital market.

OIL TERMINAL has 3 storage farms with a total storage capacity of about 1,432,000 CM., from which:

- North Storage Farm, storage capacity for crude oil and petroleum products of about 420,000 CM
- Port Storage Farm, storage capacity of about 102,000 CM
- South Storage Farm, storage capacity for crude oil, petroleum and petrochemical products of about 910,000 CM

Main clients with an important turnover percentage on 2017 are:

- 1) Petrotel Lukoil S.A. Ploiești – for crude oil, gasoline and gas oil services supplies
- 2) OMV Petrom S.A. București – for crude oil, gas oil, gasoline, fuel oil and chemical products services supplies
- 3) Vitol S.A. Geneva – for gas oil and fuel oil services supplies
- 4) Oscar Downstream Magurele – for gas oil services supplies
- 5) Vitol sa Geneva – for gas oil services supplies
- 6) Mol România Petroleum Products Cluj Napoca – for gas oil services supplies
- 7) ANRSPS – for gas oil services supplies
- 8) Rompetrol Rafinare Constanta – for crude oi land chemical products services supplies
- 9) Mol PLC – gas oil services supplies
- 10) Litasco Geneva – for crude oil services supplies
- 11) Mitshubishi International – for chemical products services supplies

Organization and structure

The company' organization is highlighted in the organizational chart, of pyramidal type, specific for an organizatoric structure of hierarchical-functional type.

Organizatoric structure contains the folowing hierarchical levels:

Shareholders General Assembly
Board of Directors
General Director
Executive Directors
Chiefs of Departments
Chiefs of functional and operational departments in the General Director, executive directors and chiefs of departments'' subordination
Execution staff

According to this organizatoric structure, management achieves by objectives and programs from top to bottom and executed from bottom to top, on efficiency and professional responsibility criteria.

Each department has its own responsibilities, part of Regulation of organization and running of the company.

For the company' staff, their charges, responsibilities and competences are included in the job sheets.

Markets where it runs its activity

The company is the largest terminal in the Black Sea area for crude oil, petroleum and chemical products export. Referring to the services whole areain oil field, we have competition from:

- Midia port terminal
- terminals of Romanian Danubian ports (Galați, Giurgiu and Drobeta Turnu Severin)
- Reni terminal
- Minmetal and Frial port operators for liquid fertilizers and vegetal oils.

Main trends and factors that can affect the company' future development

Events that can affect revenues from main activity:

1. Diminishing of products quantities handled through terminal
2. Closing/ re sizing of production capacities
3. Contract of industrial activity at macro and micro economic level
4. Commercial policy applied by main clients of Oil Terminal (OMV Petrom, Petrotel Lukoil, Oscar Downstream and Vitol)
5. Some clients' insolvency

Strategies and objectives

Development strategy Partial strategy	Objectives
Investments and maintenance strategy	Achievement of investments and maintenance plans complying with the execution term and contractant value
Marketing strategy	Maximizing of company' revenues by promoting Oil Terminal' image as trustful partner.
Supply on technological flow strategy	Appropriate administration of client's product
Organizatoric strategy	Provision of a modern management by implementing and maintaining risks management processes, control and corporate governace in the company
Financial strategy	Sizing and optim use of own financial resource to provide the company' development strategy
Staff trening strategy	Company' continuous provision by trained and motivated staff able to achieve its object of activity
Environment strategy	Prevention and limitation of negative effects on environment
Strategy to implment quality, environment, safety and security integrated management systems	Approach of Quality management systems as the organization' strategic decision to improve its overall performance and initiatives supply for a lasting development.

Main risks and their management

Identified risks	Actions necessary to effect
Rentability level risk	Diminishing of fixed expenses Salaries percentage expenses <45% of total expenses
Payment incapacity risk (bankruptcy risk)	Increase of solvency degree by the achieved profit maximization
Operational risk	Re sizing of existent staff Increase of technology degree
Reorganization risk	Development of the company' main activities Re sizing of existent staff
Competitional markets risk	Consolidation of position on regional market
Specific regulations for state major capital companies	Re configuration of oil agreement concluded with ANRM
Some clients' commercial policy	Increase of flexibility degree towards clients' requirements

Risk profile on 31.12.2018

91 risks of "tolerable" level– 89.2%
 10 risks of "high tolerable" level– 9.8%
 1 risk of "low tolerable" level– 1.0%
 0 risk of „untolerable" level– 0%.

Risks management achieved by :

- Employees training with management policies, regulations, procedures, programs, plans, disposals and anti- corruption legislation;
- Achievement of procedures on activities complying with the bookkept activities;
- Risks administration team constitution in the company;
- Appointment of coordinator for Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA and the contact person to keep in touch with SNA' technical secretary;
- Adoption of Statement to adhere to Anticorruption national strategy implementation (SNA) 2016-2020 by the company' management;
- Adoption and implementation of Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA;
- Identification, evaluation/re evaluation and management of risks through risks register in the department and company;
- Settling of risk strategy and appropriate intern control measures to keep risks in the approved tolerance limits;
- Ranking of exposure to risks of risks to be managed and issue of the company' risk profile and of risk map with decision factors significant risks;
- Risk analysis at functional structure level, and at the organization level by Risks Management Team to implement intern control measures and evaluation of measures efficiency and risks management stage;
- Semesterial/annual report of risks management process and risks for administration and the control measures efficiency adopted in order to improve this process and the objectives achieving;
- Analysis and evaluation of risk in the company, issue of a conclusions note regarding risks management process and improvement proposals;
- Selfevaluation of Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA for 2017;
- Report of implementation stage for measures of Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA .for 2018.

Subject matters**Environment matters**

Societatea OIL TERMINAL runs its activity according to Environment Authorization no.343/13.09.2013 – for Port Storage Farm (reviewed on 09.12.2014), Environment Authorization no.439/14.11.2013 – for North Storage Farm (reviewed on 10.03.2016), Environment Authorization no.504/13.12.2013 – for South Storage Farm (reviewed on 09.12.2014), and Management Authorization of Waters no.226/15.09.2016.

Oil Terminal manages impact on environment in order to use efficiently natural resources, to minimize wastes and emissions in air, water, soil, to prevent and reduce crude oil, oil products leakage.

Having in view the company' centenary activity, there is an impact on environment connected to historic pollution and current activity. The high management concern is to minimize negative impact matters on environment.

Oil wastes pits were eliminated, soil monitoring wells were provided.

Now, the environment factors are monitored: water, air, soil, table water according to environment authorizations requirements:

- for water: waste waters evacuated in RAJA SA' sewage and Constanta si Companiei Nationale Administratia Porturilor Maritime SA Constanta' sewage in order to keep the imposed limits. When waste waters treatment facility is put in work by Constanta si Companiei Nationale Administratia Porturilor Maritime SA Constanta, it eliminated the current activity influence on the natural emissary
- for table water: its piezometric level measurement and the product layer height, drawing by water and oil product pumping;
- for soil: oil product indicator is monitored and tightness is visually checked;
- for air: COV indicator is monitored in South Storage Farm for gasoline, benzene and toluene indicators are Oil Terminal' three platforms. Annually, emissions from boilers are monitored

Volatile emissions are stored in order to diminish people discomfort was reconsidered.

Societatea OIL TERMINAL complies with Law 59/2016 regarding control on major risks with risk substances.

The company issued and submitted to territorial authorities the activity notification, safety reports for each storage farm and related intern emergency plans, according to legal provisions.

Safety reports were issued by a specialized company, containing: Major risks' prevention policy, description of Safety management system, of location, ran processes, identification and analysis of specific accidents, safety measures for major risk limitation. Safety reports are periodically reviewed, at least once every 5 years and updated when necessary. Operator updates safety report after a major accident or incident.

In 2017, in the investments program, objectives on current activity are included:

- Upgrading shoretank 34 - South Storage Farm (according Oil agreement)
- Aboveground laying of pipelines network between Port Storage Farm' manifold and MIM bridge
- Updating of roof and first sleeve for shoretank 23 Port Storage farm (upgrading inventory number 11222626)
- Common metallic scaffold line L2 and L3 rail platform South Storage Farm
- Upgrading of gas oil metering skid
- Upgrading of gas oil metering skid
- Untaxed technological meters
- safety updating for shoretank B19
- Analyzer for sulphur content determination in oil products
- Aboveground laying of pipelines network Port Storage Farm – MIM bridge
- Analyzer for cloud and pour points determination
- Remote device for filtrability limit temperature or cold filter clogging determination Skimmer Komara 15 Duplex
- Remote equipment for oil product content determination in waste waters and soil
- Upgrading of rail platform South Storage Farm
- Upgrading of shoretank T30 50,000 CM South Storage Farm

In 2017, response exercises took place in emergency cases in order to improve the response capacity in incidents cases.

The company communicates to its own employees and to interested parties, by mass media, by website all information regarding the event, the measures taken or going on for intervention and the risks for human health and environment.

The company has its own acoustic alarm system for main risks in the company. The company answers, by own staff when there is a notice of smells occurrence. Societatea activity is periodically audited and checked by controls.

For major risks scenarios exceeding the platforms locations, the neighbouring companies are informed on the possibility of risk occurrence and intern emergency plans were submitted, The territorial planning areas contained in Safety reports were submitted to Environment safety authority, Inspectorate for emergency situations Dobrogea, being used as data basis.

Social matters and work force matters

Employees are the most important human resource of the company, being provided an average safe competitive work environment.

On 31.12.2018, human resources record a number of 1,005 employees, representing an increase of work force by 3.3% comparing to the same period of 2016.

In 2018, 32 persons were hired. The human resources incoming intensity recorded the value of 0.032 meaning that, staff incoming rate in the company was 3.2%.

In the referenced period, the staff number decreased by 52 employees due to different causes (retired persons agreement of parties, notification, death). The outgoing intensity coefficient recorded value of 0.052, meaning that, in the referenced period 5.2% of employees left the company.

Employees number evolution index had a value of 98% meaning an increase of human resources effective by 2%, an increase of employees being recorded of 20- persons.

Jobs occupation degree was 84.3% at 2018' end comparing to the same period of 2017 when it was 85.2%.

The employed staff structure, according to an individual work contract, per staff types (TESA/workers) was at the end of 2018 222 TESA and 763 workers comparing to the end of 2017 when it was 227 employees TESA and 778 workers.

Staff structure per professional training level (according to job requirements) :

- high training 175, from which 34 management positions
- average training : 810, from which 751 qualified and 59 unqualified.

Employed women percentage in the company was kept in 2018 too, being of 30% from the employed staff total.

Employees average age, at 2018' end was 49 years old (increasing) and over 58% of staff has an over 20 seniority in company. The company focuses on knowledge transfer programs and on succession for critical positions (technical).

For 2018, staff training degree was of 90%. About 180 employees participated to a training with external supplier (mainly specialized training)

Training process evaluation was achieved by managerial team, by training evaluation.

Oil participation degree of work force was 95% and there were no elements of conflictual kind between employer and social partners.

Human rights

Societatea recognizes the work main right, association freedom, collective negotiation right, forced work elimination and equality among employees.

Work safety and security

Preventive measures in work safety and security:

- running of an intern safety department, managing the work safety and security
 - employees medical control and first aid is provided by Work medicine dept.
 - Existence of a work safety and security committee
 - Organization of emergency facility, authorized by INSEMEX Petrosani (21 authorized employees)
 - Technological facilities tightness (rail platforms, pumping houses, shoretanks areas, manifolds, valves, pipelines) by periodic checkings
 - Monitoring of facilities and equipments by a specialized dept. – Facilities control safety and environment safety dept.
 - Reviews and periodic repairs according to Maintenance plan
 - Repairs, reviews, upgradings of facilities according to work permits
 - Explosive vapors concentrations monitoring for works with fire
 - Fire sources management by smoke regulation
 - Issue of procedures regarding work safety and security for an activities
 - Training in work safety and security according to training plan
 - Workers equipment with individual safety equipment, according to intern regulations
 - Safety food, water, tea purchase and distribution to worlers
 - Monitoring of chemical and physical noxes at work areas
 - Safety markings in work areas according to GD no.971/2006
 - Work areas first aid, safety showers provision
 - Identification and evaluation of risk factors
 - Accident and professional diseases risks due to oil products thatt can generate fires/explosions
 - Falling from height during railcars top activities
 - Falling at the same level by slipping
 - Electrical risks
 - Physical risks (noise generated by pumping equipments, low temperatures or high ones)
 - In order to reduce these risks effects, Prevention and safety plans were issued, according to Law no.319/2006.
 - The company was controlled in the period 2017-2018 by work inspectors of Constanta Territorial Inspectorate, no significabt errors were found.
 - Prevention and safety planson short, average and long term were issued.

Matters connected to corruption and bribery fight

In order to fight against corruption and bribery, the company applies Governance Order no.119/1999 regarding intern/ managerial control and preventive financial control, republished, with further alterations and additions, Order no.400/2015 with further alterations and additions, GO no.583/2016 regarding Anticorruption national strategy (SNA) in the period 2016-20120

Some policies and measures adopted regarding the corruption and bribery fight , human rights and control instruments applied , the followings measures and actions were settled:

The company' policy and commintment i risk management

- Board of Directors' policy statement and commitment in risk management and intern managerial control system
- Ethic code and behaviour regulations of executive and administrative management and employees in the company
- Goods and interests statement by statements
- Inventory of sensitive positions and list of employees with sensitive positions
- Risk management system procedure, for corruption risks management and positions sensitive to corruption
- Risks register for corruption risks management associated with sensitive objectives/activities/positions
- Conclusions note regarding the risks management process
- Operational procedure regarding irregularities found (integrity warner safety)
- Appointment of coordonator for Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA and the contact person to keep in touch with SNA' technical secretary;
- Adoption of Statement to adhere to Anticorruption national strategy implementation (SNA) 2016-2020 by the company' management;
- Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA;
- Training of the company' employees regarding Statement to adhere to Anticorruption national strategy implementation (SNA) 2016-2020
- Selfevaluation of Integrity plan for Anticorruption national strategy implementation (SNA) 2 in 2016-2020 in Societatea Oil Terminal SA in 2018

- Report regarding the stage of implementation of measures for Integrity plan for Anticorruption national strategy implementation (SNA) 2016-2020 in Societatea Oil Terminal SA. According to Report, there was no integrity incident identified and recorded in the period 01.01.2018-31.12.2018.

Corruption risks profile on 31.12.2018

36 corruption risks, "tolerable" level – 100%

0 corruption risk, "high tolerable" – 0%

0 corruption risk, "low tolerable" – 0%

0 corruption risk, "intolerable" – 0%

Oil Terminal does not involve in any business involving corruption, bribery or money laundry.

Nonfinancial performance key indicators

Indicators	Target values	Achieved on 31.12.2018
Investments – public domain (mill. lei)	22.2	23.2
Critic technical accidents percentage (accidents number)	1	0%
Rate of unconformities achievement for metering operations	Max 5%	0%
Annual rate of staff in the training/professional training process with external suppliers	Min 10%	18.5%
Degree of achievement for planned/environment controls and SEVESO	Min 80%	100%
Monitoring of utilities consumption (water)	≤ 1	0,96 North Storage Farm 0,58 Port Storage Farm 0,86 South Storage Farm

Board of Directors' Chairman,
Cristian Florin GHEORGHE

General Director,
Sorin Viorel CIUTUREANU

Financial Director,
Adriana Frangu

CONSTITUTIVE ACT - OIL TERMINAL S.A.

CHAPTER I

NAME, LEGAL FORM, HEADQUARTER, PERIOD

Art.1 The company' name

The company' s name is OIL TERMINAL SA in all documents, invoices, notices, issues and other acts issued by the company, the company's name will be preceded or followed by the words "company on shares" or the initials "S.A", by the social assets and the register number at the commerce registrar, the company' headquarter and the register unic number.

Art.2 The company' legal form

The company OIL TERMINAL SA is a Romanian legal person, having the legal form of a stock company. This runs its activity according to Romanian laws and to the present Constitutive Act

The company OIL TERMINAL SA is a commercial company with strategic interes, according to G.O. 15/2001.

Art.3 The company' office

The company' office is in Romania, Constanta County, no.2, Caraiman str. The company' office can be moved to another Romanian city according to shareholders' general assembly, according to law provisions

Art.4 The company' duration

The company' duration is unlimited, starting the registering date at the National Commerce Registrar.

CHAPTER II

THE COMPANY' PURPOSE AND OBJECT OF ACTIVITY

Art. 5. The company' purpose

The company' purpose is to get revenues from profit, distributable then to the shareholders, by services supplied to the clients regarding crude oil, petroleum, petrochemical, liquid chemical products' import, export and transit.

Art. 6 The object of activity

6.1 Main object of activity according to CAEN /2007

5224 Handlings- services supplies regarding crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit.

Secondary activity object

5210 Storages - crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit.

0113 – Farming (work) of vegetables and melons, of bulbs and tubers

0119 – Farming of other unpermanant cultures plants

0910 – Activities of annexes services for raw poil and natural gases

1610 - Wood cutting and planning

2562- Operations of general mechanics

3101 – Ffurniture manufacture for offices and shops

3311- Metal items repairs

3312 – Machines repairs

3314 – Electric equipments repairs

3512- Transport of electrical power

3513- Distribution of electrical power

3514- Trade of electrical power

3530- Delivery of steam and air conditioner

3600- Catching, treatment and distribution of water

3700- Collection and treatment of waste

3811- Collection of non dangerous waste products

3812- Collection of dangerous waste products

3831- Dismounting of machines and equipments aut of use for materials recovering

3832- Recovering of picked recyclable materials

3900 – Decontamination activities and services

4120- Works of residential and non residential buildings constructions

4212- Works of surface and underground railways constructions

4213- Construction of bridges and subways

4221- Works of liquids utilitarian projects constructions

4222- Works of power and telecommunications utilitarian projects constructions

4299- Works of other engineering projects constructions

4321 – Electrical works

4322 – Works of plumbing, heating, air conditioned

4520- Maintenance and repair of cars

4671- Wholesale trade of solid, liquid, gaseous fuels and of derivated products

4675- Wholesale of chemical products

4677- Wholesale of waste products

4711 – Retail trade in unspecialized shops, selling mainly food goods, drinks, tobacco

4778 – Trde in detail of new goods, in specialized shops (religious objects, guns, ammunition excepted)

4920- Goods railway transport

4939- Other passengers road transport, nca

4941- Goods road transport

4950 – Transport through pipeline

5221- Activities of additional services for road transports

5222- Activities of water transport additional services

5229- Other additional transports

6110- Activities of telecommunications by cable networks

6120- Activities of telecommunications by networks (by satellite exclusively)

6130- Activities of telecommunications by satellite

6190- Other telecommunications activities
 6820- Hiring and under hiring of its own or hired landed proprieties
 7120- Activities of technical tests and analyses
 7211 – Research – development in biotechnology
 7219 – Research- development in other natural sciences and engineering
 7732- Activities of machines and construction equipments hiring and leasing
 7733 - Activities of office equipments (PC included)
 7739- Activities of other machines, equipments, tangible goods hiring and leasing
 8121- General(non specialized) activities for buildings inside cleaning
 8129- Other cleaning activities n.c.a.
 8130- Activities of peisagistic maintenance
 8219- Photocopying, documents preparation and other secretary activities
 8425- Activities of fire fighting and its prevention
 9319 – Other spOther sport activities
 9601 – Washing and cleaning (dry) of textiles and fur products

6.2. The company OIL TERMINAL SA has the following work points:

1. North Storage Farm, located in Constanta County, no.2, Caraiman str. with the following activities and CAEN codes:

5224 – Handlings- crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit
 5210- Storages - crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit.
 0910 – Activities of annexes services for raw poil and natural gase
 1610 - Wood cutting and planning
 2562- Operations of general mechanics
 3101 – Ffurniture manufacture for offices and shops
 3311- Metal items repairs
 3312 – Machines repairs
 3314 – Electric equipments repairs
 3512- Transport of electrical power
 3513- Distribution of electrical power
 3514- Trade of electrical power
 3530- Delivery of steam and air conditioner
 3600- Catching, treatment and distribution of water
 3700- Collection and treatment of waste
 3811- Collection of non dangerous waste products
 3812- Collection of dangerous waste products
 3831- Dismounting of machines and equipments aut of use for materials recovering
 3832- Recovering of picked recyclable materials
 3900 – Decontamination activities and services
 4120- Works of residential and non residential buildings constructions
 4212- Works of surface and underground railways constructions
 4213- Construction of bridges and subways
 4221- Works of liquids utilitarian projects constructions
 4222- Works of power and telecommunications utilitarian projects constructions
 4299- Works of other engineering projects constructions
 4321 – Electrical works
 4322 – Works of plumbing, heating, air conditioned
 4520- Maintenance and repair of cars
 4671- Wholesale trade of solid, liquid, gaseous fuels and of derivated products
 4675- Wholesale of chemical products
 4677- Wholesale of waste products
 4711 – Retail trade in unspecialized shops, selling mainly food goods, drinks, tobacco

4778 – Trade in detail of new goods, in specialized shops (religious objects, guns, ammunition excepted)
 4920- Goods railway transport
 4939- Other passengers road transport, nca
 4941- Goods road transport
 5229- Other additional transports
 3512- Transport of electrical power
 3513- Distribution of electrical power
 3514- Trade of electrical power
 3530 – Supply of steam and air conditioner
 3600- Catching, treatment and distribution of water
 3700- Collection and treatment of waste
 3811- Collection of non dangerous waste products
 3812- Collection of dangerous waste products
 2562- Operations of general mechanics
 4120- Works of residential and non residential buildings constructions
 4212- Works of surface and underground railways construction
 4213- Construction of bridges and subways
 4221- Works of liquids utilitarian projects constructions
 4222- Works of power and telecommunications utilitarian projects constructions
 4299- Works of other engineering projects constructions
 4520- Maintenance and repair of cars
 9601 – Cleaning and washing (dry) of textiles and fur products
 4950- Transports through pipelines
 4941- Goods road transport
 4950 – Transport through pipeline
 5221- Activities of additional services for road transports
 5222- Activities of water transport additional services
 5229- Other additional transports
 6110- Activities of telecommunications by cable networks
 6120- Activities of telecommunications by networks (by satellite exclusively)
 6130- Activities of telecommunications by satellite
 6190- Other telecommunications activities
 6820- Hiring and under hiring of its own or hired landed properties
 7120 - Activities of technical tests and analyses
 7211 – Research – development in biotechnology
 7219 – Research- development in other natural sciences and engineering
 7732- Activities of machines and construction equipments hiring and leasing
 7733 - Activities of office equipments (PC included)
 7739- Activities of other machines, equipments, tangible goods hiring and leasing
 8121- General(non specialized) activities for buildings inside cleaning
 8129- Other cleaning activities n.c.a.
 8130- Activities of peisagistic maintenance
 8219- Photocopying, documents preparation and other secretary activities
 8425- Activities of fire fighting and its prevention
 9319 – Other sport activities
 9601 – Washing and cleaning (dry) of textiles and fur products

2. PORT STORAGE FARM, located in Constanta Port area, jetty no.69, with the following activities and CAEN codes:

5224 – Handlings – crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit
 5210- Storages- crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit.
 0910 – Activities of annexes services for raw poil and natural gase

1610 - Wood cutting and planning
 2562- Operations of general mechanics
 3101 – Furniture manufacture for offices and shops
 3311- Metal items repairs
 3312 – Machines repairs
 3314 – Electric equipments repairs
 3512- Transport of electrical power
 3513- Distribution of electrical power
 3514- Trade of electrical power
 3530- Delivery of steam and air conditioner
 3600- Catching, treatment and distribution of water
 3700- Collection and treatment of waste
 3811- Collection of non dangerous waste products
 3812- Collection of dangerous waste products
 3831- Dismounting of machines and equipments out of use for materials recovering
 3832- Recovering of picked recyclable materials
 3900 – Decontamination activities and services
 4120- Works of residential and non residential buildings constructions
 4212- Works of surface and underground railways constructions
 4213- Construction of bridges and subways
 4221- Works of liquids utilitarian projects constructions
 4222- Works of power and telecommunications utilitarian projects constructions
 4299- Works of other engineering projects constructions
 4321 – Electrical works
 4322 – Works of plumbing, heating, air conditioned
 4520- Maintenance and repair of cars
 4671- Wholesale trade of solid, liquid, gaseous fuels and of derivated products
 4675- Wholesale of chemical products
 4677- Wholesale of waste products
 4711 – Retail trade in unspecialized shops, selling mainly food goods, drinks, tobacco
 4778 – Trade in detail of new goods, in specialized shops (religious objects, guns, ammunition excepted)
 4920- Goods railway transport
 4939- Other passengers road transport, nca
 4941- Goods road transport
 4950- Transports through pipelines
 4941- Goods road transport
 4950 – Transport through pipeline
 5221- Activities of additional services for road transports
 5222- Activities of water transport additional services
 5229- Other additional transports
 6110- Activities of telecommunications by cable networks
 6120- Activities of telecommunications by networks (by satellite exclusively)
 6130- Activities of telecommunications by satellite
 6190- Other telecommunications activities
 6820- Hiring and under hiring of its own or hired landed properties
 7120 - Activities of technical tests and analyses
 7211 – Research – development in biotechnology
 7219 – Research- development in other natural sciences and engineering
 7732- Activities of machines and construction equipments hiring and leasing
 7733 - Activities of office equipments (PC included)
 7739- Activities of other machines, equipments, tangible goods hiring and leasing
 8121- General(non specialized) activities for buildings inside cleaning
 8129- Other cleaning activities n.c.a.
 8130- Activities of peisagistic maintenance
 8219- Photocopying, documents preparation and other secretary activities

8425- Activities of fire fighting and its prevention
9319 – Other sport activities
9601 – Washing and cleaning (dry) of textiles and fur products

**3. SOUTH STORAGE FARM, located in Constanta County, MOVILA SARA,
with the following activities and CAEN codes:**

5224 – Handlings – crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit
5210- Storages- crude oil, petroleum petrochemical and liquid chemical products and other finite products or raw liquid materials for import, export and tranzit.
0910 – Activities of annexes services for raw poil and natural gase
1610 - Wood cutting and planning
2562- Operations of general mechanics
3101 – Furniture manufacture for offices and shops
3311- Metal items repairs
3312 – Machines repairs
3314 – Electric equipments repairs
3512- Transport of electrical power
3513- Distribution of electrical power
3514- Trade of electrical power
3530- Delivery of steam and air conditioner
3600- Catching, treatment and distribution of water
3700- Collection and treatment of waste
3811- Collection of non dangerous waste products
3812- Collection of dangerous waste products
3831- Dismounting of machines and equipments aut of use for materials recovering
3832- Recovering of picked recyclable materials
3900 – Decontamination activities and services
4120- Works of residential and non residential buildings constructions
4212- Works of surface and underground railways constructions
4213- Construction of bridges and subways
4221- Works of liquids utilitarian projects constructions
4222- Works of power and telecommunications utilitarian projects constructions
4299- Works of other engineering projects constructions
4321 – Electrical works
4322 – Works of plumbing, heating, air conditioned
4520- Maintenance and repair of cars
4671- Wholesale trade of solid, liquid, gaseous fuels and of derivated products
4675- Wholesale of chemical products
4677- Wholesale of waste products
4711 – Retail trade in unspecialized shops, selling mainly food goods, drinks, tobacco
4778 – Trade in detail of new goods, in specialized shops (religious objects, guns, ammunition excepted)
4920- Goods railway transport
4939- Other passengers road transport, nca
4941- Goods road transport
4950- Transports through pipelines
4941- Goods road transport
4950 – Transport through pipeline
5221- Activities of additional services for road transports
5222- Activities of water transport additional services
5229- Other additional transports
6110- Activities of telecommunications by cable networks
6120- Activities of telecommunications by networks (by satellite exclusively)
6130- Activities of telecommunications by satellite

6190- Other telecommunications activities
 6820- Hiring and under hiring of its own or hired landed proprieties
 7120 - Activities of technical tests and analyses
 7211 – Research – development in biotechnology
 7219 – Research- development in other natural sciences and engineering
 7732- Activities of machines and construction equipments hiring and leasing
 7733 - Activities of office equipments (PC included)
 7739- Activities of other machines, equipments, tangible goods hiring and leasing
 8121- General(non specialized) activities fpr buildings inside cleaning
 8129- Other cleaning activities n.c.a.
 8130- Activities of peisagistic maintenance
 8219- Photocpying, documents preparation and other secretary activities
 8425- Activities of fire fighting and its prevention
 9319 – Other spOther sport activities
 9601 – Washing and cleaning (dry) of textiles and fur products

4. Name: MEDICAL OFFICE (8512) – AMBULATORY ASSISTANCE SERVICES located in Constanta, no.2, Caraiman str., Constanta County with medical assistance activities, XAEN code 8621.

Chapter III

SOCIAL CAPITAL, SHARES, SHAREHOLDERS

Art. 7 Social capital

- (1) OIL TERMINAL is a stock company, open type
- (2) The social capital is 58,243,025.30 RON, divided into 582,430,253 nominative shares in a nominal amount of 0.10 RON each of them and is fully subscribed and paid by the shareholders
- (3) The shareholders and the capital' structure is:

Shareholders	Shares no.	Percentage of the social capital
Ministry of Energy	347,257,973	59.62
Other physical and juridical persons	235,172,280	40.38
TOTAL	582,430,253	100

Art.8 Shares

Nominative shares issued by the company are dematerialized, by register in account

The securities issued by the company' evidence, traded on a regulated market is kept by a company of independent register authorised by the Financial Survey Authority (ASF).

Art.9 The social capital' decrease or increase

The social capital can be decreased or increased according to extraordinary general assembly decision according to law provisions

Art.10 Rights and obligations arisen from shares

(1) Each subscribed and paid to the shareholders share gives them legal rights and statute

(2) Share' own means legal subscription to the statute

(3) Rights and obligations regarding the shares follow the shares if they pass into somebody else' propriety

(4) The company' obligations are guaranteed by its social capital, the shareholders being liable only until the subscribed capital' concurrency

(5) The company' patrimony can't be stricken by debts or other shareholders' personal obligations. A shareholder' creditor can formulate claims against the company' part distributed by the shareholders' general assembly or of its share when the company liquidates, in the present statute terms.

Art.11 The shares' cession

The shares are impartible, regarding the company, recognizing only one owner for each share.

The partial or total cession of shares between shareholders or thirs parties is made according to law provisions.

CHAPTER IV

THE SHAREHOLDERS GENERAL ASSEMBLY

12. Responsibilities

(1) The shareholders general assembly is the company' highest authority, decidind upon its activity, ensuring its political, economic, commercial politycy.

(2) The shareholders general assembly can be ordinary or extraordinary

(3)The ordinary shareholders assembly meets at least once a year, in maximum four months from the financial year completion.

Besides the day agenda, the ordinary shareholders assembly must:

- a) disscuss, approve, alter the yearly financial reports, according to the Board of Directors' reports and the statutory cvorum, to approve the profit distribution and to settle the dividend. The dividends are distributed to shareholders according to the capital' participation part at the paid social capital. These are paid in the term provided by the shareholders general assembly, in the time limits provided by law. If contrary, the company will pay damages for the delay period, on the legal interest level;
- b) b.appoint, to revoke the Board of Directors' members;
- c) c.to appoint or to dismiss the statutory auditor and to settle the financial audit contract minimum period;
- d) d.settle the board of directors' remuneration for the present year;
- e) e. have an opinion on the board of directors administration;

- f) f. settle the expenses and revenues budget, the activity schedule for the coming year;
 - g) g. decide on one or more company' units pledge, hire or elimination;
 - h) h. settle the directors' remunerations general limits.
- (4) The extraordinary general assembly meets whenever necessary to decide on:
- a) the company juridical form alteration
 - b) the company' office movement;
 - c) the company' object of activity' change;
 - d) secondary premises' creation or liquidation, agencies, representatives or other units without juridical entity;
 - e) the company' duration extension;
 - f) the social capital' increase;
 - g) the social capital' decrease or its reunification by emission of new shares;
 - h) h fusion with other companies or the company' division;
 - i) the company' anticipated dissolution;
 - j) nominative shares conversion into shares on bearer;
 - k) the shares' conversion from a category into another one;
 - l) bonds' conversion into another category or in shares;
 - m) bonds' issue;
 - n) bank loans contracting, according to the competencies presented in the company constitutive act annex;
 - o) sale, association, hire, usufruct, other real rights on the assets according to art.3 EO 88/1997;
 - p) acquisition, sale, exchange, guarantee acts approval, which value exceeds individually or totally 20% from the asstes, less the receivables;
 - q) tangibles hire approval for more than a year, which individual or cumulative value towards the same co contractant or involved persons or who acts altogether exceeds 20% from the total assets, less the tangibles on the juridical act' conclusion, the associations for a period more than an year, exceeding the same value;
 - r) any other decision for which the extraordinary general assembly' approval is asked for.

(5) For the ordinary general assembly deliberations validity the shareholders' presence is necessary , having at least a quarter of the total number with vote right. The general ordinary shareholders assembly' decisions are taken with the expressed votes' majority. If this can't work if the above mentioned terms are not fulfilled, the assembly, meeting at a second convocation, can deliberate on the first meeting' day agenda issues, irrespective the cvorum, taking decisions with the majority of expressed votes.

(6) For the extraordinary shareholders assembly deliberations validity the shareholders' presence is necessary , having at least a quarter of the total number with vote right, at the first convocation. The decisions are taken with the votes majority of the present shareholders or representatives. The decision to change the company' main object of activity, to decrease or to increase the social capital, to change the juridical form, of fusion, division or dissolution is taken with at least two thirds majority from the voting rights owned by the present shareholders or representatives. If the general extraordinary shareholders assembly can't work due to the above mentioned terms are not fulfilled, the assembly, meeting at a second convocation, needs the shareholders presence, representring at least one fifth of the total voting numbers. The decisions are taken with the majority of votes owned by the present shareholders/representative

Art. 13 The shareholders general assembly convocation

(1) The general assembly is convened by the board of directors whenever necessary. The meeting term can't be less 30 days from the issue in the Official Monitor of Romania, part IV and in one of the largest newspapers in the city of the company' location. The convocation is published in the Official Monitor of Romania, part IV, and in one of largely distributed newspapers in the city where the company has the office. The convocation will be deposited at the independent administration " Official Monitor" to be published, in at most 5 days from the adoption of the decision to meet the general assembly, by the board of directors.

(2) The convocation will contain the place and date of the meeting, the day agenda, explicitly mentioning all the matters being the object Of the debates. If there is in the day agenda the administrators' appointment, the list, containing information regarding name, residence and professional training of the persons proposed to be manager, is on the shareholders' disposal, being able to be consulted and added by these. When, in the day agenda, there are proposals for the constitutive act' alteration, the convocation must include the proposals' full text.

(3) they have the right to ask to introduce new issues in the day agenda one or more shareholders, representing individually or together, at least 5% from the social capital. The requests are submitted to the board of directors at least 15 days since the convenor' issue, to publish and inform other shareholders about them. If there is administrators' appointment in the day agenda, and the shareholders wish to state candidates proposals, information about name, residence and professional training information will be included. The day agenda added with the issues proposed by the shareholders, after the convocation must be published according to law at least 10 days before the general assembly meeting, at the date mentioned in the initial convenor.

(4) The yearly financial reports, the board of directors yearly report, the proposal regarding the dividends; distribution are put on the shareholders' disposal at the company' location, since the general assembly' convocation date. Copies will be issued for the shareholders, if requested. The amounts paid won't exceedthe administrative costs of their supply. The convocation, any other point of the day agenda, the yearly financial reports, the board of directors' yearly report, and the proposal regarding the dividends distribution, will be published on the company' internet page.

(5) Each shareholder can put in written form questions to the board of directors regarding the company' activity, before the general assembly meeting, before the general assembly meeting date, receiving the answer during the meeting. The answer is considered to be given if the requested information is published on the company' internet page, on chapter " usual questions"

(6) In the first meeting date, the time and date for the second one can be settled. The second one can't be met in the same day as the first one. If the date for the second general assembly is not mentioned in the published notification for the first one, the meeting term will be reduced at 8 days from the publishing note in the Official Monitor. Part IV a.

(7) Th board of directors convenes the general assembly, on the shareholders' request, representing individually or altogether,at least 5% from the social capital and if the request contains disposals being in the assembly' responsibilities. The general meeting will be convened in at most 30 days and will meet in at most 60 days from the request' receiving date.

Art. 14 The shareholders' general assembly' organisation

(1) On the date and time mentioned in convenor, the assembly will be opened by the board of directors' chairman. It will select, among the present shareholders, 1 -3 secretaries who will check the shareholders list presence, indicating the social capital represented by each of them. One of the secretaries issues the report of the general assembly. The chairman will appoint one or more technical secretaries to take part to these operations execution. After legal requirements fulfilment and the constitutive at provisions fulfilment to meet the general assembly, the day agenda will start.

(2) The general assemblies' decisions are taken by open vote. The secret vote is compulsory to appoint the board of directors' members and the financial auditors, for their revocation and to take the measures regarding the company' administration, management and control' obligations.

(3) A report, signed by the chairman and the secretary will report the convocation formalities, date, place of the meeting, the present shareholders, numbers of shares, brief debates, the decisions taken and the shareholders request, their declarations in the meeting. To the report, the acts regarding the convocation and the shareholders presence lists will be annexed. The report will be registered in the general assembly registrar. To be opposable to thrid parties, the general assembly' decisions will be deposited in 15 days at the commerce registrar, to be mentioned and published in the Official Monitor. Part IV a.

(4) On request, each shareholder will be informed about voting result for the decisions taken in the general assembly. The results will be published on the company' internet page in at most 15 days from the meeting.

Art.15. The shareholders general assembly vote right

(1) The shareholders have the vote right in the general assembly proportionally with the shares owned.

(2) The shareholders acting as members of the board of directors can't vote, according the owned shares either personal or by mandate, their administration discharging or a matter in which that person or their administration might be discussed. Those persons can vote, but the yearly financial report, if the majority provided by law is not fulfilled.

(3) The shareholders must exercise their vote right in good faith, according to the company and other shareholders' rights and legal interests.

Art. 16. The shareholders' representation in the general meeting

(1) The shareholders' representation in the general meeting will be done by other persons than the shareholders, the managers excepted, according to special empowerment, according to the National Securities Commision ' regulations.

(2) The shareholders not having the exercise ability, the juridical persons as well can be represented by legal representatives, who, can give empowerment to others for that general meeting.

(3) The empowerments will be deposited in original form 48 hours before the meeting date, under the penalty of losing the vote right in that meeting. The empowerments will be kept by the company, mentioning this in the report.

CHAPTER V

THE BOARD OF DIRECTORS

Art.17 Organisation

(1) The company is managed by the board of directors made of 5-9 members, appointed according law in force.

(2) The board of directors is made of a Chairman and nonexecutive, executive and independent managers, from whom not more than two, appointed from the tutorial public authority or from other authorities or public institutions.

(3) The board of directors' rights and obligations are those provided by the law in force applicable to the commercial companies.

(4) The managers are appointed for a period not exceeding 4 years, their mandate can be renewed, if they fulfilled their duties accordingly.

(5) The board of directors' members are paid by an indemnity, settled by the Shareholders General Assembly, in the law in force' limits and structure.

(6) The Chairman coordinates the board' activity and reports it to the shareholders general meeting. He surveys the company' authorities good work.

Art.18. The Board of Directors' obligations

(1) The Board of Directors is charged to fulfill all the necessary and useful documents to accomplish the company' object of activity, those restricted by law or the oresent Constitutive Act excepted for the shareholders general meeting.

(2) The Board of Directors will delegate the management to one or more directors and appoint one of them as general director. The General Director won't be the Board of directors' Chairman. The directors with mandate contract can be appointed either from the board of directors' members, or outside it.

(3) The Board of directors has the following main competencies, not being able to be delegated to the directors:

- a) to determine the company' main activity directions and development;
- b) to determine the company main strategies;
- c) to approve its own development strategy and the yearly programmes;
- d) to determine the accountant policies and the financial control, the financial planning;
- e) to approve the tariffs proposals sent to be approved by the national authority for mineral resources;
- f) to analyse and to approve the fiscal nondeductible expenses;
- g) to approve the organisation and the directors' obligations having mandate contract in the Regulation of the company' run;
- h) to appoint and to revoke the directors having mandate contract, their remuneration' settling;
- i) to determine the activity' organisation and to survey the directors' activity, having mandate control;
- j) to prepare the yearly report, the shareholders general assembly organisation and its decisions' put in practice;

- k) to introduce the request to start the company' insolvency, according to Law. No. 85/2006 regarding the insolvency proceedings;
- l) to approve the managers' report;
- m) to sell, associate, hire the usufruct and other real rights on some fixed assets, which value, separately or cumulated don't exceed 20% from the fixed assets total, during a financial year;
- n) to approve the acquisition, division, exchange or formation in guarantee of the company' some fixed assets, which value doesn't exceed, separately or cumulated, 20% from the fixed assets total, during a financial year;
- o) to approve the hiring of tangible assets for a period not exceeding an year, which separated or cumulated value towards the same co-contractant or involved persons, acting concertated doesn't exceed 20% from the fixed assets total, during a financial year, less the receivables on the juridical document conclusion date, and the associations for a period more extended than an year, not exceeding the same value.
- p) to approve the company' organisation and activity and its internal regulation

(4) The company' management will delegate the company management to one or more directors, appointing one of them general director. Together with the company' management responsibilities, the general director is delegated the responsibility to represent the company towards third parties and in court, as well.

(4.1) The Board of directors can delegate to the general director the nonregulated tariffs' approval, informing the board of directors about it.

(5) The board of directors' chairman is appointed from its members.

(6) The board of directors' meetings' organisation and run are done according to law in force and the Board of directors' regulation or under other public authority, approved by the Board of directors.

(6.1) Inside the Board of directors, the nomination and remuneration committee is constituted and the audit one. Other consultative committees can be constituted.

(6.2) The Committees, inside the board of directors, are constituted of minimum three managers, their structure being validated in the board of directors.

(6.3) The committees chairmen are appointed by the board of directors, these convening the meetings, settling the day agenda and chairing the committee' works.

(6.4.) Each committee meets on its chairman' request, on the board of directors' request or on, at least two members' request.

(6.5) The committees' meetings can be organized by electronic means, too.

(6.6) The committees and meetings' secretary is held by the board of directors' secretary.

(6.7) Inside the committees meetings, the decisions are taken by the members' total absolute majority' votes.

(6.8) The committees' decisions are consultative for the board of directors.

(7) The board of directors delegates the company' management to the general director, on the nomination' committee' proposal, following the selection way provided by law in force. The general director can be appointed among the managers, this one becoming an executive manager or from outside the board of directors. The board of directors' chairman can't be appointed general director, as well.

(8) The board of directors' chairman is empowered to represent the company with full right. The board of directors keeps its right to represent the company towards the directors.

CHAPTER VI

THE COMPANY' MANAGEMENT

Art. 19 The company management is controlled by the shareholders and the statutory auditor and by the internal audit activity. The statutory audit will be exercised according to OUG no.90/2008, approved with completions by Law no.278/2008, with further alterations and completions.

The internal audit is organised according to law in force.

The statutory auditor' obligations:

- to provide the financial reports' control according to audit standards in view to express the auditors' opinions, presented to the shareholders general assembly at the financial year end;
- to convene the shareholders' extraordinary and ordinary assemblies when convened by the administrators;
- to take part, as a guest at the ordinary and extraordinary assemblies being able to introduce the necessary proposals in the day agenda.

The internal audit' obligations:

- to issue metodological standards specific for the company, with the agreement of the Central Authority for Harmonization for internal public audit (UCAAPI), for the subordinated public companies, namely those being in coordination or under the authority of another public entity, with that one's agreement;
- to issue the multiannual plan of internal public audit, usually for a period of 3 years and according to it, the internal audit annual plan;
- to effect activities of internal public audit to evaluate if the company' financial and control management is clear and according to law, regularity, economy, efficiency and efficiency;
- to inform UCAAPI about the unaccomplished recommendations from the audited structure manager, and their consequences;
- to report periodically on the findings, conclusions and recommendations arisen from audit activities;
- to issue the annual internal public audit report;
- if there are some irregularities found or possible damages, to report immediately to the company' general director and to the abilitated internal control structure;
- to effect internal audit activities according to legal provisions and to report directly to the Board of Directors.

CHAPTER VII

THE COMPANY' ACTIVITY

Art. 20 The financial year

The financial year starts on the 1st January and ends on the 31st December of each year. The first year starts on the company' constitution date.

Art. 21 The company' employees

The company' employees are employed by the general director according to law. The salaries, taxes' payment is made according to law.

Art.22 The funds depreciation

The board of directors legally settles the fixed and tangible assets' depreciation way, according to law.

Art. 23 Accountant activity and the annual financial reports

The company will keep the accountant activity in Romanian and in Romanian currency, will issue the annual financial reports according to law. The annual financial reports contain:

- financial position,
- global result,
- own capitals' alteration,
- cash flows,
- explicative notes of the financial situations or other reports, provided in applicable accountant regulations.

The company will publish in Romania Official Monitor , part. IV-a an advertisement to confirm the deposit at the authorities of the Ministry of Public Finances the board of directors' report ' annual financial reports and the Statutory auditor report.

Art. 24 The calculation and distribution of profit or the accountant' loss cover

The profit and the accountant loss are settled according to law, and to the annual financial reports, approved by the shareholders' general assembly. The taxable profit is settled according to law.

The remaining accountant profit distribution after having deducted the profit taxation on destinations is made according to legal provisions in force.

The dividends are distributed to the shareholders proportionally with their participation rate at the paid social capital.

If accountant losses occur, the shareholders general assembly will decide on the way to cover them.

The losses support by the shareholders will be proportionally with their participation rate at the paid capital.

Art. 25 The company' registrars

The company keeps the registrars provided by law.

CHAPTER VIII

JURIDICAL FORM' ALTERATION, LIQUIDATION, LITIGATIONS

Art. 26 Legal organisation' alteration

The company will be able to be changed into another company' organisation by

the shareholders' general assembly' decision.

Art. 27. The company' dissolution

The followings have the effect the company' dissolution and give each shareholder the right to ask for it:

- a. the impossibility to achieve the company' object;
- b. general assembly' decision;
- c. bankruptcy (insolvency);
- d. loss of a half of the company' capital after having consumed the reserve fund, if the shareholders' general assembly doesn't decide the capital' completion or its reduction to the remaining amount. The shareholders' number will be reduced under five, for more than 6 months.
- e. On each shareholder' request, if force majeure events and their consequences last more than 8 months and if the shareholders' general assembly decide that the company' doesn't run any more;
- f. In any other circumstances, according to the shareholders' general assembly' unanimously decision .

The commercial companies' dissolution must be registered at the Commerce Office and published in the Official Monitor.

Art.28 The company' liquidation

If dissolution occurs, the company will be liquidated.

The company' liquidation and its assets' distribution will be made according to law procedures.

Art.29 Litigations

The company' litigations with Romanian physical or legal persons are in Romanian Court competency.

The litigations arisen from contractual relationships between the company and Romanian legal persons can be solved by the arbitration of Constanta Commerce, Industry, Navigation and Agriculture Office.

CHAPTER IX

FINAL DISPOSALS

Art. 30 The present statute' provisions are completed with legal disposals regarding the commercial companies.

Issued today **29.10.2018** in three original copies, under private signature.

**OIL TERMINAL SA' BOARD OF DIRECTORS' CHAIRMAN
CRISTIAN FLORIN GHEORGHE**

ANNEX no. 1, constitutive act integrant part, with the following content

No.	CONTRACTS, CREDITS AND BANK OPERATIONS		COMPETENTENCES		
	Contract/operation type	Value/ type of guarantee	General Director	Board of Directors	Shareholders General Assembly
1.	Current credits/ Bank loans on short term (up to 1 year): - Credit, credit lines, overdrafts, bank guarantee letter	Less 20,000,000 lei	It advises	It approves	It informs
		More 20,000,001 lei	It proposes	It advises	It approves
2.	Current credits/ Bank loans on long term: - Credit, credit lines, - Overdrafts, - Bank guarantee letter	Irrespective the value	It proposes	It advises	It approves
3.	Guarantees related to current credits, bank loans (event), Irrespective the credit	Real estates, irrespective the value and type of credit	It proposes	It advises	It approves
		Real estate, receivables and other real estate guarantees for all types of credit, which value is less than 10% from the fixed assets value less the company' receivables, in the month before the request	It advises	It approves	It informs
		Real estate, receivables and other real estate guarantees for all types of credit, which value is less than 10% from the fixed assets value less the company' receivables, in the month before the event	It proposes	It advises	It approves

The limits apply for each operation, without cumulate the operations. It is not allowed to divide a contract or any legal act undertaking the company in more stages or valoric shares in order to alter the approval level.

**BOARD OF DIRECTORS' CHAIRMAN
CRISTIAN-FLORIN GHEORGHE**

**THE CONTRACTS SITUATION OF SERVICES SUPPLIES AVAILABLE IN
2018**

NO.	CONTRACT NUMBER	BENEFICIARY	OBJECT OF CONTRACT	VALIDITY CONTRACT
1.	1/2016	ANRS PS	Diesel storage	01.01.2018-30.04.2018
2.	1/2018	ANRSPS	Diesel storage	01.05.2018-31.12.2018
3.	2/C/2016	VITOL SA GENEVA	Fuel oil discharging, loading, storage	01.01.2018-31.12.2018
4.	4/C/2016	VITOL SA GENEVA	Gas oil discharging, loading, storage	01.01.2018-31.12.2018
5.	5/C/2016	EURONOVA ENERGIES SA ELVETIA	Gas Oil discharging, loading, storage	01.01.2018-31.12.2018
6.	6/C/2018	ROTTCO CONSULT SRL BUCURESTI	Gas Oil discharging, loading, storage	01.01.2018-31.12.2018
7.	7/C/2018	PETROTEL LUKOIL SA	Fuel oil discharging, loading, storage	01.01.2018-31.12.2018
8.	8/C/2017	PHOENIX SHIPPING &TRADING SRL CONSTANTA	Biodiesel direct transshipment from river barges into maritime vessels	01.01.2018-31.12.2018
9.	9/C/2016	ELEMENT ALPHA SA GENEVA	Gas oil, fuel oil discharging, loading, storage	01.01.2018-31.12.2018
10.	10/C/2016	MASTER CHEM OIL BUCURESTI	Gas oil, LCO, fuel oil discharging, loading, storage	01.01.2018-31.12.2018
11.	10/C/2018	LINDMAN CORP LLC BELIZE	Gas oil discharging, loading, storage	12.03.2018-31.12.2018

12.	11/C/2018	OLTCHIM SA RM.VALCEA	Liquid Caustic Soda discharging, loading, storage	01.01.2018-31.12.2018
13.	12/C/2018	SC LUKOIL ROMANIA SRL BUCUREȘTI	Gas Oil discharging, loading storage	01.01.2018-31.12.2018
14.	14/C/2017	JET FLY HUB SRL PLOIESTI	Jet fuel loading into railcars	01.01.2018-31.08.2018
15.	15/C/2018	PHOENIX SHIPPING &TRADING SRL CONSTANTA	Gasoline discharging from vessels into barges by direct transshipment	06.02.2018-31.12.2018
16.	16/C/2018	SC CHIMCOMPLEX SA BORZESTI	Liquid caustic soda discharging, loading, storage	01.01.2018-31.12.2018
17.	16/C/2017	MASTERCHEM OIL DMCC DUBAI	Jet oil discharging, loading, storage	01.01.2018-31.12.2018
18.	18/C/2018	MADDOX SA GENEVA	Gas oil, fuel oil, VGO discharging, loading, storage	01.01.2018-31.12.2018
19.	19/C/2018	BORSENIA SRL COLCEAG	Residues discharging from maritime vessel APC into railcars by direct transshipment	13.04.2018-31.12.2018
20.	20/C/2016	SC ROMPETROL RAFINARE SA NAVODARI	Crude oil, gasoline, gas oil, white spirit, h hexan, SBP, toluen discharging, loading, storage	01.01.2018-31.12.2018
21.	21/C/2018	ELINOIL HELLENIC PETROLUEM COMPANY S.A.	Jet fuel discharging, loading, storage	12.03.2018-31.12.2018
22.	23/C/2017	JEPP SRL CONSTANȚA	Jet fuel discharging, loading, storage	01.01.2018-31.08.2018
23.	24/C/2016	RIVER BROKERAGE SRL	Gas oil, gasoline, fuel oil, VGO discharging, loading, storage, technological steam supply	01.01.2018-31.12.2018

24.	25/C/2018	A.N.R.S.P.S.	Gas oil loading	11.10.2018-31.12.2018
25.	27/C/2016	SC OSCAR DOWNSTREAM SRL MAGURELE	Gas oil discharging, loading, storage	01.01.2018-31.12.2018
26.	28/C/2016	PHOENIX SHIPPING AND TRADING SRL	MTBE, ETBE discharging from vessels into railcars by direct transshipment	01.01.2018-31.12.2018
27.	29/C/2017	PHOENIX SHIPPING AND TRADING SRL	Methanol discharging, loading, storage	01.01.2018-31.12.2018
28.	31/C/2018	RIVER BROKERAGE SRL	Gas oil discharging by direct transshipment vessels/barges	15.11.2018-31.12.2018
29.	33 C/2017	TINMAR ENERGY S.A. BUCUREȘTI	Gas oil' storage, loading	01.01.2018-31.12.2018
30.	35/C/2016	OMV PETROM SA	Crude oil, gasoline, gas oil, fuel oil, LCO, HCO, Benzen, Toluen, ETBE, fuel oil, MTBE discharging, loading, storage	01.01.2018-30.06.2018
31.	35/C/2018	OMV PETROM SA	Crude oil, gasoline, gas oil, fuel oil, LCO, HCO, Benzen, Toluen, ETBE, fuel oil, MTBE discharging, loading, storage	01.07.2018-30.06.2019
32.	36/C/2016	MOL PLC	Crude oil, gasoline, gas oil discharging, loading, storage	01.01.2018-31.07.2018
33.	36/C/2018	MOL PLC	Crude oil, gasoline, gas oil discharging, loading, storage	01.08.2018-31.12.2018
34.	38/ C/ 2018	BALTIC FUELS OÜ ESTONIA	Biodiesel discharging from vessels into railcars by direct transshipment	10.05.2018-31.12.2018
35.	40/C/2018	CNFR NAVROM GALATI	Gas oil storage, loading	16.07.2018-31.12.2018

36.	41/C/2018	S..C. GAZPROMNEFT MARINE BUNKER BALKAN S.A. CONSTANTA	Gas oil, fuel oil discharging, loading, storage	01.01.2018-31.12.2018
37.	42/C/2018	CHIMPEX S.A. CONSTANȚA	Urean discharging, loading, storage	01.02.2018-31.12.2018
38.	43/C/2018	ETC OIL TRADE S.R.L. TULCEA	Gas oil loading, storage	01.02.2018-31.12.2018
39.	44/C 2018	E.M. COMBUSTIBILE LOGISTICS S.R.L. BRAȘOV	Gas oil storage, loading	01.02.2018-31.12.2018
40.	45/C/2017	HGM PORT LOGISTICS	UAN discharging, loading, storage	01.01.2018-31.12.2018
41.	46/C/2018	ARCHIPELAGUS LINE &ENERGY OIL SHIPPING CONSTANȚA	Gas oil discharging, loading, storage	19.03.2018-31.12.2018
42.	47/C/2018	ALMATAR TRANS S.R.L. BRAȘOV	Gas oil discharging, loading	05.02.2018-31.12.2018
43.	48/C/2018	VICTORIA CHEMICALS POLONIA	Methanol discharging, loading, storage	01.01.2018-31.12.2018
44.	49/C/2018	SOCAR PETROLEUM S.A. BUCUREȘTI	Methanol discharging, loading, storage	01.11.2018-31.11.2019
45.	50/C/2018	UNICOM HOLDING S.A. VOLUTARI	Gas oil storage, loading	01.01.2018-31.12.2018
46.	52/C/2017	EUROPETROL DISTRIBUTION SRL	Gas oil discharging, loading, storage	01.01.2018-31.12.2018
47.	53/C/2018	PARTENER PROJECT CONSTRUCT &SERV 95 SRL	Crude oil discharging, loading, storage	01.01.2018-31.12.2018

48.	54/C/2018	PARTENER PROJECT CONSTRUCT &SERV 95 S.R.L.	Gas oil, fuel oil, discharging, loading, storage, technological steam supply	14.02.2018-31.12.2018
49.	55/C/2017	DELTA TRADING S.R.L. GIURGIU	Gas oil discharging, loading, storage	01.01.2018-31.12.2018
50.	55/C/2018	MARSALA KONCEPT S.R.L. CONSTANȚA	Gas oil discharging, loading, storage	24.05.2018-31.12.2018
51.	56/C/2018	INSERV TRUST SRL SATU MARE	Gas oil loading, storage	10.12.2018-31.12.2019
52.	57/C/2018	SC SOCAR PETROLEUM S.A. BUCUREȘTI	Gas oil discharging, loading, storage	01.01.2018-31.12.2018
53.	60/C/2017	COMBINATUL DE INGRASAMINTE CHIMICE NAVODARI	Urean discharging, loading, storage	01.01.2018-31.12.2018
54.	61/C/2018	YILDIZ ENTEGRE ROMANIA S.A. PANTELIMON	Methanol discharging, loading, storage	26.03.2018-31.12.2018
55.	62/C/2018	LOGITEX CONSTANTA SRL	Gas oil, bunker fuel oil discharging, loading, storage	26.03.2018-31.12.2018
56.	63/C/2018	HELM AUSTRIA	Methanol discharging, loading, storage	20.07.2018-31.12.2018
57.	65/C/2018	AIK ENERGY LTD MAREA BRITANIE	Gas oil discharging, loading, storage	25.10.2018-31.10.2019
58.	67/C/2018	WINCELL SRL CONSTANȚA	Gas oil loading, storage	01.06.2018-31.12.2018
59.	68/C/2018	S.C. A.E.P. PORT GIURGIU SRL	Methanol export	01.10.2018-30.09.2019
60.	71/C/2015	LITASCO	Crude oil discharging, loading, storage	01.01.2018-31.12.2018

61.	75/C/2018	SC KRONOSPAN SEBES SA	Methanol discharging, loading, storage	01.01.2018-31.12.2018
62.	77/C/2016	SC MOL ROMANIA PP SRL CLUJ NAPOCA	Gasoline, gas oil discharging, loading, storage	01.01.2018-31.05.2018
63.	77/C/2018	SC MOL ROMANIA PP SRL CLUJ NAPOCA	Gasoline, gas oil discharging, loading, storage	01.06.2018-31.05.2019
64.	78/C/2015	ROUTE 66 SPEDITION SRL	Drilling fuel discharging, loading, storage	01.01.2018-31.12.2018
65.	79/C/2016	ROUTE 66 SPEDITION SRL	Drilling fuel discharging, loading, storage	01.01.2018-31.12.2018
66.	80/C/2018	SEASTAR SHIPPING S.R.L. CONSTANȚA	N-Butanol discharging by STS	05.11.2018-15.11.2018
67.	81/C/2018	AUTOGARA METROPOLI SRL	Gas oil discharging, loading, storage	20.11-2018-31.12.2018
68.	81/C/2018	MICROMIX LIMITED MALTA	Gas oil, fuel oil discharging, loading, storage	15.02.2018-31.12.2018
69.	82/C/2018	MITSUBISHI INTERNATIONAL GMBH DUSSELDORF	Methanol discharging, loading, storage	01.01.2018-31.12.2018
70.	85/C/2018	MTK AUTO SPORT S.R.L. CONSTANȚA	Gas oil, fuel oil discharging, loading, storage	16.02.2018-31.12.2018
71.	92/C/2018	ASTRA GP ECOLOGIC S.R.L. CONSTANTA	Gas oil, fuel oil, discharging, loading, storage, technological steam supply	10.02.2018-31.12.2018
72.	111/C/2018	. OLTCHIM SA RM.VALCEA	Octanol and iso butanol discharging from railcars into vessels by direct transshipment	11.01.2018-31.12.2018

73.	116/C/2018	CHIMCOMPLEX SA BORZEȘTI	Liquid caustic soda discharging	30.08.2018-31.10.2018
74.	154/C/2015	ISLAND PETROLEUM LTD CIPRU	Gas oil, fuel oil discharging, loading, storage	01.01.2018-31.12.2018
75.	370/C/2016	SC PHOENIX SHIPPING SRL CONSTANTA	Gasoline, benzene discharging by STS	01.01.2018-31.12.2018
76.	380/C/2016	SC PHOENIX SHIPPING S.R.L. CONSTANTA	Mineral oil discharging by STS	01.01.2018-31.12.2018

GENERAL DIRECTOR,
SORIN VIOREL CIUTUREANU

COMMERCIAL DIRECTOR,
GABRIEL DARABAN

COMMERCIAL DEPT. CHIEF,
VASILE OGREANU

List of main suppliers (with an annual cumulated value over 100,000 euros), ordered by the acquisitions' value in 2018

No.	Supplier	Value VAT excluded	Value euro	Contracts' types
1	ARGENTA	9,333,500.42	2,005,694.73	Repairs works for shoretanks and services
2	PETROCONST	5,466,759.88	1,174,763.06	Shoretanks buildings works
3	VIKOMA INTERNATIONAL LIMITED	3,550,431.94	762,959.48	Depollution boat supply
4	ELVIMEX MONTAJ	3,137,855.04	674,300.00	Electrical facilities works
5	PATROL SECURITY SYSTEMS	2,819,602.20	605,910.00	Safety and security services
6	STAR SISTEMS SECURITY	2,729,114.94	586,465.01	Safety and security services
7	COMPANIA NATIONALA ADMINISTRATIA PORTURILOR MARITIME SA	2,445,908.52	525,606.21	Services of field hire
8	TALPAC	2,196,668.64	472,046.55	Pipelines and shoretanks repairs works
9	CENTER TEA & CO	1,704,800.53	366,348.02	Operational Leasing for cars and utilities
10	ENEL ENERGIE	1,455,620.95	312,801.32	Electric power supply
11	ENGIE ROMANIA	1,448,361.33	311,241.29	Natural gases supply
12	TEHNO CONSTRUCT	1,244,299.29	267,389.98	Rail works, services and materials supply
13	TOP OIL INTER	1,224,158.08	263,061.80	Works, services and materials supply
14	TINMAR ENERGY	1,221,384.93	262,465.87	Electric power supply
15	ROMPETROL DOWNSTREAM	1,212,618.74	260,582.09	Fuel oil supply
16	SLR DISTRIBUTION GROUP	1,191,807.37	256,109.89	Materials supply
17	CIRUS PLAST	1,093,117.55	234,902.23	Repairs and services works (vessels repairs and services)
18	RAJA	866,622.74	186,230.31	Water supply
19	COMBITECH INDUSTRIAL	849,946.00	182,646.61	Remote control supply (Tank Radar)
20	GMB COMPUTERS	649,365.16	139,543.39	IT Services and supply of equipment
21	UTILNAVOREP	646,435.60	138,913.85	Services(pumps repairs)
22	GEPRO	547,500.00	117,653.38	Foam supply
23	BRANIC	512,627.12	110,159.48	Services (antipollution dams repair) and materials supply absorbant dams for oilo products

General Director
Sorin CIUTUREANU

Development Director
Marieta STASI