

**To :** **BOARD OF DIRECTORS**  
**ORDINARY GENERAL MEETING OF SHAREHOLDERS**

**On behalf of:** **Financial Director, Ms Adriana Frangu**  
**Head of Accounting Department, Ms Ana Maria State**

**Subject:** **Endorsement of the proposal for the distribution of the net profit for the financial year 2024**

**No.:** **804 /24.03.2025**

### **Proposed distribution of net profit for the financial year 2024**

The proposed distribution of the net profit for the financial year 2023 was made taking into account:

- Accounting Law no.82/1991 republished, art.19, paragraph (3), as subsequently amended and supplemented;
- Companies Act No 31/1990, republished, as amended and supplemented;
- Law no.227/2015 on the Fiscal Code, as amended and supplemented;
- O.G. no.64/2001 on the distribution of profits in national companies, national companies and companies with wholly or majority state capital, as well as in autonomous regions, with subsequent amendments and additions, approved by Law no.769/2001;
- The income and expenditure budget for 2023 approved by the resolution of the Ordinary General Meeting of Shareholders no.4/16.02.2023, amended by the resolution of the Ordinary General Meeting of Shareholders no.15/29.09.2023;
- Order of the Ministry of Public Finance no.144/2005 on the approval of the "Specifications for the determination of the amounts subject to profit distribution according to the OG no.64/2001 on the distribution of profit in national companies, national companies and companies with full or majority state capital, as well as in autonomous companies;
- Memorandum on "Mandating State representatives in the General Meeting of Shareholders/Board of Directors, as appropriate, in national companies, national companies and companies with full or majority state capital, as well as in autonomous companies, with a view to taking the necessary measures for the distribution of a minimum of 90% of the net profit for 2023 in the form of dividends/payments to the state budget", approved at the Government meeting of 07.03.2024, communicated by the Ministry of Energy - Directorate for the Administration of Energy Holdings with address no.220683 /20.03.2024;
- Order of the Ministry of Public Finance No 418/2005 on certain accounting specifications applicable to economic agents.

In accordance with the provisions of Article 1(1)(f) of the Governmental Ordinance no.64/2001 on the distribution of profits of national companies, national companies and companies with full or majority state capital, as well as autonomous companies, approved by Law no.769 /2001, as subsequently amended and supplemented, "a minimum of 50% of the profits shall be distributed to the state or local budget, in the case of autonomous companies, or dividends, in the case of national companies and companies with full or majority state capital", we propose the distribution of the net profit for the year 2024 in the amount of **20.694.970** (replenished with the amount of the provision set up for the employee profit-sharing fund as of 31 December 2024) to the following destinations:

**a) Legal reserves:**

**1.256.778 lei**

(art.1 para.(1) letter a) of OG no.64/2001 and Article 183(1) of Law 31/1990)

According to the provisions of Article 183 of the Company Law no.31/1990, republished, with subsequent amendments and additions, "At least 5% of the company's profit shall be taken each year to form the reserve fund, until it reaches at least one fifth of the share capital".

The legal reserve constituted before the distribution of the net profit for 2024 7.654.135 lei (2.55% of the share capital).

Book profit before determination of corporate income tax = 25.135.569 lei

Legal reserve 5% of gross profit =  $25.135.569 \times 5\% = 1.256.778$  lei.

**b) Other reserves representing tax relief provided by law: 4.528.279 lei**

(art.1 para.(1) letter b) of OG no.64/2001 and  
Article 22(1) of Law No.227/2015)

According to Article 22(1) of Law no.227/2015 on the Tax Code, as amended, "the profit invested in technological equipment, assets used in production and processing activities, assets representing the refurbishment, electronic computers and peripheral equipment, cash register, control and billing machines and appliances, in software, as well as for the right to use software, produced and/or purchased, including under financial leasing contracts, and put into operation, used for the purpose of carrying out the economic activity, is exempt from tax. Tangible assets, with the exception of assets used in production and processing activities, assets representing refurbishment, to which the tax exemption applies are those referred to in subgroup 2.1, respectively in class 2.2.9 of the Catalogue on the classification and normal operating life of fixed assets, approved by Government Decision (...)".

The profit invested in 2024 is 4.766.610 lei.

The legal reserve of 5% of tax-exempt profit is  $4,766,610 \text{ lei} \times 5\% = 238,331$  lei.

The invested profit allocated to reserves is 4,528,279 lei ( $4,766,610 \text{ lei} - 238,331 \text{ lei} = 4,528,279 \text{ lei}$ ).

**c) Covering accounting losses from previous years: Nu este cazul**

**c<sup>1</sup>) Establishing own sources of financing for projects co-financed by external loans: Nu este cazul**

**d) Other allocations provided for by law: Nu este cazul**

**e) Employee profit-sharing: 1.490.991 lei**

(art.1 paragraph 1 letter e) of OG no.64/2001)

In accordance with the OG no.64/2001 on the distribution of profits in national companies, national companies and companies with full or majority state capital, as well as autonomous companies, approved with amendments by Law no.769/2001, with subsequent amendments and additions, Oil Terminal SA may grant employees profit-sharing up to 10% of net profit, but no more than the level of an average monthly basic salary achieved at the level of the economic agent in the reference financial year, because it has committed itself and established through the income and expenditure budget the obligation of profit-sharing. Given that the level of the maximum employee profit-sharing fund, the calculation of which took into account the average monthly basic salary earned, is higher than the level of the 10% share of the net profit remaining after deduction of the amounts distributed, the employee profit-sharing fund is RON 1.490.991 lei.

(  $20.694.970 \text{ lei net profit} - (1.256.778 \text{ lei legal reserve} + 4.528.279 \text{ lei other reserves representing tax relief}) \times 10\% = 1.490.991 \text{ lei}$

In accordance with MFP Order No 418/06.04.2005 on certain accounting specifications applicable to economic agents, employee profit-sharing is reflected in the accounts by setting up a provision for risks and charges at the level of the gross amounts due to employees. As a result, the company recorded the amount of 1.490.991 lei in the account "Other provisions for risks and charges".

Following the recording of the provision for risks and charges, the gross profit becomes 23.644.578 lei ( $25.135.569 \text{ lei} - 1.490.991 \text{ lei}$ ), the income tax in the amount of 4.440.599 lei remains unchanged, as the provision set up is non-deductible for tax purposes, and the remaining net profit is 19.203.979 lei.

**f) Dividends due to shareholders: 7.454.957 lei**

(art.1 para.(1) letter f) of OG no.64/2001) and

In accordance with the provisions of Article 1(1)(f) of the Governmental Ordinance no.64/2001 on the distribution of profits of national companies, national companies and companies with full or majority state capital, as well as autonomous companies, approved by Law no.769 /2001, as subsequently amended and supplemented, "a minimum of 50% of the profits shall be distributed to the state or local budget, in the case of autonomous companies, or dividends, in the case of national companies and companies with full or majority state capital", the company proposes dividends representing 50% of the net profit remaining after the distribution of the legal reserve under Law no.31/1990 and the reserve representing tax incentives under Law no.227/2015, as follows :

[20.694.970 lei net profit - (1.256.778 lei legal reserve + 4.528.279 other reserves representing tax incentives)]  
 x 50% = 7.454.957 lei.

**g) Other reserves constituting own source of financing:**

**5.963.965 lei**

(art.1 paragraph (1) letter g) of OG no.64/2001)

According to the provisions of Article (1) paragraph (1) letter g) of the OG no.64/2001 on the distribution of profits of national companies, national companies and companies with full or majority state capital, as well as autonomous companies, approved by Law no.769/2001, with subsequent amendments and additions, "the profits not distributed to the destinations provided for in letters a) to f) shall be allocated to other reserves and constitute their own source of financing, and may be redistributed subsequently in the form of dividends or payments to the state or local budget, in the case of autonomous companies".

Remaining net profit to be distributed = [(20.694.970lei net profit - 1.256.778 lei legal reserve + 4.528.279 lei other reserves representing tax incentives + 1.490.991 lei employee profit-sharing + 7.454.957 lei dividends)]  
 = 5.963.965 lei.

In view of the above, please approve **that the net profit for the year 2024, amounting to 20.694.970 lei, be distributed as follows:**

No.	Item	Amount (lei)	Legal basis
1	Gross profit year 2024	23.644.578	
2	Income tax year 2024	4.440.599	
3	Net profit year 2024	19.203.979	
4	Employee profit sharing - provision	1.490.991	
5	Gross profit, replenished with provision for employee profit-sharing (1+4)	25.135.569	
6	Net profit, replenished with provision for employee profit-sharing (3+4), allocated to:	20.694.970	
6.1	❖ legal reserve 5% of gross profit	1.256.778	Art.183 (1) Law no.31/1990(r2) Art.1(1)(a) OG nr.64/2001
6.2	❖ other reserves representing tax relief	4.528.279	art.22 paragraph (1) Law no.227/2015 Art.1(1)(b) OG no.64/2001
6.3	❖ employee profit-sharing 10% of profit	1.490.991	art.1 paragraph (1) letter e) OG nr.64/2001
6.4	❖ dividends 50%	7.454.957	Art.1(1)(f) GL 64/2001
6.5	❖ own source of financing 40%	5.963.965	art.1 paragraph (1) letter g) OG nr.64/2001

The Board of Directors will propose to the General Meeting of Shareholders to approve the distribution of the net profit for the financial year 2024.

According to art.111 para. (2) letter a) of the Companies Act no. 31/1990, republished, as amended and supplemented, and Article 12 paragraph (3) letter a) of the Articles of Association, the Ordinary General Meeting of Shareholders shall approve the distribution of profits and fix the gross dividend.

General Director,  
Sorin - Viorel Ciutoreanu

Financial Director ,  
Adriana Frangu

Head of the Legal Office - Litigation,  
Carmen Borşuc

Head of Accounting,  
Ana Maria State