

## CONPET SA PLOIEȘTI

Economic Director

ENDORSED by the Board of Administration

by Decision no. \_\_\_\_\_ from \_\_\_\_\_

### SUBSTANTIATION NOTE

regarding the approval, by the General Meeting of Shareholders  
of the 2020 rectified Income and Expenditure Budget of CONPET S.A.  
and 2021-2022 Estimates

The Income and Expenditure Budget for the year 2020 has been approved by the OGMS in the meeting dated March 5, 2020, as per the provisions of the Government Ordinance no.26/2013.

**The Substantiation of the draft Income and Expenditure Budget rectified for the year 2020 is based on the legislation related to:**

- strengthening financial discipline at the level of certain economic operators where the state or administrative-territorial units are unique or majority shareholders or hold directly or indirectly a majority participation (GD no. 26/2013);
- the State Budget rectification (Law no.115/2020 from July 8, 2020 on the approval of the Government emergency Ordinance no. 50/2020 with regards the rectification of the State budget for the year 2020 according to which "at the determination of the amounts by which can be augmented the salary-related expenses for the year 2020, the economic operators applying the provisions of the Government Ordinance no.26/2013 on strengthening financial discipline at the level of certain economic operators where the state or administrative-territorial units are unique or majority shareholders or hold directly or indirectly a majority participation, approved with completions by Law no. 47/2014, ulterior amendments and completions, are not conditioned by the improvement/maintenance of the gross achieved result in 2019, provided at art. 48 Para (1) Letter a) - d) of the State Budget Law for the year 2020 no.5/2020, ulterior amendments."
- the distribution of the profit to the national companies, national companies and trade companies completely or majority State owned (Ordinance no.64/2001);
- layout and structure of the Income and Expenditure Budget, as well as the substantiation annexes thereof (OMPF no. 3818/2019).
- the application, by the companies whose values are admitted for trading on a regulated market, of the International Standards of Financial Reporting (Order of the Ministry of the Public Finances no. 2844/2016);
- application of fiscal provisions - Fiscal Code

The rectification of the Income and Expenditure Budget approved for the year 2020 is reasoned by the following recitals:

- At the initial construction of the budget related to 2020 have been considered the quantities of crude oil, rich gas and condensate for transport, estimated and communicated during July-October, 2019 by the main clients OMV Petrom, Petrotel LUKOIL and Rompetrol Petromidia, clients holding 99% of the turnover;

Ulterior to the elaboration of the budget for the year 2020, the company has concluded, with OMV Petrom, Petrotel Lukoil and Rompetrol Petromidia the transport contract comprising crude oil transport programs in smaller quantities than the quantities that they have initially communicated by budgeting.

As per the transport programs, the reductions of transported quantities affect the budgeted revenues in Half II, 2020.

Given the Coronavirus pandemic (Covid-19), when is forecasted a reduction of the crude oil quantities that are being processed, there is no indicator that it would be recovered by additional transports the difference between the budgeted quantity and the contracted quantity, as it has happened in the previous years.

Consequently, it is justified the reduction of the transport revenues budgeted in Half II, 2020.

- The representatives of the Union have requested the wage increase by indexation of the base salary with the inflation index, indexation that has not been granted as per the Collective Labor Agreement at the beginning of 2020.

We hereby mention that, the proposal to amend the 2020 Income and Expenditure Budget falls within the provisions of the GD no. 26/2013 *regarding the strengthening of financial discipline at the level of certain economic operators where the state or administrative-territorial units are unique or majority shareholders or hold directly or indirectly a majority participation*, at Art. 10, para (2), letter a) and c);

*“(2) The economic operators may proceed to the rectification of the revenues and expenditure budgets, as per the provisions of Art. 4, whenever, due to reasonably substantiated reasons, are necessary amendments of the level of the following approved economic-financial indicators, as follows:*

- a) exceeds of the maximum limits of the economic-financial indicators provided at para. (1) letter a), by the observance of the waging policy objectives set pursuant to the annual State budget law and of the provisions of Art. 9, para. (3).*
- c) reduction of labor productivity;*

### **Presentation and substantiation of the indicators included in the draft income and expenditure budget rectified for the year 2020**

In substantiating the draft budget there have been considered the followings:

- analysis of the budget execution performed along the first 6 months of 2020;
- evolution of the main budget indicators related to the first 6 months of 2020;
- provision of the necessary resources to normally perform the activity until the end of 2020;
- the provisions of the Collective Labor Agreement;

➤ OGMS Resolution no.2 dated 29.04.2020

In the rectified budget related to 2020 the total revenues are forecasted with a reduction of 2.5% and the total expenses decreasing by 2.9% compared to the provisions of the budget approved for 2020, given the maintenance of the gross profit initially budgeted.

The economic-financial indicators provided in the income and expenditure budget proposed for the year 2020 reveal the followings:

**I. REVENUES**

**The financial revenues** are provided with a decrease of 11,394 thousand RON, from 460,093 thousand RON to 448,699 thousand RON.

**The operating revenues** lower by the amount of 12,210 thousand RON, from 456,064 thousand RON to 443,854 thousand RON, in the following structure:

➤ The reduction of the transport revenues by the amount of 11,155 thousand RON, from 412,823 to 401,668 RON, following the reduction by 152 thousand tons of the estimated quantity for the transport on the domestic and import subsystems, as compared to the quantity initially submitted in view of budgeting.

The quantities comprised in the current rectification draft have been determined based on the quantities effectively achieved at the date of June 30, 2020, to which were added those provided in the transport contract concluded with the clients for Half II.

In the structure, the statement of the quantities provided in the budget reveals the followings:

TRANSPORTED QUANTITIES	M.U.	BVC 2020 approved	BVC 2020 rectified	Difference	%
0	1	2	3	4= 3-2	5= 3/2
<b>DOMESTIC SUBSYSTEM QUANTITIES</b>	thousand tons	3,495	3,448	-47	98,7%
<b>IMPORT SUBSYSTEM QUANTITIES, of which:</b>	thousand tons	3,452	3,347	-105	96,9%
<i>PETROTEL LUKOIL</i>	thousand tons	2,732	2,638	-94	96,6%
<i>ROMPETROL-PETROMIDIA</i>	thousand tons	120	124	4	103,4%
<i>OMV PETROM</i>	thousand tons	600	406	-194	67,7%
<i>OMV SPILLAGE</i>	thousand tons	0	179	179	
<b>QUANTITIES OTHER TRANSPORT OPERATIONS</b>	thousand tons	12	12	0	96,4%
<b>TOTAL TRANSPORTED QUANTITIES</b>	thousand tons	6,959	6,807	-152	97,8%

In the structure, the transport revenues reveal the followings:

Transport revenues	M.U.	BVC 2020 approved	BVC 2020 rectified	Difference	%
<b>1. Revenues from transport services on Domestic Subsystem, of which:</b>	thousand RON	<b>307,520</b>	<b>303,876</b>	<b>-3,644</b>	<b>98,8%</b>
1.1. Transport revenues	thousand RON	305,890	301,813	-4,077	98,7%
1.2. Additional transport revenues	thousand RON	1,630	2,063	433	126,5%
<b>2. Revenues from transport services on IMPORT Subsystem, of which:</b>	<b>thousand RON</b>	<b>104,351</b>	<b>96,967</b>	<b>-7,384</b>	<b>92,9%</b>
2.1. Transport revenues, of which:	thousand RON	104,351	96,967	-7,384	92,9%
PETROTEL LUKOIL	thousand RON	78,851	77,251	-1,600	98,0%
ROMPETROL-PETROMIDIA	thousand RON	1,800	1,862	62	103,4%
OMV PETROM	thousand RON	23,700	16,058	-7,642	67,8%
OMV SPILLAGE	thousand RON	0	1,796	1,796	
2.2. Additional transport revenues	thousand RON	0	0	0	
3. Revenues from other transport operations	thousand RON	953	825	-127	86,6%
<b>TOTAL- Revenues from transport service, of which:</b>	<b>thousand RON</b>	<b>412,823</b>	<b>401,668</b>	<b>-11,155</b>	<b>97,3%</b>
Revenues from transport services	thousand RON	411,193	399,605	-11,588	97,2%
Additional revenues from transport	thousand RON	1,630	2,063	433	126,5%

➤ The reduction of other operating expenses by the amount of 1,055 thousand RON, mainly determined by the reduction of the revenues from the sale of the pipe material resulting from the pipelines replacement works.

**The financial revenues** are provided with an increase of 816 thousand RON, from 4,029 thousand RON to 4,845 thousand RON. This increase represents the interest revenues achieved over the level budgeted in Half I, 2020.

## II. EXPENDITURE

The volume and structure of the total expenses contained in the rectification draft of BVC for the year 2020 have been sized according to the level of the revenues scheduled in Half II 2020 and considering the level achieved in Half I, 2020. At the same time, there have been considered the programs for the next 6 months, at company's level, elaborated by the specialized departments, according to the scheduled activities, such as: maintenance, investments, ensuring the security and occupational health, security of installations, environmental protection, vocational training etc, so that the company's activity be performed under economic efficiency conditions and safety operation of the Crude Oil National Transport System (Ro. SNTT).

**The total expenses** are reduced by 11,394 thousand RON, from 394,838 thousand RON to 383,444 thousand RON, as follows:

**The operating expenses** have been reduced by the amount of 11,770 thousand RON, from 349,628 thousand RON to 382,858 thousand RON. The amendments in the structure of operating expenses, on the main types of expenses reveal the followings:

**A. The expenses related to goods and services** are provided in amount of 97,725 thousand RON, reduced from 106,159 thousand RON by the amount of 8,434 thousand RON, made up of:

- 2,851 thousand RON expenses related to stocks;
- 2,234 thousand RON expenses related to services supplied by third parties;
- 3,349 thousand RON expenses with other services supplied by third parties

The expenses reductions represent both savings from Half I, 2020, as well as reductions of variable costs generated by the reductions of transported quantities.

**B. The Expenses with taxes, fees and similar levies** are decreasing by 953 thousand RON, from 34,292 thousand RON down to 33,339 thousand RON due to the reduction of the expenses with oil royalty related to the reduction of transport revenues.

### **C. Personnel expenses**

The personnel expenses have grown with 1,500 thousand RON, from 161,457 thousand RON to 162,957 thousand RON.

The personnel expenses were substantiated based on:

- Government Ordinance on the reinforcement of the financial discipline at the level of some economic operators to which the State or the administrative - territorial divisions act as unique or majority shareholders or hold directly or indirectly a majority participation, subsequent amendments and additions;
- Law no.115/2020 with regards the rectification of 2020 State Budget.
- Law no. 227/2015 – Tax Code further amendments and completions;
- The Labor Code;
- The Collective Labor Agreement at the company level.

Law no.115/2020 brings amendments in the wage policy for the year 2020 initially stipulated in the State budget law, in the sense that: *“at the determination of the amounts by which can be augmented the salary-related expenses for the year 2020, the economic operators applying the provisions of the Government Ordinance no.26/2013 on strengthening financial discipline at the level of certain economic operators where the state or administrative-territorial units are unique or majority shareholders or hold directly or indirectly a majority participation, approved with completions by Law no. 47/2014, ulterior amendments and completions, are not conditioned by the improvement/maintenance of the gross result achieved in 2019, provided at art. 48 Para (1) Letter a) - d) of the State Budget Law for the year 2020 no.5/2020, ulterior amendments.”*

Related to the fulfillment of the conditions of granting wage increases provided in the normative act, we hereby mention that the company has scheduled for the year 2020 zero outstanding payments and at June 30, 2020 the company does not register outstanding payments.

Consequently, COMPET S.A. can budget the granting of salary augmentations, as the budget law, in this case, does not forbid and does not limit the augmentation of the salary-related expenses to the operators that apply the provisions of Ordinance no.26/2013.

As per the Collective Labor Agreement, applicable at 01.01.2019, the salaries are increased by at least the rate of inflation reported for the previous year and is performed by way of negotiation with the Union's representatives, usually in the month of January of each year.

In the structure of personnel expenses, the amendments are the followings:

a) *Salary-related expenses have increased with 2,672 thousand RON, from 146,876 thousand RON to 149,548 thousand RON, as follows:*

- 550 thousand RON represents the amount by which are being augmented the salary-related expenses, for ensuring the increase of the base salaries by 5% starting 01.10.2020.
- 2,441 thousand RON represents the amount by which are being augmented the expenses with employees share of profit.  
With regards this earning bonus, we hereby mention that it represents a difference payable to the employees out of the fund related to employees share of profit approved by the General Meeting of Shareholders in the meeting dated April 29, 2020. The approved amount is 6,440,879 RON, of which have been paid 4,00,000 RON, within the limit of the budgeted amount.
- 594 thousand RON represents the amount by which are being reduced the bonuses granted as per the Collective Labor Agreement, namely the expenses to the transport to and from the work place, due to the telework working regime/work from home.
- 225 thousand RON represents the amount by which the social expenses are being augmented.
- 50 thousand RON represents the amount by which are being augmented the food vouchers.

c) Other personnel expenses, representing severance payments related to personnel lay-off have decreased by the amount of 998 thousand RON, from 2,062 thousand RON to 1,064 thousand RON. The amount of 998 RON, by which is being reduced the value of the initial budget is being determined by the fact that the number of redundant employees was reduced, from 29 down to 14 persons. The difference of 15 persons to be dismissed is forecasted in the budget projection for 2021.

The reduction of the number of laid-off persons, from 29 persons to 14 persons, leads to amendments in the structure of the income and expenditure budget approved for 2020, as follows:

- *the decrease of the severance payments related to the personnel lay-offs by the amount of 998 thousand RON.*
- *the increase of the physical number at December 31, 2020 with 15 persons, from 1,570 at 1,585 persons;*
- *the increase of the average number of personnel December 31, 2020 with 15 persons, from 1,562 to 1,577 persons.*

c) *The expenses related to the mandate contract are not amended.*

d) *The expenses with contributions due by the employer* have decreased with the amount of 174 thousand RON, from 7,759 thousand RON to 7,585 thousand RON following the savings registered at this type of expense.

**D. Other operating revenues** are decreased by the amount of 3,883 thousand RON, from 92,720 thousand RON to 88,837 thousand RON, in the following structure:

*Changes occurred in substantiation data - Annex 2*

The augmentation of the expenses of salary nature determines the increase of the monthly average earnings per employee, as follows:

- The monthly average earnings/employee (RON/person) determined based on the salary related expenses is being increased with 67 RON/person (from 7,836 RON/person to 7,903 RON/person);
- The monthly average earnings/employee (RON/person) determined based on the salary related expenses, as per GO 26/2013 is reduced with 69 RON/person (from 7,308 RON/person to 7,239 RON/person);
- The average monthly earnings per employee (RON/person) based on payroll expenses, recalculated as per the annual State Budget Law is being reduced with 67 RON/person (from 7,099 RON/person to 7,032 RON/person);

The labor productivity is provided with a decrease of 3.8% (from 292 thousand RON/person to 281 thousand RON/person), following the reduction of the operating revenues by 2.7% and the increase of the average personnel number, from ,562 to 1,577 persons.

### **III. GROSS RESULT**

The amendments proposed don not affect the level of the gross result approved, of **65,255 thousand RON**.

### **CORPORATE TAX**

The expenses related to the corporate tax, in amount of 9,789 thousand RON, have been determined pursuant to the provisions of the Law no. 227/2015 regarding the Fiscal Code.

The estimation of the non-deductible tax expenses and the tax-free revenues for the calculation of the corporate tax on 2020 was based on the recorded achievements of 2019 and on the expenses included in the budget proposal for 2019.

The non-deductible tax expenses are being budgeted in amount of 17,930 thousand RON and are made up of: adjustments and provisions expenses including the provision for the employees share of profit for 2020 and other non-deductible expenses.

Also, when calculating corporate taxes for 2020 similar revenue items are included (depreciation related to revaluation of fixed assets made after January 1st, 2004).

Following the amendments in the structure of the non-taxable revenues and the non-deductible expenses, the corporate tax has decreased from 9,905 RON down to 9,789 thousand RON.

Corporate tax calculation:

<b>Crt.no.</b>	<b>Elements</b>	<b>Amount - thousand RON</b>
<b>1</b>	<b>Accounting Gross Profit</b>	<b>65,255</b>
2	Elements similar to revenues (reserves from taxable revaluation)	3,110
3	Non-taxable income	15,287
4	Non-deductible expenses, of which:	17,930
	- expenses with adjustments and provisions	16,870
	- sponsorship expenses	700
	- other non-deductible expenses	360
<b>5</b>	<b>Taxable profit (1+2-3+4)</b>	<b>71,008</b>
6	Corporate tax 16%(5x16%)	11,361
7	Tax related to the reinvested profit	194
8	Sponsorship	700
<b>9</b>	<b>Corporate tax after deducting sponsorship expenses and the tax related to the reinvested profit (6-7-8)</b>	<b>10,467</b>
10	Deferred corporate tax	2,314
11	Revenues from deferred tax	3,037
12	Specific tax	45
<b>13</b>	<b>Corporate tax (9+10-11+12)</b>	<b>9,789</b>

We hereby mention that, the company has not foreseen the establishment of legal reserves as the recorded legal reserves are within the deductibility limit prescribed by art. 22 paragraph (1) of the Fiscal Code, respectively 20% of the share capital subscribed and paid up.

## **V. THE ACCOUNTING PROFIT REMAINING AFTER THE DEDUCTION OF THE CORPORATE TAX**

The Net profit forecasted in the IEB for 2020, reunited with employee participation fund to profit, amounting to 61,645 Thousand RON is proposed for distribution in accordance with the provisions of GO no.64/2001 on the allocation of profits to national societies, national companies and commercial companies state owned or majority state, according to the dividend policy of the Board of Directors, as follows:

- a. 85% dividends due to shareholders;
- b. 10% employees share of profit;
- c. 5% own financing sources.



## FINANCIAL KEY PERFORMANCE INDICATORS

Financial key performance indicators	Target values as per the Administration Plan	BVC 2020 approved	Draft BVC 2020 rectified
<b>a) Adjusted EBITDA</b>			
Operating profit - Resumption revenue reserves from the share modernization + Expenses regarding constitution of modernization quota + Value adjustments on tangible and intangible assets, including revaluation differences);	95,987 thousand RON	112,973 thousand RON	113,704 thousand RON
<b>b). Decrease of operating expenses</b>			
(Operating expenses - Adjustments of assets and of provisions)/ Turnover;	82,00%	81,60%	81,82%
<b>c) Labor Productivity</b>			
Operating income/Average number of personnel;	as per the approved budget	292 thousand RON/pers.	281 thousand RON/pers.
<b>d) Outstanding payments</b>			
	0	0	0

The key financial performance indicators, calculated using data from the Budget rectified for 2020 provides for the targets approved for administrators by the General Meeting of Shareholders, respectively for directors with mandate contracts, approved by the Board of Administrators.

## VII-VIII. INCOME AND EXPENSES FINANCED BY EUROPEAN FUNDS

For 2020, the company has not provided operating activities financed out of European funds.

## VIII INVESTMENT FINANCING SOURCES

The investment projects forecasted for 2020 are in amount of 97,500 thousand lei, according to Annex 4 to the Income and Expenditure Budget and have as financing sources the modernization quota (76,373 thousand RON), own sources (21,127 thousand RON).

The main investment objectives included in the 2020 rectified investment Program are detailed below:

Crt.no.	Name of the Objective	Program 2020		
		TOTAL out of which:	Modernization quota	Own sources
	<b>Total investments, o/w:</b>	<b>97,500</b>	<b>76,373</b>	<b>21,127</b>
<b>I</b>	<b>OPERATING DOMAIN of which:</b>	<b>76,373</b>	<b>76,373</b>	<b>0</b>
1	Pipelines rehabilitation, out of which	43,410	43,410	0
1.01	Pipelines replacement	37,489	37,489	0

1.02	Safe disposals	5,921	5,921	0
2	Replacement of the connection lines Danube crossing C1-C2 and C3-C4 Borcea arm, in total length of 24 km	707	707	0
3	Modernization and monitoring of the cathodic protection system related to SNT domestic and import - stage 2 2	500	500	0
4	Achievement of a pilot installation (system) for detection and location of product leak from the pipeline system Poiana Lacului - Siliste - Ploiesti - ATMOS, SIM, OFFLINE and ATMOS TRAINER simulation programs	244	244	0
5	Technical support and consultancy	25	25	0
6	Tanks	9,755	9,755	0
7	Energy works	2,976	2,976	0
8	Telecommunication works	2,270	2,270	0
9	Pumping systems upgrade	825	825	0
10	Stations/ramp modernization	6,876	6,876	0
11	Buildings, stations fencing	888	888	0
12	Automation and SCADA works	6,649	6,649	0
13	Other works	913	913	0
14	Projects, Studies, Technical Appraisals	215	215	0
15	Independent facilities and equipment	120	120	0
<b>II</b>	<b>OPERATING DOMAIN of which:</b>	<b>21,127</b>	<b>0</b>	<b>21,127</b>
1	Pipelines rehabilitation	2,857	0	2,857
2	Buildings, station fencing	5,773	0	5,773
3	LDH and tank cars	6,580	0	6,580
4	Other works	1,511	0	1,511
5	Intangible investments	772	0	772
6	Independent facilities and equipment	3,634	0	3,634

## IX EXPENSES FOR INVESTMENTS

CONPET SA investment program for 2020 was substantiated in consideration of the priorities established by the minimal investment Program, annex to the concession contract.

### SUBSTANTIATION DATA

#### Outstanding Payments and Liabilities

In 2020 there are no outstanding payments estimated in the rectified draft budget.

The level of outstanding receivables estimated in the draft Budget rectified for the year 2020 is of 285 thousand RON.

### BUDGETARY ESTIMATES FOR THE PERIOD 2021 - 2021

At the sizing of the budgetary estimates provided in the model Annex no.1 of 2021-2022 Income and Expenditure Budget, the following aspects were considered:

- The substantiation of the Income and Expenditure Budget draft for 2020;
- The provisions of the Collective Labor Agreement of CONPET SA in force;

- The legislation and the applicable regulations in force;
- The quantities of crude oil, rich and condensate gas communicated for transport by the main clients holding 99% of the turnover.

CLIENT	M.U.	YEAR 2021	YEAR 2022
<b>OMV PETROM, of which:</b>	<b>thousand tons</b>	<b>4,224</b>	<b>4,414</b>
Domestic Subsystem	thousand tons	3,624	3,754
Import Subsystem	thousand tons	600	480
Spillage	thousand tons	-	180
<b>PETROTEL LUKOIL</b>	<b>thousand tons</b>	<b>2,400</b>	<b>2,825</b>
<b>ROMPETROL-PETROMIDIA</b>	<b>thousand tons</b>	<b>120</b>	<b>120</b>
<b>NIS PETROL</b>	<b>thousand tons</b>	<b>12</b>	<b>66</b>
<b>Total</b>	<b>thousand tons</b>	<b>6,756</b>	<b>7,425</b>

The gross profit estimated for the year 2021 reaches 58,990 thousand RON, respectively 62,519 thousand RON for the year 2022.

The gross profit estimated for the year 2021 reaches 49,956 thousand RON, respectively 52,761 thousand RON for the year 2022.

The net profit forecasted in the Income and Expenditure Budget related to 2021-2022, reunited with the share of profit fund (2021: 55,520 thousand RON, 2022.: 58,637 thousand RON) is proposed for distribution in accordance with the provisions of GO no. 64/2001 regarding profit distribution to national societies, national companies and companies owned or majority state, according to the dividend policy of the Board of Administration, as follows:

- 85% dividends due to shareholders;
- 10% employees share of profit;
- 5% own financing sources.

In accordance with Order no. 3818/ 2019 approving the format and structure of the Income and Expenditure Budget, as well as its substantiation Annexes, the level of financial indicators provided in the Annexes 1-5 can be changed, by the approval of the Board of Administration, except for indicators rectified by the provisions of Art. 10 para. (2) of Government Ordinance no. 26/2013.

Considering the above, we hereby submit for analysis and endorsement, to the Board of Administration, the Income and Expenditure Budget rectified for the year 2020 and estimates for the period 2021-2022 (Annex no. 1), accompanied by the substantiation Annexes No. 2, 3,4 and 5 and

For the purposes of Art.15 Para (3) Letter (g) of the Articles of Incorporation of CONPET S.A.

we hereby submit for approval, of the Ordinary General Meeting of Shareholders, the Income and Expenditure Budget rectified for the year 2020 and estimates for the period 2021-2022.

We hereby attach to this note the followings:

- The Income and Expenditure Budget of CONPET S.A. for the year 2020 and estimates for 2021 -2022: Annex no. 1
- Detail of the economic– financial indicators set out in the revenues and expenditures budget for the year 2020 and their quarterly distribution: annex no. 2
- Total Revenues Achievement Performance: Annex no. 3
- The Investment Program, Endowments and Financing Sources rectified for the year 2020: Annex no. 4
- Measures to improve the gross result and reduce outstanding payments: Annex no.5

**Director General**

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**Deputy Director General**

DUMITRACHE Mihaela - Anamaria

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Econ. TOADER Sanda

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**Head of Legal Service**  
Legal Adviser BĂNICĂ Cornel

**RECTIFIED REVENUES AND EXPENDITURE BUDGET FOR THE YEAR 2020**

Thousand RON

		INDICATORS	No. row	Approved year 2020	Proposals to rectify current year 2020	%	Estimates year 2021	Estimates year 2022	%	
0	1	2	3	4	5	6= 5/4	7	8	9= 7/5	10= 8/7
I.		<b>TOTAL REVENUES (Row1=Row2+Row5)</b>	1	460,093	448,699	97.5%	458,592	479,923	102.2%	104.7%
	1	Total operating revenues, of which:	2	456,064	443,854	97.3%	454,583	475,894	102.4%	104.7%
		a). subsidies, as per the legal provisions in force	3							
		b). transfers, as per the legal provisions in force	4							
	2	Financial Revenues	5	4,029	4,845	120.3%	4,009	4,029	82.7%	100.5%
II		<b>TOTAL EXPENSES (row 6+row 7+row 19)</b>	6	394,838	383,444	97.1%	399,602	417,404	104.2%	104.5%
	1	Operating Expenses, (Row 7=Row 8+Row9+Row10+Row18), o/w:	7	394,628	382,858	97.0%	399,007	416,809	104.2%	104.5%
		A. goods and services expenses	8	106,159	97,725	92.1%	100,457	110,249	102.8%	109.7%
		B. taxes, fees and similar levies related expenses	9	34,292	33,339	97.2%	35,001	37,184	105.0%	106.2%
		C. Personnel expenses (Rows 10=Row11+Row14+Row16+Row17), out of which:	10	161,457	162,957	100.9%	169,380	171,620	103.9%	101.3%
		C0 Salaries expenses (Rows 11=Row12+Row13)	11	146,876	149,548	101.8%	155,651	158,883	104.1%	102.1%
		C1 Salaries expenses	12	129,442	129,992	100.4%	134,245	137,866	103.3%	102.7%
		C2 Bonuses	13	17,434	19,556	112.2%	21,406	21,017	109.5%	98.2%
		C3 Other personnel expenses, out of which:	14	2,062	1,064	51.6%	1,016	0	95.5%	
		Severance payment expenses related to personnel layoffs	15	2,062	1,062	51.5%	1,016	0	95.7%	
		C4 Expenses related to the Contract of Mandate and other management and control bodies, committees and commissions	16	4,760	4,760	100.0%	4,814	4,814	101.1%	100.0%
		C5 Expenses with contributions due by the Employer	17	7,759	7,585	97.8%	7,899	7,923	104.1%	100.3%
		D. Other operating expenses	18	92,720	88,837	95.8%	94,169	97,756	106.0%	103.8%
	2	Financial Expenses	19	210	586	279.0%	595	595	101.6%	100.0%
III		<b>GROSS RESULT (profit/loss)(Rd.20= Rd.1- Rd.6)</b>	20	65,255	65,255	100.0%	58,990	62,519	90.4%	106.0%
IV	1	<b>CURRENT CORPORATE TAX</b>	21	11,185	10,467	93.6%	10,108	10,877	96.6%	107.6%
	2	<b>DEFERRED CORPORATE TAX</b>	22	1,915	2,314	120.8%	2,106	2,033	91.0%	96.5%
	3	<b>DEFERRED TAX REVENUES</b>	23	3,240	3,037	93.7%	3,225	3,197	106.2%	99.1%
	4	<b>TAX SPECIFIC TO SOME ACTIVITIES</b>	24	45	45	100.0%	45	45	100.0%	100.0%
	5	<b>OTHER TAXES MISSING FROM THE ABOVE ITEMS</b>	25	0	0		0			
V		<b>PROFIT/NET LOSS OF THE REPORTING PERIOD (Row 26=Row20-Row21-Row22+Row23-Row24-Row25), o/w:</b>	26	55,350	55,466	100.2%	49,956	52,761	90.1%	105.6%
	1	Legal reserves	27							
	2	Other reserves - fiscal incentives provided by Law	28	1,050	1,212	115.4%	500	500	41.3%	100.0%
	3	Accounting loses from previous years	29							

		INDICATORS	No. row	Approved year 2020	Proposals to recify current year 2020	%	Estimates year 2021	Estimates year 2022	%	
4		Establishment of own financing sources for the projects partly financed through foreign loans, as well as for the establishment of the necessary sources to reimburse capital ratio, interests, commissions and other costs related to these loans	30							
5		Other allocations stipulated by law	31							
6		Accounting profit remaining after deducting the amounts from Rows 27, 28, 30, 31 (Row 32=Row26-(Row27 to Row 31)>= 0)	32	54,300	54,254	99.9%	49,456	52,261	91.2%	105.7%
7		Employees profit sharing schemes within the limit of 10% of the net profit but no more than the monthly average base salary achieved at the level of the economic operator reported in the corresponding year	33	6,165	6,179	100.2%	5,564	5,876	90.0%	105.6%
8		Minimum 50% transfers to the state or local budget in case of regies autonomes or dividends due to shareholders in case of the societies/national companies or state-owned or majority companies, out of which:	34	52,288	52,398	100.2%	47,192	49,841	90.1%	105.6%
	a).	- dividends payable to the state budget	35	30,701	30,766	100.2%	27,709	29,265	90.1%	105.6%
	b).	- dividends payable to the local budget	36	0	0		0	0		
	c).	- dividends payable to other shareholders	37	21,586	21,632	100.2%	19,483	20,576	90.1%	105.6%
9		Retained earnings on destinations under Rows 33 - 34 is distributed to other reserves and is its own source of funding	38	2,013	1,856	92.2%	2,264	2,420	122.0%	106.9%
VI		REVENUES FROM EUROPEAN FUNDS	39							
VII		ELIGIBLE EXPENSES FROM EUROPEAN FUNDS, out of which:	40							
	a).	material expenses:	41							
	b).	salaries expenses	42							
	c).	expenses on provision of services	43							
	d).	advertising and publicity expenses	44							
	e).	Other expenses	45							
VIII		INVESTMENT FINANCING SOURCES, out of which:	46	97,500	97,500	100.0%	142,000	80,000	145.6%	56.3%
1		Government grants	47							
		budget allocations related to payments of the commitments from previous years	48							
IX		INVESTMENT RELATED EXPENSES	49	97,500	97,500	100.0%	142,000	80,000	145.6%	56.3%
X		SUBSTANTIATION DATA								
1		Number of employees estimated at the end of the year	50	1,570	1,585	101.0%	1,570	1,570	99.1%	100.0%
2		Total average number of employees	51	1,562	1,577	101.0%	1,553	1,550	98.5%	99.8%
3		Average monthly earnings per employee (RON/employee) based on payroll expenses *	52	7,308	7,239	99.1%	7,702	7,915	106.4%	102.8%
4		Average monthly earnings per employee (RON/person) based on payroll expenses, recalculated as per the annual State Budget Law**	53	7,099	7,032	99.1%	7,702	7,915	109.5%	102.8%
5		Labor productivity in value units per total average number of employees (kRON/employee) (Row 2/Row 51)	54	292	281	96.4%	293	307	104.0%	104.9%
6		Labor productivity in value units per total average number of personnel, recalculated as per the annual State Budget Law	55	292	281	96.2%	293	307	104.0%	104.9%
7		Labor productivity in physical units per total average number of personnel, (finished goods quantity/person)	56							

		INDICATORS	No. row	Approved year 2020	Proposals to recify current year 2020	%	Estimates year 2021	Estimates year 2022	%	
8		Total expenses per each 1000 RON of total revenues (Row 57=(row6/Row1)x1000)	57	858	855	99.6%	871	870	102.0%	99.8%
9		Overdue payables	58	0	0		0	0		
10		Overdue receivables	59	285	285	100.0%	285	280	100.0%	98.2%

\*) Row 52 = Row 151 from Substantiation Annex no.2

\*\*) Row 53 = Row 152 from Substantiation Annex no.2

**Director General**

**PhD Eng. CHIȘ Timur Vasile**

**Economic Director,**

**Econ. Toader Sanda**

**Head of Controlling and Budgeting Department  
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# CONPET

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 Subscribed and paid-up share capital 28 569 842.40 RON

## DETAIL OF THE ECONOMIC - FINANCIAL INDICATORS SET OUT IN THE REVENUES AND EXPENDITURES BUDGET AMENDED FOR THE YEAR 2020 AND THEIR QUARTERLY DISTRIBUTION

Annex no. 2  
 Thousand RON

	No. row	INDICATORS	YEAR 2019				Current year 2020				Proposals to rectify current year 2020	%	%	out of which:			
			APPROVED		Achieved year 2019	Approved according to OGMS Resolution no.1 /05.03.2020	Approved according to BoA Decision no.7 /01.04.2020	Achieved at June 30, 2020	Q I	Q II				Q III	Q IV		
			As per OGMS Resolution no.5/30.09.2019	As per BoA Decision no.28/23.12.2019												4a	5
0	1	2	4	4a	5	6	6a	7	8	9	10	11	12	13	14		
I.	1	<b>TOTAL REVENUES (Row1=Row2+Row22)</b>	424,424	424,424	450,877	460,093	460,093	224,197	448,699	99.5%	97.5%	113,280	221,794	337,311	448,699		
1	2	Total operating revenues (Row2=Row3+8+9+12+13+14), out of which:	419,074	419,074	443,003	456,064	456,064	220,479	443,854	100.2%	97.3%	111,834	218,902	333,028	443,854		
a).	3	from sold production (Row3=Rows 4+5+6+7), out of which:	385,087	385,087	407,556	417,575	417,575	204,000	404,977	99.4%	97.0%	103,315	202,068	302,594	404,977		
	4	a1) from the sale of products	0	0	0	0	0	0	0			0	0	0	0		
	5	a2) from supplied services	381,641	381,641	402,017	412,823	412,823	202,783	401,668	99.9%	97.3%	102,571	200,226	300,335	401,668		
	6	a3) from royalties and rentals	1,434	1,434	1,593	1,601	1,601	792	1,601	100.5%	100.0%	400	801	1,195	1,601		
	7	a4) other revenues	2,012	2,012	3,946	3,151	3,151	425	1,708	43.3%	54.2%	344	1,041	1,064	1,708		
b).	8	from sale of goods	170	170	266	185	185	36	36	13.6%	19.5%	46	92	36	36		
c)	9	from operating subsidies and transfers related to the net turnover (Row9=Rows 10+11), out of which:	0	0	0	0	0	0	0			0	0	0	0		
	10	c1) subsidies, as per the legal provisions in force	0	0	0							0	0				
	11	c2) transfers, as per the legal provisions in force	0	0	0							0	0				
d)	12	from the production of fixed assets	0	0	589	0	0	81	81	13.7%		0	0	81	81		
e)	13	revenues associated to production cost in progress	-848	-848	-1,029	-645	-645	-232	-307	29.9%	47.6%	35	-87	43	-307		
f)	14	other operating revenues (Rows 15+16+19+20+21), out of which:	34,664	34,665	35,621	38,949	38,949	16,594	39,067	109.7%	100.3%	8,438	16,829	30,275	39,067		
	15	f1) from fines and penalties	0	0	24	0	0	1	1	4.8%		0	0	1	1		
	16	f2) proceeds from asset disposals and other capital transactions (Row16=Rows 17+18), out of which:	1,187	1,187	0	0	0	0	0			0	0	75	0		
	17	- tangible assets	1,187	1,187	0			0						75			
	18	- intangible assets															
f3)	19	investment subsidies															
f4)	20	exploitation of CO2 certificates															
f5)	21	other revenues	33,478	33,478	35,596	38,949	38,949	16,593	39,066	109.7%	100.3%	8,438	16,829	30,199	39,066		









0	1	INDICATORS	No. row	YEAR 2019			Current year 2020				Proposals to rectify current year 2020	%	%	out of which:				
				APPROVED			Achieved year 2019	Approved according to OGMS Resolution no.1 /05.03.2020	Approved according to BoA Decision no.7 /01.04.2020	Achieved at June 30, 2020				Q I	Q II	Q III	Q IV	
				As per OGMS Resolution no.5/30.09.2019	As per BoA Decision no.28/23.12.2019	4a												5
			3			4	4a	5	6	6a	7	8	9	10	11	12	13	14
		a) social compensation stipulated at art. 25 of Law no. 227/2015 related to the Tax Code (" further amendments and completions, out of which: - nursing vouchers, as per Law no. 193/2006 further amendments; - gift vouchers related to social compensations (Law no. 193/2006 updated);	92	5,754	5,754	5,754	5,668	5,668	5,892	5,892	1,657	6,117	107.9%	103.8%	934	2,146	5,164	6,117
		b) meal vouchers;	95	5,310	5,310	5,310	5,117	5,117	5,120	5,120	2,554	5,170	101.0%	101.0%	1,271	2,486	3,875	5,170
		c) holiday vouchers;	96	0	0	0	0	0	0	0	0	0			0	0	0	0
		d) expenses concerning employee participation in the profits earned in the previous year	97	5,090	5,090	5,090	5,084	5,084	4,000	4,000	4,001	6,441	126.7%	161.0%	0	4,000	6,441	6,441
		e) other expenses as per Collective Labor Agreement.	98	2,385	2,385	2,385	2,251	2,251	2,422	2,422	714	1,828	81.2%	75.5%	478	1,097	1,465	1,828
C3		Other personnel expenses (Row99=Rows 100+101+102), out of which:	99	3,582	3,582	3,582	3,155	3,155	2,062	2,062	64	1,064	33.7%	51.6%	0	2,062	64	1,064
		a) severance payment expenses related to personnel layoffs	100	3,582	3,582	3,582	3,155	3,155	2,062	2,062	62	1,062	33.7%	51.5%	0	2,062	62	1,062
		b) expenses with the remuneration due under court order	101	0	0	0	0	0	0	0	2	2			0	0	2	2
		c) employment costs related to restructuring, privatization, special administrator, other commissions and committees	102	0	0	0	0	0	0	0	0	0			0	0	0	0
C4		Expenses related to the Contract of Mandate and other management and control bodies, committees and commissions (Row103=Rows104+107+110+111), out of	103	3,192	3,192	3,192	2,860	2,860	4,760	4,760	3,556	4,760	166.4%	100.0%	602	3,557	4,157	4,760
		a) related to directors/directorship	104	1,544	1,544	1,544	1,373	1,373	2,572	2,572	1,915	2,572	187.3%	100.0%	328	1,916	2,243	2,572
		-fixed component	105	1,258	1,258	1,258	1,258	1,258	1,313	1,313	656	1,313	104.4%	100.0%	328	657	984	1,313
		-variable component	106	286	286	286	115	115	1,259	1,259	1,259	1,259	1092.3%	100.0%	0	1,259	1,259	1,259
		b) related to the Board of Administration/Supervisory Board, out of which:	107	1,648	1,648	1,648	1,487	1,487	2,188	2,188	1,641	2,188	147.2%	100.0%	274	1,641	1,914	2,188
		-fixed component	108	1,094	1,094	1,094	1,094	1,094	1,094	1,094	547	1,094	100.0%	100.0%	274	547	820	1,094
		-variable component	109	554	554	554	393	393	1,094	1,094	1,094	1,094	278.6%	100.0%	0	1,094	1,094	1,094
		c) for censors	110															
		d) for other committees and commissions established under the Law	111															
C5		Expenses with contributions due by the Employer	112	7,800	7,800	7,800	7,696	7,696	7,759	7,759	3,719	7,585	98.6%	97.8%	1,895	3,987	5,869	7,585



	INDICATORS	No. row	YEAR 2019				Current year 2020				Proposals to rectify current year 2020	%	%	out of which:			
			APPROVED		Achieved year 2019	Approved according to OGMS Resolution no.1 /05.03.2020	Approved according to BoA Decision no.7 /01.04.2020	Achieved at June 30, 2020	Q I	Q II				Q III	Q IV		
			As per OGMS Resolution no.5/30.09.2019	As per BoA Decision no.28/23.12.2019												4a	5
0	1	2	4	4a	5	6	6a	7	8	9	10	11	12	13	14		
	b1)	related to investment loans															
	b2)	related to loans for current activity															
	c)	other financial revenues	31	31	57	90	90	40	85	150.3%	94.6%	23	45	63	85		
III		GROSS RESULT (profit/loss) (row138=Row.1-Row28)	52,824	52,824	69,704	65,255	65,255	36,840	65,255	93.6%	100.0%	14,555	23,199	50,393	65,255		
		non-taxable income	9,258	9,258	14,381	12,156	12,156	8,973	15,287	106.3%	125.8%	832	7,939	13,601	15,287		
		fiscal non-deductible expenses	13,062	13,062	25,594	19,113	19,113	9,833	17,930	70.1%	93.8%	5,659	10,746	13,846	17,930		
IV		Current Corporate Tax	9,021	9,021	12,959	11,185	11,185	5,406	10,467	80.8%	93.6%	3,074	3,937	7,905	10,467		
V		SUBSTANTIATION DATA															
1		Total operating revenues, of which: (Row2)	419,074	419,074	443,003	456,064	456,064	220,479	443,854	100.2%	97.3%	111,834	218,902	333,028	443,854		
	a).	- revenues from subsidies and transfers	0	0	0	0	0					0	0				
	b).	- other revenues not considered in the determination of the labor productivity and the gross result, as per the annual State Budget Law	0	0	0	0	0					0	0				
		Total operating revenues, of which: (Row29)	371,510	371,510	380,955	394,628	394,628	187,094	382,858	100.5%	97.0%	98,671	198,490	286,492	382,858		
		-other operating expenses not considered in the determination of the the gross result achieved in the previous year, as per the annual State Budget Law															
2		Payroll expenses (Row86), out of which: **)	146,876	146,876	146,190	146,876	146,876	72,366	149,548	102.3%	101.8%	35,152	74,979	114,133	149,548		
	a).	amounts representing increases of the gross average earnings/employee due to the augmentation of the gross minimum basic pay guaranteed for payment															
	b).	amounts representing increases of salary related costs for their reunification for the whole year 2020 determined following the granting of salary increases and/or increasing the number of staff in 2019	1,879	1,879	1,879	3,925	3,925	2,631	3,925	208.9%	100.0%	1,320	2,631	3,925	3,925		



	INDICATORS	No. row	YEAR 2019			Current year 2020			out of which:						
			APPROVED			Approved according to OGMS Resolution no.1 /05.03.2020	Approved according to BoA Decision no.7 /01.04.2020	Achieved at June 30, 2020	Proposals to rectify current year 2020	%	%	Q I	Q II Cumulated	Q III Cumulated	Q IV Cumulated
			As per OGMS Resolution no.5/30.09.2019	As per BoA Decision no.28/23.12.2019	Achieved year 2019										
0	2	3	4	4a	5	6	6a	7	8	9	10	11	12	13	14
10	Loans for financing current activity (the remaining balance to be repaid)	168	0	0	0	0	0	0	0			0	0	0	0
11	Total redistributions/distributions as per EGO no.29/2017, o/w:	169	0	0	5,411	2,500	2,500		3,298	61.0%	131.9%				3,298
	- other reserves	170			1,106	0	0		0	0.0%					0
	- retained earnings	171			4,305	2,500	2,500		3,298	76.6%	131.9%				3,298

\*) within the limit provided by in the Art. 25, para. 3, letter b of Law no. 227/2015 regarding the Fiscal Code, further amendments and completions  
 \*\*) shall be distinctly underlined the amounts not considered to the determination of the monthly gross average earnings, stipulated in the annual State Budget Law

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 Subscribed and paid-up share capital 28 569 842.40 RON

### Total Revenues Achievement Performance

Annex no. 3  
 Thousand RON

Current n	INDICATORS	Provisions year 2018		%4=3/2	Provisions preceding year 2019		%7=6/5
		Approved	Achieved		Approved	Achieved	
0	1	2	3	4	5	6	7
1.	Total revenues (rows1+2)*), out of which:	414,321	424,173	102.4%	424,424	450,877	106.2%
1	Operating revenues*)	412,763	418,711	101.4%	419,074	443,003	105.7%
2.	Financial revenues	1,558	5,462	350.7%	5,350	7,874	147.2%

\*) The total and operating revenues shall be decreased by the amounts received from the State budget

Director General

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## Investments Program, Endowments and Financing Sources- 2020 amended July

Thousand RON

0	1	INDICATORS	Investment end date	2019		Program amended in April		
				Approved	Achieved	2020	2021	2022
0	1	2	3	4	5	6	7	8
I		<b>INVESTMENT FINANCING SOURCES, out of which:</b>		<b>86,000</b>	<b>80,143</b>	<b>97,500</b>	<b>142,000</b>	<b>80,000</b>
	1	<b>Own sources, out of which:</b>		<b>12,583</b>	<b>13,469</b>	<b>21,127</b>	<b>17,000</b>	<b>15,000</b>
		a) - depreciation		12,583	13,469	21,127	17,000	15,000
		b) - profit						
	2	Government grants						
	3	<b>Bank credits, out of which:</b>		<b>2,177</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
		a) - domestic		2,177	0	0	0	0
		b) - external						
	4	<b>Other sources, out of which:</b>		<b>71,240</b>	<b>66,674</b>	<b>76,373</b>	<b>125,000</b>	<b>65,000</b>
		- modernization quota		71,240	66,674	76,373	125,000	65,000
II		<b>INVESTMENT EXPENSES, out of which:</b>		<b>86,000</b>	<b>80,143</b>	<b>97,500</b>	<b>142,000</b>	<b>80,000</b>
	1	<b>Investments in progress, out of which:</b>		<b>11,248</b>	<b>11,001</b>	<b>10,026</b>	<b>9,727</b>	<b>1,190</b>
		a) for the assets in the private property of the economic operator		<b>3,825</b>	<b>3,813</b>	<b>2,900</b>	<b>55</b>	<b>0</b>
	1	LDH 1250 HP transformation	2020	2,700	2,692	282	0	0
	2	LDH 700 HP transformation	2020	1,125	1,121	2,618	0	0
	3	LOCOMOTIVE SHEDS		0	0	0	55	0
		b) for the assets in the public domain of the state or of the territorial administrative unit, o/w:		<b>7,423</b>	<b>7,188</b>	<b>7,126</b>	<b>9,672</b>	<b>1,190</b>
	1	Achievement of a pilot installation (system) for detection and location of product leak from the pipeline system Poiana Lacului - Siliste - Ploiesti - ATMOS, SIM, OFFLINE and ATMOS TRAINER simulation programs	2020	995	976	244	0	0
	2	Tanks	2023	6,423	6,213	6,877	9,657	1,100
	3	Other works		0	0	0	0	0
	4	Projects, Studies, Technical Appraisals		5	0	5	15	90
	2	<b>New investments, out of which:</b>		<b>2,107</b>	<b>1,467</b>	<b>3,597</b>	<b>6,240</b>	<b>3,277</b>
		a) for the assets in the private property of the economic operator:		<b>650</b>	<b>520</b>	<b>1,630</b>	<b>3,932</b>	<b>2,634</b>
	1	Intangible investments		150	150	772	2,475	400
	2	Integrated information system modernization		325	325	0	687	2,234
	3	Headquarter 2 of CONPET, new buildings- Archive, Data Center Building and Metrology (C18), demolition C14		0	0	0	150	0
	4	Other works		175	45	858	620	0
		b) for the assets in the public domain of the state or of the territorial administrative unit:		<b>1,457</b>	<b>947</b>	<b>1,967</b>	<b>2,308</b>	<b>643</b>
	1	Technical support and consultancy		0	0	25	25	25
	2	Tanks		0	0	100	690	100
	3	Other works		1,457	947	1,842	1,593	518
	3	<b>Investments in the existing tangible assets (upgrades), out of which:</b>		<b>67,953</b>	<b>63,607</b>	<b>80,123</b>	<b>117,986</b>	<b>67,592</b>
		a) for the assets in the private property of the economic operator:		<b>5,660</b>	<b>5,269</b>	<b>12,963</b>	<b>4,866</b>	<b>4,325</b>
	1	Pipelines rehabilitation		438	222	2,857	180	1,325
	2	Building rehabilitations		1,611	1,509	5,773	1,631	0
	3	Other works		3,611	3,538	4,333	3,055	3,000
		b) for the assets in the public domain of the state or of the territorial administrative unit:		<b>62,293</b>	<b>58,337</b>	<b>67,160</b>	<b>113,120</b>	<b>63,267</b>
	1	Pipeline replacement		22,937	20,227	37,489	21,559	8,729
	2	Safe disposals		6,761	6,520	5,921	1,994	550
	3	Replacement of the connection lines Danube crossing C1-C2 and C3-C4 Borcea arm, l=24km		207	4	707	67,000	50,000

	INDICATORS	Investment end date	2019		Program amended in April		
			Approved	Achieved	2020	2021	2022
4	Modernization and monitoring of the cathodic protection system related to the National Transport System (Ro. SNT) domestic and import	2019	3,210	3,193	0	0	0
5	Modernization and monitoring of the cathodic protection system related to SNT domestic and import - stage 2		0	0	500	3,500	500
6	Tanks		5,040	4,823	2,778	1,050	50
7	Energy works		4,966	4,947	2,976	3,350	0
8	Telecommunication works		8,073	8,051	2,270	100	150
9	Pumping systems upgrade		404	394	825	4,325	2,643
10	Stations/ ramp modernization		3,839	3,666	6,716	5,728	310
11	Buildings, station fencing		879	736	888	690	135
12	Automation and SCADA works		5,724	5,703	4,967	2,484	0
13	Other works		65	29	913	1,140	0
14	Projects, Studies, Technical Appraisals		188	45	210	200	200
4	<b>Independent Facilities and Equipment, out of which:</b>		<b>4,692</b>	<b>4,068</b>	<b>3,754</b>	<b>8,047</b>	<b>7,941</b>
	a) the private property of the economic operator		4,490	3,868	3,634	8,047	7,941
	b) the public domain of the state or of the territorial administrative unit:		202	200	120	0	0
5	<b>Reimbursement of installments related to investment credits, out of which:</b>						
	a) - domestic						
	b) - external						

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Annex no. 5

**Measures for improving the gross result and reducing outstanding payments**

Crt no.	Measures	Due date	preceding year (2019)		current year (2020)		year 2021		year 2022	
			Preliminary/Achieved		Impacts (+/-)		Impacts (+/-)		Impacts (+/-)	
			Gross result (+/-)	Overdue payables	Gross result (+/-)	Overdue payables	Gross result (+/-)	Overdue payables	Gross result (+/-)	Overdue payables
0	1	3	4	5	6	7	8	9	10	
Item 1	Measures for improving the gross result and reducing outstanding payments									
1	Revenue growth from transport	31.12.2021 31.12.2022	X	X		14,155		22,641		
2	Increase of other Operating Revenues	31.12.2020	X	X	851					
3	Reduction of other operating expenses	31.12.2020			7,307					
	<b>Total Item 1</b>		X	X	8,158	0	14,155	0	22,641	
Item 2	Causes of depleting the effect of the measures referred to in Item 1									
1.	Decrease of financial revenues	31.12.2020 31.12.2022	X	X	-3,029		-836			
2	Decrease of other operating revenues	31.12.2021 31.12.2022				-3,426		-1,390		
3.	Increase of expenses related to the modernization quota	31.12.2020 31.12.2021 31.12.2022			-5,368		-1,411		-1,818	
4.	Increase of personnel expenses	31.12.2020 31.12.2021 31.12.2022	X	X	-3,056		-6,423		-2,240	
5.	Increase of maintenance and repair expenses	31.12.2021	X	X		-599				
6.	Increase of energy and water costs	31.12.2021 31.12.2022				-476		-2,000		
7.	Increase of expenses with taxes and fees	31.12.2021 31.12.2022	X	X		-1,662		-2,183		
8.	Reduction of other operating expenses	31.12.2021 31.12.2022	X	X		-4,663		-7,374		
9.	Increase of rail transport expenses	31.12.2020 31.12.2021 31.12.2022	X	X	-1,154		-924		-2,167	
Item III	<b>TOTAL GENERAL Item. I + Item. II</b>		X	X	69,704	0	-20,420	0	-19,112	
						0	-6,265	0	3,529	
									0	

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