



**UZTEL S.A.**  
**OILFIELD EQUIPMENT MANUFACTURING AND REPAIRS**  
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## Remuneration Report for the year 2024

### 1. Legal grounds

This Remuneration Report has been prepared in accordance with the provisions of Law no. 24/2017 on issuers of financial instruments and market operations.

1.1 With regard to the obligation to prepare a Remuneration Report and ensure transparency in connection with remuneration, the Law No. 24/2017 lays down the following:

Art. 107

(1) (1) The issuer shall prepare a clear and easily understandable remuneration report which provides a comprehensive overview of the remuneration, including all benefits, regardless of their form, granted or payable throughout the last financial year to managers individually, including newly recruited managers and former managers, in accordance with the remuneration policy referred to in art. 106.

The remuneration report shall include, as applicable, the following information on the remuneration of each manager: *“a) total remuneration broken down by component, the relative proportion of fixed and variable remuneration, an explanation of how the total remuneration complies with the remuneration policy adopted, including how it contributes to the long-term performance of the issuer, and information on how the performance criteria have been applied; b) the annual change in remuneration, the issuer's performance, and the average remuneration based on full-time equivalent employees of the issuer who are not managers for at least 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 or share options granted or offered, as well as the main conditions for exercising the related rights, including the exercise price and date, together with any changes thereto; e) information on the use of the opportunity to recover variable remuneration; f) information on any deviation from the procedure for implementing the remuneration policy referred to in art. 106 para. (8) - (12) and on any derogations applied in accordance with art. 106 para. (6), including explanations of the nature of the exceptional circumstances and an indication of the specific elements from which the derogation was made.*(3) Issuers shall not include in the remuneration report special categories of personal data of the managers within the meaning of art. 9 para. (1) of the Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons in relation to the processing of personal data and on the free movement of such data and repealing the Directive 95/46/EC (General Data Protection Regulation) or personal data relating to the family situation of each manager. (4) The issuers shall process the personal data of the managers included in the remuneration report pursuant to this article for the purpose of increasing transparency regarding the remuneration of managers, to strengthen the accountability of managers and the effective supervision of their remuneration by shareholders. Without prejudice to longer periods provided for in sectoral legislation of the European Union directly applicable in Romania or in national sectoral legislation transposing the European directives, after 10 years from the publication of the remuneration report, issuers shall no longer make available to the public, pursuant to paragraph (7), the personal data of managers included in the remuneration report in accordance with this article. (5) The provisions of para. (4) shall apply

*without prejudice to the possibility for issuers to process personal data of managers for other purposes, in accordance with the regulations in force. (6) The remuneration report for the most recent financial year shall be put to the vote in the ordinary annual general meeting of shareholders referred to in art. III of the Law no. 31/1990, the opinion of the shareholders in the general meeting on the remuneration report, as a result of the vote, having an advisory nature. The issuer shall explain in the next 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, the issuers shall 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, provided that they no longer disclose the personal data of the managers. The auditor/audit company that performs the statutory audit shall verify whether the information referred to in this article has been provided. The issuer's managers, acting within the limits of their areas of competence as defined by the applicable rules, shall be collectively responsible for ensuring that the remuneration report is prepared and published in accordance with the requirements of this law. The issuer's managers are responsible for any breach of the issuer's responsibilities set out in this paragraph.*

## **2. Applicability of legal provisions on the Remuneration Report within the company**

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

- UZTEL Association, the majority shareholder holding 83.8381 % of the share capital;
- other individual and corporate shareholders holding together 16.1619 % of the share capital;

By the application registered on 15.03.2023 with the Prahova Court under no. 1223/105/2023, Uztel S.A. requested the syndic judge to open the general insolvency proceedings, following the Decision of the Board of Directors no. 54/13.03.2023. By the Order rendered in the meeting of 13.04.2023 in case file no. 1223/105/2023 pending before the Prahova Court, the syndic judge ordered the opening of the general insolvency proceedings of Uztel S.A. In the application filed, the company Uztel S.A. stated its intention to reorganize the activity, considering that it has the entire material basis required to reorganize the activity, holding the in this regard the expertise needed, reliable manufacturing technologies, orders, and qualified personnel, that it has been carrying out business for a long time, thus being a nationally and internationally well-known company.

The causes that led to insolvency were mainly the following:

- Economic crisis and repeated fiscal changes that affected Romania between 2020 and 2024;
- The conflict in Ukraine;
- Negative evolution of macroeconomic indicators (inflation, budget deficit, decline in foreign investment, rising unemployment, 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 resulted in the company's payment default.

By Resolution 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 as of 25.05.2023, who will manage the company under the supervision of the Administrative Receiver Andrei Ioan IPURL Ploiesti.

**EXECUTIVE BOARD OF THE COMPANY-** in the period from 01.01.2024 to 31.12.2024 it had the following members for exercising the management duties:

<b>PERIOD FROM 01.01.2024 TO 31.12.2024</b>			
<b>FULL NAME</b>	<b>TITLE</b>	<b>PERIOD</b>	<b>RESOLUTION / RESOLUTION DATE</b>
Dumitru Paul - George	General Manager	01.01.2024-31.12.2024	Individual Employment Contract no. 1387/25.05.2023
Popescu Ileana	Head of Finance Department	01.01.2024-31.08.2024	Addendum /05.02023
Voica Alin Marian	Head of Technical Department	01.01.2024-31.12.2024	Addendum /05.2023
Voicu Mariana	Quality System Manager Head of Quality System Department	01.01.2024-31.12.2024	Addendum /05.2023

### **3. Remuneration of Executive Board members**

3.1 Remuneration granted to the Executive Board complied with the Remuneration Policy approved by the General Meeting of Shareholders on 27.04.2021.

The remuneration of department heads is approved by the company's Special Administrator. The Special Administrator ensures that the remuneration granted is proportionate to the specific responsibilities of the management positions, so as to provide adequate and responsible remuneration with a view to improving the company's performance and value for the benefit of its shareholders.

At the same time, the level of remuneration should promote the long-term sustainability of the company, in line with its business strategy, objectives, values, and long-term interests. In determining remuneration, the level of remuneration applied in similar fields of business is also taken into account in order to ensure competitiveness in the labor market and to attract and maintain highly qualified personnel.

The remuneration of the General Manager and department heads consists of a fixed component and amounted to a net value of 1,114,202 lei in 2024.

The fixed component of remuneration is determined on the basis of sound economic principles, taking into account the nature and complexity of the activities carried out by the persons concerned, as well as the skills and responsibilities undertaken in their management positions.

The variable component of remuneration may be based on an assessment that combines individual performance with the overall results of UZTEL S.A. The assessment of individual performance is based on an analysis/review of the achievement of the performance targets set. The annual targets are undertaken on the basis of decisions of the Special Administrator and the General Meetings of Shareholders.

The variable component may be paid in cash. All remuneration of department managers/heads must fall within the general limits of remuneration and the budget approved by the ordinary general meeting of shareholders of UZTEL S.A.

Expenses incurred by the company and paid by department managers/heads in the interest and for the purpose of performing their duties within the company are not considered remuneration within the meaning of this procedure.

**4. Annual change in remuneration, company performance and average remuneration based on the full-time equivalent of the company's employees who are not managers for at least the last 5 financial years, presented together in a manner that allows comparison**

4.1 Remuneration of Administrators and Executive Board

K lei

Evolution of remuneration of administrators and executive board	2020	2021	2022	2023	2024
Administrators	181	213	292	116	-
fixed component	181	213	292	116	-
variable component	-	-	-	-	-
Executive Board	588	734	988	767	493
fixed component	588	734	988	767	493
variable component	-	-	-	-	-

4.2 Remunerations of employees

lei

Year	2020	2021	2022	2023	2024
Evolution of average earnings of company employees who are not managers	4680	5,153	6,211	4,410	4,963

**5. Company performance**

K lei

Indicators	2019		Level of achievement
	Planned	Achieved	
Sales revenue	70,000	63,507	0.91
Gross result	960	585	0.61
Total expenditure per 1 K lei revenue	989	992	1.00

K lei

Indicators	2020		Level of achievement
	Planned	Achieved	
Sales revenue	70,050	35,278	0.50
Gross result	1,523	(11,616)	-
Total expenditure per 1 K lei revenue	981	1,340	0.73

K lei

Indicators	2021		Level of achievement
	Planned	Achieved	
Sales revenue	36,060	35,861	0.99
Gross result	89	330	3.71
Total expenditure per 1 K lei revenue	998	993	1.00

K lei

Indicators	2022		Level of achievement
	Planned	Achieved	
Sales revenue	48,080	43,565	0.91
Gross result	531	(8,916)	-
Total expenditure per 1 K lei revenue	990	1,204	0.82

K lei

Indicators	2023		Level of achievement
	Planned	Achieved	
Sales revenue	48,250	28,422	0.59
Gross result	433	(9,407)	-
Total expenditure per 1 K lei revenue	991	1,314	0.75

Indicators	2024		Level of achievement
	Planned	Achieved	
Sales revenue	32,500	19,428	0.59
Gross result	162	(13,347)	-
Total expenditure per 1 K lei revenue	995	1,736	0.57

## 6. Conclusion

Pursuant to art. 107 para. 6 of Law no. 24/2017 on issuers of financial instruments and market operations, this Remuneration Report is subject to approval by the Annual General Meeting of Shareholders convened on 25/28.04.2025 pursuant to art. 111 of Law no. 31/1990 on companies.

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

*/seal, signed illegibly/*

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05.05.2025

I, Ilie Oana Alice, an English sworn translator and interpreter under License no. 4858 dated 21.06.2001, issued by the Romanian Ministry of Justice, hereby certify this accuracy of this translation from Romanian into English, that the text submitted has been fully translated without any omissions, and that the contents and meaning of the document has not been misrepresented by translation.

TRANSLATOR,

