



## UZTEL S.A.

### OILFIELD EQUIPMENT MANUFACTURING AND REPAIRS

243 MIHAI BRAVU St., code 100410, PLOIESTI , PRAHOVA-ROMANIA

Phone: + 40 / 0372441111 / int :143 ; +40 / 0372441108; E-mail: office@uztel.ro

FISCAL CODE RO1352846 , R.C. PLOIESTI NO. J29/48/1991; web site: www.uztel.ro

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## Remuneration Report for the year 2023

### 1. Legal grounds

This remuneration report is drawn up in accordance with the provisions of Law no. 24/2017 regarding issuers of financial instruments and market operations.

1.1 Regarding the obligation to draw up a Remuneration Report and to ensure transparency in relation to remuneration, Law no. 24/2017 establishes the following:

Art. 107

(1) The Issuer prepares a clear and easy-to-understand remuneration report, which provides a comprehensive overview of remuneration, including all benefits, regardless of form, granted or owed during the last financial year, to individual managers, including those newly recruited and former managers in accordance with the remuneration policy provided for in art. 106.

(2) The remuneration report contains, as appropriate, the following information regarding the remuneration of each manager: *"a) the total remuneration broken down by components, the relative proportion of fixed and variable remuneration, an explanation of how the total remuneration complies with the adopted remuneration policy , including how it contributes to the issuer's long-term performance, and information on how the performance criteria were applied; b) the annual change in remuneration, the issuer's performance and the average remuneration based on the full-time equivalent of the issuer's employees who are not managers at least during the last 5 financial years, presented together in a manner that allows comparison; c) any remuneration received from any entity belonging to the same group; d) the number of shares and share options granted or offered, as well as the main conditions for the exercise of related rights, including the exercise price and date, along with any changes thereof; e) information regarding the use of the possibility to recover the variable remuneration; f) information regarding any deviation from the procedure for the implementation of the remuneration policy provided for in art. 106 para. (8) - (12) and regarding any exemptions applied in accordance with art. 106 para. (6), including explanations regarding the nature of the exceptional circumstances and the indication of the specific elements from which the derogation was made. (3) Issuers do not include in the remuneration report special categories of personal data of managers within the meaning of art. 9 para. (1) of Regulation (EU) 2016/679 of the European Parliament and of the Council of April 27, 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data and repealing Directive 95/46/ CE (General Data Protection Regulation) or personal data relating to the family situation of each manager. (4) The issuers process the personal data of the managers included in the remuneration report under this article in order to increase the transparency regarding the remuneration of the managers, to increase the responsibility of the managers and the supervision by the shareholders of their remunerations. Without prejudice to the longer periods provided by sectoral legislative acts of the European Union directly applicable on the territory of Romania or by national sectoral legislative acts transposing*



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*European directives, after 10 years from the publication of the remuneration report, the issuers no longer make available to the public, in the basis of para. (7), the personal data of the managers included in the remuneration report in accordance with this article. (5) The provisions of para. (4) applies without prejudice to the possibility of processing, by the issuers, the personal data of the managers, for other purposes, according to the regulations in force. (6) The remuneration report related to the most recent financial year is subject to voting at the ordinary annual general meeting of shareholders provided for in art. 111 of Law no. 31/1990, the opinion of the shareholders in the general meeting regarding the remuneration report, resulting from the vote, having an advisory character. The issuer explains in the following remuneration report how the vote of the general meeting was taken into account. (7) Without prejudice to art. 105 para. (22), after the ordinary general meeting of shareholders, issuers make the remuneration report available to the public on their websites, free of charge, for a period of 10 years, and may choose to keep it available for a longer period, with the condition that it no longer contains the personal data of the leaders. The financial auditor/audit firm that performs the statutory audit verifies whether the information provided for in this article has been provided. The managers of the issuer, acting within the limits of their field of competence conferred by the applicable rules, have the collective responsibility to ensure that the remuneration report is drawn up and published in accordance with the requirements of this law. The managers of the issuer are responsible for the violation of the responsibilities of the issuer, provided in this paragraphsunt răspunzători pentru încălcarea responsabilităților ce revin emitentului, prevăzute în prezentul alineat”.*

## **2. The applicability of the legal provisions regarding the Remuneration Report within the company**

UZTEL S.A. is a joint-stock company, organized according to Law no. 31/1990 regarding companies, the shareholding structure being the following:

- UZTEL Association, majority shareholder owns 83,8381% of the share capital;
- other shareholders, natural and legal persons together own 16,1619% of the share capital;

Through the application registered on 15.03.2023 before the Prahova Court under no.

1223/105/2023, the company Uztel S.A. requested the judge - syndic to open the general insolvency procedure, as a result of the Decision of the Board of Administration no.

54/13.03.2023. By the Conclusion pronounced in the meeting dated 13.04.2023 in file no.

1223/105/2023 pending at the Prahova Court, the syndic judge ordered the opening of the

general insolvency procedure of the company Uztel S.A. Through the request, the company

Uztel S.A. , expressed his intention to reorganize the activity, considering that he has the entire

material basis necessary for the reorganization of the activity, having in this sense the necessary

experience, reliable manufacturing technologies, orders, as well as qualified personnel, having

been carrying out his activity for a long time of time, being in this sense known as a reference

company on a national and international level. The causes that determined the emergence of the

state of insolvency were, mainly, the following:

- The economic crisis and the repeated fiscal changes that affected Romania in the period 2020 – 2023;
- The evolution of the international epidemiological situation determined by the spread of the SARS-Cov-2 coronavirus, the declaration of the pandemic by the World Health



Organization and the establishment of the state of emergency on the territory of Romania and other countries;

- The conflict in Ukraine;
- Negative evolution of macroeconomic indicators (inflation, budget deficit, decrease in foreign investments, increase in unemployment rate, energy crisis, oil crisis, etc.);
- Financial causes determined by the above factors, market conditions and the legislative framework led to a major liquidity deficit that determined the company's inability to pay.

By Decision no. 2/25.05.2023 adopted by the Ordinary General Meeting of Shareholders of Uztel S.A. Mr. Dumitru Paul George was appointed as Special Administrator of the company for a period of 4 years starting on 25.05.2023, who will manage the company under the supervision of the Judicial Administrator Andrei Ioan IPURL Ploiesti. In accordance with the legal provisions in force, namely Law 31/1990 amended and updated, the management of the company was exercised between 01.01.2023 - 25.05.2023 by the Board of Directors, consisting of five members with full powers:

<b>PERIOD 01.01.2023 - 25.05.2023</b>		
<b>NUME PRENUME</b>	<b>FUNCTIA</b>	<b>PERIOADA</b>
Hagiu Neculai	CEO	01.01.2023-25.05.2023
Popescu Ileana	Member of Board of Directors	01.01.2023-25.05.2023
Serbaniuc Tudor	Member of Board of Directors	01.01.2023-02.04.2023
Stan Vasile Armis	Member of Board of Directors	01.01.2023-25.05.2023
Grigore Victor	Member of Board of Directors	01.01.2023-25.05.2023

**THE EXECUTIVE MANAGEMENT OF THE COMPANY** - in the period 01.01.2023 - 31.12.2023 registered the following component in the exercise of management duties, as follows:

<b>PERIOD 01.01.2023 - 31.12.2023</b>			
<b>FIRST NAME, LAST NAME</b>	<b>POSITION</b>	<b>PERIOD</b>	<b>DECISION/DATE</b>
Dumitru Paul – George	CEO	26.05.2023 – 31.12.2023	C.I.M. nr. 1387/25.05.2023
Anghel George Marinelo	CEO	01.01.2023-25.05.2023	C.M. 02/09.01.2020
	Head of Commercial Department	01.08.2023 – 31.10.2023	Act additional / 07.2023
Sighiartau Dan Petru	Commercial Director	01.01.2023-25.05.2023	Decision no. 49/09.02.2021
	Head of Commercial Department	26.05.2023 – 31.07.2023	Add. Act / 05.2023
Voica Alin Marian	Technical Director	01.01.2023-25.05.2023	Decision 184 / 12.12.2019
	Head of Technical Department	26.05.2023 – 31.12.2023	Add. Act / 05.2023



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Popescu Ileana	Economic manager	01.01.2023-25.05.2023	Decizia 592 / 30.11.2010
	Head of Economic Department	26.05.2023 – 31.12.2023	Act additional /05.2023
Voicu Mariana	Manager of Quality Management Systems	01.01.2023-25.05.2023	Decizia 64/05.04.2018
	Head of Quality Management Systems Department	26.05.2023 – 31.12.2023	Act additional / 05.2023

### **3. Remuneration of the members of the Board of Directors and the Executive Management**

3.1 The administrators' remuneration is set by the general meeting of UZTEL S.A. shareholders, in accordance with the provisions of Law no. 31/1990 and of the company's constitutive act. The structure of the remuneration of the members of the board of directors consists of fixed remuneration, whose net value in 2023 was 116.182 lei.

Remunerations have a fixed character and are based exclusively on factors such as time dedicated to fulfilling the duties of the position, participation in board of directors' meetings, responsibilities assumed within the board of directors, participation in the activities of special committees established at the level of the board of directors, and other such factors which do not depend on and do not take into account the company's results and performances. The expenses settled by the company and carried out by administrators in the interest and for the purpose of exercising the mandate of administrator are not considered remuneration.

3.2 The remuneration granted to the Executive Management complied with the Remuneration Policy approved by the General Meeting of Shareholders on 04/27/2021. The remuneration of directors/heads of departments is approved by the board of directors/special administrator of the company. The general limits of the remuneration of directors to whom the Board of Directors has delegated part of its powers, in accordance with the provisions of Law no. 31/1990, are approved by the Board of Directors / Special Administrator.

The Board of Directors / Special Administrator ensures the proportionality of the remunerations granted with the specific responsibilities of the management functions, so that adequate and responsible remuneration is granted, in order to increase the performance and value of the company, for the benefit of its shareholders.

At the same time, the remuneration level must promote the long-term sustainability of the company, in accordance with the business strategy, objectives, values and long-term interests of the company. When setting the remunerations, the level of remunerations practiced in the similar field of activity is also taken into account, in order to ensure competitiveness on the labor market and to be able to attract and maintain personnel with a high professional training. The remuneration of the directors/heads of departments consists of the fixed component and registered a net value of 1.589.071 lei in 2023.

The fixed component of the remuneration is established taking into account sound economic principles, taking into account the nature and complexity of the activities carried out by the respective persons, as well as the competences and responsibilities assumed by occupying the respective management positions.



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The variable component of the remuneration can be based on an evaluation that combines the evaluation of individual performances with general results of UZTEL S.A. The evaluation of individual performances is based on an analysis/examination of the fulfillment of the assumed performance objectives. The annual objectives are assumed based on the decisions of the board of directors/special administrator and the general meetings of the shareholders. The variable component can be paid in cash. All the remunerations of the directors/heads of departments must fall within the general limits of the remunerations and the budget approved by the ordinary general meeting of the shareholders of UZTEL S.A.

Expenses settled by the company and carried out by directors/heads of departments in the interest and for the purpose of exercising their functions within the company are not considered remuneration for the purposes of this procedure.

#### **4. The annual change in remuneration, the company's performance and the average remuneration based on the full-time equivalent of the company's non-executive employees at least during the last 5 financial years, presented together in a way that allows comparison**

##### 4.1 Remuneration of Administrators and Executive Management

Thousand RON

Evolution of the remuneration of administrators and executive management	2019	2020	2021	2022	2023
Administrators	285	181	213	292	116
Fixed component	285	181	213	292	116
Variable component	-	-	-	-	-
Executive management	861	588	734	988	767
Fixed component	861	588	734	988	767
Variable component	-	-	-	-	-

##### 4.2 Employee remuneration

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Year	2019	2020	2021	2022	2023
2023 Evolution of the average earnings of the company's employees who are not managers	4.324	4.680	5.153	6.211	4.410

#### **5. The company's performance**

Thousand RON

Indicators	2019		Accomplishment share
	Planned	Achieved	
Sales revenue	70.000	63.507	0,91
Gross result	960	585	0,61



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Total expenses at 1000 RON income	989	992	1,00
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Thousand RON

Indicators	2020		Accomplishment share
	Planed	Achieved	
Sales revenue	70.050	35.278	0,50
Gross result	1.523	(11.616)	-
Total expenses at 1000 RON income	981	1.340	0,73

Thousand RON

Indicators	2021		Accomplishment share
	Planed	Achieved	
Sales revenue	36.060	35.861	0,99
Gross result	89	330	3,71
Total expenses at 1000 RON income	998	993	1,00

Thousand RON

Indicators	2022		Accomplishment share
	Planed	Achieved	
Sales revenue	48.080	43.565	0,91
Gross result	531	(8.916)	-
Total expenses at 1000 RON income	990	1.204	0,82

Thousand RON

Indicators	2023		Accomplishment share
	Planed	Achieved	
Sales revenue	48.250	28.422	0,59
Gross result	433	(9.407)	-
Total expenses at 1000 RON income	991	1.314	0,75

## 6. Conclusion

According to art. 107 paragraph 6 of Law no. 24/2017 regarding issuers of financial instruments and market operations, this Remuneration Report is subject to the approval of the Ordinary Annual General Meeting of shareholders, convened on 25/26.04.2024 pursuant to art. 111 of Law no. 31/1990 on companies.

**Special Administrator – General Manager  
Dumitru Paul George**