Str. Caraiman, nr. 2, Cod Postal: 900117, CONSTANTA, ROMANIA
Capital Social: 299.717.713,20 LEI; EUID: ROONRC.J1991000512136
R.C. J1991000512136; C.U.I. 2410163 Telefon: 0040 241 702600;
Fax: 0040 241 694833; email: office@oil-terminal.com; www.oil-terminal.com

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***Endorsed by Decision no.103 within the meeting of the Board of Directors on 12.11.2026 and submitted for analysis in the OGSM of 16(17).12.2026***

**No. 1942/09.11.2026**

**SUBSTANTIATION NOTE**
**regarding the approval of the Revised Budget of Revenues and Expenses for the year 2026**
**of OIL TERMINAL SA**

The Budget of Revenues and Expenses for the year 2026 was approved by OGSM Resolution no.13/28.05.2026 in accordance with the provisions of Art. 4, para. (1), lit. d) of Government Ordinance no. 26/20132013 on strengthening financial discipline at the level of economic operators where the state or administrative-territorial units are sole or majority shareholders or directly or indirectly hold a majority stake, as subsequently amended and supplemented.

**Legal basis regarding the preparation of the Revised Budget of Revenues and Expenses (BVB) for the year 2026**

- *Art. VI of Emergency Ordinance no. 43/2026 on granting support to ensure thermal energy in the cold season 2026–2027, certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts*, which provides:" *For the purposes of the provisions of Art. 10 para. (2) lit. f) and para. (4) of Government Ordinance no. 26/2013 on strengthening financial discipline at the level of economic operators where the state or administrative-territorial units are sole or majority shareholders or directly or indirectly hold a majority stake, approved with additions by Law no. 47/2014, as subsequently amended and supplemented, the rectification of the budgets of revenues and expenses for the year 2026, required for the application of Art. XXXVI para. (2)–(4) of Government Emergency Ordinance no. 89/2025 for amending and supplementing Law no. 227/2015 on the Tax Code, regulating certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts, as subsequently amended and supplemented, shall be approved by December 31, 2026".*
- *Art. 10 para. (2) lit. f) of Government Ordinance no. 26/2013 on strengthening financial discipline at the level of economic operators where the state or administrative-territorial units are sole or majority shareholders or directly or indirectly hold a majority stake, approved with additions by Law no. 47/2014, as subsequently amended and supplemented,* which provides*: „ (2) Economic operators may proceed to rectify the budgets of revenues and expenses, according to Art. 4, when, due to well-justified reasons, modifications to the level of the following approved economic-financial indicators are required, as follows:*
  *a) exceeding the maximum limits of salary-related expenses and the approved number of personnel at year-end, while complying with salary policy objectives*
  *b) reducing gross profit/increasing losses and/or dividends due to the state budget*
  *c) reducing labor productivity;*
  *d) increasing the level of total expenses per 1,000 lei of total revenues;*
  *e) exceeding the level of overdue payments;*
  *f) in other situations required by legal provisions"*
- *The Memorandum approved in the Government meeting of October 30, 2026, with the subject: "Approval of the application in 2026 by OIL TERMINAL S.A. of the provisions of Art. XXXVI para. (2) and para. (3) of Government Emergency Ordinance no. 89/2025 for amending and supplementing Law no. 227/2015 on the Tax Code, regulating certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts"*

**Remuneration policy objectives applicable for the year 2026**

For the year 2026, the remuneration policy objectives applicable to the substantiation and preparation of budgets of revenues and expenses for the year 2026 are set in accordance with the provisions of Art. XXXVI of GEO no. 89/2025 for amending and supplementing Law no. 227/2015 on the Tax Code, regulating certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts.

Article XXXVI of GEO no. 89/2025 for amending and supplementing Law no. 227/2015 on the Tax Code, regulating certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts, provides:

(2) *In 2026, economic operators applying the provisions of Government Ordinance no. 26/2013*, approved with additions by Law no. 47/2014, as subsequently amended and supplemented, *may increase salary-related expenses compared to the level achieved in 2025 by the amounts representing increases in salary-related expenses up to the maximum average price increase index forecasted for 2026, based on a thoroughly justified analysis, following approval by the Government via memorandum.*

Increases may be granted starting with the month following the approval of the memorandum and cannot exceed this index on a monthly basis.

The following economic operators may request Government approval:

a) those that recorded no losses and no overdue payments as of December 31, 2025, and do not project losses and overdue payments in 2026;

b) those that recorded losses and/or overdue payments as of December 31, 2025, and project a reduction of losses incurred as of December 31, 2025, by at least double the amounts scheduled for increasing salary-related expenses, as well as a reduction of overdue payments by at least 20% compared to the level achieved as of December 31, 2025, as applicable;

c) those that benefited from subsidies/transfers in 2025 for operational activities from the state/local budget, as applicable, provided that the amounts representing salary increases under lit. a) and b) are covered from own revenues, with a corresponding reflection in their increase.

(5) The Memorandums provided for in para. (2)–(4) shall be initiated by the public tutelary authority under which they operate and approved by the Government. ”

**Approval of the Memorandum in the Government Meeting of 30.10.2026**

In the Government meeting of 30.10.2026 the Memorandum on the topic: *” Approval of the application in 2026 by OIL TERMINAL S.A. of the provisions of Art. XXXVI para. (2) and para. (3) of Government Emergency Ordinance no. 89/2025 for amending and supplementing Law no. 227/2015 on the Tax Code, regulating certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts”,* was approved, considering the following:

• The Company applies the provisions of Government Ordinance no. 26/2013 on strengthening financial discipline at the level of economic operators where the state or administrative-territorial units are sole or majority shareholders or directly or indirectly hold a majority stake, approved with additions by Law no. 47/2014, as subsequently amended and supplemented.

As of 31.12.2025, OIL TERMINAL SA recorded a gross profit amounting to 27.7 million lei and has no overdue payments.

• Based on the economic-financial results achieved on 31.12.2025, OIL TERMINAL meets the conditions provided by GEO no. 89/2025, Art. XXXVI, para. (2) lit. a), specifically, the company recorded no losses and no overdue payments as of 31.12.2025 and does not project losses and overdue payments in 2026. Therefore, the Company may increase salary-related expenses compared to the level achieved in 2025 by the amounts representing salary-related expense increases up to the maximum average price increase index forecasted for 2026, following Government approval via Memorandum.

• Under the conditions of the Memorandum approval on 30.10.2026, the 6.5% salary increase can be applied for a period of 2 months (specifically, the November–December 2026 period) in accordance with the provisions of Art. XXXVI para. (2) lit. a) of GEO no. 89/2025, resulting in an increase of salary-related expenses by 1,752 thousand lei.

• The Company has financing sources that ensure the increase of salary-related expenses.

• The increase of salary-related expenses by the amount of 1,752 thousand lei will not decrease the gross profit as of 31.12.2026 budgeted in the amount of 15,000 thousand lei and approved by OGSM Resolution no.13/28.05.2026.

**Application of the 6.5% salary increase for a 2-month period (November–December 2026)**
*Considering the approval of the application in 2026 by OIL TERMINAL S.A. of the provisions of Art. XXXVI para. (2) and para. (3) of Government Emergency Ordinance no. 89/2025 according to the Memorandum approved in the Government meeting of 30.10.2026, resulting in an increase in salary-related expenses by the amount of 1,752 thousand lei,*

*Taking into account that this salary increase will not diminish the gross profit as of 31.12.2026 budgeted at 15,000 thousand lei and approved by OGSM Resolution no.13/28.05.2026,*

*Considering that in the budget execution as of 30.09.2026 savings were recorded in certain categories of operating expenses,*

**The Company proposes a budget rectification for the year 2026 in accordance with the provisions of Art. VI of GEO no. 43/2026 correlated with Art. 10 para. (2) lit. f) and para. (4) of Government Ordinance no. 26/2013.**

The economic-financial indicators being rectified (increases/reductions) are as follows:
**Inventory expenses** decrease by 7.7%, specifically decreasing by 1,787 thousand lei, from 23,200 thousand lei approved to 21,413 **thousand lei rectified**, mainly due to the reduction of **Energy consumption expenses** which decrease by 21.8%, representing the amount of 1,787 thousand lei, from 8,200 thousand lei to 6,413 thousand lei, as a result of savings recorded on 30.09.2026.
**Personnel expenses** increase by 1.0%, representing a total amount of 1,787 thousand lei, from 177,249 thousand lei approved to **179,036 thousand lei rectified**, on account of:
- Increase in **salary-related expenses** by 1.1%, amounting to **1.752 thousand lei** as a result of the Memorandum approval, out of which: **Salary expenses** increase by 1.1% (1,397 thousand lei), and **Bonuses** increase by 1.0% (355 thousand lei).
- Increase in **employer contributions for employees** by 1.0% (+35 thousand lei), representing the work insurance contribution at the rate of 2.25% corresponding to employees, following the increase in salary-related expenses by 1.1% (1,752 thousand lei).

The increase in salary-related expenses approved through the Memorandum is separately highlighted in Annex no. 2 for the substantiation of the Rectified BVC for the year 2026, in accordance with the provisions of Art. XXXVI para. (9) of GEO no.89/2025.

To comply with the provisions of Art. 6 para. (1) of Government Ordinance no. 26/2013, through address no. 1943/09.11.2026 submitted by the company, the draft budget rectification for 2026 was submitted for consultation with the representative union organization.
In accordance with the provisions of Public Finance Ministry Order no. 3818/2019, Annex no. 6, the Draft Rectification of the Budget of Revenues and Expenses for the year 2026 was submitted for the endorsement of the internal management financial control according to Government Decision no. 1151/2012 approving the methodological norms regarding the organization and exercise of internal management financial control.

Considering the above, **we submit for your approval the projection regarding the budget rectification for the year 2026, which contains the main substantiation figures:**

| | | | |
|---|---|---|---|
| 1 | Total revenues | 369,720 | thousand lei |
| 2 | Total expenses | 354,720 | thousand lei |
| 3 | Gross profit | 15,000 | thousand lei |

| | | | |
|---|---|---|---|
| 4 | Salary-related expenses, of which : | 166,477 | thousand lei |
| 4.1 | Salary expenses | 132,099 | thousand lei |
| 4.2 | Bonuses | 34,378 | thousand lei |
| 5 | Forecasted number of employees at the end of 2026 | 1,042 | pers. |
| 6 | Calculated average monthly earnings per employee (lei/person) based on salary-related expenses according to GO no.26/2013 | 12,875 | lei/pers. |
| 7 | Average monthly earnings per employee (lei/person) based on salary-related expenses, recalculated according to the annual State Budget Law | 12,732 | lei/pers. |
| 8 | Labor productivity in value units | 361 | thousand lei/pers. |

The draft budget rectification for the year 2026 was endorsed by the Board of Directors through Decision no. 103/12.11.2026 and is submitted to the shareholders' vote in the OGSM convened for 16(17).12.2026 in compliance with Art. VI of *Emergency Ordinance no. 43/2026 on granting support to ensure thermal energy in the cold season 2026–2027, certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts,* which provides: *"For the purposes of the provisions of Art. 10 para. (2) lit. f) and para. (4) of Government Ordinance no. 26/2013* on strengthening financial discipline at the level of economic operators where the state or administrative-territorial units are sole or majority shareholders or directly or indirectly hold a majority stake, approved with additions by Law no. 47/2014, as subsequently amended and supplemented, the rectification of the budgets of revenues and expenses for the year 2026, *required for the application of Art. XXXVI para. (2)–(4) of Government Emergency Ordinance no. 89/2025* for amending and supplementing Law no. 227/2015 on the Tax Code, regulating certain fiscal-budgetary measures, as well as for amending and supplementing certain normative acts, as subsequently amended and supplemented, *shall be approved by December 31, 2026".*

In accordance with the provisions of OMFP no. 3818/2019 approving the format and structure of the budget of revenues and expenses of economic operators, its substantiation annexes, as well as the completion instructions set forth in Annex no. 6, I. General framework regarding the budget of revenues and expenses, Annex no. 1 is attached to this Substantiation Note, containing only the column with the budget proposal for the 2026 rectification.

General Director,
Viorel Sorin CIUTUREANU

Financial Director,
Adriana Frangu

Head of Financial-Budgeting Dept.,
Daniela Moldoveanu